

DOWNTOWN  
REVITALIZATION &  
ECONOMIC  
ASSISTANCE FOR  
MISSOURI

Poplar Bluff, Missouri

# RESIDENTIAL DEMAND ANALYSIS

DOWNTOWN  
MARKET AREA

POPLAR BLUFF  
BUTLER COUNTY  
SEPTEMBER, 2009



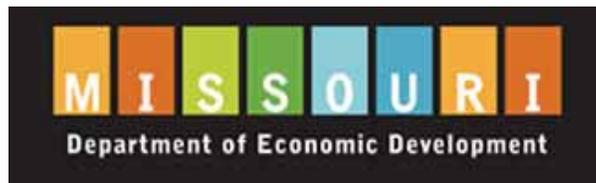
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# ACKNOWLEDGMENTS



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## TABLE OF CONTENTS

<u>Section</u>	<u>Page</u>
Report Preparation Information .....	1
I. Executive Summary.....	5
II. Market Area Description .....	7
III. Economic Profile.....	19
IV. Demographic Profile.....	23
V. Review of Previous Downtown Housing Market Studies .....	35
VI. Existing Housing .....	37
• Downtown Housing .....	37
• Single Family Housing .....	40
• Market Rate Rental Housing .....	41
• Senior Affordable Rental Housing .....	44
• Family Affordable Rental Housing .....	48
VII. Identification of Primary and Secondary Market Areas .....	51
VIII. Potential Residential Downtown Housing Demand.....	53
• Overview .....	53
• Homeownership Housing Demand Analysis.....	59
• Market Rate Rental Housing Demand Analysis .....	60
• Affordable Family Rental Housing Demand Analysis.....	60
• Affordable Senior Rental Housing Demand Analysis .....	63
IX. Downtown Residential Implementation .....	67
X. Assumptions and Limiting Conditions .....	71
XI. Appraisers Certification.....	73

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## **REPORT PREPARATION INFORMATION**

### **CONSULTING REPORT PREPARATION**

This consulting report has been prepared in conformance with the Uniform Standards of Professional Appraisal Practice (USPAP) and standards adopted by the National Council of Affordable Housing Market Analyst (NCHMA).

### **IDENTIFICATION OF THE MARKET ANALYST**

Steve Sillimon, Market Analyst, is the staff appraiser for the Missouri Housing Development Commission.

### **INTENDED USE OF REPORT**

The intent of this report is to assist Poplar Bluff in its effort to revitalize its Downtown through the DREAM Initiative by analyzing possible demand for housing that would support that effort.

### **THE IDENTITY OF THE CLIENT AND THE INTENDED USERS OF REPORT**

The client of the report is the Missouri Housing Development Commission (appraiser's employer), and the intended users are the City of Poplar Bluff, Butler County, Missouri and parties interested in development of residential housing units in Downtown Poplar Bluff, Missouri.

### **ANALYSIS, RECOMMENDATION, OR OPINION TO BE DEVELOPED**

The analysis, recommendations, or opinions will include:

- A review of previous housing market studies or consumer surveys;
- Identification of Primary and Secondary Market Areas
- Identification of existing housing inventory and competitive locations;
- Demographic profile for the area;
- Economic profile of the market;
- Opinions regarding the household demand for residential units in the Downtown Market Area of Poplar Bluff that could complement Downtown revitalization efforts.

## **IDENTIFICATION OF THE SUBJECT AREA**

The area that is the subject of this report is the Downtown Market Area of the City of Poplar Bluff, within the specific geographic boundaries as described within this report.

## **EFFECTIVE DATE OF THE REPORT**

The effective date of the report is July 8, 2009.

## **EXTRAORDINARY ASSUMPTIONS**

In preparing this report the appraiser has relied on physical, economic, and demographic data and information from various sources, including market studies submitted to MHDC from other analysts, and believes the information to be to be credible, reliable, and critical to the preparation of this report. The use of this information will affect the assignment results.

## **SCOPE OF WORK**

The scope of work necessary to prepare this report is:

- Physical survey of the area that is the subject of the report;
- Physical survey of existing housing options in the market
- Economic survey and competitive analysis of existing housing options in the market;
- Obtain and review general and historical information about the market;
- Obtain and review any housing related studies prepared for the market;
- Obtain and review any current information regarding activities in the market that could affect the marketability of housing;
- Obtain and analyze demographic information for the primary and Secondary Market Areas;
- Estimate the current and future household demand in the Primary Market Area that would be attracted to housing options in the Downtown Market Area;
- Prepare a target market analysis for affordable, market rate, and for-sale housing in the Primary Market Area for family and senior households.

**INFORMATION USED, METHODS AND TECHNIQUES EMPLOYED, AND REASONING THAT SUPPORTS THE CONCLUSIONS**

The information used in the report comes from local sources, market surveys, and public and proprietary information. The techniques employed in the report are industry standard demand analysis techniques based on estimating the number of target households that can be captured in the Downtown housing market. The reasoning that will support the conclusions is based on the benefit that additional residential housing can make to Downtown revitalization efforts.

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## SECTION I

### EXECUTIVE SUMMARY

Some of the conclusions of the report are as follows:

- The analysis included a baseline assessment of the current residential housing options in Downtown Poplar Bluff. The conclusion is that existing housing options in Downtown are limited to a few small, low quality rental units on the upper floors of some commercial buildings. There is an affordable senior housing development under construction at S. 5<sup>th</sup> and Vine Streets with units scheduled to be available in late 2009.
- Downtown Poplar Bluff has gone through a period of transition as some businesses have moved to other locations in the City. Although Downtown has gone through a downward economic transition and there is a noticeable amount of vacant commercial space, there are many businesses that still generate a fair amount of vehicular and pedestrian traffic.
- Pedestrian traffic is a key to a thriving downtown and is a direct result of attracting people to the area as users. Three typical sources of downtown users include daily workers, permanent residents, and short-term visitors. Attractions that draw people to downtowns include jobs, schools, housing, businesses, and services. This study focuses on housing as a way to increase pedestrian traffic in Downtown Poplar Bluff.
- The production of additional residential units in Downtown Poplar Bluff could help to eliminate vacant buildings. Additional developments, such as the MACO project at S. 5<sup>th</sup> and Vine Streets, will complement revitalization efforts by increasing the 24-hour people presence and the customer base for Downtown businesses. Increasing the density of people in Downtown will also change the dynamics of the area from one that exists primarily for daytime business activity to an area that has economic and social evening activity.
- Demographic data indicates that between 2009 and 2014 the number of households in Poplar Bluff is expected to increase by approximately 70 households. That estimate is based on historical birth, death and migration records, and the current state of the community. It is possible that the addition of new, good quality housing in Downtown, including unique loft-style units, could accelerate the population increase of the community by attracting new households that could be interested in a unique urban-style neighborhood.
- Downtown Poplar Bluff has a large amount of upper floor space with potential to be rehabilitated or converted into loft-style units. Some buildings may be assembled to create larger developments or individual buildings could be improved as smaller projects.
- The loft-style condominium owner-occupant market that has helped to revive downtowns in other parts of the country has not formed yet in the Poplar Bluff market and is not likely to form in the near future. This style of housing forms in a market where rehabilitation of buildings is economical enough for the resale of the property to prospective homebuyers as a unique downtown living option. Loft owners also move to a downtown to be close to opportunities for employment, entertainment, cultural programs, and shopping. These opportunities are very limited in Downtown Poplar Bluff.

- The loft-style rental market also suffers from the issues affecting the loft-style ownership market. The costs to improve upper floors in Downtown Poplar Bluff would likely yield rents that are not affordable to the majority of the rental market, Downtown destinations are lacking, and there is an adequate supply of rental units elsewhere in the City.
- Although condominium or market rate loft-style units are not feasible or marketable at the present time, it may be possible to produce loft-style affordable units using sufficient incentives. Federal, State, and local incentives could make it possible to produce high quality units such as the MACO development under construction at S. 5<sup>th</sup> and Vine Streets. Because of the high demand for affordable housing demonstrated by good occupancy and waiting lists at existing affordable housing developments, it should be possible to create affordable loft-style units Downtown that are marketable. As efforts to add the destinations that Downtown dwellers require succeed, the demand for these units should increase.
- Quantitative demand analyses were prepared for affordable family and senior housing to estimate the level of market demand that exists in Downtown Poplar Bluff. The intent of the demand analyses is to provide the City of Poplar Bluff, builders, and developers with an idea of the potential market demand for new residential units that could be produced in Downtown. The results of the analyses for various housing types are as follows:

<u>Housing Type</u>	<u>Potential Household Demand</u>
Market Rate Rental.....	0
Affordable Family Rental .....	35
Affordable Senior Rental* .....	50
<b>TOTAL Estimated Household Demand .....</b>	<b>85</b>

**\*Most of this affordable senior rental housing demand will be served by the approximate 40 units under construction at the S. 5<sup>th</sup> and Vine Street Apartments**

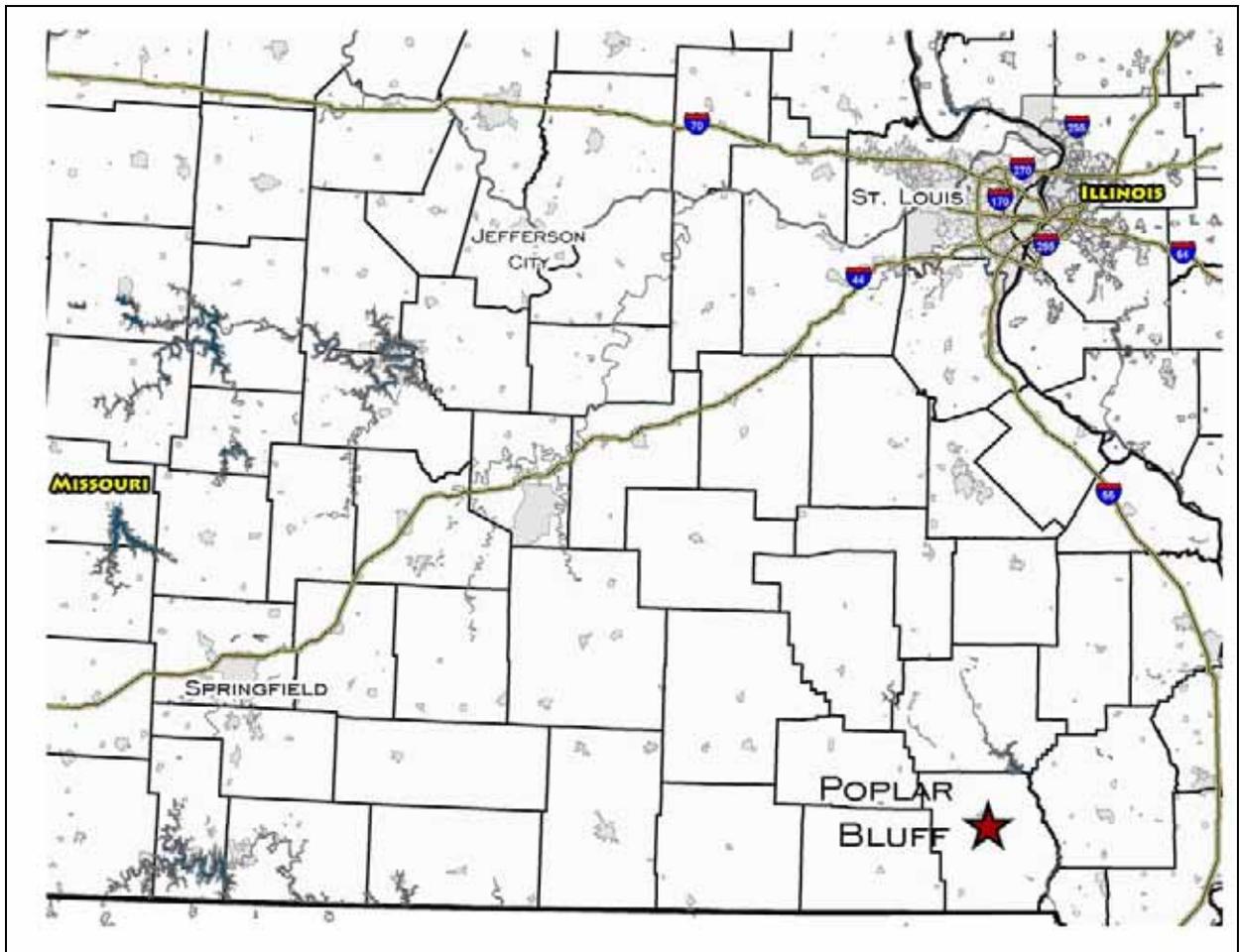
- Using incentives to create new high quality housing options and increase the number of permanent residents in Downtown Poplar Bluff could be the catalyst for future housing developments that do not require incentives. Such developments can greatly enhance the social and economic diversity of Downtown.
- The higher quality of construction possible with affordable housing subsidy programs also makes it possible to create aesthetically pleasing developments. These developments not only house people, but make a positive visual impact on Downtown.
- Because State and Federal incentive programs and the pool of developers experienced with the programs are readily available, it should be easier to produce affordable housing than to produce market rate rental housing. New residential development in Downtown could build residential market momentum and should motivate owners of existing buildings to make improvements to their properties.

