

DOWNTOWN  
REVITALIZATION &  
ECONOMIC  
ASSISTANCE FOR  
MISSOURI

Macon, Missouri

# RESIDENTIAL DEMAND ANALYSIS

DOWNTOWN  
MARKET AREA

MACON COUNTY  
JANUARY 2011



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# ACKNOWLEDGMENTS



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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 intended use of this report is to assist Macon 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 Macon, Macon County, Missouri and parties interested in development of residential housing units in Downtown Macon, 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 Macon that could complement Downtown revitalization efforts.

### **IDENTIFICATION OF THE SUBJECT AREA**

The subject of this report is the DREAM Downtown market area of the City of Macon, within the specific geographic boundaries as described within this report.

### **EFFECTIVE DATE OF THE REPORT**

The effective date of the report is December 3, 2010.

### **EXTRAORDINARY ASSUMPTIONS**

In preparing this report the appraiser has relied on physical, economic, demographic data and information from various sources, including market studies submitted to MHDC from other analysts, and believes the information 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**

Following is the scope of work that was performed to complete this report.

- 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;
- Review of general and historical information about the market;
- Review of housing related studies prepared for the market;
- Review of current information regarding activities in the market that could affect the marketability of housing;
- Analysis of demographic information for the primary and secondary market areas;
- Estimate of the current and future household demand in the primary and secondary market areas that could be attracted to housing options in the Downtown market area;
- Quantitative 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.

## SECTION I

### CONCLUSIONS AND RECOMMENDATIONS

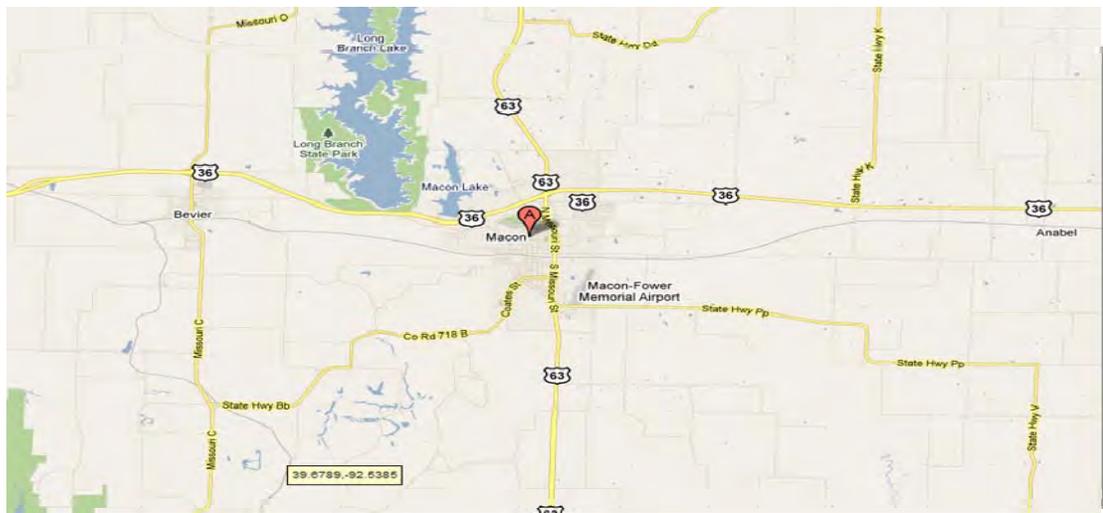
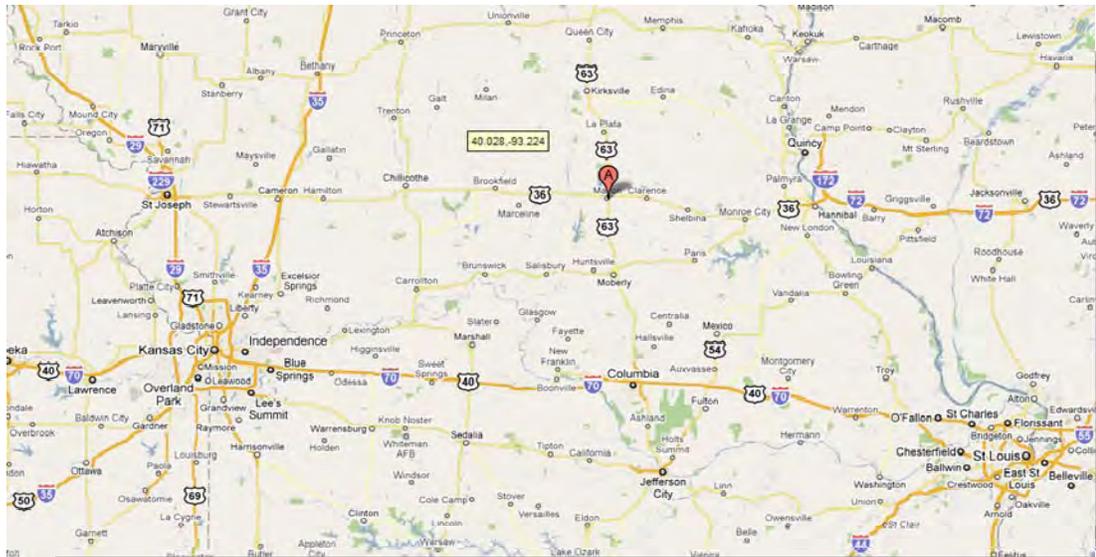
- A baseline assessment of current Downtown residential uses was made. The survey indicated that there is a variety of ownership and rental housing uses in Downtown that ranges from single family homes, small apartment complexes, and upper floor units above Downtown commercial space.
- Unlike other downtowns in small communities around the state, Macon'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 and local consumers.
- One of the strengths of the Downtown market from a residential perspective is the fact that there is already an active residential rental market as evidenced by the numerous upper floor units that appear to be occupied, a multi-story affordable senior housing development that has good occupancy and a significant number of single family homes in the Downtown area.
- Demographic data indicates that Macon's population totals have been slowly declining. One of the reasons for the decline in population could be attributed to a lack of good housing options. All of the rental markets (market rate, affordable senior, affordable family) are reported to have good occupancy, so very few units are available to the market.
- The economy of Macon has a heavy dependence on Con Agra, the area's largest employer. The total number of individuals employed at Con Agra is more than twice the number of employees at the area's next largest employer.
- Con Agra is the area's largest employer and is located in Downtown, which has positive economic benefits for the DREAM Study Area.
- Downtown would benefit from an increase in the number of residential units in the area. The more households that live Downtown the more consumers there would be in the market to help support existing Downtown businesses. An increase in the area population could also help to induce new businesses to move to Downtown.
- A quantitative analysis was prepared that concluded there could be a present demand from approximately 19 households for market rate rental housing in Downtown. These would generally be small households with either no children or very few children.
- A quantitative analysis was prepared that concluded there could be a present demand from approximately 16 senior households (age 62+) for affordable senior rental housing in Downtown. These would generally be empty nesters looking for housing more suitable for their needs at this stage in their lives.
- A quantitative analysis was prepared that concluded there could be a present demand from approximately 18 lower income households for affordable family rental housing in or around Downtown. Generally downtown areas are not good locations for households with children, but it may be possible to develop an affordable housing development in some of the neighborhoods that are adjacent to Downtown Macon.

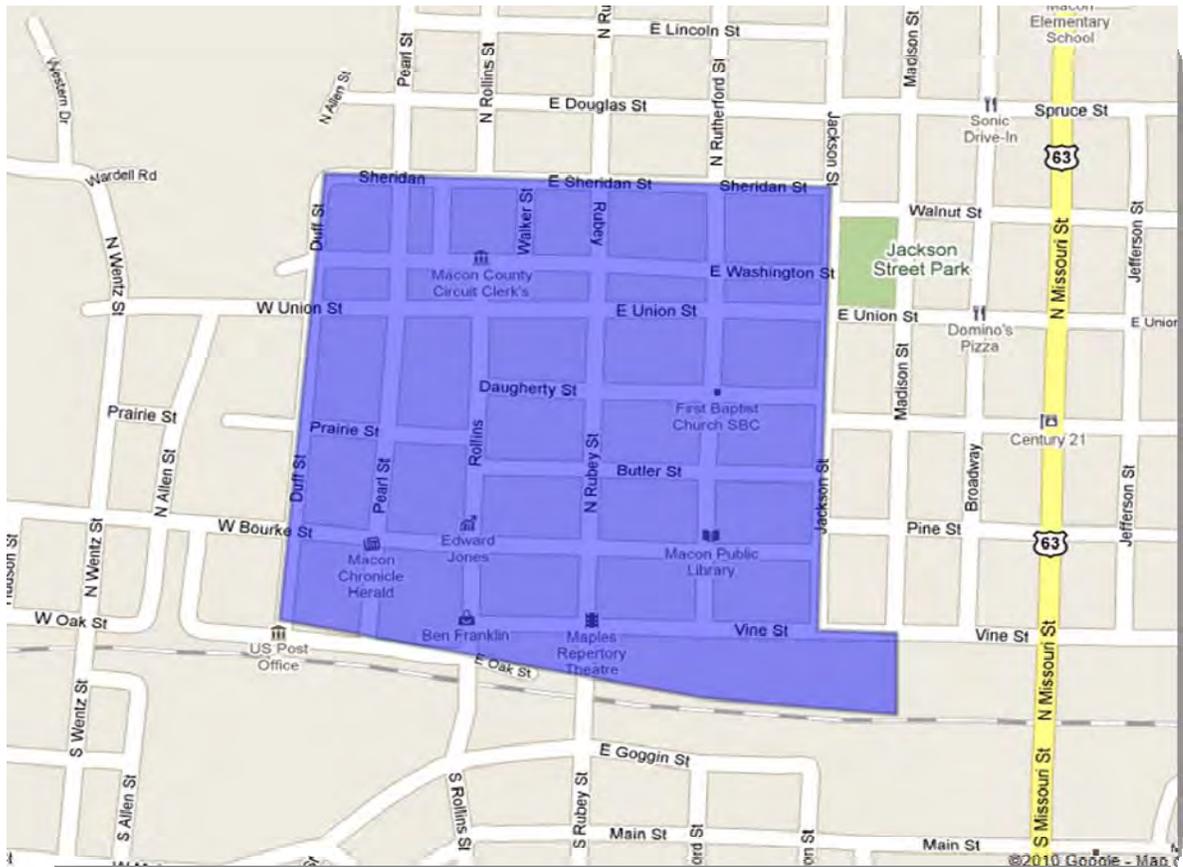
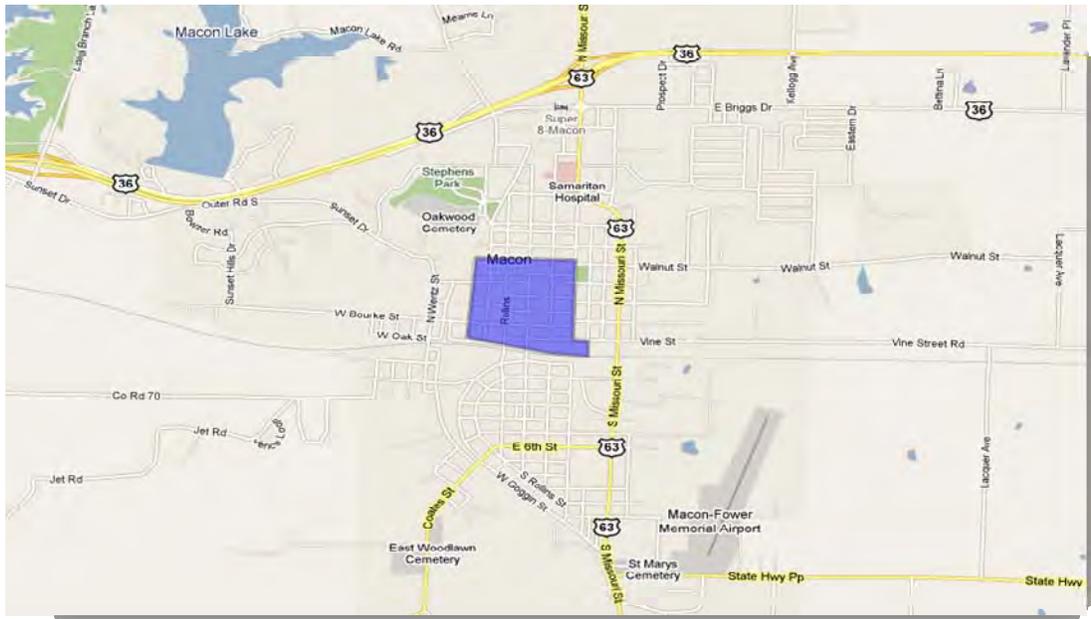
- In addition to the significant amount of vacant upper floor space, there are also a couple of vacant tracts in the Downtown area that could be considered for residential development. One vacant tract is located at the corner of West Bourke and Pearl Streets, across the street from city hall and next to the newspaper office. Another vacant tract is located on West Oak Street, south and southwest of the U.S. Post Office on West Bourke.
- Consideration should be given to requiring owners of vacant commercial buildings to provide window treatment on the windows of vacant spaces. This would help to diminish the adverse affect that the vacant building look has on the marketability of Downtown.
- The city should review its development approval process to ensure that the process does not include unnecessary barriers to Downtown residential development.

