

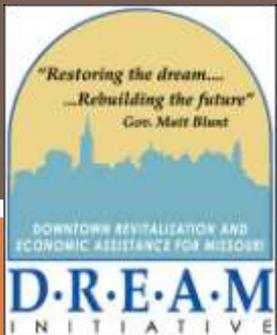
RESIDENTIAL DEMAND ANALYSIS

DECEMBER, 2007

The Excelsior Springs Downtown Dream Initiative Area
City of Excelsior Springs
Clay County, Missouri

Prepared by
Missouri Housing Development Commission

Assistance provided by
Peckham Guyton Albers & Viets



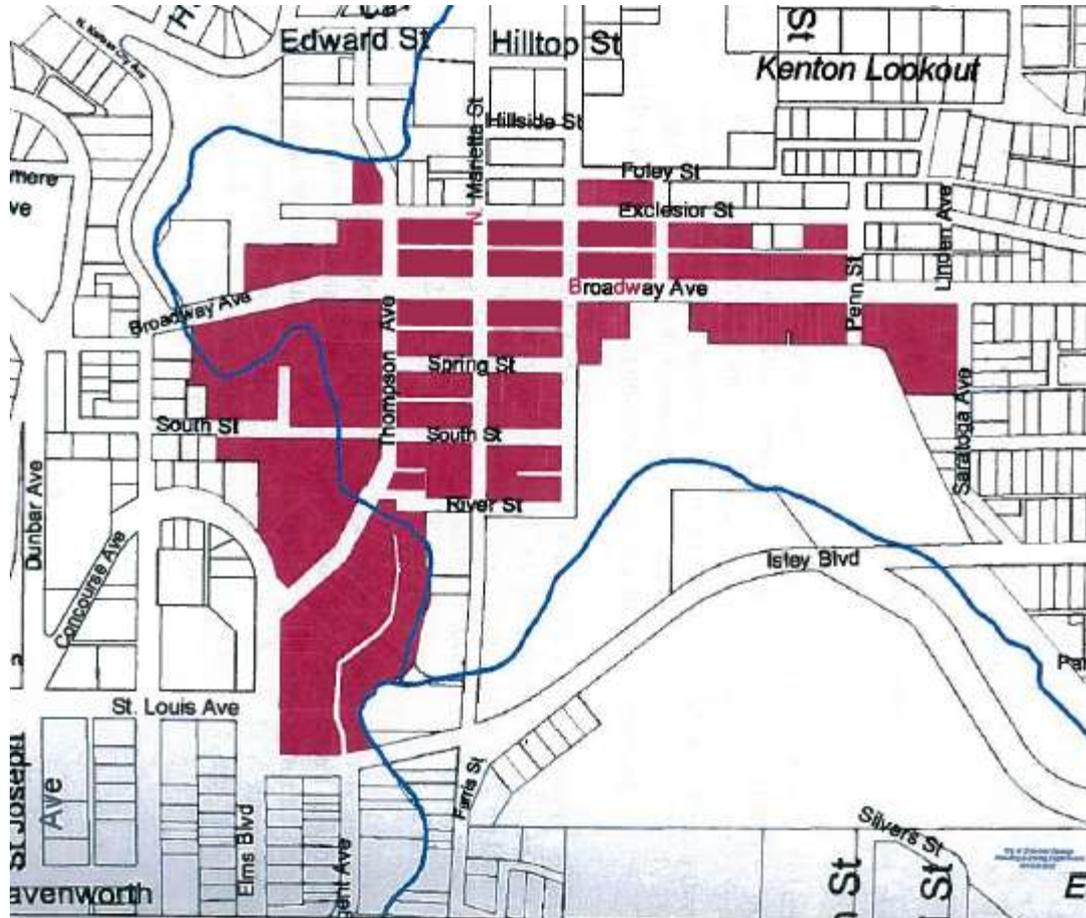
Executive Summary

- ▣ Market Study Purpose: Quantify the potential residential demand in the downtown area of Excelsior Springs, MO
 - Complement the overall revitalization efforts of the area
 - Determine the type of residential demand that exists
 - Detail the depth of the market demand

