

DOWNTOWN  
REVITALIZATION &  
ECONOMIC  
ASSISTANCE FOR  
MISSOURI

Boonville, Missouri

# RESIDENTIAL DEMAND ANALYSIS

DOWNTOWN  
MARKET AREA

COOPER COUNTY  
JANUARY, 2010





# ACKNOWLEDGMENTS



DOWNTOWN REVITALIZATION AND ECONOMIC  
ASSISTANCE FOR MISSOURI (DREAM)  
PROGRAM SPONSORS:



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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 Boonville 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 Boonville, Cooper County Missouri, and parties interested in development of residential housing units in Downtown Boonville, 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 Boonville 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 Boonville, within the specific geographic boundaries as described within this report.

## **EFFECTIVE DATE OF THE REPORT**

The effective date of the report is November 4, 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, if applicable.

**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

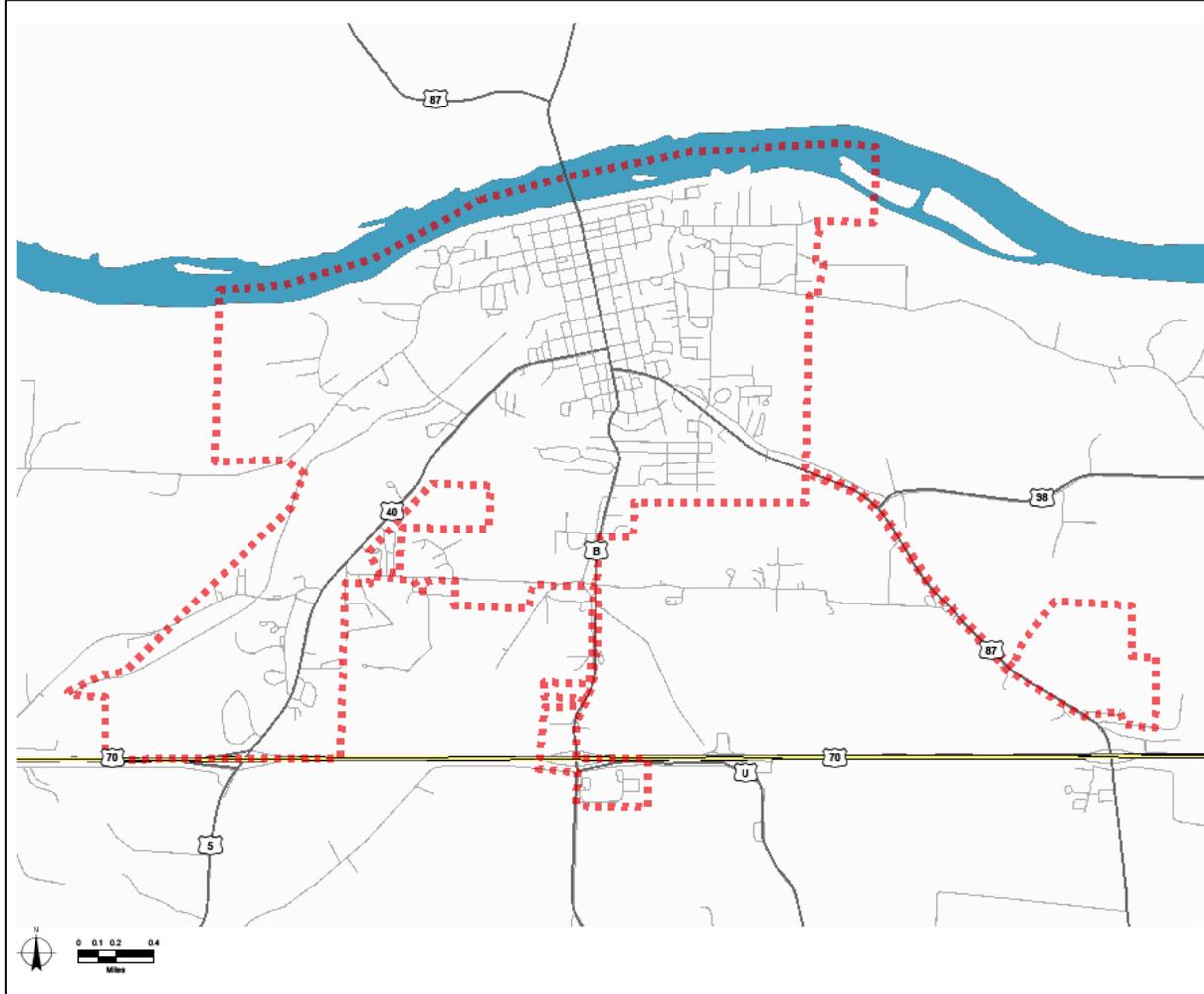
### EXECUTIVE SUMMARY

- A baseline assessment of current Downtown housing uses concluded there is a mixture of ownership and rental housing in Downtown that includes single family homes, single family homes converted to small multifamily use, duplexes, small apartment complexes, and upper floor units above commercial space.
- Unlike other Downtowns in small communities around the state, Boonville's does not appear to be in steep decline due to a loss of economic activity to other parts of the City. Although some vacancies were noted in Downtown commercial space the area appeared to be active with businesses, local consumers, and visitors.
- A dynamic and economically strong Downtown Boonville includes a substantial residential population base. Such a residential base located nearby provides a twenty-four hour people presence that should have a positive effect on the retail climate and quality of life. A densely inhabited Downtown could create an exciting place to live and promote a positive pedestrian atmosphere. Downtown residents can help retail stores, dining and drinking establishments, cultural activities, and nearby employers thrive while building a vibrant atmosphere that can attract visitors.
- Demographic data indicates that between 2009 and 2014 the number of households in Boonville is expected to increase by approximately 150 households. Some of those households, especially households with no children, could comprise some of the housing demand for Downtown Boonville.
- A survey of existing market rate and affordable housing developments in Boonville indicates that most have good occupancy and some have waiting lists. Therefore, the opportunity exists to serve some of this excess demand with Downtown housing units.
- A quantitative demand analysis concluded that over the next few years potential residential demand for market rate rental units in Downtown Boonville could be generated by approximately 35 additional households. Those households could include various income levels, but will likely be smaller households with no children, young singles or couples, or older empty nesters. The types of rental housing these households could demand includes one to three bedroom units that are attached or detached, and are of loft or garden style construction.
- Another conclusion indicated that over the next few years potential residential demand for affordable senior rental units in Downtown Boonville could be generated by approximately 24 additional households. The types of rental housing these households could demand includes one or two bedroom units that are attached or detached and that are in single or multi-story buildings with elevator access. The best way to serve this demand is with a single large development, but this may only be feasible if financed with affordable housing subsidy programs like the Affordable Housing Tax Credit or the HUD 202 Program.