## SECTION II

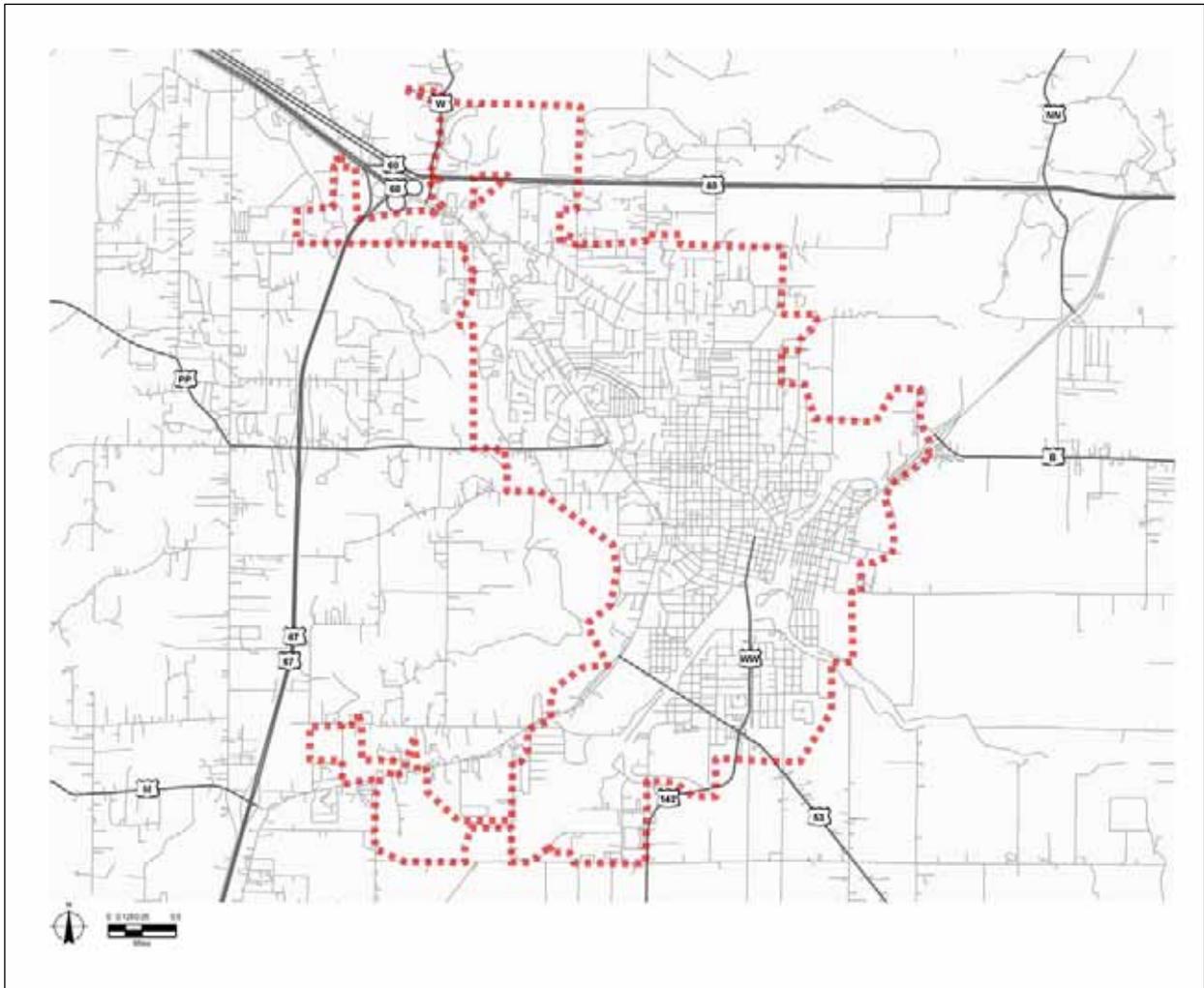
### MARKET AREA DESCRIPTION

The study area for this analysis is Downtown Poplar Bluff in Butler County, Missouri. The following maps show the location of the City within the State of Missouri (Map#1), the primary traffic arteries through the City and the general City limit (Map #2), and the DREAM study boundary that is the subject of this report (Map#3)

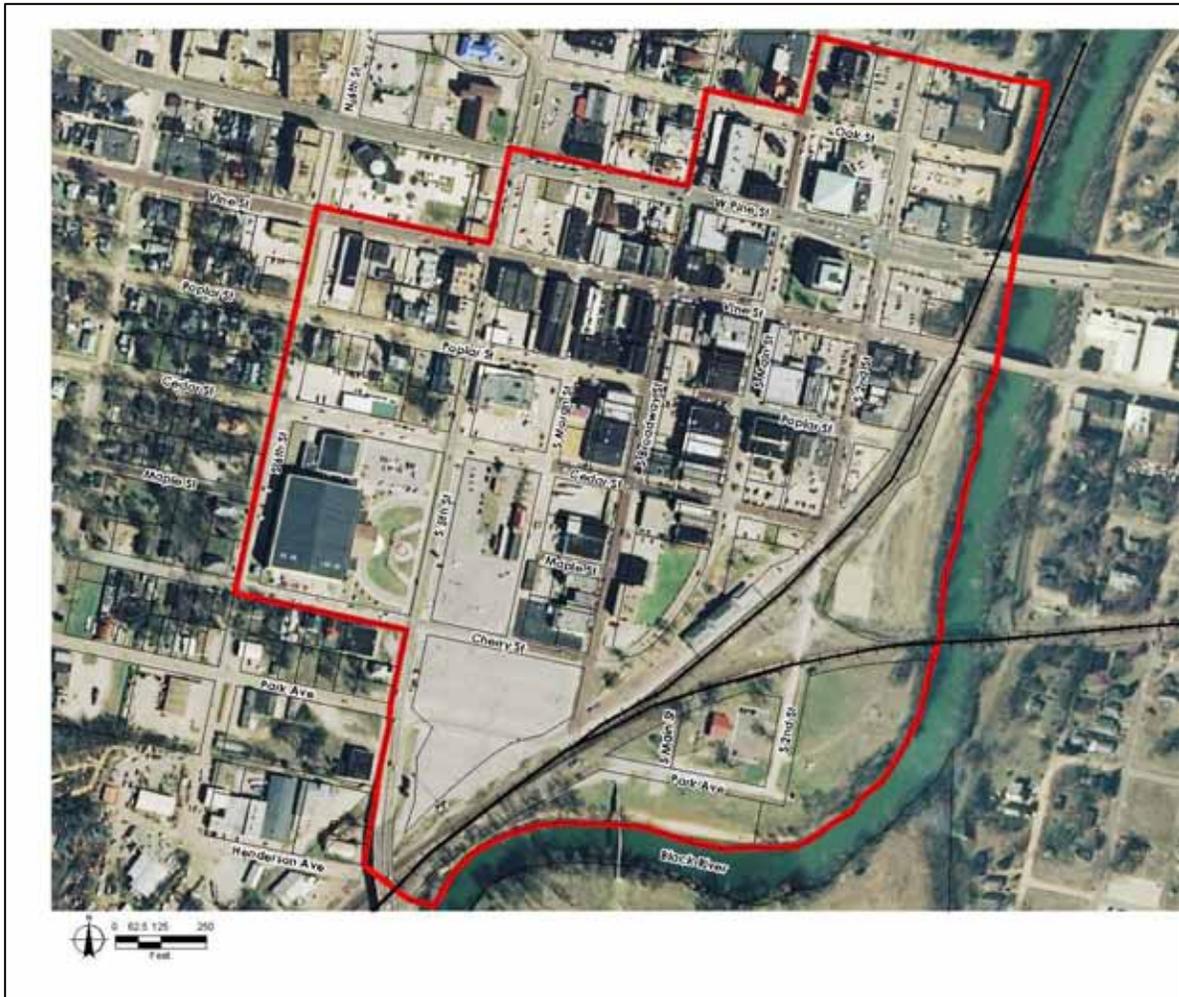
#### Map #1.



**Map #2**



**Map #3**



**OVERVIEW**

Poplar Bluff, the county seat of Butler County, is located in the southeast corner of Missouri, approximately 150 miles south of St. Louis, Missouri. Highway access is afforded by U.S. Highways 60 and 67. The City was founded in 1849 and is the primary City of the Poplar Bluff Micropolitan Statistical Area. The City is located on a bluff along the Black River, which was a source of transportation and commerce when the City was founded. Poplar Bluff was, and continues to be, a regional center that draws people from surrounding counties for retail trade, employment, and health services.

Downtown Poplar Bluff is centrally located in the community. The boundaries of the DREAM Study Area are generally Pine and 5<sup>th</sup> Streets to the north and west and the Black River to the south and east. The area also includes the blocks around City Hall to the north and the Black River Coliseum to the west. Pine Street is the primary east/west traffic artery through Downtown and 5<sup>th</sup> Street is the primary north/south route. The majority of the DREAM Study Area has been designated as a local historic district and a national district is located generally at Vine and Broadway. Additionally, several Downtown buildings are listed on the National Register of Historic Places.

**DOWNTOWN AREA PHOTOGRAPHS**



Butler County Courthouse in Downtown  
Poplar Bluff  
100 N. Main Street

Butler County Justice Center  
200 Oak Street





Poplar Bluff City Municipal Building  
101 Oak Street

Poplar Bluff Railroad Heritage Museum  
Housed in the Historic Santa Fe Train Depot  
303 S. Moran Street



Black River Coliseum  
301 S. 5<sup>th</sup> Street



Dollar General Store  
112 S. Main Street

Poplar Bluff Amtrak Station  
located off S. Main Street



Black River flowing southeast of Downtown



Historic Rodgers Theater  
204 N. Broadway Street

Looking east down Vine from S. 5<sup>th</sup> Street



Looking north down Broadway from  
Cedar Street



Looking north down 2<sup>nd</sup> from Poplar Street

Looking west down Vine from  
Broadway Street



Looking south down Main from Pine Street



Looking west down Pine from N. Main Street

Downtown Poplar Bluff serves as a center for county and municipal activity. Several local government offices are located in the study area, including the Butler County Courthouse, Butler County Justice Center, Poplar Bluff City Hall, and the City Library. The U.S. Post Office is located at S. 5<sup>th</sup> and Poplar Streets. Downtown also contains attorney’s offices, title companies, restaurants, antique shops, beauty and barber shops, clothing stores, churches, and the Black River Coliseum. Downtown is home to social clubs and drinking establishments and several social service agencies. There are some small, low quality upper floor apartments, but City zoning does not allow mixed uses.

Most buildings in Downtown are multiple story brick buildings with ground floors used for retail or office space and upper floors as storage or left vacant. Several buildings suffer from deferred maintenance and show signs of high-wind damage.

Downtown Poplar Bluff was the main shopping district until the City began to grow more businesses, including Wal-Mart, in other areas. Although most retail businesses are now located in other areas of the community, some Downtown businesses continue to operate and generate a fair amount of pedestrian and vehicular traffic. Most economic activity in Downtown occurs during the daytime. There are some evening businesses, but are generally limited to bars, restaurants, and social clubs.

Housing is limited to small apartments on the upper floors of Downtown commercial buildings that were grandfathered before the mixed-use zoning restriction took effect. Most of these units are older units that cater to lower income single people paying weekly rent.

A new 42 unit senior affordable housing development is under construction at the intersection of S. 5<sup>th</sup> and Vine. This development will add social diversity to the area by bringing older residents Downtown. The influence of this development should be positive because it is improving vacant and dilapidated buildings and introducing a new customer base. Additionally, the involvement of these residents in Downtown will provide more “eyes on the street” to deter criminal activity.

## **TRAFFIC ARTERIES**

South 5th Street is the location of a bridge that crosses the Black River and is the primary traffic artery into Downtown from the south. West Pine Street, the primary east and west traffic artery, also bridges the river and carries U.S. Highway 60.

Most Downtown Poplar Bluff streets have two-way traffic patterns, although Broadway Street is one-way northbound and South Main Street is one-way from Pine Street.

## **EXISTING LAND USES**

Existing land uses in Downtown are a mixture of government, retail, office, service, and residential. The City zoning code doesn't allow commercial and residential uses in the same building. There is also land along the Black River that is used for recreational purposes.

## **ADJACENT AREAS**

Land uses adjacent to the DREAM Study area are predominately residential to the north, east, and west, with some light industrial to the south.

## **PARKING**

Downtown has modest vehicular activity during weekdays and parking near some businesses and government offices could be limited. There are public parking lots, including a multi-level parking garage in the heart of Downtown with entrances on Broadway and S. Main Streets. The parking garage appeared to be sparsely used. The garage is somewhat poorly lit and there are local opinions that it is an unsafe place to park.