## SECTION II

### MARKET AREA DESCRIPTION

The area of study is Downtown Macon, in Macon County, Missouri. The following maps show the location of the city within the State of Missouri, the primary traffic arteries through the city, the general area within the park, and the DREAM study area that is the subject of this report





## OVERVIEW

Macon was incorporated in 1859 and is the county seat and largest community in Macon County, Missouri. It is located at the intersection of U.S. Highways 36 and 63, which is approximately 60 miles north of Columbia, Missouri.

Macon's growth was primarily due to the intersection of two major rail lines in the mid 1800's. The city was also home to approximately 7,000 union troops in 1861 as Macon became a troop concentration area during the Civil War. Macon County was also one of Missouri's largest coal bearing counties in addition to having an agricultural based economy.

Today, Macon is a regional hub for smaller, surrounding rural towns for employment, shopping, and business. ConAgra, the community's largest employer, employs individuals from all over the region. Rural folks come into the city to shop, dine, conduct business, or for entertainment purposes at the many retailers, restaurants, businesses and government offices in Downtown or along Missouri Street.

Downtown Macon is centrally located in the community, approximately 3 blocks west of Missouri Street, the main north/south traffic artery in the community. The boundaries of the DREAM Downtown Revitalization Area are Sheridan Street to the north, Oak Street to the south, Jackson Street to the east, and Duff Street to the west.

Like many downtowns, Macon's is the center of local government. The Macon County Courthouse is located near the north line of the DREAM Downtown Study area at 101 E. Washington Street. Macon City Hall is located at 106 W. Bourke Street. Also located downtown are the Macon Police Department, Macon Fire Department, and the U.S. Post Office.

In addition to the government uses, Macon's Downtown also contains a public library, various places of worship, a variety of small retail and service businesses, and low density residential uses.

Many of the Downtown businesses in Macon are concentrated along Rollins, Vine, Butler, and Bourke Streets and include a variety of offices, drinking establishments, restaurants, and small retail shops. Rollins and Vine Streets contain the largest concentration of businesses, many of which are located in two story brick buildings with businesses on the street level and apartments on the upper floor.

Most of the original commercial buildings in Downtown are still standing and the majority appears to be in at least fair condition. The majority of the buildings are occupied, but there are quite a few commercial vacancies on the street level and upper floors.

Macon's Downtown was the major 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 businesses that are located Downtown generate a significant amount of pedestrian and vehicular traffic.

An active rail line that carries freight trains is located in the southern area of Downtown, one block south of Vine Street. Homes and businesses are located within blocks of the tracks and the current occupancy levels seem to indicate that the tracks are not considered a nuisance to area residents.

ConAgra, the community's largest employer, is located in Downtown at Vine Street, near Rutherford.

Most Downtown commercial buildings are older buildings that are in fair condition. Some buildings have been recently renovated. An example is the West Winery building at 107 Vine Street.

The residential properties in Downtown are primarily single family and most are in average to fair condition.

Downtown users for the most part appear to be local residents.

### **TRAFFIC ARTERIES**

The primary north/south traffic artery through the community is Missouri Street (Highway 63), which is located 3 blocks east of Downtown. Vine, Rollins, and Rubey Streets have the most commercial activity in Downtown.

### **EXISTING LAND USES**

The land use within the footprint of the DREAM Downtown Study Area is a mix of commercial service and retail, but there is also a significant amount of residential land use in apartments, single family homes, and residential units on the upper floors of Downtown commercial buildings. There is also land in the area that is improved with government buildings, libraries, churches, and parking surfaces. A relatively small amount of land in the DREAM Downtown Study Area is vacant.

### **ADJACENT AREAS**

Land uses adjacent to the DREAM Downtown Study Area are predominately residential in all four directions. An active rail line runs along the southern border of the DREAM Downtown Study Area.

### **PARKING**

Downtown has a steady flow of vehicular activity during weekdays, to the point that parking near some businesses and the civic buildings could be limited. The city has public parking lots in the Downtown area to help ease the parking congestion.

### **RETAIL SHOPPING**

Retail shopping in Downtown is comprised of an appliance store, some antique and consignment stores, a jeweler, tee shirt and sporting apparel stores, business supply store, furniture store, frame shop, carpet store, drugstores, a winery, florist, and a few other small local retailers.

### **ENTERTAINMENT**

The only entertainment areas noted in Downtown were some drinking establishments.

## **DINING ESTABLISHMENTS**

Downtown had several local dining establishments that were noted. Some are open in the evenings.

## **PARKS AND RECREATION**

The only public park that is located close to Downtown is Jackson Street Park, which is located at the intersection of Jackson and Union Streets.

## **SCHOOLS**

Macon's public elementary, middle, and high schools are located on Missouri Street, which is located 3 blocks east of the DREAM Downtown Study Area.

## **HISTORIC DESIGNATIONS**

In the Downtown the only buildings that have been designated as historical and are listed on the National Register of Historic Places are the Macon County Courthouse buildings at E. Washington and Walker Streets.

## **PUBLIC TRANSPORTATION**

The City of Macon does not have any public transportation options. The closest Amtrak station is located in La Plata, Missouri, 20 miles north of Macon. The community of Macon does have a small airport.

## **DOWNTOWN AREA STRENGTHS AND WEAKNESSES**

From a residential market perspective Downtown has positive attributes, including:

- **Government Center:** Downtown is the county and municipal center of government, which brings employees and people conducting business (potential consumers) to the area on a daily basis throughout the work week.
- **Major Employer:** ConAgra, the community's largest employer is located in Downtown.
- **Active Commercial District:** Downtown still has a significant amount of vehicular and pedestrian traffic, which are drawn by the existing businesses and government offices.
- **Existing Residential Market:** Downtown already has a large number of residential units that are both owner and tenant occupied. The residential market in Downtown Macon does not have to be created.
- **Potential Development Space:** Downtown has some vacant building space (primarily on the upper floors of buildings) with the potential to be used for residential space. There is a vacant tract of land that was noted at the intersection of E. Bourke and Pearl Streets and another to the south and southwest of the U.S. Post Office on West Bourke, which has frontage on West Oak Street.

- Eating/Drinking Establishments: Downtown has some popular eating/drinking establishments.
- Neighborhood Amenities: Grocers and many of the other neighborhood amenities and services which are important to residents are located in close proximity to Downtown.
- Momentum: Downtown seems to be stable and improving. Public and private investment in the Downtown area was noted.
- Walkable Area: The heart of Downtown with all of its shops, businesses, and restaurants, makes it a very walkable area, and a unique neighborhood in the city.

From a residential market perspective current weaknesses of Downtown also exist, including:

- Limited Rent Potential: The low market rents in Macon and Downtown limits the financial feasibility of rehabilitation or new construction of new residential units.
- Limited Development Sites: Other than the significant amount of vacant upper floor space, the Downtown has limited vacant tracts or large buildings that could present potential residential development opportunities.

Following are Downtown area photos:



Royal Theatre  
102 N. Rubey Street

Macon County Courthouse  
101 E. Washington Street





Macon City Hall  
106 W. Bourke Street

Ben Franklin Store  
103 N. Rollins Street



ConAgra  
204 Vine Street

Business Offices (Post Office Conversion)  
Northeast corner of Daugherty and  
Rollins Streets





Looking east down Vine Street from  
Rollins Street



Looking north down Rollins from Vine  
Street



Looking south down the east side of  
Rollins from Bourke Street

Looking south down Rollins Street  
from Butler Street





Looking south down the west side of Rollins Street from Bourke Street

Looking west up the north side of Vine Street from Rubey Street



One of the many public parking lots in Downtown

Jefferson Arms Apartments  
100 block of W. Bourke Street





Jackson Street Park  
Jackson and E. Union Streets

Gas station and convenience store  
W. Bourke and W. Oak Streets



West Winery  
107 Vine Street

Old Skelly Station  
Butler and North Rubey Streets



## SECTION III

### REVIEW OF PREVIOUS DOWNTOWN HOUSING MARKET STUDIES

The City of Macon has never commissioned a Downtown housing study. No other studies prepared for or by the City of Macon address the residential Downtown market.

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## SECTION IV

### 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 Macon Chamber of Commerce.

The Missouri Department of Economic Development approved a \$620,000 Industrial Infrastructure Grant that will be used by three companies to expand in the industrial park in Macon. It is expected that the expansions will create 62 more jobs for the area. The companies are Economy Products Company, Yutz Enterprises and Wyatt Enterprises. Another company that has recently been awarded funds for training and expansion is Ardent Outdoors.

Central Methodist University and Moberly Area Community College have partnered to create a new college campus in Macon. The campus is considered to be an investment in Macon’s economic future.

#### Major Employers

Major Employers - Macon, Missouri Area		
Employers	Type of Business	Employees
Con Agra	Agriculture	440
Loch Haven Nursing Home	Healthcare	210
Macon Public Schools	Education	206
Samaritan Hospital	Healthcare	197
MODOT	Transportation	153
Wal-Mart	Retail	115
State Highway Patrol	Law Enforcement	103
Veolia ES Landfill	Solid Waste	85
Onshore Technology	Healthcare	50
Economy Products	Manufacturing	50

Source: Macon Area Chamber of Commerce

Con Agra, which is Macon’s largest employer, is located in Downtown.

**Employment Categories and Wages**

Average Employment and Wages - Macon County, Missouri								
Industry	2009*		2008		2007		2006	
	Average Employment	Avg. Monthly Wages						
11 - Agriculture, Etc.	56	\$2,100	64	\$2,111	72	\$1,950	96	\$2,008
21 - Mining	NA							
22 - Utilities	104	\$3,318	104	\$3,205	106	\$2,990	107	\$2,827
23 - Construction	175	\$2,429	184	\$2,320	179	\$2,297	178	\$2,068
31 - Manufacturing	462	\$3,444	287	\$3,248	495	\$3,292	597	\$2,935
42 - Wholesale trade	226	\$3,596	246	\$3,431	261	\$3,098	234	\$3,240
44 - Retail Trade	612	\$1,687	638	\$1,740	673	\$1,725	692	\$1,608
48 - Transportation and warehousing	81	\$2,827	105	\$2,959	130	\$2,516	140	\$2,503
51 - Information	64	\$2,089	65	\$2,027	58	\$1,812	56	\$1,622
52 - Finance & Ins.	131	\$3,018	128	\$3,028	132	\$2,819	139	\$2,719
53 - Real estate	31	\$1,471	32	\$1,507	35	\$1,523	39	\$1,336
54 - Professional and technical services	171	\$4,181	171	\$4,213	151	\$3,913	78	\$3,385
55 - Mgmt. (companies)	NA	\$592	NA	\$568	NA	\$528	NA	\$561
56 - Administrative, etc.	81	\$3,443	82	\$3,592	94	\$3,415	90	\$2,833
61 - Educational	527	\$2,303	527	\$2,266	533	\$2,272	518	\$2,209
62 - Health care, social	576	\$2,110	557	\$2,110	541	\$2,050	555	\$1,928
71 - Arts, etc.	42	\$2,103	40	\$1,949	38	\$1,761	37	\$1,754
72 - Accom. & food svcs	405	\$908	424	\$914	487	\$936	495	\$873
81 - Other services	199	\$1,768	205	\$1,810	211	\$1,831	211	\$1,664
Public Administration	506	\$3,100	504	\$3,099	503	\$2,998	516	\$2,762

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

The largest employment trades in Macon County are Retail Trade, Healthcare, Education, Public Administration, and Manufacturing.