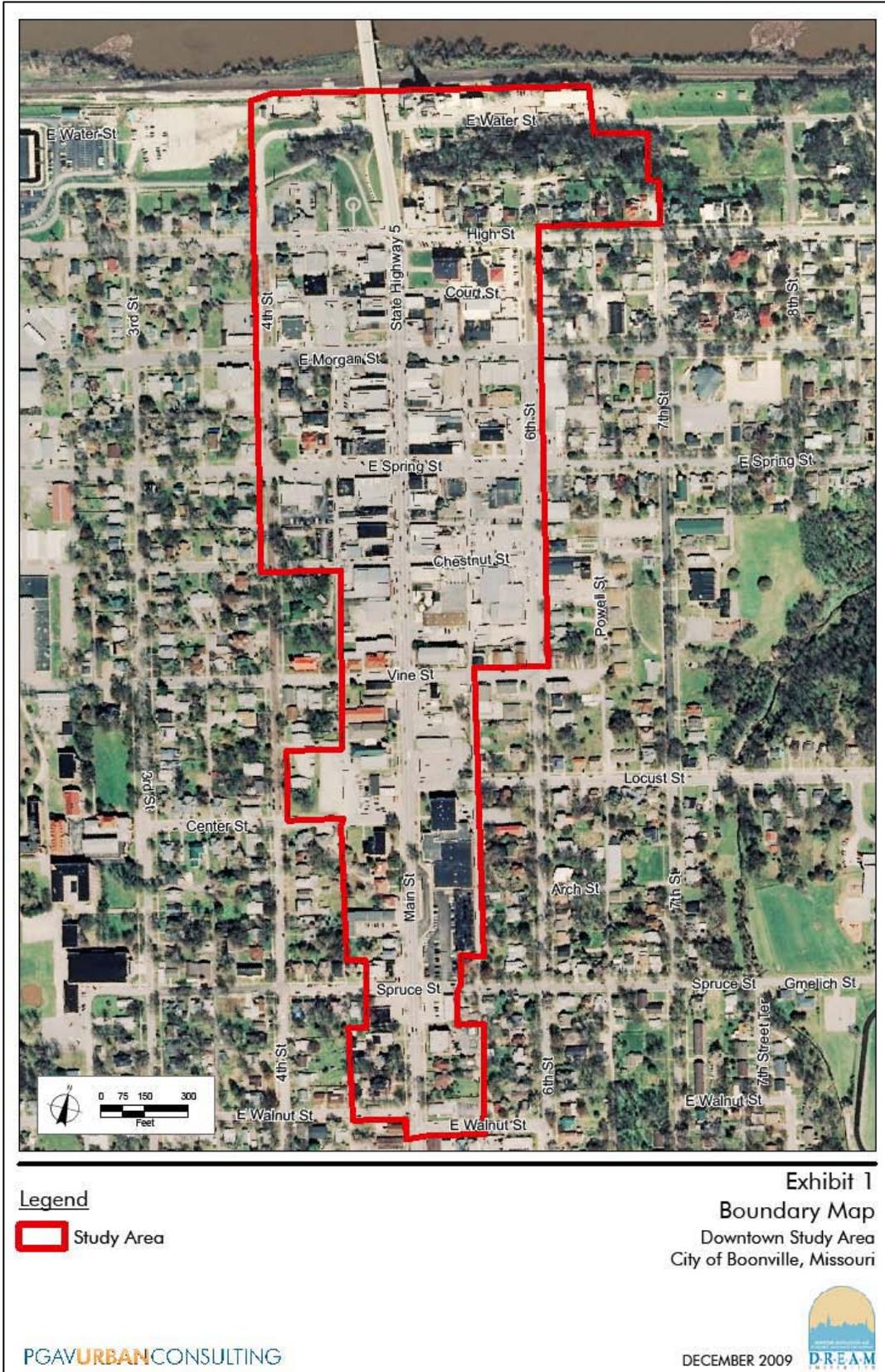
- Based on the occupancy levels of existing affordable family rental housing units in Boonville, there could be demand for more of this type of unit in the City. However, due to the high vehicular traffic flow through Downtown, family rental units should be carefully considered before being developed in this area.
- Existing vacant land and building space in Downtown Boonville could be used to expand residential housing opportunities. There is a large amount of space available in buildings such as the unused wing of Hotel Frederick and the old Kemper Military Academy as well as opportunities to convert upper floor commercial building space into residential use.
- In some cases it may not be financially feasible to rehab upper floor commercial space for residential use. Downtown Boonville may need to develop financial incentives and other methods of encouragement to convince owners and investors that rehabilitation of this building space makes good business sense. The more upper floor residential units that can be successfully created, the more the Downtown retail market will grow and overcome any perceived risks and nuisances.
- Development of larger vacant tracts and buildings may also require the services of real estate developers that are familiar with subsidy programs, such as historic tax credits, affordable housing tax credits, new markets tax credits, and tax increment financing. Experienced developers should be sought for large Downtown projects.
- If zoning permits, consideration should be given to modifying some street level commercial space for residential use. However, this conversion should only be considered for property along side streets that may no longer be attractive for retail. This may be the highest and best use of this type of space as it will add to the level of permanent consumers in Downtown and improve the condition of vacant buildings. Ground level spaces on Main Street and primary traffic corridors should be conserved for pedestrian generating uses that are typically retail in nature.
- Steps that Downtown Boonville can take to encourage residential development include streamlining development and permitting processes, identification of possible development sites, and consideration of financial incentives when necessary.
- The City should consider adopting local policy to require that owners of vacant commercial buildings provide window restoration and treatment to street level and upper floor windows. This activity will diminish any adverse effects that the vacant building has on the marketability of the surrounding area.



**Map #1 – Boonville City Limits**



Map #2 – DREAM Study Area



## **OVERVIEW**

Boonville is located approximately 20 miles west of Columbia, Missouri and is the most populous City in Cooper County. Interstate 70 runs along the southern edge of the City. The City is located along the bluffs overlooking the Missouri River and was incorporated in 1839. Boonville owes much of its heritage to river trade, the Santa Fe Trail, the railroad, and the Civil War. Because of its location on the Missouri River, Boonville was sought after by both the Confederate and Union armies. Boonville has a rich history and a large number of properties listed on the National Register of Historic Places. Boonville was also well known as the home of Kemper Military Academy, a private military academy founded in 1844. The Academy closed in 2002 and was purchased by the City. The buildings and grounds are now known as Frederick T. Kemper Park. A YMCA now occupies a portion of the campus and the City is presently developing a reuse plan for the site.

Today, Boonville is a significant retail trade market for surrounding communities and has a diverse economy supported by major employers like The Isle of Capri Casino, Nordyne, Caterpillar, Boonville Correctional Facility, and Wal-Mart. The casino, historic attractions, and Katy Trail State Park add considerable tourist activity to Boonville. The Katy Trail runs from St. Charles, Missouri to Clinton, Missouri and attracts many bicyclists, hikers, and joggers.

Downtown is located in the north central section of the City. The boundaries of the DREAM Study Area are generally the Missouri River to the north, East Walnut Street to the south, 6th Street to the east, and 4<sup>th</sup> Street to the west. Downtown Boonville is the center of local government. The Cooper County Courthouse is located at 200 Main Street. Boonville City Hall is located on East Spring Street, just east of Main Street. The Boonville Police Department, U.S. Post Office, regional public library, various places of worship, a wide variety of small businesses and neighborhood services (gas stations, convenience stores, etc.), memorial sites (Veterans and Morgan Street Parks), and many historical sites (Thespian Hall, Hain House) are located within the DREAM Study Area. The Isle of Capri Hotel and Casino, the area's largest employer, is located just a few blocks west of Downtown. Another landmark in Downtown Boonville is the Butternut Bakery, located at 500 Main Street. Butternut is a large scale bakery that employs around 100 people.

Downtown Boonville was the main shopping district until the City began to grow and more businesses, including Wal-Mart, began to sprout in other areas of the City. Although many retail and service businesses are located in other areas of the community, the small businesses that continue to operate Downtown generate a significant amount of pedestrian and vehicular traffic.

Most of the commercial buildings in Downtown Boonville are multi-story and many of the ground floor spaces are occupied. Some of the upper floor spaces appear to be occupied as well, but most look vacant. Downtown Boonville appears to be used primarily by residents, people conducting business, and tourists.

**DOWNTOWN AREA PHOTOGRAPHS**



Boonville City Hall  
525 E. Spring Street



Historic Hotel Frederick  
501 High Street



Veteran's Memorial  
High and Main Streets



Thespian Hall  
522 Main Street



Morgan Street Park  
Morgan and Main Streets



Looking South on Main Street from Morgan Street

Looking South on Main Street from Spring Street





Looking north on Main Street from Spring Street

Looking East on Morgan Street from Main Street



Boonslick Bridge over the Missouri River located at the north end of Downtown on Main Street

View of the Missouri River from the Boonslick Bridge





Buildings on the west side of the 200 block of Main Street



Buildings on the east side of the 200 block of Main Street



Buildings on the east side of the 300 block of Main Street



Buildings on the west side of the 300 block of Main Street



Buildings on the south side of the 400 block of East Morgan Street, just west of Main Street

Buildings on the north side of the 500 block of East Morgan Street, just east of Main Street



Boonslick Heartland YMCA  
737 3<sup>rd</sup> Street

Isle of Capri Casino along the Bluffs of the Missouri River,  
just west of Downtown





Former Kemper Military Academy on 3<sup>rd</sup> Street,  
a few blocks west of Downtown

Roslyn Heights, a restored Victorian mansion, is the  
headquarters for the Missouri State Society of the  
Daughters of the American Revolution,  
located at 821 Main Street



Example of Main Street Mansion in Downtown Boonville

Katy Trail State Park trailhead  
in Boonville

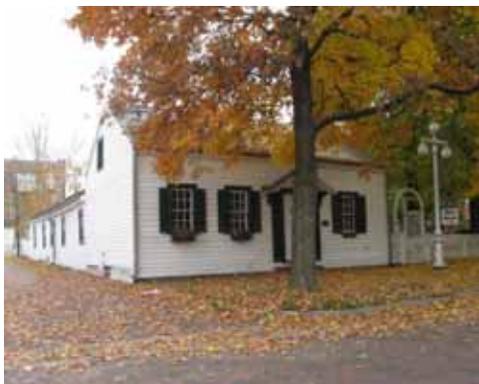




LSE Middle School at 700 Main Street



Butternut Bread Bakery at 500 Main Street



Historic Hain House at 412 4<sup>th</sup> Street

### **Traffic Arteries**

Main Street is also Missouri State Highway 5 or 5<sup>th</sup> Street and runs north and south through Boonville. The highway carries a large amount of traffic and is primarily a two-way, two lane road through Downtown.

### **Existing Land Uses**

Most of the land use in the DREAM Study Area is commercial, but there is some residential land use on the lower and upper floors of a few buildings off of Main Street and on the upper floors of a few buildings along Main Street.

## **Adjacent Areas**

Land uses adjacent to the DREAM Study Area are predominately residential.

## **Parking**

Downtown has a significant amount of vehicular activity during the weekday. Parking may be limited near some businesses along Main Street.

## **Retail Shopping**

Downtown has a variety of retail businesses including antique stores, gift shops, appliance dealers, clothing stores, bakeries, a hardware store, a jewelry store, a shoe store, a floral shop, a furniture store, and a packaged liquor store.

## **Entertainment**

Thespian Hall at 522 Main Street is a very active entertainment venue operated by the Friends of Historic Boonville. The Isle of Capri Casino is located just a few blocks west of the DREAM Study Area and offers gaming, entertainment, and dining.

## **Dining Establishments**

Downtown has several dining establishments including Café Napoli, Maggie's Bar and Grill, Steinhouse Café and Restaurant, Main Street Pub, Domino's Pizza, Peaches & T's Café, Serenitea House, The Palace, Riverside Diner, and Glenn's Cafe. WJ's and Calypso's are located just outside of the DREAM Study area and several other restaurant options located south of Downtown nearer to Interstate 70.