Executive Summary

- Downtown Market Area (DMA) is generally considered to be the area that was the subject of the DREAM application
- The Analysis includes:
 - Demographic and economic analysis of the community
 - Demand analysis of the housing markets
 - Senior rental housing
 - Family rental housing
 - Family affordable housing
 - For sale housing

Downtown Market Area



City Facts

- Excelsior Springs, Missouri
 - Located in Clay County, MO
 - Approximately 30 miles NE of Kansas City, MO
 - Former tourist destination due to unique mineral waters; springs were capped or dried up in the 60's and 70's
 - Diverse topography with many hills and valleys
 - Served by a public transportation system which assists many of the elderly downtown residents to other areas of the community for services

DMA Description

- Downtown – Excelsior Springs, Missouri
 - Mixed view
 - Stable and active
 - Many occupied storefronts
 - Locally owned businesses
 - Several senior housing developments
 - Historic Elms Hotel
 - Blighted
 - Poorly maintained and managed high density rental housing
 - Loitering clients of social service agencies
 - Vacant upper level residential floors of storefronts
 - Absence of a grocer or drugstore

Areas of Improvement

- Downtown Market Area
 - Relocate drug rehabilitation center out of the CBD
 - Increase and improve code enforcement efforts
 - Make changes to zoning laws that would limit the density of rental units in converted single family homes
 - Introduce upper income market rental rate and for sale units
 - Attract more retail and service businesses

Demographic Statistics

- Population of Excelsior Springs (2006)
 - Approximately 11,240 people
 - Growing at a rate of approximately .4% per year
 - Age of population is getting older

Demographic Statistics

- Households in Excelsior Springs (2006)
 - ▣ Approximately 4,522 households
 - ▣ Total number of households is increasing
 - ▣ The average size of households is decreasing, creating a greater demand for smaller housing units
 - ▣ Distribution of homeowners is even at all ages above 25 years
 - ▣ Household incomes are rising
 - By 2011, approximately 56% of households are projected to exceed \$40,000

Demographic Statistics

- Households in Excelsior Springs (2006), continued
 - ▣ Tenure patterns trending toward a higher percentage of owner occupied units
 - ▣ Majority of housing inventory is owner occupied
 - ▣ Minimal amount of homeowners are severely cost burdened
 - ▣ Approximately 18% of renters are considered severely cost burdened; largest group is small family renter households

Housing Statistics

- Housing Units (2000 census)
 - Approximately 4,425 units
 - Majority of structures were detached single family units
 - Balance of the structures were spread across the other residential construction types
 - High percentage of structures were built before 1990
 - Majority of owner occupied housing units had a value of \$150,000 or less

Housing Statistics

- Gross Rents (2000)
 - ▣ Majority of rental units had a gross rent range of \$300 to \$500
 - ▣ Approximately 84% had a gross rent of \$500 or less

Employment and Economy

□ Excelsior Springs Area Major Employers

Major Employers - Excelsior Springs Area		
Employers	Type of Business	Employees
Excelsior Springs School Dist.	Education	312
American Italian Pasta Co.	Pasta	260
Excelsior Springs Med. Ctr.	Health Care	250
Wal-Mart	Retail	201
Magna Interior Systems	Auto Supplier	190
Elms Hotel	Hospitality	175
Gilmour Hose	Garden Hoses	170
Rexam	Plastic Injection	131
City of Excelsior Springs	Government	130
Price Chopper	Grocer	116
Excelsior Springs Job Corps	Training	100+
Waller Truck Line	Trucking	100+
NASB	Banking	54