## **RETAIL SHOPPING**

Downtown has very limited retail shopping options. There is a Dollar General on S. Main Street and a few other small retail shops throughout Downtown. There is also an adult store and an apparent overabundance of social service offices. These uses do not promote shopping activity.

## **ENTERTAINMENT**

Entertainment venues in Downtown Poplar Bluff include the historic Rodgers Theatre and the Black River Coliseum. The 1,000 seat Rodgers Theatre is undergoing rehabilitation and is used for stage performances. The 115,000 s.f. Black River Coliseum is a multi-use facility that includes meeting rooms, a fitness center, and an aquatic center.

## **DINING ESTABLISHMENTS**

Downtown has several dining establishments, including The Windy City Hot Dog Company, Jim and Jerry's Restaurant and Pub, The Scott Walker Eatery, Hanuman Express, and Myrtle's Place Back Alley BBQ.

## PARKS AND RECREATION

Parks located near Downtown include Ray Clinton and Wiseman Parks to the southeast and Sportsman Park to the northeast.

## SCHOOLS

Educational facilities in Poplar Bluff include several elementary schools, a junior high, a high school, a technical school, early childhood and adult education centers, and Three Rivers Community College. None of these institutions are located in Downtown.

## PUBLIC TRANSPORTATION

Poplar Bluff is served by Southeast Missouri Transportation Service, a taxi service, and is serviced by an Amtrak route.

## DOWNTOWN AREA STRENGTHS AND WEAKNESSES

From a residential market perspective the Downtown Poplar Bluff Market Area has some positive attributes, including:

- **Government Center:** Downtown is the municipal center of government, which brings employees and people conducting business (potential consumers) to the area on a daily basis throughout the work week.
- **Natural and Historical Attractions:** The Black River runs adjacent to Downtown and is a natural attraction. Historical attractions in Downtown include the Rodgers Theater and the Historic Train Depot and Railroad Heritage Museum.
- **Black River Coliseum:** This event venue serves as a community center and also provides an aquatic center. Many large events, concerts, and trade shows bring thousands of visitors annually into Downtown.
- **Potential Development Space:** Downtown has a significant amount of vacant building space with potential for residential development as well as some large tracts of property that can accommodate new construction.
- **Location:** Downtown is centrally located in the community, which makes it easily accessible from all areas of the community.

From a residential market perspective some current weaknesses of the Downtown Poplar Bluff Market Area include:

- **Deteriorating Buildings:** Some buildings in Downtown are deteriorating and create eyesores that could adversely affect the appeal and impression of the area. Additionally many buildings have suffered from past storm damage. Repairs have either not been completed or been completed improperly and damage is still evident.

- **Limited Rent Potential:** The low market rents in Downtown make it difficult for a building owner to obtain financing necessary to facilitate the rehabilitation of upper floor space for residential uses.
- **Mixed-Use Zoning Restriction:** The current zoning code does not allow residential uses to occupy the same building as commercial uses. This situation makes ground floor space valuable and upper floors much less so and relegated to storage or vacancy.
- **Business Mix:** The combination of bars, social service facilities, the adult store, and low quality rental apartments in the Downtown area limits the marketability of the area to higher income households that have a negative perception of the area, particularly in the evening.

## SECTION III

### ECONOMIC PROFILE

#### OVERVIEW

This section includes an analysis of the economy of the market area including data on employment by industry, major employers, area employment, unemployment, and labor force trends. MHDC used economic information from the Missouri Department of Economic Development, the Bureau of Labor Statistics, the U.S. Census Bureau, and the Greater Poplar Bluff Area Chamber of Commerce.

#### Major Employers

Major Employers - Poplar Bluff, Missouri Area		
Employers	Type of Business	Employees
Poplar Bluff Regional Medical Center	Healthcare	1,200
Briggs & Stratton Corp.	Internal Combustion Engines	936
Nordyne, Inc.	Heating & Air Units	1,000
Wal-Mart Super-center	Department Store	480
Poplar Bluff R-1 Schools	School District	525
Gates Rubber Company	Radiator Hoses	400
VA Medical Center	Healthcare	360
City of Poplar Bluff	City Government	260
Three Rivers Community College	Community College	250

Source: Greater Poplar Bluff Area Chamber of Commerce

Some jobs in the Poplar Bluff market are in the manufacturing sector, which has slowed due to the economy. Poplar Bluff also has a significant number of jobs in healthcare, which generally tends to be a recession proof sector.

**Employment Categories and Wages**

Average Employment and Wages - Butler County, Missouri								
Industry	2007*		2006		2005		2004	
	Avg. Employment	Avg. Mthly. Wages						
11 - Agriculture, Etc.	129	\$1,624	104	\$1,588	125	\$1,582	120	\$1,647
21 - Mining		\$2,284		\$2,744		\$3,162		\$2,866
22 - Utilities	212	\$3,742	207	\$3,579	204	\$3,433	208	\$3,229
23 - Construction	854	\$3,120	939	\$2,948	916	\$2,894	919	\$2,830
31 - Manufacturing	3,131	\$2,603	4,147	\$2,419	4,332	\$2,433	4,140	\$2,427
42 - Wholesale trade	576	\$3,217	582	\$2,947	580	\$2,935	584	\$2,820
44 - Retail Trade	2516	\$1,916	2510	\$1,810	2496	\$1,782	2423	\$1,758
48 - Transportation and warehousing	337	\$2,542	379	\$2,524	387	\$2,600	349	\$2,371
51 - Information	235	\$1,770	267	\$1,824	287	\$1,785	325	\$1,657
52 - Finance & Ins.	463	\$2,948	500	\$2,927	491	\$2,828	478	\$2,686
53 - Real estate	229	\$3,099	263	\$2,944	260	\$2,968	249	\$2,722
54 - Professional and technical services	453	\$2,843	455	\$2,703	454	\$2,578	471	\$2,622
55 - Mgmt. (companies)	22	\$3,169	20	\$3,024	18	\$2,920	19	\$2,930
56 - Administrative, etc.	679	\$1,397	654	\$1,303	715	\$1,211	751	\$1,310
61 - Educational	1343	\$2,136	1297	\$2,064	1249	\$2,009	1239	\$1,932
62 - Health care, social	3723	\$2,400	4003	\$2,605	3991	\$2,626	3823	\$2,604
71 - Arts, etc.	158	\$1,587	135	\$1,722	139	\$1,708	150	\$1,577
72 - Accom. & food srvc	1511	\$1,054	1,516	\$1,025	1,625	\$974	1,438	\$951
81 - Other services	594	\$1,344	545	\$1,385	550	\$1,502	509	\$1,402
Public Administration	784	\$2,568	762	\$2,449	727	\$2,358	723	\$2,283

\*Information available to date  
Source:U.S. Census Bureau

The largest employment trades in Butler County are healthcare, manufacturing, and retail. Average monthly wages in Butler County in 2007 for those trades was \$2,400 for healthcare, \$2,603 for manufacturing, and \$1,916 for retail.

In 2007 the number of people employed in the manufacturing sector in Butler County was only about 75% of the number from previous years. The number of employees in healthcare and retail trade has been stable.

### Labor Force and Unemployment

Local Area Employment - Butler County, Missouri					
Year	Labor Force	Employment	Unemployment	Unemployment Rate	Missouri Unemployment Rate
2002	20,461	19,366	1,095	5.4%	5.2%
2003	20,641	19,485	1,156	5.6%	5.6%
2004	21,569	20,409	1,160	5.4%	5.8%
2005	22,127	20,992	1,135	5.1%	5.3%
2006	21,707	20,563	1,144	5.3%	4.8%
2007	21,142	19,747	1,395	6.6%	5.0%

Source: Department of Economic Development

The unemployment rate for Butler County has gone from being slightly better than the State as a whole in 2004 to significantly worse than the State as a whole in 2007.

### Commuting Patterns

Commuting Patterns						
State/County	Total Workers 16+ in 2000	Workers Commuting Outside Place of Residence 2000	Percent of Total Workers 2000	Percent of Total Workers 1990	Change 1990-2000 Number of Workers	Change 1990-2000 Percent of Workers
Missouri	2,629,296	877,655	33.4	31.2	146,250	2.2
Butler	16,618	1,838	11.1	10.6	241	0.5
Stoddard	12,784	3,774	29.5	22.2	1,218	7.4
Wayne	4,551	1,953	42.9	23.5	1,050	19.4
Ripley	4,842	1,903	39.3	30.2	785	9.1
Carter	2,195	817	37.2	37.8	101	(0.6)
Reynolds	2,383	630	26.4	22.9	88	3.5
Dunklin	12,999	3,753	28.9	24.3	904	4.6

Source: Office of Social and Economic Data Analysis and U.S. Census Data

The table indicates that as of year 2000 approximately 11% of the residents of Butler County commuted outside of the County for employment. That amount was significantly better than surrounding counties and the rate for the state as a whole.

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## SECTION IV

### DEMOGRAPHIC PROFILE

#### Population

Total Population						
Year	Poplar Bluff	Change %	Butler County	Change %	Missouri	Annual Change %
2000	16,651		40,867		5,595,211	
2009	16,557	-0.6%	41,430	1.4%	5,870,906	4.9%
2014	16,605	0.3%	41,881	1.1%	6,053,252	3.1%

Source: Claritas, MHDC

The population estimates obtained from Claritas shows that the population of Poplar Bluff and Butler County have been stable and are projected to remain stable through 2014.

The U.S. Census Bureau provides a slightly higher population estimate for Poplar Bluff that demonstrates a slightly increasing trend. The 2007 U.S. Census population estimate is 17,029.

#### Population by Age

Population By Age Group						
Poplar Bluff, Missouri						
Age Cohort	2000	Percent	2009	Percent	2014	Percent
0-20	4,733	28%	4,711	28%	4,903	30%
21-24	786	5%	674	4%	720	4%
25-34	2,020	12%	2,298	14%	1,959	12%
35-44	2,220	13%	1,961	12%	2,125	13%
45-54	2,011	12%	2,027	12%	1,856	11%
55-64	1,569	9%	1,690	10%	1,769	11%
65-74	1,581	9%	1,478	9%	1,558	9%
75-84	1,231	7%	1,179	7%	1,155	7%
85+	500	3%	539	3%	560	3%

Source: Claritas, MHDC

### Average Age of Population

Total Population Average Age	
Poplar Bluff, Missouri	
Year	
2000	39.9
2009	39.7
2014	39.7

Source: Claritas

The table illustrates that the average age of the population remained about the same between 2000 and 2009 and is expected to remain the same between 2009 and 2014.

### Average Age Comparison

Average Age Comparison 2000-2009			
Community	Population		Change (Years)
	2000	2009	
Poplar Bluff	39.87	39.71	-0.16
Farmington	39.64	39.63	-0.01
Rolla	34.78	35.21	0.43
Sikeston	37.32	38.26	0.94
West Plains	40.02	40.11	0.09

Source: Claritas

### Population by Gender

Population By Gender						
Poplar Bluff, Missouri						
Gender	2000	Percent	2009	Percent	2014	Percent
Male	7,584	46%	7,607	46%	7,685	46%
Female	9,067	54%	8,950	54%	8,920	54%

Source: Claritas, MHDC

The table illustrates that the past population gender distribution that included a majority of females is expected to remain the same through 2014.

## Educational Attainment

### Marital Status

2009 Estimated Population Age 15+ by Marital Status		
Poplar Bluff, Missouri		
Type	Population	Percentage
Total, Never Married	2,524	13%
Married, Spouse present	6,130	32%
Married, Spouse absent	762	4%
Widowed	1,674	9%
Divorced	1,921	10%
Males, Never Married	1,342	7%
Previously Married	1,054	6%
Females, Never Married	1,182	6%
Previously Married	2,541	13%

Source: Claritas

### Total Households

Total Households				
Poplar Bluff, Missouri				
Year	Poplar Bluff	Change %	Butler County	Change %
2000	7,077		16,718	
2009	7,167	1.3%	17,302	3.5%
2014	7,232	0.9%	17,618	1.8%

Source: Claritas, MHDC

The number of households in Poplar Bluff is estimated to have increased slightly between 2000 and 2009 and the trend is expected to continue through 2014. This increase lags slightly behind the trend for Butler County.