## **Parks and Recreation**

The City of Boonville boasts 12 parks ranging from one quarter of an acre to seventy acres. Parks located near Downtown include Harley Park, Big Sky Park, Frederick T. Kemper Park, Riverfront Park, and Morgan Street Park.

Harley Park is the oldest park in the City and is located on the bluffs overlooking the Missouri River. The Park consists of thirty-one acres and includes picnic shelters, baseball fields, playgrounds, and restrooms. Also featured are prehistoric Native American Mounds and an overlook of the River. The Park is listed on the National Register of Historic Places.

Big Sky Park is located adjacent to Harley Park. It consists of five acres and no amenities.

Located a couple of blocks west of Downtown is Frederick T. Kemper Park, the newest Park in the City. This Park consists of approximately 46 acres and 10 buildings on what was formerly the Kemper Military School. The Boonslick YMCA occupies a portion of the available building space. Other park amenities include a regulation size football field, soccer fields, baseball diamonds, and a lake.

Riverfront Park is located on Water Street and has a playground and picnic shelter.

Morgan Street Park is located at the intersection of Main and Morgan Streets in Downtown. The Park is the site of the former Holt's Cafe building that was destroyed by fire in the late 1980's. It has been developed into a memorial space that contains a statue of Hannah Cole as the main focal point, with space for busts of six prominent persons in Boonville's history.

Katy Trail State Park also crosses the Boonslick Bridge at Main Street and winds along the riverfront to the west by the Casino and Chamber of Commerce.

### **Schools**

Boonville has four schools in the public education system including two elementary schools, a middle school, and a high school. The LSE Middle School is located at 700 Main Street in Downtown. There are also five private institutions and the Boonslick Technical Education Center located in Boonville.

### **Public Transportation**

Boonville has a public bus system called the Katy Flyer, which operates on a limited route and schedule. It is available on Tuesday through Thursday from 7:30 a.m. until 5:00 p.m. and reservations are required.

## **DOWNTOWN AREA STRENGTHS AND WEAKNESSES**

From a residential market perspective the Downtown Boonville Market Area has many positive attributes, including:

- **Government Center:** Downtown is the center of government for the County and the City. These services generate activity for Downtown businesses from employees and business visitors on a daily basis throughout the work week.
- **Active Commercial District:** Downtown Boonville has a significant amount of vehicular and pedestrian traffic, which is a result of existing businesses and shops. This traffic can be a nuisance, but is critical for the success of businesses and attractions.
- **Existing Residential Market:** Downtown Boonville has some residential units that are occupied by building owners and tenants. The residential market in Downtown does not have to be created; it just needs to be expanded.
- **Potential Development Space:** Downtown has a significant amount of vacant building space that has the potential to be used for residential development. It appears that much of the upper floor space of Downtown commercial buildings is vacant and has the potential to be converted to residential use.
- **Attractions:** Downtown is located on the Missouri River and Katy Trail State Park. These attractions, along with the nearby Isle of Capri Casino, draw visitors to the City year round.
- **Eating Establishments:** Downtown has a large number of local eating establishments that draw people from inside and outside of the community.

- **Neighborhood Amenities:** Grocers are located in close proximity to Downtown. Additionally, Downtown has many neighborhood amenities and services which are important to residents.
- **Momentum:** Overall, Downtown Boonville seems to be stable and improving. Public investment is demonstrated by the streetscape including public benches, planter boxes, trash receptacles, decorative street lighting and wayfinding signage. Recent building purchases and renovations are evidence of private investment. The momentum these activities generate should carry Downtown revitalization efforts into the future to some extent.
- **Historic Resources:** Downtown Boonville may be eligible to be placed on the National Register of Historic Places. If a District cannot be formed, many of the commercial buildings may be eligible individually. Listing on the National Register will make these properties eligible for Federal and State Historic Tax Credits that can be used to finance rehabilitation.
- **Walkable Area:** Main Street provided a concentrated area of businesses, parks, and attractions that combine to create a pedestrian friendly stretch through the heart of Downtown. This walkable area contains shops, offices, employers, gathering spaces, entertainment, and restaurants that provide a unique and vibrant atmosphere.

From a residential market perspective there are some weaknesses of the Downtown Boonville Market Area, including:

- **Limited Rent Potential:** The rental market in Downtown Boonville is very affordable. While depressed rents work to the advantage of tenants, this situation could be a deterrent in terms of development feasibility. Costs to rehabilitate or build residential space may exceed the return on investment that can be amortized through rental income.
- **Available Housing:** Demand for housing in Downtown Boonville must compete with, what appears to be, an ample supply of residential options in other parts of the community.
- **Parking:** Parking appears to be limited in Downtown during weekday business hours.

## SECTION III ECONOMIC PROFILE

### OVERVIEW

The following section includes an analysis of the economy of the market area. The analysis will focus on employment by industry, major employers, area employment, unemployment, and labor force trends. MHDC has obtained economic information from the Missouri Department of Economic Development, Bureau of Labor Statistics, U.S. Census Bureau, and the Boonville, Chamber of Commerce.

### Major Employers

Major Employers - Boonville, Missouri Area		
Employers	Type of Business	Employees
Isle of Capri	Casino	540
Nordyne	Manufacturing	500
Boonville Correctional Center	Correctional Center	381
Wal-Mart	Retail	350
Caterpillar Inc.	Manufacturing	310
Cooper County Memorial Hospital	Hospital	230
Boonville R-I High School	Public School	224
Fuqua Homes	Manufacturing	160
Unlimited Opportunities	Service	158
City of Boonville	Government	148
Glen Martin Engineering Inc.	Manufacturing	126

Source: Boonville Chamber of Commerce

In addition to the jobs within the community, Boonville is located close to the major metropolitan areas of Columbia and Jefferson City, Missouri. Many residents of Boonville commute to those areas for employment.

Recent data compiled by the U.S. Bureau of Labor Statistics indicated that 49 of the 50 United States had a decline in manufacturing jobs from July 2008 to July 2009. During that period the State of Missouri is reported to have had a decline in manufacturing jobs of 28,100. The trend is expected to continue, although communities like Boonville with a diversified economy are not as affected by the manufacturing decline.

The City indicates that an existing company has plans to expand by another 250 jobs in the near future.

## Employment Categories and Wages

Average Employment and Wages - Cooper County, Missouri								
Industry	2007*		2006		2005		2004	
	Average Employment	Avg. Mthly. Wages						
11 - Agriculture, Etc.	26	\$2,913	29	\$2,648	29	\$2,467	24	\$2,535
21 - Mining	N/A	\$4,125	N/A	\$3,410	N/A	\$3,815	N/A	\$3,396
22 - Utilities	42	\$3,706	43	\$3,524	38	\$3,517	38	\$3,555
23 - Construction	254	\$2,618	286	\$2,538	279	\$2,302	273	\$2,212
31 - Manufacturing	1,145	\$2,820	1,134	\$2,829	1,111	\$2,708	1,082	\$2,717
42 - Wholesale trade	180	\$5,087	188	\$4,554	229	\$4,248	189	\$4,159
44 - Retail Trade	632	\$1,802	624	\$1,777	617	\$1,675	634	\$1,596
48 - Transportation and warehousing	186	\$2,800	190	\$2,639	215	\$2,485	216	\$2,396
51 - Information	47	\$2,024	51	\$1,977	57	\$1,770	61	\$1,787
52 - Finance & Ins.	169	\$2,917	168	\$2,689	155	\$2,611	146	\$2,459
53 - Real estate	48	\$1,444	54	\$1,357	50	\$1,279	52	\$1,184
54 - Professional and technical services	88	\$3,456	77	\$3,344	84	\$2,967	75	\$2,946
55 - Mgmt. (companies)	N/A	\$5,509	N/A	\$8,830	N/A	\$3,100	N/A	\$3,269
56 - Administrative, etc.	63	\$1,483	62	\$1,427	51	\$1,369	35	\$1,519
61 - Educational	446	\$2,154	438	\$2,118	441	\$2,030	427	\$1,953
62 - Health care, social	788	\$2,156	746	\$2,054	729	\$1,958	680	\$2,000
71 - Arts, etc.	733	\$2,368	761	\$2,352	801	\$2,347	731	\$2,280
72 - Accommodations & food services	430	\$995	460	\$885	419	\$905	394	\$894
81 - Other services	232	\$1,778	225	\$1,728	213	\$1,727	195	\$1,663
Public Administration	600	\$2,562	608	\$2,472	603	\$2,400	602	\$2,360

\*Information available to date

Source: U.S. Census Bureau

The largest employment trades in Cooper County are manufacturing, healthcare, and arts, entertainment and recreation. Average monthly wages for those trades in 2007 was \$2,820 for manufacturing, \$2,156 for healthcare, and \$2,368 for arts, entertainment and recreation.

**Labor Force and Unemployment**

Local Area Employment - Cooper County					
Year	Labor Force	Employment	Unemployment	Unemployment Rate	Missouri Unemployment Rate
2003	8,711	8,307	404	4.6%	5.2%
2004	8,797	8,358	439	5.0%	5.6%
2005	9,021	8,597	424	4.7%	5.8%
2006	9,063	8,678	385	4.2%	5.3%
2007	9,177	8,770	407	4.4%	4.8%
2008	9,109	8,590	519	5.7%	5.0%

Source: Department of Economic Development

The unemployment rate for Cooper County has consistently been better than the state as a whole, until 2008.