**Labor Force and Unemployment**

Local Area Employment - Macon County					
Year	Labor Force	Employment	Unemployment	Unemployment Rate	Missouri Unemployment Rate
2009	8,209	7,505	704	8.6%	5.0%
2008	7,897	7,429	468	5.9%	4.8%
2007	8,086	7,686	400	4.9%	5.3%
2006	8,301	7,903	398	4.8%	5.8%
2005	8,308	7,901	407	4.9%	5.6%
2004	8,269	7,830	439	5.3%	5.2%

Source: Missouri Department of Economic Development

The unemployment rate for Macon County was better than the state as a whole in 2005, 2006, and 2007, but higher than the state as a whole in 2008 and 2009. In fact there was a significant increase in unemployment in Macon County from 2008 to 2009.

**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
Macon	7,312	2,049	28.0	24.0	547	4.0
Adair	11,740	1,115	9.5	7.9	259	1.6
Linn	6,172	1,281	20.8	12.8	559	8.0
Chariton	3,803	1,582	41.6	29.0	432	12.6
Randolph	10,513	2,386	22.7	17.5	678	5.2
Shelby	3,105	884	28.5	21.9	273	6.6
Knox	1,885	666	35.3	27.2	150	8.2

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

The table indicates that as of year 2000 approximately 28% of the residents of Macon County commuted outside of the County for employment. That was an increase of 4% from 1990. That was comparable to surrounding communities.

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## SECTION V

### DEMOGRAPHIC PROFILE

#### Population

Total Population						
Year	Macon	Change %	Macon County	Change %	Missouri	Annual Change %
2000	5,538		15,762		5,595,211	
2010	5,427	-2.0%	15,661	-0.6%	5,870,906	4.9%
2015	5,361	-1.2%	15,581	-0.5%	6,053,252	3.1%

Source: Claritas, MHDC

The information in the table above shows that the populations of Macon and Macon County have been decreasing and are projected to continue decreasing through 2015.

#### Population by Age

Population By Age Group						
Macon, Missouri						
Age Cohort	2000	Percent	2010	Percent	2015	Percent
0-20	1,477	27%	1,365	25%	1,393	26%
21-24	206	4%	205	4%	218	4%
25-34	598	11%	666	12%	606	11%
35-44	738	13%	605	11%	582	11%
45-54	699	13%	740	14%	614	11%
55-64	504	9%	637	12%	663	12%
65-74	488	9%	534	10%	599	11%
75-84	533	10%	416	8%	412	8%
85+	295	5%	259	5%	274	5%

Source: Claritas, MHDC

The table above shows that between 2010 and 2015 the age cohorts between 21 and 54 is expected to decline by approximately 200 persons.

#### Average Age of Population

Total Population Average Age	
Macon, Missouri	
Year	
2000	42.6
2010	42.6
2015	43.0

Source: Claritas

The table illustrates that the average age of the population was unchanged between 2000 and 2010 and is expected to increase slightly between 2010 and 2015.

**Population by Gender**

Population By Gender						
Macon, Missouri						
Gender	2000	Percent	2010	Percent	2015	Percent
Male	2,558	46%	2,580	48%	2,546	47%
Female	2,980	54%	2,847	52%	2,815	53%

Source: Claritas, MHDC

The table illustrates that the past population gender distribution, which includes a higher percentage of females, is expected to remain about the same through 2015.

**Educational Attainment**

2010 Est. Population Age 25+ Educational Attainment		
Macon, Missouri		
Type	Population	Percentage
Less than 9th grade	335	9%
Some High School, no diploma	459	12%
High School Graduate (or GED)	1598	43%
Some College, no degree	680	18%
Associate Degree	115	3%
Bachelor's Degree	401	11%
Master's Degree	108	3%
Professional School Degree	49	1%
Doctorate Degree	0	0%

Source: Claritas

**Marital Status**

2010 Est. Population Age 15+ by Marital Status		
Macon, Missouri		
Type	Population	Percentage
Total, Never Married	883	15%
Married, Spouse present	2136	36%
Married, Spouse absent	111	2%
Widowed	647	11%
Divorced	641	11%
Males, Never Married	450	8%
Males, Divorced	340	6%
Females, Never Married	433	7%
Females Divorced	301	5%

Source: Claritas

**Total Households**

Total Households				
Macon, Missouri				
Year	Macon	Change %	Macon County	Change %
2000	2,434		6,501	
2010	2,440	0.2%	6,555	0.8%
2015	2,433	-0.3%	6,548	-0.1%

Source: Claritas, MHDC

The number of households in Macon did not change much between 2000 and 2010 and the trend is expected to continue through 2015. Although the number of households remains stable the need for more housing may exist if housing is being lost from the market inventory due to deterioration or demolition.

**Average Household Size**

Average Household Size	
Macon, Missouri	
Year	Average
2000	2.17
2010	2.15
2015	2.13

Source: Claritas

**Households by Age of Householder**

Households by Age of Householder						
Macon, Missouri						
Age Cohort	2000	Percent	2010	Percent	2015	Percent
Under 25	149	6%	104	4%	121	5%
25-34	320	13%	362	15%	327	13%
35-44	413	17%	345	14%	343	14%
45-54	419	17%	461	19%	389	16%
55-64	314	13%	391	16%	416	17%
65-74	324	13%	367	15%	416	17%
75-84	346	14%	287	12%	286	12%
85+	149	6%	123	5%	135	6%

Source: Claritas, MHDC

### Households by Size

Households By Size						
Macon, Missouri						
Household Size	2000		2010		2015	
	Number	Percent	Number	Percent	Number	Percent
1 Person	903	37.1%	897	36.8%	906	37.2%
2 Persons	805	33.1%	830	34.0%	833	34.2%
3 Persons	341	14.0%	346	14.2%	339	13.9%
4 Persons	245	10.1%	240	9.8%	234	9.6%
5 Persons	97	4.0%	93	3.8%	89	3.7%
6 Persons	31	1.3%	25	1.0%	25	1.0%
7+ Persons	12	0.5%	9	0.4%	7	0.3%
Total	2,434	100%	2,440	100%	2,433	100%

Source: Claritas, MHDC

### Household Type and Presence of Own Children

2010 Est. Household Type, Presence Own Children		
Macon, Missouri		
Type	Households	Percentage
Married-Couple Family, own children	427	28%
Married-Couple Family, no own children	744	50%
Male Householder, own children	54	4%
Male Householder, no own children	30	2%
Female Householder, own children	164	11%
Female Householder, no own children	83	6%
		0%
		0%
		0%
		0%

Source: Claritas

### Hispanic Households

Hispanic Population	
Macon, Missouri	
Year	Number
2010	76
2015	94

Source: Claritas

**Tenure by Occupancy of Housing Units**

Tenure by Occupancy of Housing Units				
Macon, Missouri				
Bedrooms	2000	%	2010	%
Owner Occ.	1636	67%	1661	68%
Renter Occ.	798	33%	779	32%

Source: Claritas

The information shown in the preceding chart indicates that there is a larger number of owner occupied units in Macon as compared to renter occupied housing units. The balance is typical for a community like Macon.

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

Tenure By Bedrooms (2000)		
Owner Occupied		
Macon, Missouri		
Bedrooms	Households	Percentage
No BR.	-	0.0%
1	46	2.9%
2	430	27.0%
3	776	48.7%
4	277	17.4%
5 or more	64	4.0%

Source: U.S. Census Bureau

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

Tenure By Bedrooms (2000)		
Renter Occupied		
Macon, Missouri		
Bedrooms	Households	Percentage
No BR.	13	1.6%
1	325	41.0%
2	298	37.6%
3	134	16.9%
4	13	1.6%
5 or more	9	1.1%

Source: U.S. Census Bureau

**Households by Income Distribution**

Households by Household Income						
Macon, Missouri						
Income Cohort	2000		2010		2015	
	Number	Percent	Number	Percent	Number	Percent
< than \$15,000	686	28.8%	498	20.8%	464	19.6%
\$15,000-\$24,999	437	18.3%	380	15.9%	361	15.2%
\$25,000-\$34,999	374	15.7%	345	14.4%	324	13.7%
\$35,000-\$49,999	363	15.2%	412	17.2%	418	17.6%
\$50,000-\$74,999	297	12.5%	397	16.6%	400	16.9%
\$75,000-\$99,999	131	5.5%	206	8.6%	214	9.0%
\$100,000-\$149,999	59	2.5%	111	4.6%	126	5.3%
\$150,000-\$249,999	21	0.9%	14	0.6%	28	1.2%
\$250,000-\$499,999	11	0.5%	24	1.0%	26	1.1%
\$500,000 +	6	0.3%	8	0.3%	10	0.4%
Total	2,385	100.0%	2,395	100.0%	2,371	100.0%

Source: Claritas, MHDC

The table indicates that in 2010 approximately 85% of the households in Macon were estimated to have household incomes of less than \$75,000. Approximately 9% 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.

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

Gross Rent as % of Monthly HH Income (1999)		
Macon, Missouri		
Status	Number	Percentage
Less than 15 percent	130	16%
15 to 19 percent	154	19%
20 to 24 percent	129	16%
25 to 29 percent	89	11%
30 to 34 percent	77	10%
35 percent or more	169	21%
Not computed	44	6%

Source: U.S. Census Bureau

Approximately 37% of renter households in Macon have a gross rent (rent + utilities) that exceeds 30% of their monthly household income.

**Area Maximum Affordable Housing Income and Rents**

2010 Maximum Income and Rents for HOME and Housing Tax Credit Programs for Macon County												
2010 Median Income	Income %	Maximum Incomes						Maximum HOME/LIHTC Rents				
		Persons in Household						Bedroom Sizes				
		1	2	3	4	5	6	0Br	1Br	2Br	3Br	4Br
\$46,300	50%	16,250	18,550	20,850	23,150	25,050	26,900	403	435	521	602	672
	60%	19,500	22,260	25,020	27,780	30,060	32,280	484	519	624	720	804
							HUD Fair Market Rents					
							418	419	517	619	665	

Source: HUD, IRS, MHDC

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

**Cost Burdened Households**

Cost Burdened Households (2000) - Macon, Missouri			
	Renter	Owner	Renter & Owner
<b>Total</b>	739	2,287	3,026
Cost Burdened >30%	27.9%	13.8%	17.2%
Severely Cost Burdened >50%	8.7%	6.7%	7.2%
<b>Elderly 1 &amp; 2 Persons</b>	217	655	872
Cost Burdened >30%	30.4%	15.6%	19.3%
Severely Cost Burdened >50%	6.9%	6.4%	6.5%
<b>Single Person Non-Elderly</b>	239	190	429
Cost Burdened >30%	31.8%	29.5%	30.8%
Severely Cost Burdened >50%	16.3%	17.9%	17.0%
<b>Small Fam 2-4 Persons</b>	243	625	868
Cost Burdened >30%	26.3%	8.3%	13.3%
Severely Cost Burdened >50%	4.1%	3.7%	3.8%
<b>Large Fam 5+ Persons</b>	40	78	118
Cost Burdened >30%	0.0%	5.1%	3.4%
Severely Cost Burdened >50%	0.0%	5.1%	3.4%

Source: 2000 CHAS Data (Comprehensive Housing Affordability Strategy)

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 Cost Burdened table for Macon indicates that approximately 9% of all renter households in Macon were severely rent burdened in 2000. The severely rent burdened rate for all renter households in Missouri for the same period was much higher at 15%. The most severely cost burdened renter group in Macon appear to be non-elderly, single person households at 16.3%, which is similar for the state as a whole.