Source: Show-Me Missouri Community Profile Center

Employment and Economy

- City Employment
 - ▣ Manufacturing, Retail, Healthcare, and Accommodation and Food Services comprise over three-quarters of the Excelsior Springs economy
 - ▣ Average annual earnings for the top four sectors range from \$13,500 to \$51,000
 - ▣ Excelsior Spring's unemployment rate has historically been similar to state trends and slightly higher than Clay County

Existing Housing

- Owner Households
 - ▣ Newer housing is located on the west side of the community, west of Highway 69
 - ▣ Price range
 - \$25,000 to \$150,000 for older homes
 - \$140,000 to \$350,000 for newer homes
 - Cherry Hills
 - Meadow Park
 - Stone Crossing
 - Vintage
 - Vintage Estates
 - West Springs
 - Downtown Excelsior Springs

Existing Rental Housing

- Market Rate Rental Households
 - ▣ Several multifamily rental developments, a large number of single family rental properties, and a small number of duplexes
 - ▣ Older developments in fair or poor condition
 - ▣ Downtown Market Area (non-elderly)
 - Small multi-family buildings
 - Single family homes
 - Single family homes that have been converted to multi-family buildings
 - Rental units above commercial store fronts

Existing Senior Housing

- Senior Affordable Renter Households
 - Sufficient level of affordable rental housing for seniors in downtown area
 - Oaks Apartments (complete in 2007)
 - Colony Plaza
 - Meadowlark Apartments
 - Excelsior Springs Housing Authority Senior Developments
 - Ruey-Ann
 - Saratoga

Existing Affordable Housing

- Family Affordable Renter Households
 - ▣ Sufficient level of affordable rental housing for families
 - Excelsior Village Apartments
 - Meadowview Apartments
 - Lynn Park Apartments
 - Northwinds Apartments