**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%
Cooper	7,326	2,787	38.0%	32.9%	701	5.1%
Howard	4,853	2,500	51.5%	39.4%	820	12.1%
Saline	11,203	1,654	14.8%	9.6%	656	5.2%
Pettis	18,286	2,527	13.8%	11.5%	701	2.3%
Morgan	8,081	3,147	38.9%	34.0%	999	4.9%
Boone	71,967	6,615	9.2%	8.0%	2,075	1.2%
Moniteau	6,669	3,100	46.5%	39.1%	905	7.4%

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

The table indicates that as of year 2000 approximately 38% of the residents of Cooper County commuted outside of the County for employment. Most commute to the larger, nearby Columbia and Jefferson City job markets.

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## SECTION IV DEMOGRAPHIC PROFILE

### Population

Total Population						
Year	Boonville	Percent Change	Cooper County	Percent Change	Missouri	Annual Percent Change
2000	8,202		16,670		5,595,211	
2009	8,891	8.4%	17,730	6.4%	5,870,906	4.9%
2014	9,272	4.3%	18,371	3.6%	6,053,252	3.1%

Source: Claritas, MHDC

The demographic estimates obtained from Claritas indicate the population of Boonville and Cooper County have been increasing and are expected to continue increasing through 2014. This is a positive indicator of the probable need for additional housing units to serve the growing population.

### Population by Age

Population By Age Group						
Boonville, Missouri						
Age Cohort	2000	Percent	2009	Percent	2014	Percent
1-20	2,319	28%	2,436	27%	2,519	27%
21-24	1,000	12%	1,067	12%	1,160	13%
25-34	1,240	15%	1,414	16%	1,385	15%
35-44	1,004	12%	938	11%	941	10%
45-54	777	10%	1,006	11%	994	11%
55-64	595	7%	748	8%	879	9%
65-74	527	6%	545	6%	618	7%
75-84	499	6%	450	5%	450	5%
85+	241	3%	287	3%	326	4%

Source: Claritas, MHDC

The table above indicates that the segment of the population for the most transient age groups, between the ages of 21 and 34 have been around 27% to 28% of the total population and that trend is expected to continue into the near future. This indicates a population base that is not aging as fast as other communities and one that should continue to generate considerable activity in the real estate and apartment markets in Boonville.

**Average Age of Population**

Total Population Average Age	
Boonville, Missouri	
Year	
2000	36.7
2009	36.9
2014	37.4

Source: Claritas

The table illustrates that the average age of the population increased very slightly between 2000 and 2009 and is expected to continue to increase slightly between 2009 and 2014.

**Average Age Comparison**

Average Age Comparison 2000-2009			
Community	Population		Change (Years)
	2000	2009	
Boonville	36.67	36.92	0.25
Clinton	40.66	40.98	0.32
Fulton	36.68	37.50	0.82
Marshall	37.37	37.36	-0.01
Mexico	40.85	41.62	0.77

Source: Claritas

The average age of the population of Boonville is low in comparison with nearby communities.

**Population by Gender**

Population By Gender						
Boonville, Missouri						
Gender	2000	Percent	2009	Percent	2014	Percent
Male	4,768	58%	5,149	58%	5,360	58%
Female	3,434	42%	3,742	42%	3,912	42%

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**

2009 Estimated Population Age 25+ Educational Attainment		
Boonville, Missouri		
Type	Population	Percentage
Less than 9th grade	272	5%
Some High School, no diploma	981	18%
High School Graduate (or GED)	2,272	42%
Some College, no degree	1,007	19%
Associate Degree	147	3%
Bachelor Degree	436	8%
Master Degree	218	4%
Professional School Degree	50	1%
Doctorate Degree	5	0%

Source: Claritas

**Marital Status**

2009 Estimated Population Age 15+ by Marital Status		
Boonville, Missouri		
Type	Population	Percentage
Total, Never Married	2,506	22%
Married, Spouse present	2,853	25%
Married, Spouse absent	645	6%
Widowed	752	7%
Divorced	742	6%
Male, Never Married	1,905	17%
Previously Married	558	5%
Female, Never Married	601	5%
Previously Married	936	8%

Source: Claritas

**Total Households**

Total Households				
Boonville, Missouri				
Year	Boonville	Change %	Cooper County	Change %
2000	2,667		5,932	
2009	2,948	10.5%	6,425	8.3%
2014	3,096	5.0%	6,705	4.4%

Source: Claritas, MHDC

The number of households in Boonville increased between 2000 and 2009 and the trend is expected to continue through 2014. Similar to the growth in population, this is an indicator of future housing needs.

### Average Household Size

Average Household Size	
Boonville, Missouri	
Year	Average Persons Per Household
2000	2.33
2009	2.31
2014	2.31

Source: Claritas

### Households by Age of Householder

Households by Age of Householder						
Boonville, Missouri						
Age Cohort	2000	Percent	2009	Percent	2014	Percent
Under 25	133	5%	136	5%	153	5%
25-34	394	15%	454	15%	446	14%
35-44	545	20%	520	18%	526	17%
45-54	467	18%	615	21%	609	20%
55-64	330	12%	430	15%	501	16%
65-74	338	13%	353	12%	399	13%
75-84	335	13%	305	10%	303	10%
85+	125	5%	135	5%	159	5%

Source: Claritas, MHDC

### Households by Size

Households By Size						
Boonville, Missouri						
Household Size	2000		2009		2014	
	Number	Percent	Number	Percent	Number	Percent
1 Person	832	31.2%	935	31.7%	986	31.8%
2 Persons	894	33.5%	984	33.4%	1,031	33.3%
3 Persons	431	16.2%	477	16.2%	502	16.2%
4 Persons	321	12.0%	351	11.9%	368	11.9%
5 Persons	138	5.2%	148	5.0%	155	5.0%
6 Persons	37	1.4%	41	1.4%	43	1.4%
7+ Persons	14	0.5%	12	0.4%	11	0.4%
Total	2,667	100%	2,948	100%	3,096	100%

Source: Claritas, MHDC

**Household Type and Presence of Own Children**

2009 Estimated Household Type, Presence Own Children		
Boonville, Missouri		
Type	Households	Percentage
Single Male Householder	315	11%
Single Female Householder	620	21%
Married-Couple Family, with children	595	20%
Married-Couple Family, no children	837	28%
Male Householder, with children	59	2%
Male Householder, no children	38	1%
Female Householder, with children	239	8%
Female Householder, no children	110	4%
Nonfamily, Male Householder	75	3%
Nonfamily, Female Householder	60	2%

Source: Claritas

**Hispanic Households**

Hispanic Households	
Boonville, Missouri	
Year	Number
2009	22
2014	27

Source: Claritas

The table indicates that the estimated number of Hispanic households in Boonville 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				
Boonville, Missouri				
Bedrooms	2000	Percentage	2009	Percentage
Owner Occ.	1,715	64%	1,887	64%
Renter Occ.	952	36%	1,061	36%

Source: Claritas

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

Tenure By Bedrooms (2000), Owner Occupied		
Boonville, Missouri		
Bedrooms	Households	Percentage
Number of Bedrooms	-	0.0%
1	41	2.4%
2	470	27.4%
3	890	51.9%
4	209	12.2%
5 or more	105	6.1%

Source: U.S. Census Bureau

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

Tenure By Bedrooms (2000), Renter Occupied		
Boonville, Missouri		
Bedrooms	Households	Percentage
Number of Bedrooms	5	0.5%
1	228	23.9%
2	450	47.3%
3	193	20.3%
4	76	8.0%
5 or more	-	0.0%

Source: U.S. Census Bureau

**Households by Income Distribution**

Households by Household Income						
Boonville, Missouri						
	2000		2009		2014	
Income Cohort	Number	Percent	Number	Percent	Number	Percent
< than \$15,000	509	19.1%	461	15.6%	443	14.3%
\$15,000-\$24,999	450	16.9%	423	14.3%	394	12.7%
\$25,000-\$34,999	440	16.5%	396	13.4%	392	12.7%
\$35,000-\$49,999	592	22.2%	602	20.4%	582	18.8%
\$50,000-\$74,999	472	17.7%	685	23.2%	740	23.9%
\$75,000-\$99,999	123	4.6%	210	7.1%	293	9.5%
\$100,000-\$149,999	63	2.4%	144	4.9%	200	6.5%
\$150,000-\$249,999	14	0.5%	17	0.6%	39	1.3%
\$250,000-\$499,999	4	0.1%	9	0.3%	10	0.3%
\$500,000 +	0	0.0%	1	0.0%	3	0.1%
Total	2,667	100.0%	2,948	100.0%	3,096	100.0%

Source: Claritas, MHDC

This table indicates approximately 87% of the households in Boonville were estimated to have household incomes of less than \$75,000 in 2009. Approximately 7% of households were estimated to have incomes between \$75,000 and \$100,000, and approximately 6% were estimated to have incomes in excess of \$100,000 in 2009.

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

Gross Rent as Percentage of Monthly HH Income (2000)		
Boonville, Missouri		
Status	Number	Percentage
Less than 15 percent	235	25%
15 to 19 percent	201	21%
20 to 24 percent	115	12%
25 to 29 percent	75	8%
30 to 34 percent	18	2%
35 percent or more	236	25%
Not computed	73	8%

Source: U.S. Census Bureau

Approximately 27% of renter households in Boonville have a gross rent (rent + utilities) that exceeds 30% of their monthly household income.