**Migration Patterns**

Following are tables that show the migration patterns into and out of Macon County and the net migration totals between 2005 and 2008.

Gross Annual Household In-Migration								
Macon County, Missouri								
County of Origin	2008		2007		2006		2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total In-Migration	336	100%	374	100%	348	100%	347	100%
Total In-Migration Same State	241	72%	286	76%	255	73%	230	66%
Total In-Migration Out of State	95	28%	88	24%	93	27%	117	34%
Adair County	32	10%	52	14%	32	9%	38	11%
Randolph County	32	10%	53	14%	50	14%	30	9%
Boone County	23	7%	24	6%	25	7%	21	6%
Shelby County	22	7%	27	7%	24	7%	19	5%
Linn County	14	4%	14	4%	15	4%	12	3%
Chariton County	11	3%	11	3%	10	3%	10	3%
		0%		0%		0%		0%
		0%		0%		0%		0%
		0%		0%		0%		0%
All Other Counties	202	60%	193	52%	192	55%	217	63%

Source: Internal Revenue Service

Gross Annual Household Out-Migration								
Macon County, Missouri								
Destination County	2008		2007		2006		2005	
	Number	Percent	Number	Percent	Number	Percent	Number	Percent
Total Out-Migration	374	100%	407	100%	383	100%	351	100%
Total Out-Migration Same State	280	75%	294	72%	281	73%	271	77%
Total Out-Migration Out of State	94	25%	113	28%	102	27%	80	23%
Adair County	55	15%	48	12%	35	9%	40	11%
Randolph County	48	13%	36	9%	40	10%	54	15%
Boone County	41	11%	43	11%	38	10%	34	10%
Shelby County	10	3%	13	3%	26	7%	13	4%
Linn County	17	5%	14	3%	18	5%	14	4%
Chariton County	9	2%	10	2%	10	3%	9	3%
0		0%		0%		0%		0%
0		0%		0%		0%		0%
0		0%		0%		0%		0%
All Other Counties	194	52%	243	60%	216	56%	187	53%

Source: Internal Revenue Service

Net Annual Household Migration				
Macon County, Missouri				
County	2008	2007	2006	2005
	Number	Number	Number	Number
Adair County	-23	4	-3	-2
Randolph County	-16	17	10	-24
Boone County	-18	-19	-13	-13
Shelby County	12	14	-2	6
Linn County	-3	0	-3	-2
Chariton County	2	1	0	1
0	0	0	0	0
0	0	0	0	0
0	0	0	0	0
All Other Counties	8	-50	-24	30
Net Migration	-38	-33	-35	-4

Source: Internal Revenue Service

The migration tables indicate that from 2005 to 2008 Macon County had a net migration record that was negative.

### Units in Structure

Units in Structure (2000)		
Macon, Missouri		
Type	Number	Percentage
1, detached	1,979	73.9%
1, attached	16	0.6%
2	84	3.1%
3 or 4	257	9.6%
5 to 9	58	2.2%
10 to 19	50	1.9%
20 or more	62	2.3%
Mobile Home	172	6.4%
Total	2,678	100.0%

Source: U.S. Census Bureau

### Year Structure Built

Year Structure Built (2000)		
Macon, Missouri		
Year	Number	Percentage
1999 to March 2000	24	0.9%
1995 to 1998	85	3.2%
1990 to 1994	82	3.1%
1980 to 1989	273	10.2%
1970 to 1979	508	18.9%
1960 to 1969	358	13.3%
1950 to 1959	641	23.9%
1939 or earlier	712	26.5%

Source: U.S. Census Bureau

### Building Permits

Building Permits - Macon, Missouri				
Units in Bldg.	Units			
	2009	2008	2007	2006
1	0	3	12	14
2	8	10	0	0
3 to 4	0	4	0	0
5 +	0	0	0	0
Total	8	17	12	14

Source: US Census Bureau

Building permit records indicate that Macon had an active single family home construction market prior to 2008. Like most of the country Macon's single family construction market was considerably slowed in 2008.

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## SECTION VI

### EXISTING HOUSING

#### DOWNTOWN HOUSING

Existing Housing in Downtown is comprised of a small number of owner/renter occupied single family homes, a multi-story affordable senior development, and a significant number of upper-floor units within Downtown commercial buildings.

Following are photos of some of the Downtown commercial buildings that appear to have residential units on the upper floors.



Following are more photos of some of the Downtown commercial buildings that appear to have residential units on the upper floors.



Following are more photos of some of the Downtown commercial buildings that appear to have residential units on the upper floors.



As can be seen from the photos, Macon has a significant number of upper floor units. Most are renter occupied, but some units are reported to be occupied by the proprietors of the businesses on the street level.

Even with the significant number of upper floor units the Downtown still has quite a few buildings that have unoccupied upper floors and have the potential to be added to the Downtown residential inventory.

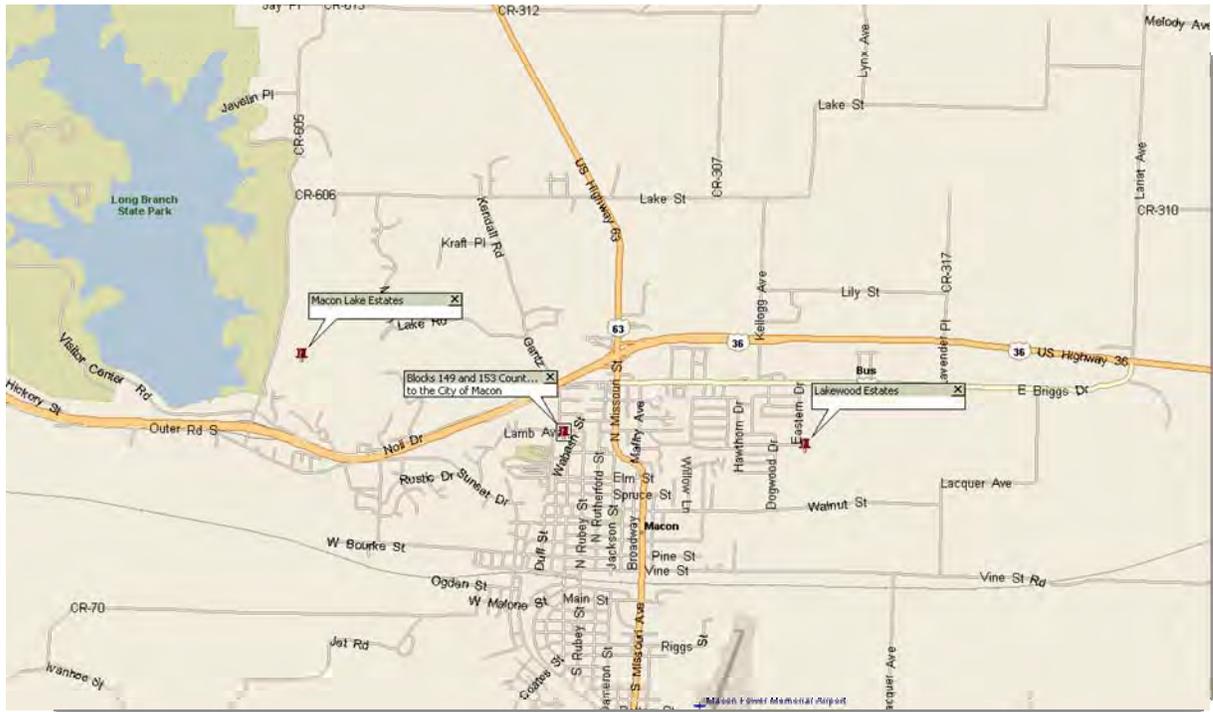
Most of the upper floor units are occupied by small households, generally with no children.

### SINGLE FAMILY HOUSING

Presently the single family housing market in Macon is slow, which is similar to markets in other parts of Missouri and the United States.

There are currently 86 properties listed for sale in the Macon Area Realtor.com site. They range from an asking price of around \$15,000 to as high as \$300,000.

There are several new residential subdivisions in Macon. Macon Lake Estates had 28 lots and about 18 are currently still for sale. These lots are listed from \$35,000 to \$50,000 and the homes that are being built are in the \$300,000 to \$500,000 price range. Another subdivision is Lakewood Estates. There are 20 lots still for sale in the price range of \$15,000 to \$20,000. The home prices in Lakewood Estates are around \$200,000. There was no construction activity at either subdivision at the time of this report.



Following is a map of some of the newer residential subdivisions in Macon.

## MARKET RATE RENTAL HOUSING

A survey was made of market rate rental housing in Macon. Following are a few of the housing options that are representative of the market rate rental housing options in Macon.



1. Attached units near Roe and Maffrey Streets



2. Attached units at 4<sup>th</sup> and Duff Street



3. Rental units at 505 Maple Street

4. Rental units at 702 Rubey Street





5. Rental units at Roe and Highland Streets

6. Rental units at Walnut and Madison Streets



7. Rental units at Duff and Union Streets

8. Rucker Apartments at 202 E. 6<sup>th</sup> Street





Typical mobile home for rent

9. Triplex at Maffrey and Roe Streets



**Typical Rent Range**

The typical rent for market rate rental units ranges from a low of approximately \$300 to a high of near \$1,000. The low side of the range is smaller units and units that have physical or functional obsolescence. The high side of the range is generally newer units with have modern amenities.

