

Lee's Summit Economic Development Council

Housing Needs Assessment

Downtown Lee's Summit, Missouri

Executive Summary

March 2016

In early 2014, the Lee's Summit Economic Development Council (LSEDC) and the Downtown Lee's Summit Main Street Inc. (DLSMS) determined to gauge the demand for housing in Lee's Summit's Downtown. The addition of new housing units in the downtown area had been a major recommendation contained in the city's 2004 Downtown Master Plan. However, in the 10 years since the plan was adopted, little focus or actual development work had been initiated to provide new housing options. The two organizations determined that the approach would include a third party to initiate and coordinate the assessment study. To that end, LSEDC retained the firm of Canyon Research Southwest Inc. and developed an on-line housing questionnaire for inclusion in the study.

For purposes of the assessment, the "Downtown Market Area" was determined to the geographic area bordered by Chipman Road on the North, M-291 Highway on the East and Hwy 50 on the South and West. While the effort initially began in early 2014, the report was most recently updated in October 2015 to include more recent demographic data including the *City of Lee's Summit 2014 Development Report*.

Questionnaire

In February of 2014, the nine question housing survey was posted on the Downtown Lee's Summit Main Street Inc. Facebook page and forwarded to 5,705 email addresses, of which there were 2,098 opens and 524 clicks. The response was overwhelming with 449 questionnaires completed. The questionnaire asked whether they would be interested in living in downtown Lee's Summit and to indicate what type of housing they would prefer. Respondents were also asked to indicate their age and gender for the purpose of gauging the demographic characteristics of prospective residents. The goal was to identify opportunities to support new housing stock in the Downtown Market Area.

A copy of the questionnaire can be found in Exhibit A of the study.

Demographics of respondents

The survey provided some interesting demographic information. Of the **449** questionnaires that were completed, **360** were answered by existing residents of Lee's Summit and **82%** of total respondents said they would consider living in or near downtown. Interestingly, fully **85%** of respondents were female with 89 percent of total respondent's ages 20 to 39 years indicating they would consider living downtown. Empty nesters ages 50 to 64 years also find Downtown Lee's Summit an attractive place to live.

Significant findings

Shifts in household composition

The Lee's Summit Development Report predicts a population close to **100,000** by **2020**.

From **2000** to **2010**, citywide female household families with no husband present rose from **2,345** to **3,754**; married couple households decreased from **62.1%** to **58.3%**; married couples with children under **18** decreased from **32.9%** to **27.9%**.

From **2012** to **2017**, population of adults **20-24** is expected to decline **7%**; those **45-54** will decline **5.3%**; those **65+** to increase **14.3%**.

In the Downtown Market Area, household composition is markedly different than the rest of Lee's Summit. Family households make up **59.8%** (**73%** citywide); married couples with children make up **30%** (**58.3%** citywide). More households are comprised of a single dweller than of those married and/or married with children.

The Downtown Market Area is comprised of two Census Tracts with Census Tract 137.03 located east of the Missouri Pacific Railroad line and Census Tract 180 to the west. Census Tract 137.03 maintains a total of **2,501 housing units** with Census Tract 180 supporting **1,614 housing units**. These two Census Tracts support distinctively different housing stocks. Detached single-family homes account for **43.2%** of the total housing stock within the eastern portion of the Downtown Market Area (137.03), while multi-family housing accounts for **45.5%**. By comparison, the housing stock within the western portion of the Downtown Market Area is dominated by detached single-family homes accounting for **62.1%** of the total inventory, with attached multi-family housing accounting for **24.8%**. Furthermore, rental housing accounts for **64.4%** of the occupied housing stock in Census Tract 137.03, but only **39.8%** in Census Tract 180.

Housing demand forecast

From **2015-20**, the demand for new housing units in Lee's Summit is estimated at **2,193-2,325**. In **2010**, owner-occupied units accounted for **76.4%** of the stock, renter at **23.6%**. In **2020**, estimates break down owner-occupied at **75%** and renter at **25%**. Breaking down the numbers, **1,645-1,744** owner-occupied units and **548-581** rental units will be in demand by **2020**.