**Area Maximum Affordable Housing Income and Rents**

Maximum Income and Rents for HOME and Housing Tax Credit Programs for Cooper County (2008)												
	Income %	Maximum Incomes						Maximum HOME/LIHTC Rents				
		Persons in Household						Bedroom Sizes				
		1	2	3	4	5	6	0Br	1Br	2Br	3Br	4Br
	50%	18,400	21,050	23,650	26,300	28,400	30,500	460	493	591	683	762
	60%	22,080	25,260	28,380	31,560	34,080	36,600	552	591	709	820	915
								HUD Fair Market Rents				
								408	429	558	744	867

Source: HUD, IRS, MHDC

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

**Cost Burdened Households**

Cost Burdened Households (2000) - Boonville, Missouri			
	Renter	Owner	Renter & Owner
<b>Total</b>	931	1,692	2,623
Cost Burdened >30%	25.6%	14.0%	18.1%
Severely Cost Burdened >50%	11.9%	5.0%	7.4%
<b>Elderly 1 &amp; 2 Persons</b>	191	637	828
Cost Burdened >30%	46.1%	14.0%	21.4%
Severely Cost Burdened >50%	23.0%	3.6%	8.1%
<b>Single Person Non-Elderly</b>	285	185	470
Cost Burdened >30%	20.0%	11.9%	16.8%
Severely Cost Burdened >50%	11.6%	9.7%	10.9%
<b>Small Fam 2-4 Persons</b>	357	777	1,134
Cost Burdened >30%	26.1%	15.7%	19.0%
Severely Cost Burdened >50%	9.5%	5.1%	6.5%
<b>Large Fam 5+ Persons</b>	98	93	191
Cost Burdened >30%	0.0%	4.3%	2.1%
Severely Cost Burdened >50%	0.0%	4.3%	2.1%

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 Fam 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 Fam 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 Boonville Cost Burdened table indicates that approximately 12% of all renter households in Boonville were severely rent burdened in 2000. The severely rent burdened rate for all renter households in Missouri for the same period was approximately 15%. The most severely cost burdened renter group in Boonville appear to be elderly households at 23%, which is much higher than all elderly renters in the state at 18%.

**Migration Patterns**

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

Gross Annual Household In-Migration								
Cooper County, Missouri								
County of Origin	2007		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total In-Migration	450	100%	442	100%	434	100%	457	100%
Total In-Migration Same State	344	76%	337	76%	344	79%	349	76%
Total In-Migration Out of State	106	24%	105	24%	90	21%	108	24%
Boone County	103	23%	95	21%	102	24%	100	22%
Howard County	53	12%	56	13%	43	10%	44	10%
Pettis County	30	7%	24	5%	26	6%	45	10%
Moniteau County	17	4%	20	5%	16	4%	24	5%
Saline County	17	4%	20	5%	19	4%	16	4%
Jackson County	15	3%	12	3%	10	2%	13	3%
Cole County	10	2%	11	2%	10	2%	19	4%
Morgan County	10	2%	10	2%	10	2%	10	2%
All Other Counties	195	43%	194	44%	198	46%	186	41%

Source: Internal Revenue Service

Gross Annual Household Out-Migration								
Cooper County, Missouri								
Destination County	2007		2006		2005		2004	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Out-Migration	444	100%	468	100%	388	100%	434	100%
Total Out-Migration Same State	338	76%	356	76%	302	78%	333	77%
Total Out-Migration Out of State	106	24%	112	24%	86	22%	101	23%
Boone County	105	24%	106	23%	86	22%	78	18%
Howard County	36	8%	60	13%	54	14%	50	12%
Pettis County	31	7%	39	8%	31	8%	31	7%
Moniteau County	23	5%	14	3%	15	4%	30	7%
Saline County	21	5%	12	3%	13	3%	15	3%
Jackson County	10	2%	17	4%	12	3%	19	4%
Cole County	12	3%	12	3%	11	3%	15	3%
Morgan County	11	2%	11	2%	10	3%	12	3%
All Other Counties	195	44%	197	42%	156	40%	184	42%

Source: Internal Revenue Service

Net Annual Household Migration				
Cooper County, Missouri				
County	2007 Number	2006 Number	2005 Number	2004 Number
Boone County	-2	-11	16	22
Howard County	17	-4	-11	-6
Pettis County	-1	-15	-5	14
Moniteau County	-6	6	1	-6
Saline County	-4	8	6	1
Jackson County	5	-5	-2	-6
Cole County	-2	-1	-1	4
Morgan County	-1	-1	0	-2
All Other Counties	0	-3	42	2
Net Migration	6	-26	46	23

Source: Internal Revenue Service

The migration tables indicate that from 2004 to 2007 Cooper County attracted around 445 new households annually and had a positive net migration record in three of those years. There was a negative net migration in 2006.

Units in Structure

Units in Structure (2000)		
Boonville, Missouri		
Type	Number	Percentage
1, detached	1,952	73.2%
1, attached	96	3.6%
2	240	9.0%
3 or 4	182	6.8%
5 to 9	66	2.5%
10 to 19	33	1.2%
20 or more	-	0.0%
Mobile Home	98	3.7%
Total	2,667	100.0%

Source: U.S. Census Bureau

**Year Structure Built**

Year Structure Built (2000)		
Boonville, Missouri		
Year	Number	Percentage
1999 to March 2000	74	2.8%
1995 to 1998	132	4.9%
1990 to 1994	79	3.0%
1980 to 1989	274	10.3%
1970 to 1979	409	15.3%
1960 to 1969	407	15.2%
1950 to 1959	410	15.4%
1949 or earlier	882	33.1%

Source: U.S. Census Bureau

**Building Permits**

Building Permits - Boonville, Missouri				
Units in Bldg.	Units			
	2008	2007	2006	2005
1	13	10	29	13
2	0	0	0	0
3 to 4	0	0	0	0
5 +	0	0	0	0
Total	13	10	29	13

Source: US Census Bureau

## SECTION V

### REVIEW OF PREVIOUS DOWNTOWN HOUSING MARKET STUDIES

The City of Boonville has a Comprehensive Plan dated January, 2003. Recommendations from the Boonville Comprehensive Plan relating to Downtown include:

- The City has many historic buildings that are cultural assets that should be preserved.
- Many of the historic buildings in Downtown have inadequate upper floor access, which has limited the usage of this space. Because it is difficult and cost prohibitive to add access stairs to these buildings, owners and developers should look for opportunities to share stair access with adjacent buildings.
- The City of Boonville should assist owners of historic buildings in applying for local, state, and federal assistance for rehabilitation projects.

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## SECTION VI EXISTING HOUSING

### DOWNTOWN HOUSING

The DREAM Study Area focuses on Main Street, from East Walnut Street to the Missouri River. Within this boundary there were residential units noted including a small apartment complex on Main Street (Village Garden Apartments), a small number of single family homes, a few older apartment buildings, and some owner and renter occupied units on the upper floors of a few commercial buildings.

Unlike many small communities in Missouri, Boonville seems to have a growing market for Downtown upper floor residential units. Several occupied upper floor units were noted and the analyst was informed that there are plans by investors and building owners to acquire and rehab more space for owner or tenant occupancy.

Downtown Boonville has developed an appeal as a unique place to live with a walkable urban area unlike any other area in the City. Residents are attracted to the variety of small shops, dining options, and the quaint atmosphere that can be experienced by walking along the sidewalks. The rent is affordable and the experience is unique.

Unit rents are generally in the \$400 to \$600 range and should be affordable to a wide segment of the rental market.

Single family homes in Downtown Boonville range in value from approximately \$30,000 to \$300,000 depending on size, condition, and historical designations.

The neighborhoods that surround Downtown are predominately residential and contain a mix of small apartments, duplexes, and small and large single family homes.

Following are examples of existing multi-family residential units found in and around Downtown:



Older tri-plex at 212 6<sup>th</sup> Street



Older apartment building at 530 Vine

Newer apartments at 619 Locust Street



Apartments in converted single family house in Boonville

Village Garden Apartments on Main Street





Newer apartments at 410 Center Street

Newer duplex units in Boonville



Apartments at 607 4<sup>th</sup> Street

Apartments at 608 3<sup>rd</sup> Street





Duplex in Boonville

Following are examples of upper floor apartments in Downtown:



214 Main Street



414 Main Street

419 E. Spring Street

This building was in the process of being rehabilitated to provide two residential units on the upper floor





601 Main Street



519 E. Morgan Street



219 Main Street



318 Main Street

Following are examples of Downtown buildings with owner occupied upper floor units:



304 Main Street



501 E. Morgan Street



201 Main Street

Following are examples of single family homes in and around Downtown:





**SINGLE FAMILY HOUSING**

Presently the single family housing market in Boonville is slow, which is similar to markets in other parts of Missouri and the United States. Prior to 2008, Boonville was a fairly active market as demonstrated by home construction activity in new subdivisions.

There are currently 163 single family properties listed for sale on the Boonville Area Multiple Listing Service. These properties range from about \$20,000 to as high as \$500,000.

Recent subdivisions developed in Boonville and their average price ranges include:

Woodland Park	\$125,000
Grace Lane	\$200,000
Lake Farrell	\$125,000
Legends West	\$150,000
Sunset Trails	\$360,000

In Downtown Boonville there are reported to be at least four upper floor, owner occupied residential units. It has also been reported that other Downtown building owners are considering permanent residency on the upper floor of their buildings. This form of live/work residency has advantages for building owners, such as savings in transportation costs and closer monitoring of their businesses. As more building owners choose this residential option, it should encourage other owners to do the same.

