

# RESIDENTIAL DEMAND ANALYSIS

The Trenton Downtown Market Area  
City of Trenton  
Grundy County, Missouri

Prepared by  
Missouri Housing Development Commission

Assistance provided by  
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# Executive Summary



## ▣ **Market Study Purpose:**

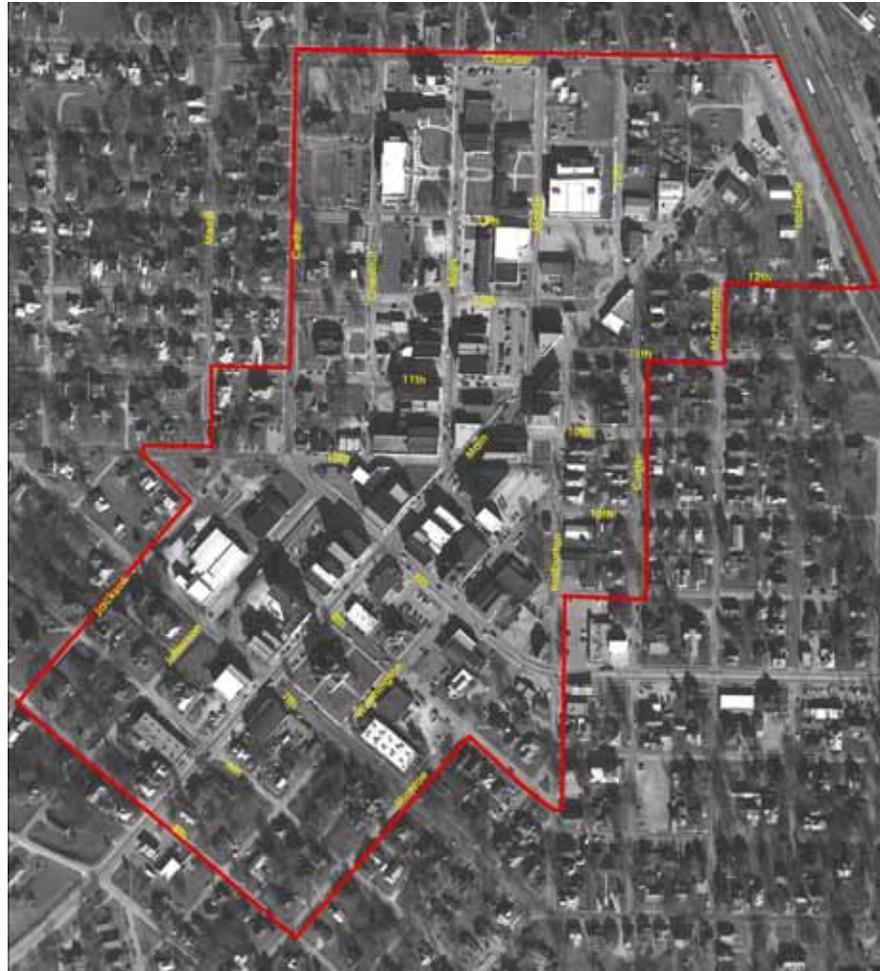
Analyze the potential residential demand in the downtown area of Trenton, MO

- Determine if residential development would complement the overall revitalization efforts of the downtown area
- Determine the types of residential market demand that exists
- Detail the depth of the residential market demand
- Provide information regarding existing residential developments
- Provide local demographic and economic data

# Executive Summary

- **Downtown Market Area (DMA) is generally considered to be the area as described in the DREAM application**
  
- **The Analysis includes:**
  - A baseline assessment of current residential options in the DMA
  - An assessment of potential residential development sites in the DMA
  - Demographic and economic analysis of the community
  - Demand analysis of the housing markets
    - Family rental housing
    - Family affordable housing
    - Senior rental housing
    - For sale housing

# Downtown Market Area



MO DREAM - City of Trenton Residential Demand Analysis

# City Facts



## **Trenton, Missouri**

- ❑ Located in Grundy County in northwest Missouri
- ❑ Approximately 20 miles south of the Iowa border
- ❑ Home to North Central Missouri College
- ❑ Center of county government and related services
- ❑ Small community centered around County government and Historic Commercial buildings
- ❑ Rural community with an agricultural base