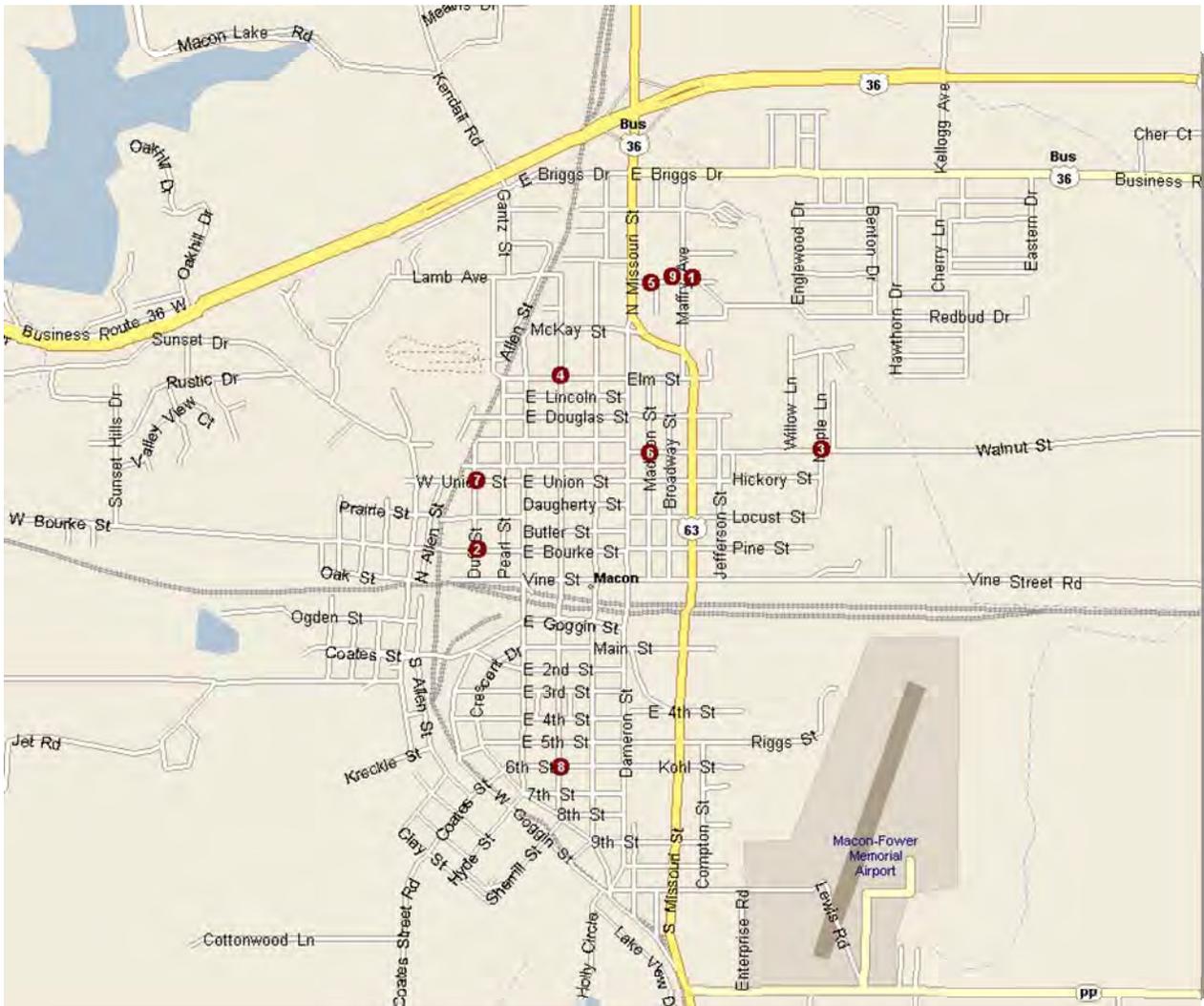
**Occupancy**

The overall occupancy rate for market rate rentals is good.

**Under Construction/Consideration**

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

Following is a map that shows the location of the market rate developments that were surveyed.



### SENIOR AFFORDABLE RENTAL HOUSING

A survey was made of senior affordable rental housing options in Macon. Following is basic information regarding the developments:



Jefferson Arms Apartments  
103 W. Bourke  
Macon, Missouri

Macon Senior Citizens Housing  
601 Maple Lane  
Macon, Missouri  
660-385-4635



Lakeside Apartments  
1404 S. Missouri  
Macon, Missouri  
660-385-5781



Lakeside Towers  
South Missouri Street  
Macon, Missouri  
660-385-5781



### **Typical Rent Range**

Rents for the units generally range from around \$300 to \$450. Some units are occupied by residents with rent subsidy.

### **Occupancy**

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

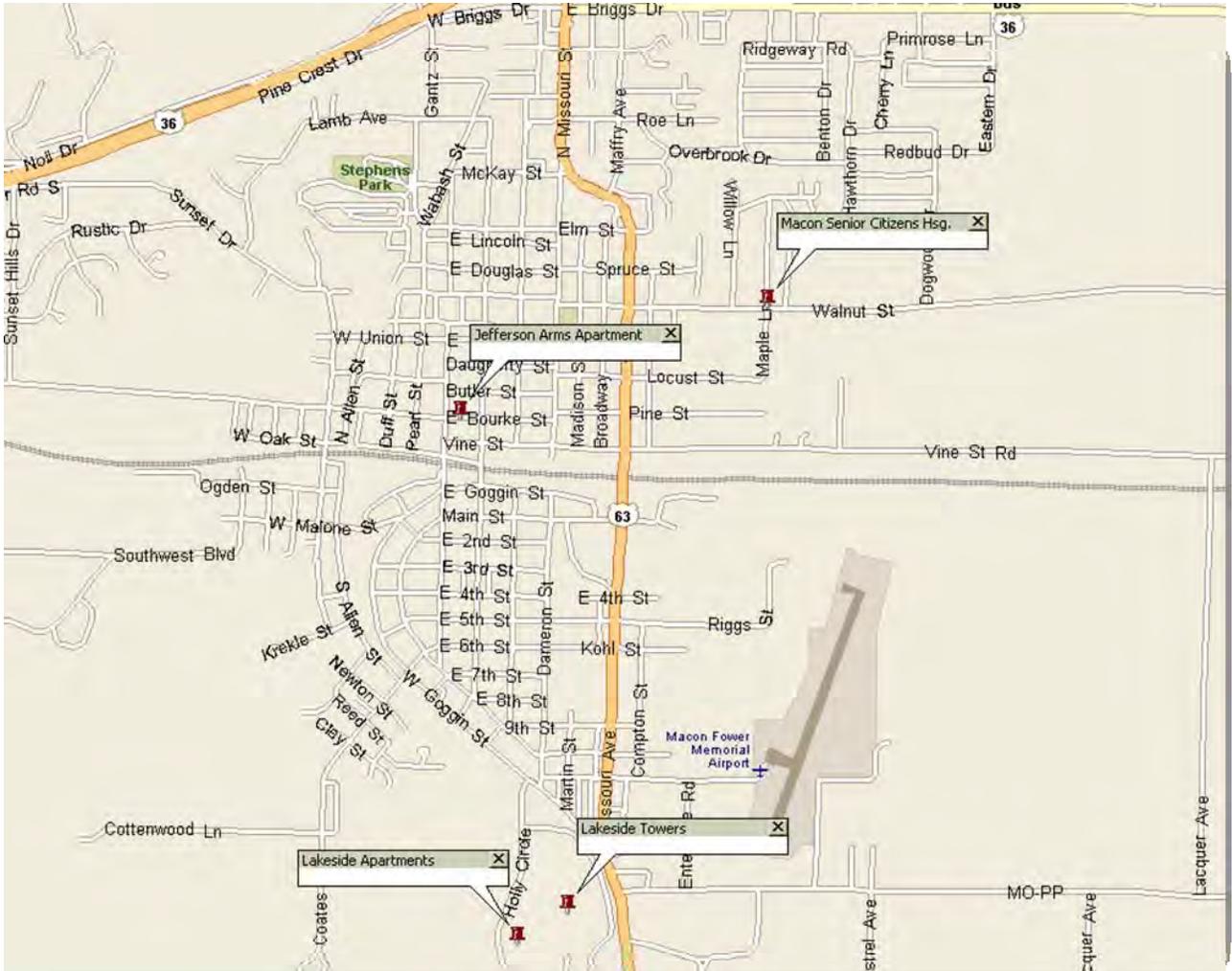
### **Under Construction/Consideration**

The analyst is unaware of any other senior affordable housing developments that are under construction or under consideration.

### **Senior Affordable Housing Supply and Demand**

The tight occupancy and wait lists at the existing developments seem to indicate that there is an unsatisfied demand for affordable senior housing units.

Following is a map that shows the approximate location of affordable senior housing developments in Macon.



**FAMILY AFFORDABLE RENTAL HOUSING**

A survey was made of affordable family rental housing options in Macon. Following is basic information regarding the developments:



Ranchland Gardens  
700 Ranchland Drive  
Macon, Missouri  
660-535-4305

Macon Estates  
801 Ranchland Drive  
Macon, Missouri  
816-886-3388



Macon Housing Authority  
Hudson Heights  
Hyde and Coates Streets  
660-385-5781



**Typical Rent Range**

Rents for affordable family units at the surveyed developments generally are within a range of \$350 to \$500. Some units are rent subsidized.

**Occupancy**

All of the affordable family developments in Macon are reported to have good occupancy.

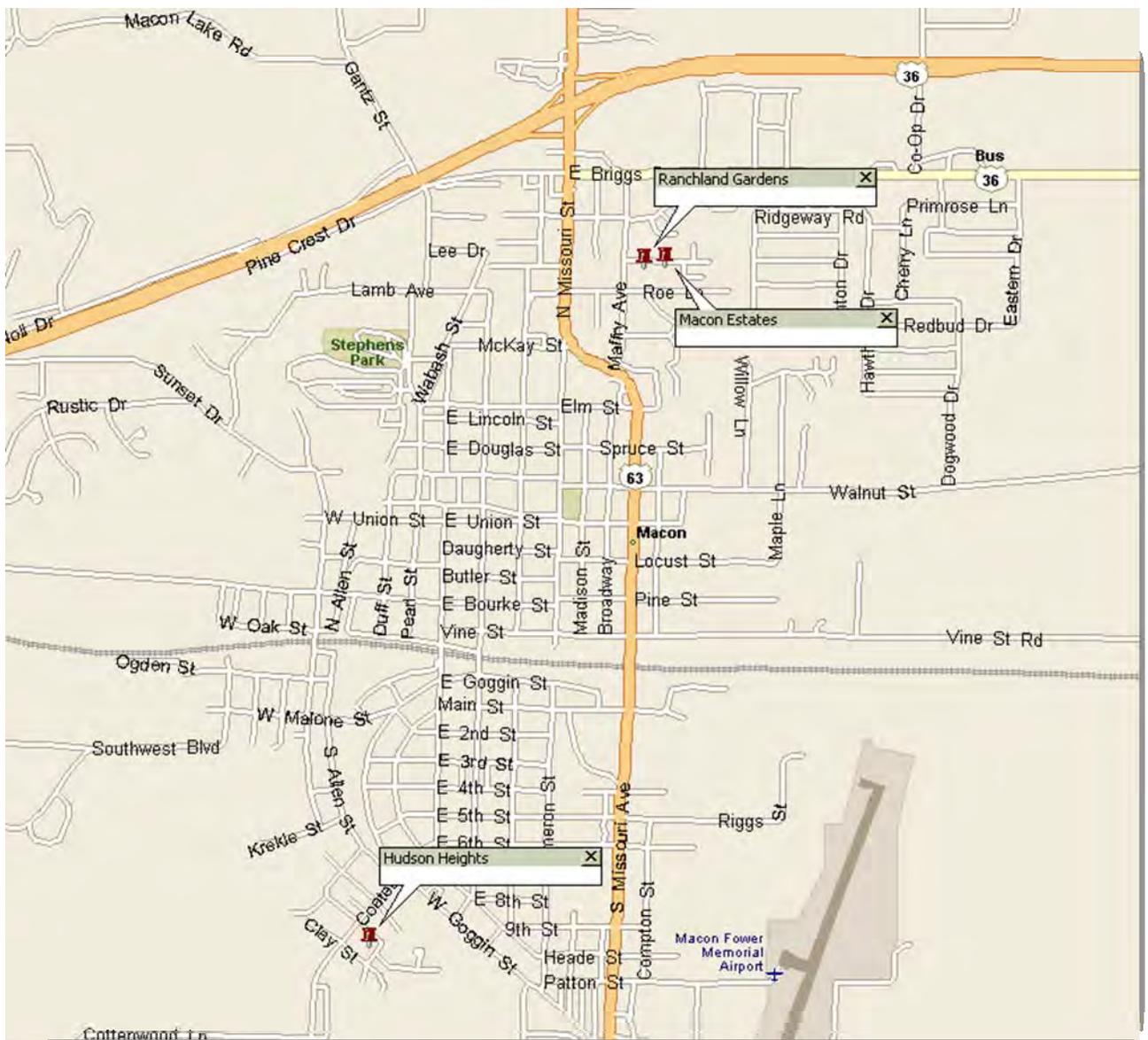
### Under Construction/Consideration

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

### Affordable Family Housing Supply and Demand

Most of the affordable housing developments have good occupancy. There does appear to be a need for additional good quality, affordable units for lower income households in the Macon Market.

Following is a map that shows the location of affordable family housing developments in Macon.