### Average Household Size

Average Household Size	
Poplar Bluff, Missouri	
Year	Average
2000	2.27
2009	2.22
2014	2.21

Source: Claritas

### Households by Age

Households by Age of Householder						
Poplar Bluff, Missouri						
Age Cohort	2000	Percent	2009	Percent	2014	Percent
Under 25	430	6%	384	5%	419	6%
25-34	1,065	15%	1,240	17%	1,081	15%
35-44	1,247	18%	1,119	16%	1,236	17%
45-54	1,188	17%	1,224	17%	1,141	16%
55-64	982	14%	1,085	15%	1,154	16%
65-74	1,030	15%	984	14%	1,057	15%
75-84	852	12%	828	12%	825	11%
85+	283	4%	303	4%	319	4%

Source: Claritas, MHDC

### Households by Size

Households By Size						
Poplar Bluff, Missouri						
Household Size	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
1 Person	2,468	34.9%	2,584	36.1%	2,637	36.5%
2 Persons	2,292	32.4%	2,311	32.2%	2,327	32.2%
3 Persons	1,060	15.0%	1,071	14.9%	1,078	14.9%
4 Persons	738	10.4%	723	10.1%	718	9.9%
5 Persons	348	4.9%	327	4.6%	329	4.5%
6 Persons	110	1.6%	102	1.4%	97	1.3%
7+ Persons	61	0.9%	49	0.7%	46	0.6%
Total	7,077	100%	7,167	100%	7,232	100%

Source: Claritas, MHDC

### Household Type and Presence of Own Children

2009 Estimated Household Type, Presence Of Own Children		
Poplar Bluff, Missouri		
Type	Households	Percentage
Single Male Householder	848	12%
Single Female Householder	1,736	24%
Married-Couple Family, own children	1,159	16%
Married-Couple Family, no own children	1,837	26%
Male Householder, own children	134	2%
Male Householder, no own children	110	2%
Female Householder, own children	696	10%
Female Householder, no own children	405	6%
Nonfamily, Male Householder	121	2%
Nonfamily, Female Householder	121	2%

Source: Claritas

### Hispanic Households

Hispanic Households	
Poplar Bluff, Missouri	
Year	Number
2009	75
2014	78

Source: Claritas

The table indicates that the number of Hispanic households in Poplar Bluff is relatively small and is not projected to increase significantly between 2009 and 2014.

### Tenure By Occupancy of Housing Units

Tenure by Occupancy of Housing Units				
Poplar Bluff, Missouri				
Bedrooms	2000	%	2009	%
Owner Occ.	3,880	55%	3,959	55%
Renter Occ.	3,197	45%	3,208	45%

Source: Claritas

**Tenure by Bedroom Size (Owner Occupied)**

Tenure By Bedrooms (2000)		
Owner Occupied		
Poplar Bluff, Missouri		
Bedrooms	Households	Percentage
No BR.	9	0.2%
1	138	3.6%
2	1,138	29.3%
3	1,891	48.7%
4	558	14.4%
5 or more	146	3.8%

Source: U.S. Census Bureau

**Tenure by Household Size (Renter Occupied)**

Tenure By Bedrooms (2000)		
Renter Occupied		
Poplar Bluff, Missouri		
Bedrooms	Households	Percentage
No BR.	60	1.9%
1	745	23.3%
2	1,389	43.4%
3	859	26.9%
4	121	3.8%
5 or more	23	0.7%

Source: U.S. Census Bureau

### Households by Income Distribution

Households by Household Income						
Poplar Bluff, Missouri						
Income Cohort	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
< than \$15,000	2,487	35.0%	2,113	29.5%	1,951	27.0%
\$15,000-\$24,999	1,418	20.1%	1,400	19.5%	1,362	18.8%
\$25,000-\$34,999	1,044	14.8%	1,095	15.3%	1,076	14.9%
\$35,000-\$49,999	912	12.9%	1,093	15.3%	1,176	16.3%
\$50,000-\$74,999	728	10.3%	817	11.4%	871	12.0%
\$75,000-\$99,999	193	2.7%	285	4.0%	362	5.0%
\$100,000-\$149,999	232	3.3%	243	3.4%	275	3.8%
\$150,000-\$249,999	54	0.8%	102	1.4%	133	1.8%
\$250,000-\$499,999	8	0.1%	17	0.2%	23	0.3%
\$500,000 +	1	0.0%	2	0.0%	3	0.0%
Total	7,077	100.0%	7,167	100.0%	7,232	100.0%

Source: Claritas, MHDC

The table indicates that in 2009 approximately 91% of the households in Poplar Bluff were estimated to have household incomes of less than \$75,000. Approximately 4% of households were estimated to have incomes between \$75,000 and \$100,000, and approximately 5% were estimated to have incomes in excess of \$100,000.

### Gross Rent as a Percentage of Monthly Household Income

Gross Rent as Percentage of Monthly Household Income (2000)		
Poplar Bluff, Missouri		
Status	Number	Percentage
Less than 15 percent	573	18%
15 to 19 percent	469	15%
20 to 24 percent	320	10%
25 to 29 percent	401	13%
30 to 34 percent	244	8%
35 percent or more	900	28%
Not computed	273	9%

Source: U.S. Census Bureau

Approximately 28% of renter households in Poplar Bluff have a gross rent (rent+utilities) that exceeds 35% of their monthly household income. The low income housing industry standard for rent burden is gross rent that exceeds 30% of monthly income.

### Area Maximum Affordable Housing Income and Rents

Maximum Income and Rents for HOME and Low Income Housing Tax Credit (LIHTC) Programs for Butler County												
2007 Median Income	Income %	Maximum Incomes						Maximum HOME/LIHTC Rents				
		Persons in Household						Bedroom Sizes				
		1	2	3	4	5	6	0Br	1Br	2Br	3Br	4Br
\$39,000	50%	15,700	17,900	20,150	22,400	24,200	26,000	392	420	503	582	650
	60%	18,840	21,480	24,180	26,880	29,040	31,200	471	504	604	699	780
								HUD Fair Market Rents				
								414	415	501	694	742

Source: HUD, IRS, MHDC

The table above illustrates the maximum income and rents for the HOME and Housing Tax Credit programs for Butler County.

### Cost Burdened Households

Cost Burdened Households (2000) - Poplar Bluff, Missouri			
	Renter	Owner	Renter & Owner
<b>Total</b>	3,159	3,818	6,977
Cost Burdened >30%	34.0%	12.3%	22.1%
Severely Cost Burdened >50%	14.3%	5.2%	9.3%
<b>Elderly 1 &amp; 2 Persons</b>	793	1618	2,411
Cost Burdened >30%	30.4%	13.0%	18.7%
Severely Cost Burdened >50%	11.1%	5.7%	7.5%
<b>Single Person Non-Elderly</b>	910	451	1,361
Cost Burdened >30%	41.5%	27.1%	36.7%
Severely Cost Burdened >50%	18.1%	9.8%	15.3%
<b>Small Family 2-4 Persons</b>	1221	1,510	2,731
Cost Burdened >30%	32.7%	8.1%	19.1%
Severely Cost Burdened >50%	14.3%	4.0%	9.0%
<b>Large Family 5+ Persons</b>	235	239	474
Cost Burdened >30%	23.8%	5.0%	14.3%
Severely Cost Burdened >50%	10.2%	1.7%	5.9%

Source: 2000 Chas Data

Cost Burdened Households (2000) - Missouri			
	Renter	Owner	Renter & Owner
<b>Total</b>			
Cost Burdened >30%	30.9%	16.7%	20.9%
Severely Cost Burdened >50%	14.8%	6.2%	8.8%
<b>Elderly 1 &amp; 2 Persons</b>			
Cost Burdened >30%	39.4%	17.4%	22.0%
Severely Cost Burdened >50%	18.4%	7.3%	9.6%
<b>Single Person Non-Elderly</b>			
Cost Burdened >30%	31.5%	26.3%	29.2%
Severely Cost Burdened >50%	15.7%	10.6%	13.4%
<b>Small Family 2-4 Persons</b>			
Cost Burdened >30%	27.1%	14.0%	17.2%
Severely Cost Burdened >50%	12.7%	4.6%	6.5%
<b>Large Family 5+ Persons</b>			
Cost Burdened >30%	26.4%	15.7%	18.3%
Severely Cost Burdened >50%	12.6%	5.1%	6.9%

Source: 2000 Chas Data

The Poplar Bluff Cost Burdened table indicates that approximately 14% of all renter households in Poplar Bluff were severely rent burdened in 2000. The severely rent burdened rate for all renter households in Missouri for the same period was 14.8%. The most severely cost burdened renter groups in Poplar Bluff appear to be single person households at 18%.

## Migration Patterns

Following are tables that show the migration patterns into and out of Butler County and the net migration totals between 2004 and 2007.

Gross Annual Household In-Migration								
Butler County, Missouri								
County of Origin	2007		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total In-Migration	894	100%	972	100%	951	100%	1,013	100%
Total In-Migration Same State	552	62%	547	56%	577	61%	588	58%
Total In-Migration Out of State	342	38%	425	44%	374	39%	425	42%
Ripley County	91	10%	90	9%	77	8%	74	7%
Wayne County	71	8%	74	8%	73	8%	43	4%
Stoddard County	66	7%	65	7%	72	8%	67	7%
Carter County	40	4%	36	4%	36	4%	46	5%
Dunklin County	37	4%	59	6%	56	6%	56	6%
Clay County, Arkansas	28	3%	30	3%	22	2%	22	2%
St. Louis County	27	3%	30	3%	25	3%	28	3%
Cape Girardeau County	25	3%	12	1%	31	3%	18	2%
Jefferson County	25	3%	20	2%	21	2%	30	3%
All Other Counties	484	54%	556	57%	538	57%	629	62%

Source: Internal Revenue Service

Gross Annual Household Out-Migration								
Butler County, Missouri								
Destination County	2007		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Out-Migration	962	100%	900	100%	856	100%	925	100%
Total Out-Migration Same State	575	60%	576	64%	529	62%	555	60%
Total Out-Migration Out of State	387	40%	324	36%	327	38%	370	40%
Ripley County	81	8%	76	8%	65	8%	72	8%
Wayne County	56	6%	51	6%	61	7%	27	3%
Stoddard County	63	7%	73	8%	68	8%	70	8%
Carter County	34	4%	32	4%	45	5%	27	3%
Dunklin County	36	4%	40	4%	33	4%	28	3%
Clay County, Arkansas	11	1%	24	3%	20	2%	28	3%
St. Louis County	29	3%	34	4%	26	3%	37	4%
Cape Girardeau County	37	4%	37	4%	34	4%	40	4%
Jefferson County	24	2%	18	2%	15	2%	21	2%
All Other Counties	591	61%	515	57%	489	57%	575	62%

Source: Internal Revenue Service

Net Annual Household Migration				
Butler County, Missouri				
County	2007	2006	2005	2004
	Number	Number	Number	Number
Ripley County	10	14	12	2
Wayne County	15	23	12	16
Stoddard County	3	-8	4	-3
Carter County	6	4	-9	19
Dunklin County	1	19	23	28
Clay County, Arkansas	17	6	2	-6
St. Louis County	-2	-4	-1	-9
Cape Girardeau County	-12	-25	-3	-22
Jefferson County	1	2	6	9
All Other Counties	-107	41	49	54
Net Migration	-68	72	95	88

Source: Internal Revenue Service

The migration tables indicate that Butler County had positive net migration from 2004 to 2006, but had negative migration in 2007. In 2007 the increased out-migration occurred in areas other than the counties surrounding Butler County.

### Units in Structure

Units in Structure (2000)		
Poplar Bluff, Missouri		
Type	Number	Percentage
1, detached	5,791	73.6%
1, attached	164	2.1%
2	515	6.5%
3 or 4	514	6.5%
5 to 9	276	3.5%
10 to 19	163	2.1%
20 or more	298	3.8%
Mobile Home	144	1.8%
Total	7,865	100.0%

Source: U.S. Census Bureau

### Year Structure Built

Year Structure Built (2000)		
Poplar Bluff, Missouri		
Year	Number	Percentage
1999 to March 2000	57	0.7%
1995 to 1998	271	3.4%
1990 to 1994	425	5.4%
1980 to 1989	851	10.8%
1970 to 1979	1,358	17.3%
1960 to 1969	1,597	20.3%
1950 to 1959	2,116	26.9%
1939 or earlier	1,195	15.2%

Source: U.S. Census Bureau

### Building Permits

Building Permits - Poplar Bluff, Missouri				
Units in Bldg.	Units			
	2007	2006	2005	2004
1	26	27	33	40
2	0	0	0	0
3 to 4	0	0	0	0
5 +	0	0	0	0
Total	26	27	33	40

Source: US Census Bureau

## SECTION V

### REVIEW OF PREVIOUS DOWNTOWN HOUSING MARKET STUDIES

The City of Poplar Bluff adopted the 2007 Comprehensive Plan in June 2008. The plan states that Downtown should serve as a focal point for economic development and revitalization efforts. Multi-family residential dwellings, commercial service, specialty retail, small offices, parks and public/institutional uses are encouraged uses for the City's Downtown area.

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## SECTION VI

### EXISTING HOUSING

#### DOWNTOWN HOUSING

The Poplar Bluff DREAM Study Area is predominated by commercial uses. Existing housing appeared to be confined to the upper floors of some of the commercial buildings. Most of the upper floor units appeared to be vacant or low quality units that rent to young single individuals. This situation is likely due to the lack of a mixed-use zoning classification. There is also a major residential development underway on Vine between S. 4<sup>th</sup> and 5<sup>th</sup> Streets. This development involves the adaptive reuse of formerly commercial buildings into new affordable senior housing.