# City Facts (Downtown)

## **Downtown Trenton, Missouri**

- ❑ Employment center of County and Municipal Government
- ❑ Downtown square consists predominately of 2 & 3 story brick buildings with retail space on the street level
- ❑ Some of the upper floor space is occupied, but most vacant
- ❑ Existing city ordinance prohibits new residential occupancy on upper floors
- ❑ Residential housing options are limited
- ❑ Largest residential structure in downtown area is the Plaza Apartments
- ❑ Most single family homes in downtown study area are older structures in average to poor condition
- ❑ Decline, like most downtown areas, was partially due to urban sprawl
- ❑ Vacant and underutilized buildings and land in the area provide opportunity for creative developments
- ❑ Limited retail, dining, and entertainment venues downtown
- ❑ Parking downtown is adequate for current level of activity, but may become limited as activity increases

# Demographic Statistics



## Population of Trenton

- ▣ Estimated 2007 population is 6,038 people
- ▣ Population decreased slightly between 2000 and 2007 and this trend is expected to continue through 2012
- ▣ The median age of the population increased slightly between 2000 and 2007 and is projected to stabilize through 2012
- ▣ The gender distribution in Trenton includes more females (56%) than males (44%)
- ▣ Educational attainment levels are increasing
- ▣ Approximately 53% of the adult population of Trenton is married

# Demographic Statistics

## Households in Trenton

- ❑ Estimated number of households in 2007 is 2,750
- ❑ Total number of households has increased slightly since 2000 and is expected to continue over the next five years, creating a greater demand for housing units
- ❑ The average size of households is decreasing similar to other areas of the State
- ❑ The number of households with income of \$50,000+ is projected to increase by approximately 16% between 2007 and 2012
- ❑ The number of households with income of \$100,000+ is projected to increase by approximately 17.5% between 2007 and 2012

# Demographic Statistics



## Households in Trenton, continued

- The percentage of Hispanic Households has increased by 61% between 2000 and 2007 and is projected to increase 29% between 2007 and 2012
- The percentage of Female Headed Households is approximately 13% of total households and is projected to increase 8% between 2007 and 2012

# Demographic Statistics



## **Households in Trenton, continued**

- Approximately 57% of households live in owner occupied units and approximately 30% of households live in renter occupied
- Tenure patterns of the community have been constant as with other communities in the region
  - Large percentage of owner occupied housing units are by 1 & 2 person households
  - The majority of renter occupied units are leased to 1 person households

# Housing Statistics

## Households in Trenton, continued

- ▣ There has been a large increase in renter occupied units for age groups between ages 45 to 54 and 55 to 64
- ▣ There has been a decrease in renter occupied units for ages 15 to 24 and 25 to 34 between 1990 and 2000
- ▣ Majority of housing inventory is owner occupied
  - There is a fair distribution of homeowners above age 35
- ▣ Approximately 12% of all renter households are severely cost burdened, which is below the 15% of all renter households in the State of Missouri
  - Elderly 1 & 2 person households are the most severely rent burdened group at 17%
- ▣ Grundy County has a small net positive migration pattern with all of its surrounding counties

# Housing Statistics



## Housing Units

- ▣ Building permit history indicates that annually between 21 to 25 new homes are built, but less than 20 were built in 2006
- ▣ Permits for attached housing, such as duplex or four-plex units were not issued
- ▣ It is assumed that with the current real estate market conditions that home building activity will decrease even further

# Employment and Economy

## Major Employers

| Major Employers - Trenton, Missouri |                  |           |
|-------------------------------------|------------------|-----------|
| Employers                           | Type of Business | Employees |
| ConAgra                             | Food Processing  | 460       |
| Wright Memorial Hospital            | Healthcare       | 200       |
| Trenton R-9 Schools                 | Education        | 170       |
| Sunnyview Nursing Homes             | Senior Care      | 174       |
| Modine Manufacturing                | Manufacturing    | 147       |
| North Central Missouri College      | Education        | 124       |
| Hy-Vee                              | Grocery          | 110       |
| Eastview Nursing Home               | Senior Care      | 100       |
| City of Trenton                     | Government       | 75        |

Source: City of Trenton

# Employment and Economy



## **City Employment**

- ▣ Health care, Retail and Manufacturing comprise over half of the Trenton economy
- ▣ Average annual earnings for the top three sectors range from \$20,140 to \$31,500
- ▣ Similar to the rest of the state, manufacturing jobs have declined in the Trenton area
- ▣ ConAgra (food processor) is the largest employer with more than twice the number of employees as the next major employer