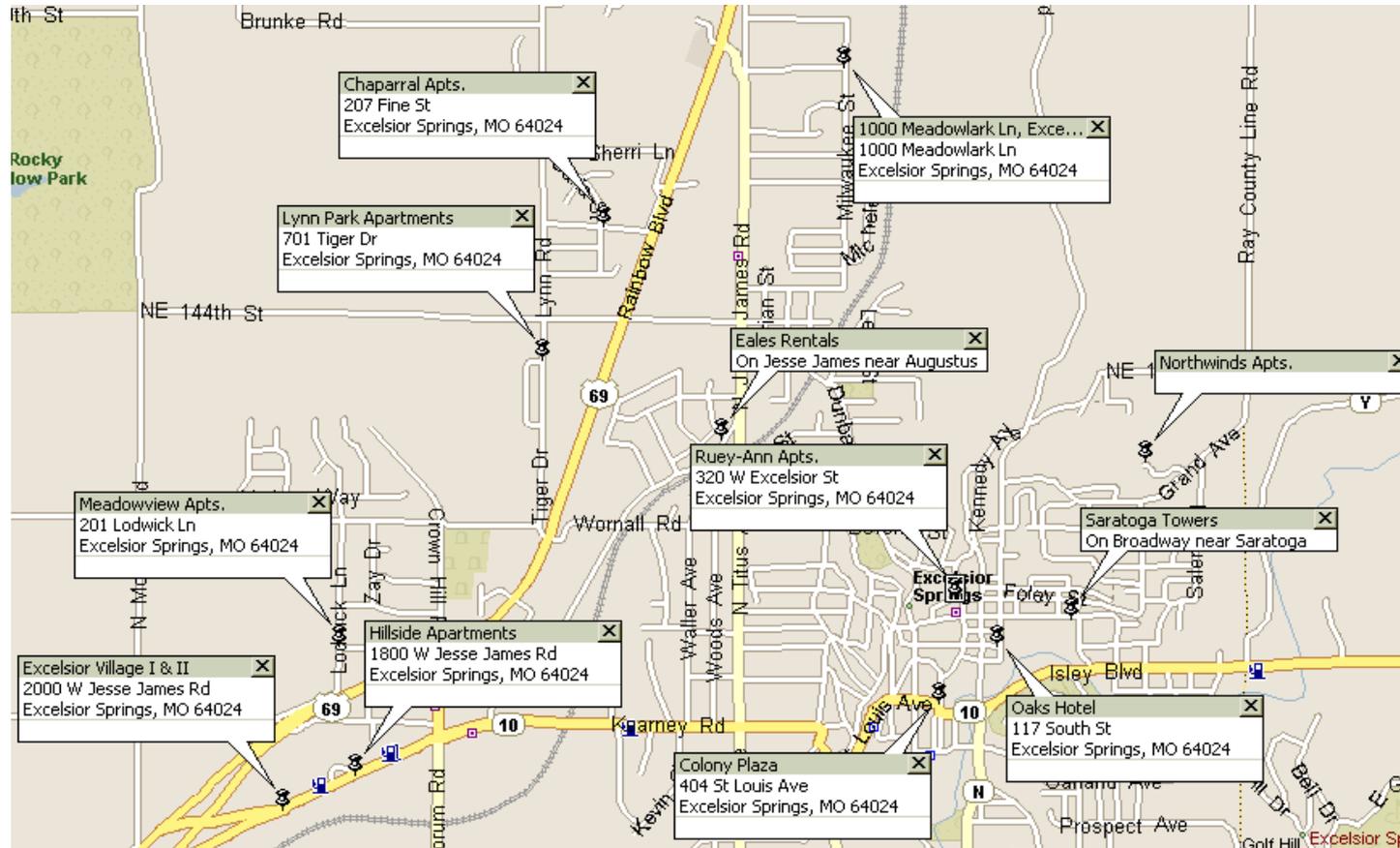
Existing Housing

- Downtown Area
 - High density rental housing
 - Several senior rental housing developments
 - Some residential uses on the upper floors of storefronts, most appear to be vacant

Summary of Existing Housing

- **Ample senior and family affordable rental housing**
 - Vacancy within existing lower income developments
 - Numerous senior units, including the upcoming completion of The Oaks
- **Lack of good quality market rate rental housing**
 - Need quality units for moderate income households
 - New units will contribute to positive change

Existing Housing



Market Opportunities

- Primary Market Area (PMA) for residential demand in the city of Excelsior Springs as a whole and the downtown market area
 - ▣ Eastern portion of Clay County
 - ▣ Western portion of Ray County

Owner Household Opportunities

- Potential Owner Households (2006 to 2011)
 - 1,776 attracted to Primary Market Area
 - 275 attracted to new units in the city of Excelsior Springs
 - **10 units attracted to Downtown Market Area**
 - Target market
 - Young singles
 - Childless couples
 - Older empty nesters
 - Price points
 - \$150,000 to \$235,000
 - Begin with rental housing to build momentum
 - Mid to Upper Income Households have no current options in Downtown Market Area

Market Rate Rental Opportunities

- Market Rate Renter Households
 - 515 attracted to the Primary Market Area
 - 180 attracted to city of Excelsior Springs
 - **30 attracted to Downtown Market Area**
 - Will support new and existing businesses
 - Will introduce higher incomes to the area
 - Further residential improvements and investments
 - Mid to Upper Income Households have limited options in Downtown Market Area

Senior Affordable Opportunities

- Senior Affordable Renter Households (2006 to 2011)
 - 228 attracted to Primary Market Area
 - 114 attracted to city of Excelsior Springs
 - **114 to existing units in Downtown Market Area, including The Oaks**
 - **No need for additional units at this time**

Affordable Family Housing

- Family Affordable Renter Households (2006 to 2011)
 - 274 attracted to Primary Market Area
 - 137 attracted to city of Excelsior Springs
 - **No need for additional units in Downtown Market Area**

Contact Information

- The entire Residential Demand Analysis is available from the City of Excelsior Springs.
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