Following are buildings that appear to have residential units within the DREAM Study Area:



Commercial building with apartments on the upper floor, located at the southwest corner of Maple and S. Broadway Streets

Commercial building with apartments on the upper floor, located at the southwest corner of S. 5<sup>th</sup> and Vine Streets





201-203 S. Broadway Street  
Poplar Bluff, Missouri  
573-785-4482  
13 units  
12 OBr (studio) units @ \$65-\$70 per week

117-125 S. Broadway Street  
Poplar Bluff, Missouri  
573-785-4482  
8 OBr (studio) units @ \$70 per week



301 S. Main Street  
Poplar Bluff, Missouri  
This building has residential space on the upper floor that is owner occupied.



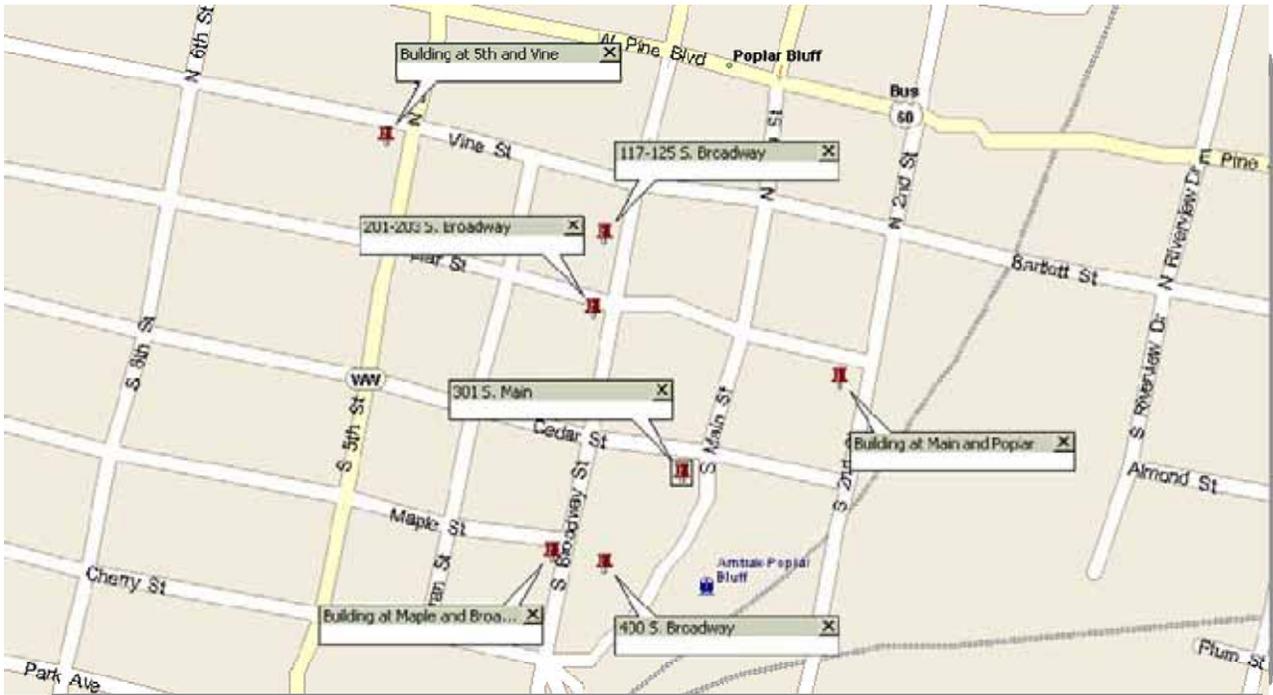


Commercial building with apartments on the upper floor, located at the southwest corner of S. Main and Poplar Streets. Owner indicates that units cannot be rented out due to the mixed-use zoning restriction.

106 S. Broadway Street  
Poplar Bluff, Missouri  
573-785-6864  
6 units  
5 0Br (studio) units @ \$115 per month  
1 1Br unit @ \$160 per month



400 S. Broadway Street  
Poplar Bluff, Missouri  
Proposed Homeless Shelter  
Owned by United Gospel Rescue Mission  
Will house approximately 35 individuals



### SINGLE FAMILY HOUSING

Presently the single family housing market in Poplar Bluff is slow, which is similar to markets in other parts of Missouri and the United States. Before the slow down, Poplar Bluff was a fairly active market. New homes were being built in several subdivisions. A listing of recently active subdivisions includes:

- Karmen Estates I was platted in 1999 and Karmen Estates II was platted in 2003. There are reported to be 59 lots in the two subdivisions. Of those lots, 45 have been improved with new homes priced from \$200,000 to \$250,000.
- Brownwood Trails is an older subdivision that was replatted in 2003. New homes have been built on 10 lots with prices ranging from \$150,000 to \$200,000.
- Ridge Meadows First and Second Additions are located in the county. This subdivision contains 36 lots and is improved with 28 homes and 6 duplex rental units. Sales prices range from \$85,000 to \$150,000.
- Qua Paw subdivision is also located in the county. This subdivision contains 32 units and has 4 homes ranging in price from \$150,000 to \$200,000.

There are currently 474 properties listed for sale in the Poplar Bluff Area Multiple Listing Service. Single family home listings range from an asking price of \$20,000 to as high as \$850,000.

The boundary of the DREAM Study Area does not contain any single family homes.

**MARKET RATE RENTAL HOUSING**

The Residential Demand Analysis reviewed existing market rate rental housing in Poplar Bluff. Housing options representative of the unsubsidized rental housing market include:



Unnamed Apartments  
518, 526, 604 Bartlett Street  
Poplar Bluff, Missouri  
573-785-9422  
24 1Br units @ \$325  
Average occupancy

Unnamed Apartments  
640 N. Main Street  
Poplar Bluff, Missouri  
573-785-6416  
12 2Br units @ \$375  
Good occupancy



Million Apartments  
2670 Crestwood Drive  
Poplar Bluff, Missouri  
573-785-6419  
2Br units @ \$450  
Good occupancy



WW Hefner Apartments

101 N. 10<sup>th</sup> Street  
Poplar Bluff, Missouri  
573-785-5163  
2Br units @ \$450-\$600  
Good occupancy  
These units are some of the newer units in the  
Poplar Bluff market

Westwood Manor Apartments

3322 S. Westwood Boulevard  
Poplar Bluff, Missouri  
573-785-8408  
22 units  
10 1Br units @ \$375\*  
12 2Br units @ \$350  
Good occupancy  
\*1Br units have recently been upgraded



Forest Glenn Apartments

State Road W  
Poplar Bluff, Missouri  
573-686-4274  
8 2Br units @ \$475  
Good occupancy



Dover Court Apartments  
1920 Greenwood Drive  
Poplar Bluff, Missouri  
573-785-6436  
8 Units  
2 1Br units @ \$400  
6 2Br units @ \$475  
Good occupancy

Mountain Manor Apartments  
Spring and Ridge Streets  
Poplar Bluff, Missouri  
573-785-0729  
24 2Br units @ \$445-\$475  
Good occupancy



Rivers Ridge Apartments  
Student Housing  
Three Rivers Boulevard  
Campus of Three Rivers Community College  
Poplar Bluff, Missouri  
573-840-9106  
Units are four 1Br sections with common kitchen areas  
Each 1Br section rents @ \$346  
Good occupancy with high student turnover each semester

### Typical Rent Range

Typical rents for market rate rental units range from approximately \$325 to \$400 for one-bedroom units and \$350 to \$475 for two-bedroom units. There are some newer units that rent for more than the typical rent range.

No three-bedroom units were found in any of the apartment developments surveyed. A couple of property managers indicated that they had three-bedroom, single family home rentals available that rented within a range of \$650 to \$800, depending on size, condition, and location.

### Occupancy

Most market rate rental developments are reported to have good occupancy.

### Under Construction/Consideration

The surveyor is not aware of any new market rate rental developments that are under construction or consideration.

### SENIOR AFFORDABLE RENTAL HOUSING

The Residential Demand Analysis reviewed existing senior affordable rental housing in Poplar Bluff. Housing options representative of these housing options include:



Idelwild Apartments  
2202 Ryan Street  
Poplar Bluff, Missouri  
816-360-1449  
40 Units  
20-1Br @ \$415  
20-2Br @ \$468  
Good occupancy

Bluff View Manor  
Near Ryan Street  
Poplar Bluff, Missouri  
573-686-5500  
24 1Br units @ \$370 (Rural Development Base Rent)  
Some units are rent subsidized  
Good occupancy with waiting list





Brent Tinnin Apartments  
2049 Greenwood Drive  
Poplar Bluff, Missouri  
573-686-1004  
48 Units  
12 0Br (studio) units  
36 1Br units  
All units are rent subsidized  
Good occupancy

Greenwood Apartments  
1951 Greenwood Drive  
Poplar Bluff, Missouri  
573-785-6436  
24 1Br units @ \$250 (Rural Development Base Rent)  
Good occupancy and waiting list



Holly Trail Apartments  
2733 Holly Trail  
Poplar Bluff, Missouri  
573-785-6436  
20 1Br units @ \$265 (Rural Development Base Rent)  
Some units are rent subsidized  
Good occupancy



MACO Development Apartments  
5<sup>th</sup> and Vine Streets  
Poplar Bluff, Missouri  
573-448-3564  
42 Units  
17 1Br units @ \$370  
25 2Br units @ \$415  
Currently under construction

Housing Authority Units  
506 Hazel, 444 North Main, Bartlett Street  
573-785-8265  
289 Elderly Units  
268 1Br units @ \$282 (max rent)  
20 2Br units @ \$339 (max rent)  
1 3Br unit @ \$424 (max rent)  
All units are rent subsidized  
Good occupancy and waiting list



### Typical Rent Range

The amount of the tenant portion of rent for most of the affordable senior units in Poplar Bluff is limited to 30% of household income. The remaining portion is a project based rent subsidy. The units at the 5<sup>th</sup> and Vine Street Apartments will not have project based rent subsidy.

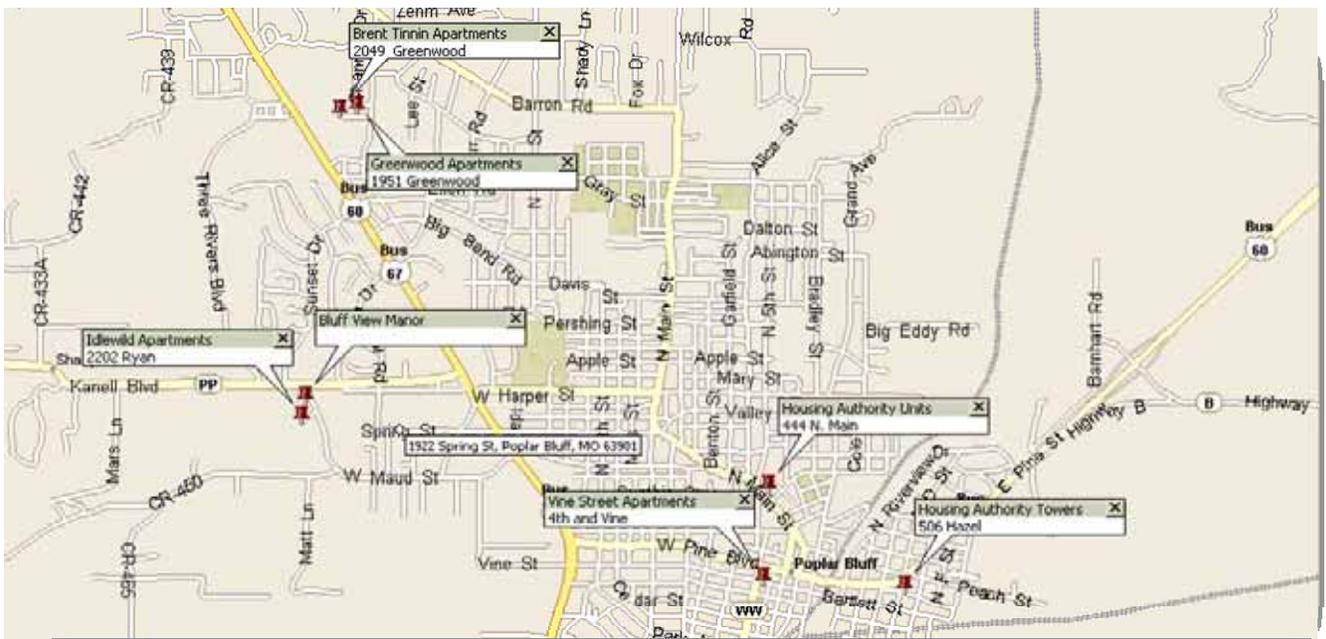
### Occupancy

All of the affordable senior housing developments are reported to have good occupancy and in some cases waiting lists.

### Under Construction/Consideration

The MACO Development is a 42 unit tax credit project development currently under construction at 5<sup>th</sup> and Vine Streets. The project is adapting commercial buildings for residential use.