One of the effects of the growing number of live/work situations in Downtown is that it could fuel the desire of non-building owners to consider condominium ownership.

### MARKET RATE RENTAL HOUSING

A survey of market rate rental housing options in Boonville provided examples representative of unsubsidized rental housing units. In order to protect the privacy of the owners, only basic information regarding some of these developments are provided.



Bristol Garden Apartments  
1292 Ashley Road  
Boonville, Missouri  
660-882-3545  
16 Units  
6 – one bedroom units @ \$395  
10 – two bedroom units @ \$425  
Good occupancy  
Leasing agent indicated that vacant units are quickly occupied

619 Locust  
Boonville, Missouri  
660-882-7678  
11-2Br Units @ \$520  
Good Occupancy





530 Vine  
Boonville, Missouri  
660-882-6516  
4 – two bedroom Units @ \$475  
Good Occupancy

Legends West Apartments  
1901 Legends West Avenue  
Boonville, Missouri  
660-621-2072  
10 – two bedroom units @ \$588  
Good occupancy



Upper Floor Units  
419 Spring Street  
Boonville, Missouri  
660-882-8822  
Two Upper Floor Apartments  
1 – one bedroom unit @ \$425  
1 – two bedroom unit @ \$525

Daniel Boone Apartments  
321 Spruce Street  
Boonville, Missouri  
660-882-8008  
5 – two bedroom units @ \$400-\$450  
Good Occupancy





Upper Floor Apartment  
219 Main Street  
Boonville, Missouri  
1800 sq.ft. Loft style  
Rent: \$585

Upper Floor Apartment  
201 Main Street  
Boonville, Missouri  
2 units  
1 – one bedroom unit @ \$500  
1 unit is owner occupied



Upper Floor Apartment  
310 Main Street  
Boonville, Missouri  
Rent: \$300

Upper Floor Units  
414 Main Street  
2 units  
1 – studio (0 bedrooms) unit @ \$250  
1 – two bedrooms unit @ \$225  
Rents are below market for long term tenants



### Typical Rent Range

At the time of the residential analysis, rent ranges for market rate units were approximately \$400 to \$450 for one bedroom units and \$450 to \$585 for two bedroom units. There were very few three bedroom units in apartment buildings. Most of the large family units are single family home rentals with a range of \$450-\$750, depending on size, condition, and location.

### Occupancy

The overall occupancy rate in the Boonville rental market is good.

### Under Construction/Consideration

The surveyor is unaware of any new market rate rental developments that are under construction or under consideration.

## AFFORDABLE SENIOR RENTAL HOUSING

A survey of affordable senior rental housing options in Boonville provided development examples including:



Selwyn Place  
301 First Street  
Boonville, Missouri  
660-882-2611  
47 Units  
13 – one bedroom units @ \$335  
34 – two bedroom units @ \$410  
Good Occupancy

Boonville Estates  
380 Boone Village Drive  
Boonville, Missouri  
660-882-3589  
12 one bedroom units  
Rent is based on income  
Good occupancy





Village Meadows Apartments  
1400 Village Drive  
Boonville, Missouri  
660-882-2020  
52 – one bedroom units  
Rent is based on income  
Good occupancy

**Typical Rent Range**

The amount of the tenant portion of rent for most of the affordable senior units in Boonville is limited to 30% of household income. The remaining portion is a 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 surveyor is not aware of any new affordable senior housing units that are under construction or under consideration.

**AFFORDABLE FAMILY RENTAL HOUSING**

A survey of affordable family rental housing options in Boonville provided development examples including:



Boone Village Apartments  
400 Boone Village Drive  
Boonville, Missouri  
660-882-2182  
48 Units  
9 – one bedroom units  
22 – two bedroom units  
17 – three bedroom units  
Good Occupancy



Boonville Housing Authority  
506 Powell Street  
Boonville, Missouri  
660-882-7332  
50 Units  
20 – one bedroom units  
20 – two bedroom units  
10 – three bedroom units  
Rent based on income  
Good occupancy

Rankin Mill Apartments  
2252 Rankin Mill Road  
660-882-9890  
48 units  
36 – two bedroom units @ \$297  
12 – three bedroom units @ \$397  
Good occupancy



**Typical Rent Range**

The rent at the Boonville Housing Authority units and Boone Village Apartments is based on income. Tenants of these developments are required to pay at least 30% of their income toward rent with the remainder subsidized. Rankin Mill is a tax credit subsidized apartment and tenants generally pay the entire rent, but the rent is below market rate.

**Occupancy**

The affordable family rental developments surveyed reported to have strong occupancy.

**Under Construction/Consideration**

The analyst is unaware of any affordable family rental developments currently under construction or consideration.

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## SECTION VII

### IDENTIFICATION OF PRIMARY AND SECONDARY MARKET AREAS

The Primary Market Area is the area from which the majority of market demand for Downtown housing in Boonville is expected to be drawn. This is an area that extends from the outer boundaries of Downtown and includes nearby communities and rural areas where households would consider available housing options in Downtown Boonville. After surveying the area and taking into consideration the opinions of local market participants, it is the opinion of the analyst that the Primary Market Area of the Boonville Downtown Housing Market is all of the City of Boonville and an area that extends approximately 12 miles around the City of Boonville.

#### PRIMARY MARKET AREA

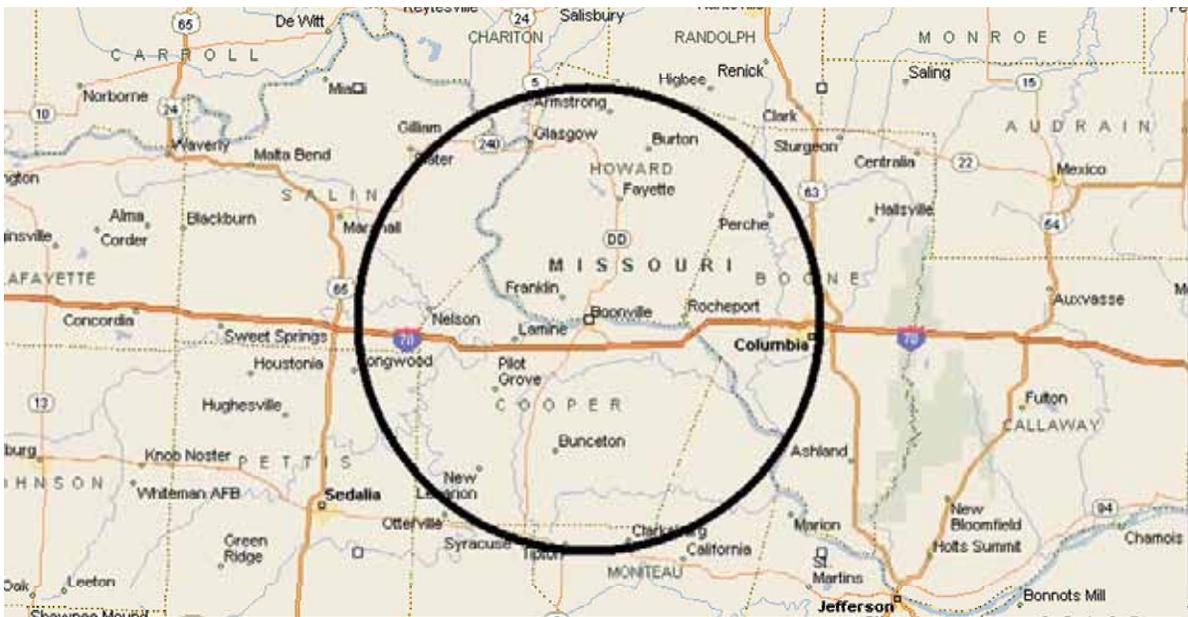
The following map shows the area that is considered to be the Primary Market Area for purposes of this report.



## SECONDARY MARKET AREA

The Secondary Market Area of Boonville is the area surrounding the Primary Market Area that also contains households that could be attracted to residential housing in Downtown Boonville. The number of households in this Secondary Market Area will be significantly less than the Primary Market Area, but will still make up part of the overall housing demand and should be considered. The Secondary Market Area extends around Boonville for a radius of approximately 22 miles.

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



## SECTION VIII

### POTENTIAL RESIDENTIAL DOWNTOWN HOUSING DEMAND

#### OVERVIEW

The purpose of this study is to determine if residential development would benefit Downtown Boonville 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.

Boonville seems to have fared much better than many communities regarding shifting demographic trends and the exodus of businesses, housing, and shopping destinations from Downtown. There are some vacant buildings in Downtown Boonville, but most are occupied and the area has a large amount of vehicular and pedestrian activity. Most of this activity is concentrated along Main Street, the primary north and south traffic artery. Many businesses, shops, services, restaurants, and attractions combine in Downtown Boonville to create a very pedestrian friendly area of the City. This aspect of Downtown makes it vibrant and appealing to visitors, employees, and residents.

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

In many urban communities across the country the revitalization of downtown 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 provide 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 building conditions by motivating existing property owners to improve their property.

Boonville 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 the Boonville Downtown Market Area?

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

- 18-24: Includes the largest tenant group, young individuals and couples that have 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 often 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 often 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. This stage is referred to as the "empty-nest" stage.

Housing units that should complement Downtown Boonville 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 for low or no maintenance housing will create most of the Downtown residential demand. The majority of this demand will likely include attached units with garages or carports or loft style rental units.