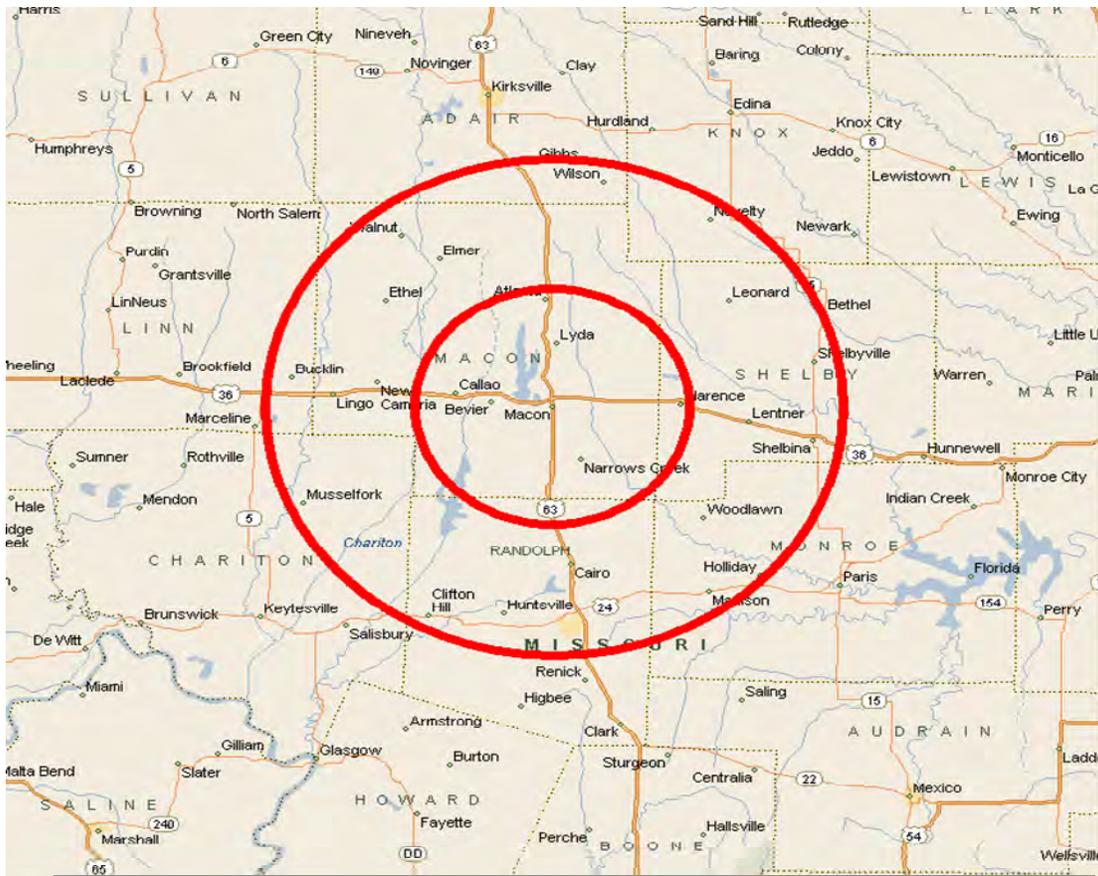
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## SECTION VII

### 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 Macon 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 Macon. 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 Macon Downtown Housing Market is all of the City of Macon and an area that extends approximately 12 miles around the City of Macon. The Secondary Market Area is the area from which a small percentage of market demand is expected to come from. The Secondary Market Area for purposes of this study is considered to be a concentric ring that extends 12 to 13 miles outside of the primary market area boundary.

Following is a map of the primary (inner ring) and secondary (outer ring) market areas for housing in the Downtown Macon market.



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## SECTION VIII

### POTENTIAL RESIDENTIAL DOWNTOWN HOUSING DEMAND

#### OVERVIEW

The key to a thriving downtown is people and generally the types of people that can be found in downtown are local resident users, employees, visitors, or permanent downtown residents. The things that bring people to downtown are retail, services, government business, jobs, attractions/venues, or housing. Downtowns that lack some of these things may have trouble with economic viability. This study focuses on housing's role in the Downtown and attempts to answer the questions of whether more housing would complement Downtown revitalization, what types of housing markets can be served Downtown and how many new households could reasonably be expected to be drawn to housing in the Downtown market over the next few years.

In many communities, downtowns suffered from urban sprawl as new shopping and residential choices were developed outside of the central business district. The existing retail and housing demand in downtowns decreased dramatically across the country as downtown consumers and residents became attracted to these newer shopping destinations and housing opportunities. The result in many cases is empty and underutilized buildings. Macon seems to have fared a little better than many other smaller communities in terms of its Downtown vitality. There is some vacant building space Downtown, but most buildings appear to be occupied and the Downtown area appears to have a lot of vehicular activity.

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

In many urban communities across the country the revitalization of Downtowns involved an increase in the population of permanent residents. Permanent residents provide a neighborhood energy that has many positive social and economic benefits. High density downtowns promote greater interaction as people are more likely to take advantage of the walkable urbanity that the district offers. It can offer a quality of life not found in other areas of the community, especially if the area offers a concentrated mix of dining, entertainment, and retail venues. From an economic point of view an increase in the population of Downtown can provide a dedicated customer base for existing and new businesses. It can have a positive impact on the demand, value, and consequently the tax base of real estate. It can motivate existing property owners to improve their property and cure some of the eyesores that are vacant or deteriorated buildings.

Smaller communities like Macon should also benefit from an increase in the permanent Downtown population. The results may not be as dramatic as in a larger community, 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 Macon 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, which are young individuals and couples that have recently left their parents home to start their adult lives, demanding low frills and low cost rental housing in single family units or apartments
- 25-34:- includes mostly young, married households, generally with children, demanding rental housing or home ownership units
- 35-54:- encompasses maturing (move-up) families, demanding mostly owner-occupied housing and larger, higher-quality, single family units, depending on income (this is referred to as the full-nest stage)
- 55 and older:- includes older households with no children, demanding mostly owner-occupied housing and smaller, single family units, condominiums, or apartments, depending on income (this is referred to as the empty-nest stage)

The type of housing units that should be added to the housing inventory in Downtown Macon to complement revitalization efforts are units that will be marketable to households with no children. Generally those types of households are young individuals and couples and older empty nester households looking for low or no maintenance housing. The majority of the demand from those households would probably be for 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 loft style upper floor units in Downtown that are currently owner occupied where the owners live in the building they work in. These types of work/housing arrangements should continue to grow in appeal as owners recognize the financial benefits of live/work space and are attracted to the unique neighborhood of Downtown.

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 some demand as evidenced by the number of upper floor units that already exist Downtown. Rental occupancy rates are also good in other areas of the city, especially at affordable housing developments.

In some cases it may not be financially feasible to rehab upper floor space for residential units, or owners may see tenants as more of a nuisance. However, there is space that should be financially feasible to develop and owners and investors that think renovating this space makes good business sense. The more upper floor units that can be successfully created for residential space, the more the market will grow to overcome the perceived risk and nuisance aspects.

In terms of land availability in the Downtown a couple of tracts were noted as potential residential development sites. One vacant tract is located at the corner of Bourke and Pearl Streets, across the street from city hall and next to the newspaper office. Another vacant tract that was noted in the Downtown by the surveyor is located on West Oak Street, southwest of the U.S. Post Office on West Bourke.

No large vacant buildings like a hotel, school, etc. were noted that could have residential development potential Downtown.

**Where are the households that form the potential market for housing in the Macon 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 walkable neighborhood that is unique to Downtown in Macon. The primary market area where most of the demand is expected to come from is approximately 12 miles around the city. Outside of that area for another 12 to 13 miles is the secondary market area, where a small percentage of the demand could also come from.

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

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

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 (Households by Income, Size, Tenure, and Age). HISTA breaks households down by income, size, tenure and broad age groups. It is a custom four-way cross tabulation of household data; not extrapolations of SF3 data and eliminates the need for the analyst to perform various extrapolation steps, which is not as accurate as cross tabulation.

On the following pages are HISTA tables for the Primary market area. The Primary market area for Macon is considered to be a radius of approximately 12 miles around the city.

**Owner and Renter Households 2010**

<b>Owner Households</b>						
Under Age 55 Years						
<i>Current Year Estimates - 2010</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	Household	<b>Total</b>
\$0-10,000	50	13	3	3	3	<b>72</b>
\$10,000-20,000	31	6	5	15	3	<b>60</b>
\$20,000-30,000	44	48	41	24	12	<b>169</b>
\$30,000-40,000	44	47	94	59	11	<b>255</b>
\$40,000-50,000	11	67	73	52	31	<b>234</b>
\$50,000-60,000	8	41	35	49	37	<b>170</b>
\$60,000+	<u>6</u>	<u>144</u>	<u>194</u>	<u>230</u>	<u>135</u>	<b>709</b>
<b>Total</b>	<b>194</b>	<b>366</b>	<b>445</b>	<b>432</b>	<b>232</b>	<b>1,669</b>

<b>Owner Households</b>						
Aged 55-61 Years						
<i>Current Year Estimates - 2010</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	Household	<b>Total</b>
\$0-10,000	15	5	0	2	1	<b>23</b>
\$10,000-20,000	33	5	0	0	3	<b>41</b>
\$20,000-30,000	16	29	2	0	2	<b>49</b>
\$30,000-40,000	38	39	4	0	0	<b>81</b>
\$40,000-50,000	3	56	0	3	0	<b>62</b>
\$50,000-60,000	0	51	0	0	0	<b>51</b>
\$60,000+	<u>15</u>	<u>137</u>	<u>12</u>	<u>23</u>	<u>0</u>	<b>187</b>
<b>Total</b>	<b>120</b>	<b>322</b>	<b>18</b>	<b>28</b>	<b>6</b>	<b>494</b>

Owner Households						
Aged 62+ Years						
<i>Current Year Estimates - 2010</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	Household	<b>Total</b>
\$0-10,000	120	14	0	0	0	<b>134</b>
\$10,000-20,000	130	86	0	0	0	<b>216</b>
\$20,000-30,000	64	175	4	4	0	<b>247</b>
\$30,000-40,000	61	107	25	0	0	<b>193</b>
\$40,000-50,000	43	78	14	14	0	<b>149</b>
\$50,000-60,000	2	72	8	1	7	<b>90</b>
\$60,000+	<u>26</u>	<u>169</u>	<u>7</u>	<u>2</u>	<u>0</u>	<b><u>211</u></b>
<b>Total</b>	<b>446</b>	<b>701</b>	<b>58</b>	<b>28</b>	<b>7</b>	<b>1,240</b>

Renter Households						
Under Age 55 Years						
<i>Current Year Estimates - 2010</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	Household	<b>Total</b>
\$0-10,000	61	29	8	3	0	<b>101</b>
\$10,000-20,000	94	22	23	0	2	<b>141</b>
\$20,000-30,000	40	29	26	24	7	<b>126</b>
\$30,000-40,000	12	40	23	18	19	<b>112</b>
\$40,000-50,000	9	17	14	21	32	<b>93</b>
\$50,000-60,000	5	17	13	6	22	<b>63</b>
\$60,000+	<u>0</u>	<u>7</u>	<u>33</u>	<u>7</u>	<u>11</u>	<b><u>58</u></b>
<b>Total</b>	<b>221</b>	<b>161</b>	<b>140</b>	<b>79</b>	<b>93</b>	<b>694</b>

Renter Households Aged 55-61 Years <i>Current Year Estimates - 2010</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	Household	Total
\$0-10,000	33	0	0	0	0	33
\$10,000-20,000	5	16	0	0	0	21
\$20,000-30,000	11	2	7	0	0	20
\$30,000-40,000	0	13	0	0	0	13
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	<u>2</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>2</u>
<b>Total</b>	<b>58</b>	<b>31</b>	<b>7</b>	<b>0</b>	<b>0</b>	<b>96</b>