# Existing Rental Housing

## Market Rate Rental Housing

- ▣ Several rental housing options for non-low income households
  - Options include:
    - Walk up apartments
    - Duplexes
    - Older single family homes
    - Mobile homes
    - Loft style apartment
  - Occupancy is strong with demand for all bedroom sizes
  - No new units planned or under construction at this time
  - Limited on campus and off campus housing for North Central Missouri students
  - Typical rents
    - Mid \$300s to mid \$400s

# Existing Affordable Housing

## Family Affordable Renter Housing

- 4 existing developments with no new construction at this time
  - All have some sort of rent, interest or tax credit subsidy
  - Typical rents
    - 1 bedroom- \$300 to \$375
    - 2 bedroom- \$350 to \$435
    - 3 bedroom- \$300 to \$500
  - Most affordable housing developments are reported to have good occupancy

# Existing Senior Affordable Housing

## Senior Affordable Renter Housing

- ▣ 5 developments with no new construction at this time
- ▣ All have income limits and most have rental assistance
- ▣ Two with good occupancy, but most had vacancies and no waiting lists
  - Typical rents
    - \$270 to \$470
- ▣ Plaza Apartments
  - Newest product that offers unit sizes and amenities not offered by other developments
  - Good occupancy and waiting list

# Conclusions



- **Additional housing in the downtown area would complement downtown revitalization efforts by repopulating the area with permanent consumers that could help to support existing businesses and attract new businesses**
- **There could be demand from young, small households looking for a unique housing option not available in other parts of the City**
- **There could be demand from baby boomer households looking to downsize and also seek a unique or nostalgic housing situation**
- **There could be demand for live/work space from the College community**

# Conclusions



- **Home ownership should be encouraged within the downtown area with the development of small homes, townhomes, condos and lofts which will help stabilize the area**
- **A growing and diverse residential market will help to support and attract existing and new businesses**
- **Developers should take advantage of the College and its proximity to Downtown**

# Market Opportunities



## **Primary Market Area (PMA) for residential demand in the city of Trenton as a whole and the downtown market area**

- ▣ All of the City of Trenton
- ▣ Balance of Grundy County

# Market Opportunities

## Assets of Downtown Trenton

- ❑ Blank Canvas – downtown area is a blank canvas that can be moved in various directions to maximize future benefit
- ❑ Employment – downtown is the government employment center
- ❑ North Central Missouri College – on campus enrollment far exceeds available student housing
- ❑ Chillicothe Correctional Facility – will attract a large number of prospective employees that will be seeking housing in relatively close proximity to facility
- ❑ Potential Market Support – large residential population base surrounds downtown and could support revitalization efforts

# Rental Household Opportunities

## Market Rate Renter Household Demand (2007-2012)

- ▣ 31 households attracted to Downtown Market Area
  - One bedroom - 16
  - Two bedroom - 9
  - Three bedroom - 6
- ▣ Target Market
  - College students
  - Young professionals/ pre-nesters
  - Baby boomers/ empty-nesters
  - Small households without children
- ▣ Create a unique housing experience & opportunities

# Rental Household Opportunities

## **Affordable Family Renter Household Demand (2007-2012)**

- ▣ 22 households attracted to Downtown Market Area
  - One bedroom - 12
  - Two bedroom - 6
  - Three bedroom - 4
- ▣ Catalyst for other residential developments

# Rental Household Opportunities

## Senior Renter Household Demand (2007-2012)

- ▣ 22 households attracted to Downtown Market Area
  - One bedroom - 6
  - Two bedroom - 16
- ▣ Catalyst for other residential developments
- ▣ Affordable senior housing with modern amenities is in demand

# Housing Production Considerations

## Financing Options

- ❑ Federal & State Affordable Housing Tax Credits, Historic Tax Credits, and New Markets Tax Credits
- ❑ MHDC Multifamily Loan Programs
- ❑ Hope VI Main Street Grants
- ❑ Tax Abatement, TIFs, Special Taxing Districts, and State Grant Programs
- ❑ Brownfield Redevelopment Program
- ❑ Industrial Development Bonds
- ❑ Neighborhood Assistance Program
- ❑ MODESA
- ❑ First Time Homebuyer Loan Program
- ❑ HeRO Program
- ❑ Missouri Housing Trust Fund

# Contact Information



**The entire Residential Demand Analysis  
is available from:**

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