A map of the location of some of the affordable senior rental developments in Poplar Bluff follows:



**FAMILY AFFORDABLE RENTAL HOUSING**

The Residential Demand Analysis reviewed existing affordable family rental housing in Poplar Bluff. Housing options representative of this housing market include:



Trailwood Apartments  
2800 Crestwood Drive  
Poplar Bluff, Missouri  
573-686-5500  
12 2Br units @ \$380 (Rural Development Base Rent)  
Good occupancy

Northwood Hills Apartments  
1909 Westmoor Drive  
Poplar Bluff, Missouri  
573-686-5500  
8 2Br units @ \$415 (Rural Development Base Rent)  
Good occupancy



Oak Grove Apartments  
1295 Velma Street  
Poplar Bluff, Missouri  
573-686-4477  
44 units  
20 1Br units @ \$395  
24 2Br units @ \$470  
(Rents are Rural Development Base Rents)  
Good occupancy with wait list



Oakview I & II Apartments  
Hwy. 67, 747 Outer Road  
Poplar Bluff, Missouri  
816-448-3000  
84 units  
68 2Br units @ \$315-\$375  
16 3 Br units @ \$429  
Good occupancy and wait list

Poplar Bluff Housing Authority Units  
Scattered Sites  
Poplar Bluff, Missouri  
573-785-8265  
286 units  
36 1Br units @ \$282  
112 2Br units @ \$339  
130 3Br units @ \$424  
8 4Br units @ \$500  
Rents shown are Housing Authority maximum rents.  
Good occupancy with waiting list



### Typical Rent Range

Some of the affordable family rental developments have rent subsidy, where tenants are required to pay at least 30% of their income and the rent subsidy supplies the difference. All Poplar Bluff Housing Authority units are rent subsidized. The Oakview apartment units are not rent subsidized and provide a representation of the rent that lower income households pay in Poplar Bluff.

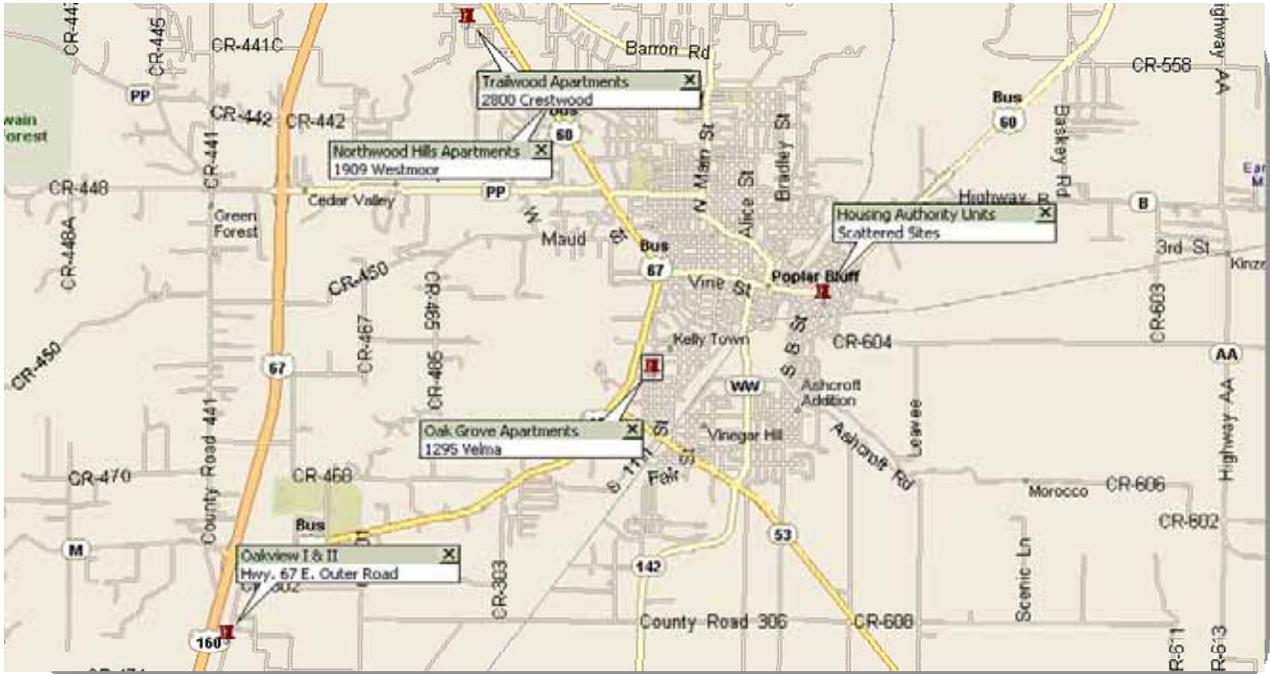
### Occupancy

All of the affordable family developments in Poplar Bluff have good occupancy and some have waiting lists.

### Under Construction/Consideration

The analyst is unaware of any affordable housing family apartments that are currently under construction or consideration.

The following illustration shows the locations of some of the affordable family rental developments near Poplar Bluff:



## SECTION VII

### IDENTIFICATION OF PRIMARY AND SECONDARY MARKET AREAS

The Primary Market Area is the area from which the majority draw of Downtown housing demand is expected. This is an area that extends from the outer boundaries of Downtown and includes many nearby communities and rural areas. Households that reside in this area would possibly consider available housing options in Downtown Poplar Bluff. After surveying the area and considering the opinions of local market participants, it is the analyst’s opinion that the Primary Market Area of the Poplar Bluff Downtown Housing Market is all of the City of Poplar Bluff and an area that extends approximately 17 miles around the City of Poplar Bluff.

#### Primary Market Area

The following map shows the area that is considered to be the Primary Market Area for purposes of this analysis.



## Secondary Market Area

The Secondary Market Area of Poplar Bluff is the area surrounding the Primary Market Area that contains households that could be attracted to residential housing in Downtown Poplar Bluff. The number of households in this Secondary Market Area will be significantly less than the Primary Market Area, but will still compose part of the overall housing demand and should be considered. The Secondary Market Area extends around Poplar Bluff for a radius of approximately 30 miles.

The following map shows the area that is considered to be the Secondary Market Area for purposes of this analysis.



## SECTION VIII

### POTENTIAL RESIDENTIAL DOWNTOWN HOUSING DEMAND

#### OVERVIEW

The purpose of this study is to determine if residential development would benefit Downtown Poplar Bluff revitalization efforts. Aspects of residential demand such as the types of households that would likely comprise any emerging Downtown housing market, the types of housing that could be in demand, and the estimated households from the overall market that could be captured by residential units in Downtown are considered.

Downtowns have suffered from urban sprawl as new apartments, residential subdivisions, and shopping centers have developed outside of the central business district. As residential tenants, homeowner households, and consumers were attracted to the new housing and shopping options outside of the City's core, housing and retail demand in downtown decreased dramatically. In most cases, this situation has resulted in empty and underutilized buildings.

Downtown Poplar Bluff does not appear to have escaped this phenomenon. Currently many Downtown buildings are occupied with businesses, but there are only a few upper floor residential units and a significant amount of vacant space.

#### Would additional residential units complement the efforts to revitalize Downtown?

In many urban communities across the country the revitalization of downtowns has involved an increase in the population of permanent residents. Permanent residents provide a neighborhood energy that has many positive social and economic benefits. Higher population density can promote greater human interaction as people take advantage of the public spaces that downtowns have to offer. Downtown can also offer a quality of life not found in other areas of the community, especially if the area offers a mix of dining, entertainment, and retail venues. An increase in the population of a downtown can provide a dedicated customer base for businesses and have a positive impact on the real-estate tax base. A brisk real-estate market in a vibrant downtown can cure and prevent vacant or deteriorated buildings by motivating existing property owners to improve their property.

Poplar Bluff should benefit from an increase in the permanent Downtown population. The results may not be as dramatic as in larger communities, but any increase in the permanent population should make a positive contribution to Downtown revitalization efforts.

## What types of housing should be considered in Downtown Poplar Bluff?

When thinking about the impact of demographic structures and changes in housing demand, it is important to consider trends with respect to four critical age groups. These age groups tend to represent major stages of a household's life cycle:

- 18-24:- Includes the largest tenant group, young individuals and couples having recently left their parents home to start their adult lives. This group demands low frills and low cost rental housing in single family units or apartments.
- 25-34:- Includes mostly young, married, households with no children. This segment typically demands single-family or apartment rental housing with some amenities. This stage is referred to as the "pre-nest" stage of the household life cycle.
- 35-54:- Encompasses new and growing families desiring to upgrade their housing situation. This segment demands primarily owner occupied, single family options that are larger and of higher-quality based on their available income. This stage is referred to as the "full-nest" stage.
- 55 and older:- Represents residents with changing housing demand that is typically for owner-occupied, single-family units that tend to be smaller in size. Demand can range from apartments to condominiums, depending on income. The stage is referred to as the "empty-nest" stage.

Existing Downtown Poplar Bluff housing is mainly low cost, low quality apartments on upper floors of commercial buildings. This housing primarily serves small, lower income, renters. In late 2009, the MACO development at S. 5<sup>th</sup> and Vine Streets will be complete and provide approximately 40 affordable senior rental housing units. A common characteristic of both of these tenant groups is that they, generally, do not have small children.

Housing units that should complement Downtown Poplar Bluff revitalization efforts include units that will be marketable to households with no children. Downtown is typically not attractive to families with children because of high vehicle traffic, evening pedestrians, and lack of play areas. Generally, young individuals, young couples, and older adults looking to downsize their housing situation or enter a new housing option will create most of the Downtown residential demand.

It is the analyst's opinion that the types of new residential units with the greatest market demand can make the most significant impact on Downtown Poplar Bluff. Residential developments that are financially feasible and offer good quality affordable housing for small working households and senior households should succeed. These developments could be constructed on vacant land or located in adapted vacant commercial buildings.

It is also important to rehabilitate and use as much of the upper floor space of Downtown commercial buildings as possible. However, such rehabilitation projects may be difficult due to market limitations of low income tenants and limited investment returns. In many cases, property owner apathy, absence, or inexperience may make building improvements impossible or unlikely. The City should develop and use some forms of subsidy to encourage Downtown rehabilitation projects for residential uses.

In those cases where it is not possible to rehabilitate the upper floors of a commercial building, it would be beneficial to the overall marketability of Downtown if building owners were required to eliminate the vacant look by making the space appear to be occupied.

**Where are the households that form the potential market for housing in the Poplar Bluff Downtown Market Area likely to come from?**

The demand for units in Downtown will come from households that live in and around the City, some of which are presently residing in housing that may be in substandard condition, or more expensive than they can easily afford. Demand may also come from households with larger housing than they want at this stage in their life or from households that are attracted to unique housing options in Downtown.

**What is the estimated number of households that could create residential household demand in the Poplar Bluff Downtown Market Area?**

In order to estimate the number of households that could create residential housing demand in the Downtown Poplar Bluff Market Area it is necessary to estimate demand for the Poplar Bluff residential market as a whole. The next step is to apply a Downtown capture rate to the total number of households that form the Poplar Bluff residential demand. The Downtown capture rate represents the percentage of households in the Poplar Bluff residential market that could create the residential demand in the Downtown Market Area.

Claritas, Inc., a leading national demographic data provider, working with another company, Ribbon Demographics, has recently developed a unique data product that is designed specifically for housing analyses. The product is called HISTA. HISTA breaks Households down by Income, Size, Tenure and broad Age groups. HISTA is a custom four-way cross tabulation of household data and eliminates the need for the analyst to perform various extrapolation steps, which are not as accurate as cross tabulation.

On the following pages are HISTA tables for the Primary Market Area, which includes the City of Poplar Bluff and an approximately 17 miles radius.