Renter Households Aged 62+ Years <i>Current Year Estimates - 2010</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	Household	Total
\$0-10,000	135	3	0	0	0	138
\$10,000-20,000	107	2	0	0	0	109
\$20,000-30,000	7	5	10	0	0	22
\$30,000-40,000	4	11	6	0	0	21
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	1	2	2	2	2	9
\$60,000+	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
<b>Total</b>	<b>254</b>	<b>23</b>	<b>18</b>	<b>2</b>	<b>2</b>	<b>299</b>

**Owner and Renter Households 2015**

Owner Households Under Age 55 Years <i>Five Year Projections - 2015</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	41	10	2	2	2	57
\$10,000-20,000	23	4	4	10	1	42
\$20,000-30,000	37	34	31	17	9	128
\$30,000-40,000	41	35	78	47	9	210
\$40,000-50,000	12	57	62	47	29	207
\$50,000-60,000	11	37	34	48	36	166
\$60,000+	7	143	203	244	146	743
<b>Total</b>	<b>172</b>	<b>320</b>	<b>414</b>	<b>415</b>	<b>232</b>	<b>1,553</b>

Owner Households Aged 55-61 Years <i>Five Year Projections - 2015</i>						
	1-Person Household	2-Person Household	3-Person Household	4-Person Household	5+-Person Household	Total
\$0-10,000	13	4	0	2	2	21
\$10,000-20,000	30	4	0	0	2	36
\$20,000-30,000	12	23	1	0	2	38
\$30,000-40,000	38	37	5	0	0	80
\$40,000-50,000	7	62	0	4	0	73
\$50,000-60,000	0	47	0	0	0	47
\$60,000+	20	155	16	27	0	218
<b>Total</b>	<b>120</b>	<b>332</b>	<b>22</b>	<b>33</b>	<b>6</b>	<b>513</b>

<b>Owner Households</b> Aged 62+ Years <i>Five Year Projections - 2015</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	Household	<b>Total</b>
\$0-10,000	112	12	0	0	0	<b>124</b>
\$10,000-20,000	121	76	0	0	0	<b>197</b>
\$20,000-30,000	75	178	5	5	0	<b>263</b>
\$30,000-40,000	69	104	26	0	0	<b>199</b>
\$40,000-50,000	59	91	20	17	0	<b>187</b>
\$50,000-60,000	3	78	10	3	9	<b>103</b>
\$60,000+	40	230	8	13	0	<b>291</b>
<b>Total</b>	<b>479</b>	<b>769</b>	<b>69</b>	<b>38</b>	<b>9</b>	<b>1,364</b>

<b>Renter Households</b> Under Age 55 Years <i>Five Year Projections - 2015</i>						
	1-Person	2-Person	3-Person	4-Person	5+-Person	
	Household	Household	Household	Household	Household	<b>Total</b>
\$0-10,000	58	26	7	3	0	<b>94</b>
\$10,000-20,000	87	21	20	0	2	<b>130</b>
\$20,000-30,000	35	26	24	21	6	<b>112</b>
\$30,000-40,000	13	35	21	16	17	<b>102</b>
\$40,000-50,000	10	18	14	22	33	<b>97</b>
\$50,000-60,000	7	15	12	10	23	<b>67</b>
\$60,000+	0	9	41	7	15	<b>72</b>
<b>Total</b>	<b>210</b>	<b>150</b>	<b>139</b>	<b>79</b>	<b>96</b>	<b>674</b>

Renter Households Aged 55-61 Years <i>Five Year Projections - 2015</i>						
	1-Person	2-Person	3-Person	4-Person	5+ -Person	
	Household	Household	Household	Household	Household	Total
\$0-10,000	30	0	0	0	0	30
\$10,000-20,000	5	16	0	0	0	21
\$20,000-30,000	12	2	4	0	0	18
\$30,000-40,000	0	14	0	0	0	14
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	0	0	0	0	0	0
\$60,000+	12	0	0	0	0	12
<b>Total</b>	<b>59</b>	<b>32</b>	<b>4</b>	<b>0</b>	<b>0</b>	<b>95</b>

Renter Households Aged 62+ Years <i>Five Year Projections - 2015</i>						
	1-Person	2-Person	3-Person	4-Person	5+ -Person	
	Household	Household	Household	Household	Household	Total
\$0-10,000	141	3	0	0	0	144
\$10,000-20,000	113	2	0	0	0	115
\$20,000-30,000	9	6	12	0	0	27
\$30,000-40,000	5	10	7	0	0	22
\$40,000-50,000	0	0	0	0	0	0
\$50,000-60,000	2	3	2	2	2	11
\$60,000+	0	0	0	0	0	0
<b>Total</b>	<b>270</b>	<b>24</b>	<b>21</b>	<b>2</b>	<b>2</b>	<b>319</b>

**DOWNTOWN MARKET RATE RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential market rate rental housing demand in Downtown Macon over the next few years. The analysis considers typical rents, the number of households that can create market rate rental housing demand, and the number or percentage of households in the Macon market that could reasonably be expected to create demand for new market rate rental housing in Downtown.

Following is the quantitative analysis and an explanation of the process used in the analysis:

Market Rate Family Rental Potential Demand Analysis				
PMA Qualified Household Demand (2010)		1BR	2BR	3BR
1	Gross Rent (includes utility costs paid by tenants)	\$ 550	\$ 650	\$ 850
2	Percentage of Income to Housing	25%	25%	25%
3	Minimum Income (Affordability)	\$ 26,400	\$ 31,200	\$ 40,800
4	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2010)	103	122	94
5	Percentage of Annual Turnover of Existing HH	<u>25%</u>	<u>25%</u>	<u>25%</u>
	Number of Renter HH Turnover	26	31	24
6	Number of Non-Head of Household Potential Tenants	8	9	7
7	<b>PMA Qualified Household Demand (2010)</b>	<b>33</b>	<b>40</b>	<b>31</b>
8	<b>SMA Qualified Household Demand (2010)</b>	<b>7</b>	<b>8</b>	<b>6</b>
9	<b>PMA and SMA Market Rate Rental Potential Household Demand (2010)</b>	<b>40</b>	<b>48</b>	<b>37</b>
PMA Qualified Households (2015)		1BR	2BR	3BR
10	Gross Rent (includes utility costs paid by tenants)	\$ 605	\$ 715	\$ 935
11	Percentage of Income to Housing	25%	25%	25%
12	Minimum Income (Affordability)	\$ 29,040	\$ 34,320	\$ 44,880
13	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2015)	94	114	83
14	Percentage of Annual Turnover of Existing HH	<u>25%</u>	<u>25%</u>	<u>25%</u>

		-	-	-
15	Number of Renter HH Turnover	24	29	21
16	Number of Non-Head of Household Potential Tenants	7	9	6
17	PMA Qualified Household Demand (2015)	31	37	27
18	SMA Qualified Household Demand (2015)	6	7	5
19	PMA and SMA Market Rate Rental Potential Household Demand (2015)	37	44	32
20	PMA and SMA Qualified Household Growth/Decline (2010-2015)	-4	-3	-4
21	PMA and SMA Average Annual Potential Demand (2010-2015)	39	47	36
22	DMA Capture Rates	20%	20%	5%
		1BR	2BR	3BR
23	DMA Annual Market Rate Family Rental Potential Demand (2010-2015)	8	9	2

Line 7 is a current estimate (2010) of the total number of existing households that form the potential market rate rental housing demand from the primary market area. The estimate was determined by considering the gross market rents (including utility costs), the level of income to housing costs, estimated annual turnover rate of renter households, estimated interest from non-head of household seniors, and the HISTA data.

Line 8 is a current estimate of the total number of households that form the potential market rate 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 9 is an estimate of the potential market rate rental housing demand from households from the primary and secondary market areas in 2010.

Line 17 is a projection (2015) of the total number of households that form the potential market rate rental housing demand from the primary market area. The projection was determined by considering the gross market rents (including utility costs), the level of income to housing costs, estimated annual turnover rate of renter households, estimated interest from non-head of household individuals, and the HISTA data.

Line 18 is a projection of the total number of households that form the potential market rate 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 19 is a projection of the potential market rate rental housing demand from households from the primary and secondary market areas in 2015.

Line 20 is a projection of qualified household growth/decline between 2010 and 2015 and is calculated by subtracting the 2015 household demand projection from the 2010 estimate.

Line 21 is the average annual potential demand that is calculated by considering the current demand in 2010 and the annual growth or decline between 2010 and 2015.

Line 22 is the estimated capture rates for the Downtown market area. It is an estimate of the percentages of qualified households in the primary and secondary market areas that would consider market rate rental units in Downtown by bedroom size.

Line 23 is an annual projection of the number of qualified households that are expected to be in the primary and secondary market areas between 2010 and 2015 that could be attracted to market rate rental units in Downtown. This is an estimate of the total number of households on an annual basis that could provide the potential market demand for a market rate family rental development in the downtown market area. This is a point in time estimate and could change based on changes in supply and demand between this point in time and 2015.

The analysis concludes that there could be a potential household demand for market rate rental housing in the Downtown by bedroom size as follows:

One Bedroom	8
Two Bedroom	9
Three Bedroom	<u>2</u>
Total	19

**DOWNTOWN AFFORDABLE SENIOR RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential affordable senior rental housing demand in Downtown Macon over the next few years. The analysis considers typical rents, the number of households that can create affordable senior rental housing demand, and the number or percentage of households in the Macon market that could reasonably be expected to create demand for new affordable senior rental housing in Downtown.

Following is the quantitative analysis of the affordable senior rental household demand and an explanation of the process used in the analysis:

Affordable Senior Rental Potential Demand Analysis		
<b>PMA Qualified Household Demand (2010)</b>		
		1BR/2BR
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)	\$ 22,260
5	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2010)	90
6	Percentage of Existing Senior Renter Households Likely to Move if New Affordable Housing Were Available	15%
7	Number of Existing Senior Renter Households Likely to Move if New Affordable Housing Were Available	14
8	Appropriate Sized, Income Qualified, <u>Owner Households, Age 62+ (2010)</u>	228
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	11
11	Number of Existing Senior Non-Head of Households Likely to Move If New Affordable Rental Housing Were Available	2
12	<b>PMA Qualified Household Demand (2010)</b>	27
13	<b>SMA Qualified Household Demand (2010)</b>	5
14	<b>PMA and SMA Affordable Senior Housing Potential Household Demand (2010)</b>	33
	<b>PMA Projected Qualified Household Growth 2010-2015</b>	1BR/2BR

15	Gross Rent (includes utility costs paid by tenants)	\$ 552
16	Percentage of Income to Housing	50%
17	Minimum Income (Affordability)	\$ 13,248
18	Maximum Income (Tax Credit Limit)	\$ 24,486
19	Appropriate Sized, Income Qualified, Renter Households, Age 62+ (2015)	85
20	Percentage of Projected Senior Renter Households Likely to Move if New Affordable Housing Were Available	15%
21	Number of Projected Senior Renter Households Likely to Move if New Affordable Housing Were Available	13
22	Appropriate Sized, Income Qualified, <u>Owner Households, Age 62+ (2015)</u>	248
23	Percentage of Projected Senior <u>Owner</u> Households Likely to Move if New Affordable Rental Housing Were Available	5%
24	Number of Projected Senior <u>Owner</u> Households Likely to Move If New Affordable Rental Housing Were Available	12
	Number of Projected Senior Non-Head of Households Likely to Move If New Affordable Rental Housing Were Available	3
25	<b>PMA Qualified Household Demand (2015)</b>	<b>28</b>
26	<b>SMA Qualified Household Demand (2015)</b>	<b>6</b>
27	<b>PMA and SMA Affordable Senior Housing Potential Household Demand (2015)</b>	<b>33</b>
28	<b>PMA and SMA Qualified Household Growth/Decline (2010-2015)</b>	<b>0</b>
29	<b>PMA and SMA Average Annual Potential Demand (2010-2015)</b>	<b>33</b>
30	<b>DMA Capture Rate</b>	<b>50%</b>
31	<b>DMA Annual Affordable Senior Rental Potential Demand (2010-2015)</b>	<b>16</b>

Line 12 is a current estimate (2010) of the total number of existing senior households that forms the potential senior rental housing demand from the primary market area. The estimate was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, estimated interest from non-head of household seniors, and the HISTA data.