The Downtown Market Area stock sits at **4,115** units, an **11.5%** share of the overall market. For residential construction to thrive in the area, infill, redevelopment and adaptive reuse of structures will be needed. Single-family housing accounts for just **50.6%** of the Downtown Market Area housing stock, compared to **73.5%** for the rest of Lee's Summit. Multi-family housing with **5+** dwelling units account for **19%** of the Downtown Market Area housing stock compared to just **9.9%** for Lee's Summit. Renter-occupied housing units account for **55.2%** of the total inventory; the remainder of Lee's Summit sits at **24.2%**.

Almost **80%** of the Downtown Market Area's existing inventory was built prior to **1980**; just **2.6%** built since **2000**.

Through **2020**, the Downtown Market Area could capture **5-7%** of the new housing demand, or **110-165** residential units.

Where in Downtown can we build?

Vacant and suitable land is dotted throughout Downtown Lee's Summit for both detached single-family home construction and multi-family use (apartments, condos). The study has identified some areas, including: south side of **Second Street** between **Green** and **Johnson**; east side of **Green** between **Second** and **Third streets**; southeast corner of **Third** and **Green streets**; southeast corner of **Fourth** and **Main streets**; lot area between **409** and **415 SE Douglas Street**; west side of **Main** and **First streets**; southwest corner of **Second** and **Market streets**; and vacant lot at **Fourth** and **Green streets**.

Downtown Housing Needs Assessment results from specific housing questions

What do you find desirable about Downtown Lee's Summit? **86%** noted "shops & restaurants"; **81%** noted "walkability/pedestrian-friendly environment"; **78%** noted "festivals & events"; **76%** noted "historic character."

Others included: clean/safe; unique homes; small-town feel; close to churches, library, parks; farmers market; friend people/shop owners; sense of community.

82% of residents and **92%** of non-residents indicated they would consider living in or around Downtown Lee's Summit. Of those, the **20-39** group was the strongest respondent with **89%** indicating they would consider living downtown; **80%** of those **50+** also said they would find downtown living attractive. All age groups were over **80%**.

What type of housing would you consider? **43%** of respondents found single-family homes the most desirable; loft-style apartments came in at **28%**; townhomes/condos (**18%**) and senior living (**11%**) also ranked.

Among housing preferences by age group: **20-29** ranked apartments (**62%**), followed by single-family (**35%**) and townhomes (**4%**); **30-39** ranked single-family (**58%**) followed by apartments (**30%**) and townhomes (**12%**); **40-49** ranked single-family (**48%**) followed by apartments (**29%**) and townhomes (**22%**); **50-64** ranked single-family (**34%**) followed by apartments (**28%**), townhomes (**22%**) and senior living (**12%**); **65+** ranked senior living (**38%**) followed by single-family (**26%**), townhomes (**23%**) and apartments (**10%**).

How many bedrooms are desirable? **2-bedroom** dwellings ranked first at **43%**; **3-bedrooms**, **39%**; **4+ bedrooms**, **12%**; **1-bedroom**, **5%**; **studio**, **2%**.

If rental is preferred, what could you afford per month? **\$800-\$999** topped out at **25%**, followed by **\$700-\$799** (**23%**), **\$1,000+** (**21%**) and **\$600-\$699** (**16%**). Under **\$600** was less than **10%**.

Upscale rental is supported by survey results that include **63%** of respondents indicating they would pay **\$700+** for rent of a **2-bedroom**; **54%** would pay **\$800+** for a **3-bedroom**; and **54%** would pay over **\$1,000** for a **4-bedroom**.

If home ownership is preferred, what price range would you consider? **17%** of respondents indicated they would pay **\$250,000+** and **31%** noted homes in the **\$200,000+** range; another **32%** indicated they would purchase homes from **\$150,000-\$199,999**; **64%** of respondents said they would purchase townhomes or condominiums from **\$125,000-\$199,999**; **53%** would prefer a loft-style housing option priced from **\$125,000-\$199,999**.