Another type of housing that could be marketable Downtown is live/work space. There are a few existing loft style upper floor units in Downtown that are owner occupied. These types of employment and housing arrangements should continue to grow in appeal as property owners recognize the appeal and financial benefits.

Two other factors to consider in determining the type of housing to add Downtown is the current market activity of existing housing and the available land and building space that can be used to produce new housing.

In terms of existing housing, the Downtown residential market appears to have good demand, particularly the upper floor units along Main Street. This analysis found that most Downtown rental units available were occupied. At least one local investor believes strongly in the market and is trying to purchase and rehabilitate other buildings in Downtown for both business and residential use. Additionally, rental occupancy rates throughout the City are strong, particularly at affordable housing developments.

Some of the Downtown buildings may be significantly deteriorated and it may not be financially feasible to rehab upper floor commercial space for residential use. The City of Boonville should consider financial incentives and other methods of encouragement to convince owners and investors that rehabilitating Downtown buildings and full utilization of upper floors space is feasible and beneficial.

There are no vacant tracts within the DREAM Study area suitable for new residential development. A tract was noted nearby to the west of the Toastmaster building on 2<sup>nd</sup> Street.

Vacant building spaces that may be suitable for conversion into new residential units include the vacant wing of the Frederick Hotel, the vacant buildings at the former Kemper Military Academy, the Toastmaster Building, and the large amount of vacant upper floors in Downtown buildings.

Given the typical household profile of a downtown occupant, the existing housing markets in the City, and the available land and building space in and around Downtown, the types of housing that could be marketable in Downtown Boonville include market rate rental housing for young working households and empty nesters, or affordable housing for seniors.

Rental markets tend to precede home ownership markets and although the occupancy rates for existing affordable family developments in the Boonville market are strong, family development in Downtown may not be a good fit because the area is not an ideal neighborhood for families with children. For these reasons, the demand for these markets was not quantitatively analyzed.

Following are some examples of building renovations found in other Missouri downtown areas. They are shown as an example of some of the possibilities in Downtown Boonville.



A commercial building in Downtown Kirksville, Missouri that has been renovated to include apartments on the street and upper level.

A Historic Building renovation in Downtown Neosho, Missouri that includes businesses on the street level and apartments on the upper floor.





A Historic building renovation in Downtown Neosho, Missouri that includes affordable senior housing units.

A Historic building rehabilitation in Downtown Chillicothe, Missouri that includes affordable housing for small working households.



Rear view of a rehabilitated commercial building in Downtown West Plains, Missouri.

New infill attached condominium units in the Downtown area of Hermann, Missouri.





A Former shirt factory adapted for affordable housing in Downtown Kennett, Missouri.

The Arborwalk condominium infill development near Downtown Sikeston, Missouri



**Where are the households that form the potential market for housing in the Boonville 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 the unique housing options in Downtown.

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

In order to estimate the number of households that could create residential housing demand in the Boonville Downtown Market Area it is necessary to estimate demand for the Boonville residential market as a whole. The next step is to apply a Downtown capture rate to the total number of households that form the Boonville residential demand. The Downtown capture rate represents the percentage of households in the Boonville 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 analysis. The product is called HISTA. HISTA breaks Households down by Income, Size, Tenure and broad Age groups. It is a custom four-way cross tabulation of household data and eliminates the need for the analyst to perform various extrapolation steps, which is not as accurate as cross tabulation

The following tables are HISTA tables for the Primary Market Area. As previously stated, the Primary Market Area for Boonville is larger than the geographic boundaries of the City and includes some households from nearby communities and rural areas.

**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	43	8	11	12	5	79
\$10,000-20,000	23	21	36	15	5	100
\$20,000-30,000	96	45	18	13	12	184
\$30,000-40,000	34	60	61	57	23	235
\$40,000-50,000	37	91	52	77	47	304
\$50,000-60,000	14	76	66	109	14	279
\$60,000+	8	247	198	323	180	956
<b>Total</b>	<b>255</b>	<b>548</b>	<b>442</b>	<b>606</b>	<b>286</b>	<b>2,137</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	14	8	3	1	4	30
\$10,000-20,000	16	10	1	1	0	28
\$20,000-30,000	44	10	9	2	2	67
\$30,000-40,000	12	33	3	1	3	52
\$40,000-50,000	0	58	20	0	0	78
\$50,000-60,000	4	80	8	3	1	96
\$60,000+	0	163	15	25	6	209
<b>Total</b>	<b>90</b>	<b>362</b>	<b>59</b>	<b>33</b>	<b>16</b>	<b>560</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	76	15	3	0	0	94
\$10,000-20,000	160	62	3	3	0	228
\$20,000-30,000	116	128	4	0	3	251
\$30,000-40,000	44	143	22	3	0	212
\$40,000-50,000	67	123	11	0	0	201
\$50,000-60,000	33	95	39	7	0	174
\$60,000+	51	200	47	0	0	298
<b>Total</b>	<b>547</b>	<b>766</b>	<b>129</b>	<b>13</b>	<b>3</b>	<b>1,458</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	101	36	23	23	3	186
\$10,000-20,000	91	22	34	9	6	162
\$20,000-30,000	103	76	51	6	16	252
\$30,000-40,000	57	36	71	18	35	217
\$40,000-50,000	15	18	20	5	37	95
\$50,000-60,000	0	48	12	10	62	132
\$60,000+	8	80	27	68	19	202
<b>Total</b>	<b>375</b>	<b>316</b>	<b>238</b>	<b>139</b>	<b>178</b>	<b>1,246</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	42	2	2	2	2	50
\$10,000-20,000	23	3	0	1	0	27
\$20,000-30,000	16	5	0	0	0	21
\$30,000-40,000	0	18	4	0	1	23
\$40,000-50,000	0	2	0	0	0	2
\$50,000-60,000	2	2	1	1	2	8
\$60,000+	0	13	0	0	0	13
<b>Total</b>	<b>83</b>	<b>45</b>	<b>7</b>	<b>4</b>	<b>5</b>	<b>144</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	120	0	0	0	0	120
\$10,000-20,000	125	8	3	0	0	136
\$20,000-30,000	26	20	10	0	4	60
\$30,000-40,000	10	10	0	5	0	25
\$40,000-50,000	0	8	0	0	0	8
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	8	21	0	7	0	36
<b>Total</b>	<b>289</b>	<b>67</b>	<b>13</b>	<b>12</b>	<b>4</b>	<b>385</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	40	7	9	9	3	68
\$10,000-20,000	21	16	28	12	4	81
\$20,000-30,000	77	32	11	10	10	140
\$30,000-40,000	31	45	51	44	19	190
\$40,000-50,000	35	74	48	70	43	270
\$50,000-60,000	13	54	54	92	10	223
\$60,000+	10	264	226	371	211	1,082
<b>Total</b>	<b>227</b>	<b>492</b>	<b>427</b>	<b>608</b>	<b>300</b>	<b>2,054</b>

Owner Households Aged 55-61 Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	15	6	4	2	4	31
\$10,000-20,000	16	9	1	1	1	28
\$20,000-30,000	42	5	8	1	1	57
\$30,000-40,000	9	39	3	1	4	56
\$40,000-50,000	0	59	20	0	0	79
\$50,000-60,000	3	71	5	3	1	83
\$60,000+	0	239	24	36	8	307
<b>Total</b>	<b>85</b>	<b>428</b>	<b>65</b>	<b>44</b>	<b>19</b>	<b>641</b>

Owner Households Aged 62+ Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	67	12	2	0	0	81
\$10,000-20,000	140	45	2	2	0	189
\$20,000-30,000	123	120	4	0	3	250
\$30,000-40,000	58	147	25	3	0	233
\$40,000-50,000	78	127	10	0	0	215
\$50,000-60,000	45	96	51	9	0	201
\$60,000+	77	266	67	0	0	410
<b>Total</b>	<b>588</b>	<b>813</b>	<b>161</b>	<b>14</b>	<b>3</b>	<b>1,579</b>

Renter 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	97	31	21	22	3	174
\$10,000-20,000	91	18	32	8	5	154
\$20,000-30,000	91	63	44	5	13	216
\$30,000-40,000	56	32	66	16	34	204
\$40,000-50,000	17	18	20	5	40	100
\$50,000-60,000	0	42	12	11	63	128
\$60,000+	10	97	33	90	23	253
<b>Total</b>	<b>362</b>	<b>301</b>	<b>228</b>	<b>157</b>	<b>181</b>	<b>1,229</b>

Renter Households Aged 55-61 Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	49	1	1	1	2	54
\$10,000-20,000	25	3	1	1	1	31
\$20,000-30,000	21	5	0	0	0	26
\$30,000-40,000	1	14	6	1	1	23
\$40,000-50,000	0	1	0	0	0	1
\$50,000-60,000	1	1	0	1	0	3
\$60,000+	0	19	0	0	0	19
<b>Total</b>	<b>97</b>	<b>44</b>	<b>8</b>	<b>4</b>	<b>4</b>	<b>157</b>

Renter Households Aged 62+ Years Five Year Projections - 2014						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	114	0	0	0	0	114
\$10,000-20,000	122	8	2	0	0	132
\$20,000-30,000	35	18	11	0	4	68
\$30,000-40,000	16	11	0	10	0	37
\$40,000-50,000	0	9	0	0	0	9
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	13	32	0	12	0	57
<b>Total</b>	<b>300</b>	<b>78</b>	<b>13</b>	<b>22</b>	<b>4</b>	<b>417</b>

**MARKET RATE RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential market rate rental housing demand in the Downtown area of Boonville over the next few years. Generally, rental housing is the first type of housing to be developed in reviving downtown areas because there are more tenant households willing to make a short term financial commitment in a newly formed housing market than there are homebuyers willing to make a long term financial commitment in an unproven market.