**Owner and Renter Households 2009**

Owner Households Under Age 55 Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	142	53	22	13	20	250
\$10,000-20,000	174	166	62	83	35	520
\$20,000-30,000	150	185	141	152	74	702
\$30,000-40,000	55	173	269	139	99	735
\$40,000-50,000	58	165	177	190	96	686
\$50,000-60,000	23	120	180	159	124	606
\$60,000+	97	640	662	674	368	2,441
<b>Total</b>	<b>699</b>	<b>1,502</b>	<b>1,513</b>	<b>1,410</b>	<b>816</b>	<b>5,940</b>

Owner Households Aged 55-61 Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	59	22	0	0	0	81
\$10,000-20,000	89	54	6	0	0	149
\$20,000-30,000	79	171	16	6	3	275
\$30,000-40,000	61	115	67	0	2	245
\$40,000-50,000	50	176	9	34	0	269
\$50,000-60,000	8	143	1	12	1	165
\$60,000+	27	323	187	60	11	608
<b>Total</b>	<b>373</b>	<b>1,004</b>	<b>286</b>	<b>112</b>	<b>17</b>	<b>1,792</b>

Owner Households Aged 62+ Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	464	70	8	0	0	542
\$10,000-20,000	497	390	6	17	0	910
\$20,000-30,000	219	450	48	13	0	730
\$30,000-40,000	181	414	47	5	0	647
\$40,000-50,000	76	296	46	1	1	420
\$50,000-60,000	68	121	18	18	8	233
\$60,000+	111	432	109	16	20	688
<b>Total</b>	<b>1,616</b>	<b>2,173</b>	<b>282</b>	<b>70</b>	<b>29</b>	<b>4,170</b>

Renter Households Under Age 55 Years Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	354	182	134	70	45	785
\$10,000-20,000	292	199	116	130	119	856
\$20,000-30,000	132	208	151	98	46	635
\$30,000-40,000	168	142	93	112	64	579
\$40,000-50,000	39	114	99	62	91	405
\$50,000-60,000	17	32	64	26	8	147
\$60,000+	12	115	118	47	40	332
<b>Total</b>	<b>1,014</b>	<b>992</b>	<b>775</b>	<b>545</b>	<b>413</b>	<b>3,739</b>

Renter Households						
Aged 55-61 Years						
Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ -Person Household	Total
\$0-10,000	108	25	7	0	0	140
\$10,000-20,000	139	18	0	0	0	157
\$20,000-30,000	14	15	6	3	0	38
\$30,000-40,000	0	0	0	5	0	5
\$40,000-50,000	0	3	0	0	22	25
\$50,000-60,000	1	4	11	1	1	18
\$60,000+	0	0	10	0	0	10
<b>Total</b>	<b>262</b>	<b>65</b>	<b>34</b>	<b>9</b>	<b>23</b>	<b>393</b>

Renter Households						
Aged 62+ Years						
Current Year Estimates - 2009						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ -Person Household	Total
\$0-10,000	408	33	0	0	0	441
\$10,000-20,000	270	110	16	0	0	396
\$20,000-30,000	92	85	14	0	6	197
\$30,000-40,000	30	35	0	4	7	76
\$40,000-50,000	27	51	2	2	2	84
\$50,000-60,000	13	29	0	0	0	42
\$60,000+	15	11	6	0	0	32
<b>Total</b>	<b>855</b>	<b>354</b>	<b>38</b>	<b>6</b>	<b>15</b>	<b>1,268</b>

### Owner and Renter Households 2014

Owner Households						
Under Age 55 Years						
Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ -Person Household	Total
\$0-10,000	123	38	20	12	17	210
\$10,000-20,000	139	121	51	63	28	402
\$20,000-30,000	137	146	117	125	65	590
\$30,000-40,000	51	144	224	116	87	622
\$40,000-50,000	51	133	155	167	96	602
\$50,000-60,000	27	111	188	163	132	621
\$60,000+	114	677	724	743	405	2,663
<b>Total</b>	<b>642</b>	<b>1,370</b>	<b>1,479</b>	<b>1,389</b>	<b>830</b>	<b>5,710</b>

Owner Households Aged 55-61 Years <i>Five Year Projections - 2014</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	61	20	0	0	0	81
\$10,000-20,000	78	41	6	0	0	125
\$20,000-30,000	74	158	14	4	2	252
\$30,000-40,000	76	122	73	0	1	272
\$40,000-50,000	48	128	8	38	0	222
\$50,000-60,000	8	187	1	14	1	211
\$60,000+	38	398	238	77	13	764
<b>Total</b>	<b>383</b>	<b>1,054</b>	<b>340</b>	<b>133</b>	<b>17</b>	<b>1,927</b>

Owner Households Aged 62+ Years <i>Five Year Projections - 2014</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	431	54	8	0	0	493
\$10,000-20,000	477	327	4	15	0	823
\$20,000-30,000	256	474	52	15	0	797
\$30,000-40,000	207	408	48	5	0	668
\$40,000-50,000	97	322	51	3	2	475
\$50,000-60,000	103	142	26	23	15	309
\$60,000+	157	563	145	18	29	912
<b>Total</b>	<b>1,728</b>	<b>2,290</b>	<b>334</b>	<b>79</b>	<b>46</b>	<b>4,477</b>

Renter Households Under Age 55 Years <i>Five Year Projections - 2014</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	332	152	119	65	40	708
\$10,000-20,000	277	171	101	120	108	777
\$20,000-30,000	136	193	145	99	42	615
\$30,000-40,000	172	130	88	109	63	562
\$40,000-50,000	38	113	96	62	105	414
\$50,000-60,000	21	33	73	28	10	165
\$60,000+	16	147	144	67	53	427
<b>Total</b>	<b>992</b>	<b>939</b>	<b>766</b>	<b>550</b>	<b>421</b>	<b>3,668</b>

Renter Households Aged 55-61 Years <i>Five Year Projections - 2014</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ -Person Household	Total
\$0-10,000	112	25	7	0	0	144
\$10,000-20,000	148	17	0	0	0	165
\$20,000-30,000	21	17	6	2	0	46
\$30,000-40,000	0	0	0	6	0	6
\$40,000-50,000	0	4	0	0	28	32
\$50,000-60,000	2	4	11	1	1	19
\$60,000+	0	0	10	0	0	10
<b>Total</b>	<b>283</b>	<b>67</b>	<b>34</b>	<b>9</b>	<b>29</b>	<b>422</b>

Renter Households Aged 62+ Years <i>Five Year Projections - 2014</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+ -Person Household	Total
\$0-10,000	418	31	0	0	0	449
\$10,000-20,000	281	101	16	0	0	398
\$20,000-30,000	112	102	19	0	7	240
\$30,000-40,000	34	36	0	4	9	83
\$40,000-50,000	44	80	2	3	3	132
\$50,000-60,000	24	44	0	0	0	68
\$60,000+	21	13	10	0	0	44
<b>Total</b>	<b>934</b>	<b>407</b>	<b>47</b>	<b>7</b>	<b>19</b>	<b>1,414</b>

### HOMEOWNERSHIP HOUSING DEMAND ANALYSIS

The purpose of this analysis is to quantify the potential homeownership demand in Downtown Poplar Bluff over the next few years. Generally the demand for homeownership in reviving Downtowns follows a period of time in which renter households reestablish the area as a desirable place to live by creating a rental market. Once the area proves itself to be a desirable and safe place to live it attracts households with sufficient credit, net worth, and desire to make a long-term investment.

In the case of Poplar Bluff, the Downtown homeownership market for loft-style condos and townhouses has not yet developed, and may never develop. Some of the things that make homeownership of loft-style condos popular in larger urban communities are not present in smaller communities like Poplar Bluff. Larger urban communities generally have a significant number of jobs still within the central business district and a variety of eating, drinking, and entertainment venues. Poplar Bluff also seems to have many affordable single family homes in desirable neighborhoods that would strongly compete with Downtown loft-style condos.

Another factor regarding homeownership demand in Downtown that must be considered is the nationwide downturn in housing, which has adversely affected property values and limited mortgage financing options for prospective homebuyers. For the above reasons no homeownership demand analyses was prepared for Downtown.

### **MARKET RATE RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential market rate rental housing demand in Downtown Poplar Bluff over the next few years. Generally rental housing is the predominate type of housing in areas in the midst of transition. Such is the case of Downtown Poplar Bluff, which for years was in a state of decline.

The only housing that currently exists in Downtown is small market rate units on the upper floors of commercial buildings. Many of those units are vacant and many are low quality and suffer from disrepair and functional obsolescence. At the present time it is the analyst's opinion that additional market rate rental units (new construction or upper floor rehabs) probably would not be economically feasible due to the lower incomes of the households that would create the greatest demand, the low rents that the units would be limited to, and the lack of subsidy that could make the repairs and the rents affordable. For those reasons no Market Rate Rental Housing Demand Analysis was prepared for Downtown.

### **AFFORDABLE FAMILY RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential affordable family rental housing demand in Downtown Poplar Bluff over the next few years. In many downtowns in the midst of a revitalization process, rental housing can start the repopulation of the area by offering housing options to the pioneering households. In many unproven markets affordable rental housing is one of the first types of new housing that is developed because the various subsidy programs help to ensure project feasibility in risky markets.

In the case of Poplar Bluff, good quality, affordable housing for small working households could complement Downtown revitalization efforts by contributing to the repopulation of the area and improving the face of Downtown by adding good quality residential units. The likely tenants would be lower income individuals and couples with no children.

Following is the quantitative analysis of the Affordable Family Rental Household Demand and an explanation of the process used in the analysis:

Affordable Family Rental Potential Demand Analysis				
PMA Qualified Household Demand (2009)		1BR	2BR	3BR
1	Gross Rent (includes utility costs paid by tenants)	\$ 400	\$ 500	\$ 650
2	Percentage of Income to Housing	35%	35%	35%
3	Minimum Income (Affordability)	\$ 13,714	\$ 17,143	\$ 22,286
4	Maximum Income (Tax Credit Limits)	\$ 21,480	\$ 24,180	\$ 29,040
5	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2009)	380	179	98
6	Percentage of Annual Turnover of Existing HH	25%	25%	20%
7	PMA Qualified Household Demand (2009)	95	45	20
8	SMA Qualified Household Demand (2009)	19	9	4
9	PMA and SMA Affordable Family Rental Potential Hshld Demand (2009)	114	54	24
PMA Qualified Household Demand (2014)		1BR	2BR	3BR
11	Gross Rent (includes utility costs paid by tenants)	\$ 442	\$ 552	\$ 718
12	Percentage of Income to Housing	35%	35%	35%
13	Minimum Income (Affordability)	\$ 15,141	\$ 18,926	\$ 24,603
14	Maximum Income (Tax Credit Limits)	\$ 23,714	\$ 26,695	\$ 32,060
15	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2014)	352	192	114
16	Percentage of Annual Turnover of Existing HH	25%	25%	20%
17	PMA Qualified Household Demand (2014)	88	48	23
18	SMA Qualified Household Demand (2014)	18	10	5
19	PMA and SMA Affordable Family Rental Potential Hshld Demand (2014)	106	58	27
20	PMA and SMA Qualified Household Growth/Decline (2009-2014)	-8	4	4
		1BR	2BR	3BR
21	Poplar Bluff Affordable Family Rental Demand	112	54	24
22	Downtown Poplar Bluff Market Area Capture Rates	20%	20%	10%
		1BR	2BR	3BR
23	Downtown Poplar Bluff Affordable Family Rental Demand	22	11	2

Line 7 is a current estimate (2009) of the total number of existing limited income households that form the potential affordable rental housing demand from the primary market area. The estimate was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, estimated annual turnover rate of renter households, and the HISTA data.

Line 8 is a current estimate of the total number of limited income households that form the potential affordable housing demand from the secondary market area. The estimate was made by considering that 15% to 20% of the demand for affordable rental housing developments typically comes from the secondary market area.

Line 9 is an estimate of the potential affordable housing demand in the market area in 2009.

Line 17 is a projection (2014) of the total number of limited income households that form the potential affordable rental housing demand from the primary market area. The projection was determined by considering gross market rents (including utility costs), the level of income to housing costs, the maximum income limits, estimated annual turnover rate of renter households, and the HISTA data.

Line 18 is a projection of the total number of limited income households that form the potential affordable housing demand from the secondary market area. The projection was made by considering that 15% to 20% of the demand for affordable rental housing developments typically comes from the secondary market area.

Line 19 is a projection of the potential affordable housing demand from households in the market area in 2014.

Line 20 is a projection of qualified household growth or decline between 2009 and 2014.

Line 21 is an annual projection of the number of qualified households that are expected to be in the market area between 2009 and 2014 that could be attracted to affordable rental units in the Poplar Bluff market area.

Line 22 is the estimated capture rates for the downtown Poplar Bluff market area. It is an estimate of the percentages of qualified households in the market areas that would consider affordable rental units in the downtown Poplar Bluff market area by bedroom size.

Line 23 is an annual projection of the number of qualified households that are expected to be in the market areas between 2009 and 2014 that could be attracted to affordable rental units in the downtown Poplar Bluff revitalization area.

Affordable Family Rental Housing

<u>Bedroom Size</u>	<u>Potential Household Demand</u>
One Bedroom .....	22
Two Bedrooms .....	11
Three Bedrooms.....	2
Total .....	35

AFFORDABLE SENIOR RENTAL HOUSING DEMAND ANALYSIS

The purpose of this analysis is to quantify the potential affordable senior rental housing demand in Downtown Poplar Bluff over the next few years. As noted earlier, in many downtowns in the midst of a revitalization process, rental housing can start the repopulation of the area by offering housing options to the pioneering households. In many unproven markets affordable rental housing is one of the first types of new housing that is developed because the various subsidy programs help to ensure project feasibility in risky markets.

In the case of Poplar Bluff, good quality, affordable, senior housing units could complement Downtown revitalization efforts by adding social and economic diversity to the area.