Line 13 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 14 is an estimate of the potential affordable senior rental housing demand from households from the primary and secondary market area in 2010.

Line 25 is a projection (2015) of the total number of existing senior households that form the potential senior rental housing demand from the primary market area. The projection was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, estimated annual turnover rate of existing senior renter households, estimated interest from senior homeowner households, estimated interest from non-head of household seniors, and the HISTA data.

Line 26 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 27 is a projection of the potential affordable senior rental housing demand from households from the primary and secondary market areas in 2015.

Line 28 is a projection of qualified household growth/decline between 2010 and 2015 and is calculated by subtracting the 2015 household demand projection from the 2010 estimate.

Line 29 is the average annual potential demand that is calculated by considering the current demand in 2010 and the annual growth or decline between 2010 and 2015.

Line 30 is the estimated capture rate for the downtown market area. It is an estimate of the percentage of qualified households in the primary and secondary market areas that would consider affordable senior rental units in Downtown. The capture rate selected reflects the fact that at the current time any affordable senior housing development to be produced in the downtown market area would have little competition and should attract a large share of the affordable senior housing market.

Line 31 is an annual projection of the number of qualified households that are expected to be in the primary and secondary market areas between 2010 and 2015 that could be attracted to affordable senior rental units in the downtown market area. This is an estimate of the total number of senior households on an annual basis that could provide the potential market demand for an affordable senior development in Downtown. This is a point in time estimate and could change based on changes in supply and demand between this point in time and 2015.

The analysis concludes that there could be a potential household demand for affordable senior rental housing in the Downtown as follows:

One Bedroom	8
Two Bedroom	<u>8</u>
Total	16

**DOWNTOWN AFFORDABLE FAMILY RENTAL HOUSING DEMAND ANALYSIS**

The purpose of this analysis is to quantify the potential affordable family rental housing demand in Downtown Macon over the next few years. The analysis considers typical rents, the number of households that can create affordable family rental housing demand, and the number or percentage of households in the Macon market that could reasonably be expected to create demand for new affordable family rental housing in Downtown.

Following is the quantitative analysis of the affordable family rental household demand and an explanation of the process used in the analysis:

Affordable Family Rental Potential Demand Analysis				
PMA Qualified Household Demand (2007)		1BR	2BR	3BR
1	Gross Rent (includes utility costs paid by tenants)	\$ 440	\$ 525	\$ 610
2	Percentage of Income to Housing	35%	35%	35%
3	Minimum Income (Affordability)	\$ 15,086	\$ 18,000	\$ 20,914
4	Maximum Income (Tax Credit Limits)	\$ 22,260	\$ 25,020	\$ 28,920
5	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2007)	72	33	31
6	Percentage of Annual Turnover of Existing HH	<u>25%</u>	<u>25%</u>	<u>25%</u>
7	Number of Renter HH Turnover	18	8	8
8	Number of Non-Head of Household Potential Tenants	5	2	2
9	<b>PMA Qualified Household Demand (2007)</b>	<b>23</b>	<b>11</b>	<b>10</b>
10	<b>SMA Qualified Household Demand (2007)</b>	<b>5</b>	<b>2</b>	<b>2</b>
11	<b>PMA and SMA Affordable Family Rental Potential Household Demand (2007)</b>	<b>28</b>	<b>13</b>	<b>12</b>
	<b>PMA Qualified Household Demand (2012)</b>	<b>1BR</b>	<b>2BR</b>	<b>3BR</b>

12	Gross Rent (includes utility costs paid by tenants)	\$ 485	\$ 580	\$ 675
13	Percentage of Income to Housing	35%	35%	35%
14	Minimum Income (Affordability)	\$ 16,629	\$ 19,886	\$ 23,143
15	Maximum Income (Tax Credit Limits)	\$ 24,575	\$ 27,622	\$ 31,928
16	Appropriate Sized (1-5 Person HH) , Income Qualified, Renter HH, Age 18-61 (2012)	66	30	25
17	Percentage of Annual Turnover of Existing HH	<u>25%</u>	<u>25%</u>	<u>25%</u>
18	Number of Renter HH Turnover	17	8	6
19	Number of Non-Head of Household Potential Tenants	5	2	2
20	<b>PMA</b> Qualified Household Demand (2012)	21	10	8
21	<b>SMA</b> Qualified Household Demand (2012)	4	2	2
22	<b>PMA</b> and <b>SMA</b> Affordable Family Rental Potential Household Demand (2012)	26	12	10
23	<b>PMA</b> and <b>SMA</b> Qualified Household Growth/Decline (2007-2012)	-2	-1	-2
24	<b>PMA</b> and <b>SMA</b> Average <i>Annual</i> Potential Demand (2007-2012)	28	13	12
25	<b>DMA</b> Capture Rates	35%	35%	35%
26	<b>DMA</b> <i>Annual</i> Affordable Family Rental Potential Demand (2007-2012)	10	4	4

Line 9 is a current estimate (2010) of the total number of existing limited income households that form the potential affordable rental housing demand from the primary market area. The estimate was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, estimated annual turnover rate of renter households, estimated interest from non-head of household individuals, and the HISTA data.

Line 10 is a current estimate of the total number of limited income households that form the potential affordable housing demand from the secondary market area. The estimate was made by considering that 15% to 20% of the demand for most rental housing developments typically comes from the secondary market area.

Line 11 is an estimate of the potential affordable housing demand from households from the primary and secondary market area in 2010.

Line 20 is a projection (2015) of the total number of limited income households that form the potential affordable rental housing demand from the primary market area. The projection was determined by considering the gross market rents (including utility costs), the level of income to housing costs, the maximum tax credit income limits, estimated annual turnover rate of renter households, estimated interest from non-head of household individuals, and the HISTA data.

Line 21 is a projection of the total number of limited income households that form the potential affordable housing demand from the secondary market area. The projection was made by considering that 15% to 20% of the demand for most rental housing developments typically comes from the secondary market area.

Line 22 is a projection of the potential affordable housing demand from households from the primary and secondary market areas in 2015.

Line 23 is a projection of qualified household growth/decline between 2010 and 2015 and is calculated by subtracting the 2015 household demand projection from the 2010 estimate.

Line 24 is the average annual potential demand that is calculated by considering the current demand in 2010 and the annual growth or decline between 2010 and 2015.

Line 25 is the estimated capture rates for the downtown market area. It is an estimate of the percentages of qualified households in the primary and secondary market areas that would consider affordable rental units in Downtown by bedroom size.

Line 26 is an annual projection of the number of qualified households that are expected to be in the primary and secondary market areas between 2010 and 2015 that could be attracted to affordable rental units in Downtown. This is a point in time estimate and could change based on changes in supply and demand between this point in time and 2015.

The analysis concludes that there could be a potential household demand for affordable family rental housing in the Downtown by bedroom size as follows:

One Bedroom	10
Two Bedroom	4
Three Bedroom	<u>4</u>
Total	18

## CONCLUSIONS

Downtown Macon is an active area of the city that has retained much of its charm and functionality. Its many businesses primarily serve local residents. Most Downtown buildings are occupied, but some have vacant space on the street level and upper floors. Ideally the vacant street level space should be occupied by new businesses and the upper floor space could be used to create new residential opportunities.

The renaissance of most downtown areas across the country begins with an increase in the number of people. People can be employees of downtown businesses, tourists, local residents conducting business or utilizing the services, or permanent downtown residents. This study focuses on the role that housing for permanent residents can play in the Downtown Macon revitalization process.

A survey was made that indicates there is already a Downtown residential market comprised of different types of structures, including single family homes that are owner occupied and rented, large single family homes that have been converted to multi-family units, traditional apartments, and units on the upper floors of Downtown businesses. It would be beneficial to the revitalization process if additional residential units could be produced Downtown. Having more permanent residents in Downtown will increase the 24 hour presence in the area, which will help to further establish it as a viable mixed-use neighborhood.

The good occupancy of the other rental markets (market rate, affordable senior, affordable family) presents an opportunity for new demand to possibly be served by new housing in or around Downtown. Downtown areas generally are not ideally suited for households with children, but it may be possible to target new residential housing opportunities in the residential areas adjacent to Downtown.

Some of the potential development sites are the large number of commercial buildings that have vacant upper floor space and a couple of vacant tracts in Downtown. One vacant tract is located at the corner of West Bourke and Pearl Streets, across the street from city hall and next to the newspaper office. Another vacant tract is located on West Oak Street, south and southwest of the U.S. Post Office on West Bourke.

Quantitative demand analysis concludes that between the present and 2014 there could be household demand for various housing options in Downtown as shown below:

<u>TYPE</u>	<u>UNITS</u>
Market Rate Rental	19
Affordable Rate Rental	16
Affordable Family Rental	18
<b>Total</b>	<b>53</b>

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## SECTION IX

### DOWNTOWN RESIDENTIAL IMPLEMENTATION

Strategies and financial programs to consider 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 projects that have the ability to be catalysts for further improvement in Downtown.
- Identify available building and land space that could accommodate new residential units in Downtown
- Identify owners, 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 Macon.
- 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.
- Obtain historic designations for buildings in Downtown so that historic tax credits can be considered to help finance development costs.
- Identify and try to mitigate all adverse conditions, such as lack of parking, traffic patterns, and vacant feel to buildings that may adversely affect the Downtown residential market.
- Encourage existing property owners in Downtown to properly maintain their property through code enforcement.
- Implement Downtown beautification programs and consider improvements that would help to increase visitor appeal. This could include sidewalk repair, planter boxes, new ornamental street lights, building murals, and decorative trash receptacles.
- Attract commercial businesses to Downtown that serve residents and visitors needs.

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

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

- Neighborhood Preservation Act – This is a state tax credit that is provided to a home owner or developer that either rehabilitates or builds a home that will be located in a distressed community.
- First Place Loan Program – This is a low interest loan and down payment assistance program designed for first time homebuyers.
- HeRO Program – This is a program administered by Missouri Housing Development Commission that provides home repair grants for owner occupied homes.
- Missouri Housing Trust Fund – This is a program administered by MHDC that provides funding for a variety of housing needs, such as homeless prevention, rehab or new construction of rental housing, rental assistance and home repair.
- Community Improvement Districts – This is a program that creates special districts that are able to assess special tax assessments to fund infrastructure and other improvements that would benefit the property owners in the district.

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## SECTION X

### ASSUMPTIONS AND LIMITING CONDITIONS

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

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

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

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

## SECTION XI

### APPRAISER'S CERTIFICATION

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

- The statements of fact contained in this report are true and correct.
- The reported analyses, opinions, and conclusions are limited only by the reported assumptions and limiting conditions, and is my personal, impartial, and unbiased professional analyses, opinions, conclusions, and recommendations.
- I have no interest in the market that is the subject of this report, and I have no personal interest with respect to the parties involved.
- I have no bias with respect to any property that is the within the market of this report or to the parties involved with this assignment.
- My engagement in this assignment was not contingent upon developing or reporting predetermined results.
- My compensation for completing this assignment is not contingent upon the development or reporting of a predetermined value or direction in value that favors the cause of the client, the amount of the value opinion, the attainment of a stipulated result, or the occurrence of a subsequent event directly related to the intended use of this appraisal consulting assignment.
- My analyses, opinions, and conclusions were developed, and this report has been prepared, in conformity with the *Uniform Standards of Professional Appraisal Practice*.
- I have made a personal inspection of the market that is the subject of this report.
- 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  
December 3, 2010