In Boonville, the market rate rental housing market shows good occupancy, including the units in Downtown. Downtown also has a space that can produce new market rate rental units.

The following quantitative analysis of the potential Market Rate Family Rental housing demand includes an explanation of the process.

Market Rate Family Rental Potential Demand Analysis				
PMA Qualified Household Demand (2009)		1BR	2BR	3BR
1	Gross Rent (includes utility costs paid by tenants)	\$ 500	\$ 600	\$ 800
2	Percentage of Income to Housing	25%	25%	25%
3	Minimum Income (Affordability)	\$ 24,000	\$ 28,800	\$ 38,400
4	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-62+ (2009)	345	280	220
5	Annual Turnover of Existing Renter HH	<u>25%</u>	<u>25%</u>	<u>20%</u>
6	Owner HH, age 62+	- 582	- 407	- 8
7	Percentage of Owner HH (Empty Nesters) that could enter rental market	<u>2%</u>	<u>2%</u>	<u>2%</u>
8	<b>PMA Qualified Household Demand (2009)</b>	<b>98</b>	<b>78</b>	<b>44</b>
9	<b>SMA Qualified Household Demand (2009)</b>	<b>20</b>	<b>16</b>	<b>9</b>

10	<b>PMA and SMA Market Rate Rental Potential Household Demand (2009)</b>	117	94	53
	<b>PMA Qualified Households (2014)</b>	1BR	2BR	3BR
11	Gross Rent (includes utility costs paid by tenants)	\$ 552	\$ 662	\$ 883
12	Percentage of Income to Housing	25%	25%	25%
13	Minimum Income (Affordability)	\$ 26,496	\$ 31,795	\$ 42,394
14	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-62+ (2014)	266	242	222
15	Annual Turnover of Existing Renter HH	<u>25%</u>	<u>25%</u>	<u>20%</u>
16	Owner HH, age 62+	- 689	- 503	- 9
17	Percentage of Owner HH (Empty Nesters) that could enter rental market	- <u>2%</u>	- <u>2%</u>	- <u>2%</u>
18	<b>PMA Qualified Household Demand (2014)</b>	80	71	45
19	<b>SMA Qualified Household Demand (2014)</b>	16	14	9
20	<b>PMA and SMA Market Rate Rental Potential Household Demand (2014)</b>	96	85	53
21	<b>PMA and SMA Qualified Household Growth/Decline (2009-2014)</b>	-21	-9	1
22	<b>Boonville Market Rate Family Rental Demand</b>	113	92	53
23	<b>Downtown Boonville Market Area Capture Rates</b>	15%	15%	7%
24	<b>Downtown Boonville Market Rate Family Rental Demand</b>	1BR 17	2BR 14	3BR 4

Line 8 is a current estimate (2009) of the total number of existing income qualified households that form the potential rental housing demand from the primary market area. The estimate was determined by considering gross market rents (including utility costs), income level, housing costs, estimated annual turnover rate of renter households, and HISTA data.

Line 9 is a current estimate of the total number of income qualified households that form the potential housing demand from the secondary market area. The estimate was made by considering that 10% to 15% of the demand for rental housing developments could come from the secondary market area.

Line 10 is an estimate of the potential rental housing demand in the market area in 2009.

Line 18 is a projection (2014) of the total number of income qualified households that could form the potential rental housing demand from the primary market area. The projection was determined by considering gross market rents (including utility costs), income levels, housing costs, estimated annual turnover rate of renter households, and HISTA data.

Line 19 is a projection of the total number of income qualified households that form the potential rental housing demand from the secondary market area. The projection was made by considering that 10% to 15% of the demand for rental housing units could come from the secondary market area.

Line 20 is a projection of the potential rental housing demand in the market area in 2014.

Line 21 is a projection of household growth/decline between 2009 and 2014.

Line 22 is the average annual potential demand that is calculated by considering the current demand in 2008 and the annual growth or decline between 2009 and 2014.

Line 23 is the estimated capture rates for the Downtown Boonville market area. It is an estimate of the percentages of households in the primary and secondary market areas that would consider rental units in the Downtown Boonville market area by bedroom size.

Line 24 is an annual projection of the number of households that are expected to be in the market area between 2009 and 2014 that could be attracted to market rate rental units in the Downtown Boonville market area. This estimate is subject to changes in housing supply and market conditions and could change between now and 2014.

Market Rate Rental Housing

<u>Bedroom Size</u>	<u>Potential Household Demand</u>
One Bedroom .....	17
Two Bedrooms .....	14
Three Bedrooms.....	4
<b>Total .....</b>	<b>35</b>

**AFFORDABLE SENIOR RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential affordable senior rental housing demand in Downtown Boonville 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 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 Boonville, good quality, affordable senior housing units could complement Downtown revitalization efforts by adding consumers to the market and curing some of the vacant and dilapidated building conditions.

The following quantitative analysis of Affordable Senior Rental Household Demand includes an explanation of the process.

Affordable Senior Rental Potential Demand Analysis		
	<b>PMA Qualified Household Demand (2009)</b>	<b>1BR/2BR</b>
1	Gross Rent (includes utility costs paid by tenants)	\$ 500
2	Percentage of Income to Housing	50%
3	Minimum Income (Affordability)	\$ 12,000
4	Maximum Income (Tax Credit Limit)	\$ 25,260
5	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2009)	131
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	13
8	Appropriate Sized, Income Qualified, <u>Owner Households, Age 62+ (2009)</u>	294
9	Percentage of Existing Senior <u>Owner</u> Households Likely to Move if New Affordable Rental Housing Were Available	5%
10	Number of Existing Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	15
11	<b>PMA Qualified Household Demand (2009)</b>	<b>28</b>
12	<b>SMA Qualified Household Demand (2009)</b>	<b>6</b>
13	<b>PMA and SMA Affordable Senior Housing Potential Hsld Demand (2009)</b>	<b>33</b>

PMA Projected Qualified Household Growth 2009-2014		1BR/2BR
14	Gross Rent (includes utility costs paid by tenants)	\$ 552
15	Percentage of Income to Housing	50%
16	Minimum Income (Affordability)	\$ 13,248
17	Maximum Income (Tax Credit Limit)	\$ 27,887
18	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2014)	130
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	13
21	Appropriate Sized, Income Qualified, <u>Owner Households, Age 62+ (2014)</u>	318
22	Percentage of Projected Senior <u>Owner</u> Households Likely to Move if New Affordable Rental Housing Were Available	5%
23	Number of Projected Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	16
24	<b>PMA Qualified Household Demand (2014)</b>	<b>29</b>
25	<b>SMA Qualified Household Demand (2014)</b>	<b>6</b>
26	<b>PMA and SMA Affordable Senior Housing Potential Hsld Demand (2014)</b>	<b>35</b>
27	<b>PMA and SMA Qualified Household Growth/Decline (2009-2014)</b>	<b>1</b>
28	<b>Boonville Affordable Senior Rental Potential Demand</b>	<b>34</b>
29	<b>Downtown Boonville Market Area Capture Rate</b>	<b>70%</b>
30	<b>Downtown Market Area Affordable Senior Rental Potential Demand</b>	<b>24</b>

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 gross market rents (including utility costs), income levels, housing costs, tax credit income limits, estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, and 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 gross market rents (including utility costs), income levels, housing costs, tax credit income limits, estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, and 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/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 Boonville 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 Boonville is strong it is reasonable to assume that any new, high quality senior affordable units that would become available in the Boonville 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 Boonville. This estimate is subject to housing supply and market conditions and could change between now and 2014.

**Affordable Senior Rental Housing**

<u>Bedroom Size</u>	<u>Potential Household Demand</u>
One Bedroom .....	4
Two Bedrooms .....	20
<b>Total .....</b>	<b>24</b>

**CONCLUSION**

Between 2000 and 2009 the number of households in Boonville grew by approximately 300. It is projected that the number of households between 2009 and 2014 will increase by another 150 households. Some of those households will fit the profile of Downtown residents, which are generally households with no children, or very few children. Because other market rate and affordable rental developments in the community have strong occupancy it is reasonable to assume that some of the new households in the market can be served by new units in Downtown.

The demand analyses that were produced indicate Downtown could capture approximately 35 households for market rate rental units and 24 units for affordable senior housing. These are conservative estimates and the actual demand could vary.

Residential development on both a small and large scale effort would benefit Downtown Boonville revitalization efforts and the City should offer encouragement, technical assistance, and financial support to interested investors and developers.

## SECTION IX

### DOWNTOWN RESIDENTIAL IMPLEMENTATION

Strategies and financial programs to consider in order to implementing Downtown residential development 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 develop residential momentum in Downtown, early focus should be on the production of high quality rental units.
- 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 Boonville 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 Boonville.
- 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.
- Through active code enforcement, require that Downtown property owners maintain their properties.

- Implement Downtown beautification programs and maintain streetscape improvements in top condition. Replacement or repairs of sidewalks, planters, decorative lighting, street art, pavement, benches, and trash receptacles is critical to maintain visitor appeal.
- Attract commercial businesses to Downtown that serve the needs of residents and visitors.

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.
- No one 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  
November 4, 2009

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