Following is the quantitative analysis of the Affordable Senior Rental Household Demand and an explanation of the process used in the analysis:

Affordable Senior Rental Potential Demand Analysis		
PMA Qualified Household Demand (2009)		1BR/2BR
1	Gross Rent (includes utility costs paid by tenants)	\$ 440
2	Percentage of Income to Housing	50%
3	Minimum Income (Affordability)	\$ 10,560
4	Maximum Income (Tax Credit Limit)	\$ 21,480
5	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2009)	384
6	Percentage of Existing Senior Renter Households Likely to Move if New Affordable Housing Were Available	10%
7	Number of Existing Senior Renter Households Likely to Move if New Affordable Housing Were Available	38

8	Appropriate Sized, Income Qualified, <i>Owner Households, Age 62+ (2009)</i>	934
9	Percentage of Existing Senior <i>Owner</i> Households Likely to Move if New Affordable Rental Housing Were Available	5%
10	Number of Existing Senior <i>Owner</i> Households Likely to Move if New Affordable Rental Housing Were Available	47
11	<b>PMA Qualified Household Demand (2009)</b>	85
12	<b>SMA Qualified Household Demand (2009)</b>	17
13	<b>PMA and SMA Affordable Senior Housing Potential Hsld Demand (2009)</b>	102
	<b>PMA Projected Qualified Household Growth 2009-2014</b>	1BR/2BR
14	Gross Rent (includes utility costs paid by tenants)	\$ 486
15	Percentage of Income to Housing	50%
16	Minimum Income (Affordability)	\$ 11,658
17	Maximum Income (Tax Credit Limit)	\$ 23,714
18	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2014)	396
19	Percentage of Projected Senior Renter Households Likely to Move if New Affordable Housing Were Available	10%
20	Number of Projected Senior Renter Households Likely to Move if New Affordable Housing Were Available	40
21	Appropriate Sized, Income Qualified, <i>Owner Households, Age 62+ (2014)</i>	937
22	Percentage of Projected Senior <i>Owner</i> Households Likely to Move if New Affordable Rental Housing Were Available	4%
23	Number of Projected Senior <i>Owner</i> Households Likely to Move if New Affordable Rental Housing Were Available	37
24	<b>PMA Qualified Household Demand (2014)</b>	77
25	<b>SMA Qualified Household Demand (2014)</b>	15
26	<b>PMA and SMA Affordable Senior Housing Potential Hsld Demand (2014)</b>	92
27	<b>PMA and SMA Qualified Household Growth/Decline (2009-2014)</b>	-10

28	Poplar Bluff Affordable Senior Rental Potential Demand	100
29	Downtown Poplar Bluff Market Area Capture Rate	50%
30	Downtown Market Area Affordable Senior Rental Potential Demand	50

Line 11 is a current estimate (2009) of the total number of existing senior households that forms the potential senior rental housing demand from the Primary Market Area. The estimate was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, the estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, and the HISTA data.

Line 12 is a current estimate of the total number of existing senior households that form the potential affordable rental housing demand from the Secondary Market Area. The estimate was made by considering that 15% to 20% of the demand for most rental housing developments typically comes from the Secondary Market Area.

Line 13 is an estimate of the potential affordable senior rental housing demand from households in the market areas in 2009.

Line 24 is a projection (2014) of the total number of existing senior households that form the potential senior rental housing demand from the Primary Market Area. The projection was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, the estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, and the HISTA data.

Line 25 is a projection of the total number of existing senior households that form the potential affordable rental housing demand from the Secondary Market Area. The projection was made by considering that 15% to 20% of the demand for most rental housing developments typically comes from the Secondary Market Area.

Line 26 is a projection of the potential affordable senior rental housing demand from households in the market areas in 2014.

Line 27 is a projection of qualified household growth or decline between 2009 and 2014.

Line 28 is an annual projection of the number of qualified senior households that are expected to be in the market area between 2009 and 2014 that could be attracted to affordable senior rental units in the Poplar Bluff market area.

Line 29 is the estimated capture rate for the Downtown market area. It is an estimate of the percentage of qualified senior households in the market areas that would consider affordable rental units in the Downtown market area by bedroom size. Because the occupancy levels at the existing affordable senior developments in Poplar Bluff is strong it is reasonable to assume that

any new, high quality senior affordable units that would become available in the Poplar Bluff market, and in particular Downtown, should be able to capture a significant portion of the available household demand.

Line 30 is a projection of the number of qualified senior households that are expected to be in the market areas between 2009 and 2014 that could be attracted to affordable senior rental units in Downtown Poplar Bluff. This is a point-in-time estimate and could change based on fluctuations in the affordable senior housing supply and demand.

Affordable Senior Rental Housing

<u>Bedroom Size</u>	<u>Potential Household Demand*</u>
One Bedroom .....	15
Two Bedrooms .....	35
Total .....	50

**\*Most of the estimated demand will be served by the approximately 40 new senior affordable housing units that are currently under construction at the S. 5<sup>th</sup> and Vine Street Apartments.**

The conclusion of the quantitative analyses is that approximately 85 households could conservatively be estimated to form the household demand for new rental units in Downtown for affordable family or senior housing.

If it is possible to produce additional units on vacant land or in vacant building space that would be financially feasible it would be beneficial to Downtown by increasing the population/customer density. Rental units can be the catalyst for further commercial and residential expansion, possibly including homeownership options in the future.

Because of the State and Federal Subsidies that are available and the pool of developers experienced with the various subsidy programs, it should be easier to produce affordable housing units than market rate rental units. The key step is to start the momentum of residential development in the Downtown market that could induce other developments. New residential development should also motivate owners of existing buildings to make needed repairs and other improvements to their properties.

## SECTION IX

### DOWNTOWN RESIDENTIAL IMPLEMENTATION

Strategies and financial programs that may assist residential development in Downtown Poplar Bluff include:

- Plan for a multifunctional Downtown in which housing complements other uses, such as employment, shopping, culture, entertainment, government, and possibly tourism.
- Identify and give high priority to catalyst projects that have the ability to energize or raise the awareness level of Downtown.
- In order to development residential momentum in Downtown, early focus should be on the production of quality rental units. Poplar Bluff already has the advantage of an existing Downtown rental market. It could be beneficial to try and expand the rental market to add new households to the area.
- Identify available building and land space that could accommodate new residential units in Downtown and consult with the owners regarding their plans for the use, improvement, or sale of the building or land. The upper floors of many of the buildings in Downtown Poplar Bluff have the potential to be converted into unique rental housing space.
- Identify builders, developers, and investors that would be willing to produce or improve residential space in Downtown. Request developer lists from agencies like Missouri Housing Development Commission. Contact companies in the development industry and make them aware of opportunities that may exist to produce housing in Downtown Poplar Bluff.
- Encourage building designs and improvements that are comparable and complimentary to the existing architectural building designs in Downtown.
- Review applicable zoning and building codes to ensure they do not present barriers to Downtown residential development.
- Provide technical assistance and financial incentives where possible to support Downtown residential development. The proposed Downtown revolving loan program to assist owners with repairs to their buildings is a good example of the types of initiatives the community may have to implement to make improvements financially feasible. Consideration should also be given to seeking historic designations to buildings in Downtown whereby much needed historic tax credits would be made available to help finance development costs.
- Identify and try to mitigate all adverse conditions, such as lack of parking, traffic patterns, and vacant feel to buildings that may adversely affect the Downtown residential market.
- Encourage existing property owners in Downtown to properly maintain their property through code enforcement.

- Implement Downtown beautification programs and consider improvements that would help to increase visitor appeal. This could include sidewalk repair, planter boxes, new ornamental street lights, building murals, and decorative trash receptacles.
- Attract commercial businesses to Downtown that serve residents and visitors needs.

In order to fund larger developments or more expensive historic renovation projects it may be necessary to utilize various government subsidy and incentive programs. Financial programs and incentives that could help to produce Downtown residential housing include:

- Historic Federal and State Tax Credit – These are one time federal and state tax credits that help to raise development equity through the sale of the tax credits to investors.
- Federal and State Affordable Housing Tax Credit – These are 10 year federal and state tax credits that help to raise development equity through the sale of tax credits to investors for affordable housing developments.
- Federal and State New Markets Tax Credit – This is a federal and state tax program that was intended to increase businesses and jobs in areas of low income concentration.
- Missouri Housing Development Commission Multifamily Loan Programs – The Commission administers both federal and state funds that can be used as loans or grants for the production of affordable housing.
- Hope VI Main Street Grants – This is a HUD administered grant program specifically designed to foster residential production in Downtown areas. Initial tenants must be low income, but subsequent tenants can be non-low income.
- 353 Property Tax Abatement – This is a 25 year tax abatement program that reduces the property taxes over a 25 year period for developments located in blighted areas.
- Tax Increment Financing – This program allow for the future real property taxes generated by a new development to be used to help to retire the debt required to finance the improvement.
- Brownfield Redevelopment Program – Is intended to provide incentives for the redevelopment of commercial/industrial sites that may have contamination caused by hazardous substances.
- Community Development Block Grant Program (CDBG) – This is a grant program to local communities to improve local facilities and to develop greater capacity for growth.
- Community Development Corporation (CDC) Grant Program – This is a state program where the Department of Economic Development will issue grants to a CDC to cover expenses directly linked to administering neighborhood initiatives.
- Enterprise Zone Tax Benefit – This is a state tax program that is designed to provide tax incentives to businesses that are creating new jobs.

- Industrial Development Bonds – Provides funding through the sale of tax exempt bonds for projects.
- Neighborhood Assistance Program – This is a program administered by Missouri Department of Economic Development that provides state tax credits to donors who make donations to local neighborhood project.
- MODESA – This is a program administered by Missouri Department of Economic Development that is intended to help facilitate the redevelopment of Downtown areas by diverting taxes from community projects to help pay for related infrastructure costs.
- Neighborhood Preservation Act – This is a state tax credit that is provided to a home owner or developer that either rehabilitates or builds a home that will be located in a distressed community.
- First Place Loan Program – This is a low interest loan and down payment assistance program designed for first time homebuyers.
- HeRO Program – This is a program administered by Missouri Housing Development Commission that provides home repair grants for owner occupied homes.
- Missouri Housing Trust Fund – This is a program administered by MHDC that provides funding for a variety of housing needs, such as homeless prevention, rehab or new construction of rental housing, rental assistance and home repair.
- Community Improvement Districts – This is a program that creates special districts that are able to assess special tax assessments to fund infrastructure and other improvements that would benefit the property owners in the district.

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## SECTION X

### ASSUMPTIONS AND LIMITING CONDITIONS

1. The area description supplied to the appraiser is assumed to be correct;
2. No survey of the area has been made or reviewed by the appraiser, and no responsibility is assumed in connection with such matters. Illustrative material, including maps and plot plans, utilized in this report are included only to assist the reader in visualizing the property. Area dimensions and sizes are considered to be approximate;
3. No responsibility is assumed for matters of a legal nature affecting title to properties in the area, nor is any opinion of title rendered. Property titles are assumed to be good and merchantable unless otherwise stated;
4. Information furnished by others is believed to be true, correct, and reliable. However, no responsibility for its accuracy is assumed by the appraiser;
5. All mortgages, liens, encumbrances, leases, and servitudes have been disregarded unless so specified within the report. The property in the area is assumed to be under responsible, financially sound ownership and competent management;
6. It is assumed that there are no hidden or unapparent conditions to the subsoil or structures which would render the properties more or less valuable. No responsibility is assumed for such conditions or for arranging for engineering studies which may be required to discover them;
7. Unless otherwise stated in this report, the existence of hazardous material, which may or may not be present in the area, was not observed by the appraiser.

However, the appraiser is not qualified to detect such substances. The presence of substances such as asbestos, urea-formaldehyde foam insulation or other potentially hazardous materials may affect the value of the property. The conclusions in this report are predicated on the assumption that there are no such materials on or in the area that would cause a loss of value. No responsibility is assumed for any such conditions, or for the expertise required to discover them. The client is urged to retain an expert in this field if desired. The analysis and demand conclusions in this report are null and void should any hazardous material be discovered;

8. Unless otherwise stated in this report, no environmental impact studies were either requested or made in conjunction with this report. The appraiser reserves the right to alter, amend, revise, or rescind any opinions of demand based upon any subsequent environmental impact studies, research, or investigation;
9. It is assumed that there is full compliance with all applicable federal, state. And local environmental regulations and laws unless noncompliance is specified, defined, and considered in this report;

10. It is assumed that all applicable zoning and use regulations and restrictions have been complied with, unless non-conformity has been specified, defined and considered in this report;
11. It is assumed that all required licenses, certificates of occupancy, consents, or other legislative or administrative authority from any local, state, or federal governmental or private entity or organization have been or can be obtained or renewed for any use on which the demand estimate is based;
12. The appraiser will not be required to give testimony or appear in court because of having made this report, unless arrangements have previously been made;
13. Possession of this report, or a copy thereof, does not carry with it the right of publication. It may not be used for any purpose by any person other than the intended users without the written consent of the appraiser, and in any event, only with properly written qualification and only in its entirety;
14. The liability of the appraiser is limited to the intended users only. There is no accountability, obligation, or liability to any third party. If this report is placed in the hands of anyone other than the intended users, they shall make such party aware of all limiting conditions and assumptions of the assignment and related discussions;
15. Acceptance and/or use of this report constitutes acceptance of the foregoing assumptions and limiting conditions.

## SECTION XI

### APPRAISER'S CERTIFICATION

I certify that, to the best of my knowledge and belief:

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations.
- I have no interest in the market that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the within the market of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal consulting assignment.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the market that is the subject of this report.
- **Robert Odell** provided significant real property appraisal or appraisal consulting assistance to the person signing this certification.

By: **Steve Sillimon**-Certified General Real Estate Appraiser # RA003250  
Missouri Housing Development Commission  
July 8, 2009