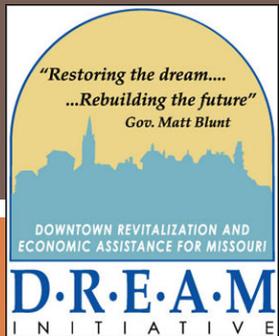


RESIDENTIAL DEMAND ANALYSIS

The Maryville Downtown Market Area
City of Maryville
Nodaway County, Missouri

Prepared by
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Assistance provided by
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Overview

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▣ **Market Study Purpose:**

Analyze the potential residential demand in the Downtown area of Maryville, MO

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

Overview

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- **Downtown Market Area (DMA)** is generally considered to be the area as described in the **DREAM** application



MO DREAM - City of Maryville Residential Demand Analysis

Legend

 Study Area



Exhibit 1
Boundary Map
Downtown Study Area
City of Maryville, Missouri



AUGUST 2008

Overview

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▣ **The Analysis includes:**

- A baseline assessment of current residential options in the DMA.
- An assessment of potential residential development sites in the DMA.
- Demographic and economic analysis of the community.
- Demand analysis of the housing markets.
 - Family rental housing.
 - Family affordable housing.
 - Senior rental housing.
 - For sale housing.

City Facts

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Maryville, Missouri

- ▣ County seat of Nodaway County in northwest Missouri.
- ▣ Approximately 20 miles south of Iowa border.
- ▣ Home of Northwest Missouri State University.
- ▣ Rural community with an agricultural base and industry.
- ▣ Economy anchored by the University and other major employers, such as Kawasaki, Energizer, and St. Francis Hospital.
- ▣ Maryville is the commercial, educational, and entertainment center for the region.

City Facts (Downtown)

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Downtown Maryville, Missouri

- ❑ Employment center of County and Municipal Government.
- ❑ Centrally located in the community.
- ❑ Heart of Downtown is the County Courthouse square.
- ❑ Improved primarily with two and three story commercial buildings with office and retail space on the street level.
- ❑ Most upper floors of Downtown commercial buildings appear to be used for residences and offices.
- ❑ Retail business is limited, but government and service businesses keep the Downtown area economically vibrant.
- ❑ Some commercial spaces have vacancies but overall commercial occupancy appears to be good.

City Facts (Downtown)

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Downtown Maryville, Missouri (continued)

- ❑ The Downtown area is located approximately 6-8 blocks east of Northwest Missouri State University.
- ❑ Housing options seem to serve primarily student households.
- ❑ Most structures are older, but some newer structures have been added and the Nodaway County Administrative Building has just been completed (July 2009)
- ❑ There are opportunities for existing buildings to be more fully utilized or improved for commercial or residential uses.
- ❑ The overall feel of Downtown is that it caters to both local residents including the students.
- ❑ Downtown has numerous eating establishments.

Demographic Statistics

Population of Maryville

- Estimated 2008 population is approximately 11,000 people.
- Population increased between 2000 and 2008 and this trend is expected to continue through 2013.
- The average age of the population is 34.5 years and has increased slightly between 2000 and 2008. The average age of the population is projected to stabilize through 2013.
- The largest age cohort in Maryville is 0-20 years, 33% of the population.
- 50% of the population of Maryville is under the age of 25. 70% of the population is under the age of 45.
- 59% of the population has had at least some college education.
- Approximately 24% of the adult population of Maryville is married.

Demographic Statistics

Households in Maryville

- Estimated number of households in 2008 is approximately 4,000.
- Total number of households has increased about 2.5% since 2000 and is expected to increase about 1.5% over the next five years.
- The average household size is decreasing, similar to other areas of the State of Missouri.
- The number of households with income of \$50,000+ is currently estimated at 1,383 and is projected to increase by approximately 15% to 1,590 between 2008 and 2013.
- The number of households with income of \$100,000+ is currently estimated at 393 and is projected to increase by approximately 27% to 498 between 2008 and 2013.

Demographic Statistics

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Households in Maryville, continued

- About 73% of households are one and two person households and this is expected to increase to 74% by 2013.
- About 13% of households are greater than four person in size and this is expected to decrease to 12% by 2013.
- The percentage of Female Headed Households was around 40% of total households in 2000.

Demographic Statistics

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Households in Maryville, continued

- Approximately 48% of housing units are owner-occupied units and 52% are renter-occupied units.
- Tenure patterns of the community have been constant.
 - Large percentage of renter-occupied units due to student population at Northwest Missouri State University.
 - Large percentage of owner-occupied housing units are by 2 person households.
 - The majority of renter-occupied units are leased to 1 person households
- From 2004 to 2007 Nodaway County attracted an average of 502 new households annually, but in that same period the County lost an average of 557 households annually, indicating a negative net household migrations trend. The negative net household migration total has increased from -23 in 2004 to -99 in 2007.

Housing Statistics

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Households in Maryville, continued

- The number of households in the various age ranges remain stable and this trend is projected to continue through 2013.
 - Households under 25 years of age continue to be the largest age group primarily due to the student population at the University.
- Approximately 30% of all renter households are severely cost burdened, which is above the 15% of all renter households in the State of Missouri.
 - Single person, non-elderly renter households are the most severely rent burdened group at 37%, but that group includes student households as well.
 - A large percentage of elderly renter households are severely rent burdened at 24%.

Housing Statistics

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Housing Units

- In 2008 the average sales price for residential sales was approximately \$120,000. This represents an 8% increase over 2007.
- At the time of the Retail Market Analysis, November 18, 2008, there were 160 homes listed for sale on the local Multiple Listing Service site at asking prices that range from the mid \$20's to over \$200,000.
- Building permit history indicates that about 22 to 32 new homes are built annually.
- There was an increase in building permits during 2006 due to sub-prime mortgage lending, but those numbers returned to normal levels in 2007.

Employment and Economy

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City Employment

- As shown in the table, Manufacturing, Education, Grocery, and Retail comprise over half of the Maryville economy.
- Average annual earnings in 2007 for these sectors ranged from approximately \$20,000 to \$40,000.

Major Employers – Maryville Area		
Employers	Type of Business	Employees
NWMS University	Education	800
Kawasaki	Manufacturing	750
Energizer	Manufacturing	515
St. Francis Hospital	Health Care	473
Kelly Services	Employment	350
Hy-Vee Food Store	Grocer	300
Wal-Mart	Department Store / Grocery	290
Maryville School District	Education	250
Treatment Ctr.	Health Care	240
Deluxe	Manufacturing	230
Laclede Chain Co.	Manufacturing	155

Source: Greater Maryville Chamber of Commerce

Employment and Economy

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City Employment, continued

- Northwest Missouri State University is the area's largest employer, with Kawasaki Motors (small engine manufacturing plant) a close second.
- Northwest Missouri State University and St. Francis Hospital & Health Services both won the 2008 Missouri Quality Award from the Excellence in Missouri Foundation.
- The unemployment rate for Nodaway County has consistently been lower than the overall unemployment rate for Missouri.
- The size of the labor force of Nodaway County, at approximately 12,500, has been stable over the past 6 years.
- A significantly lower percentage of workers commuted to employment outside of Nodaway County in comparison to the surrounding counties.

Existing Rental Housing

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Market Rate Rental Housing

- ▣ Several rental housing options for non-low income households.
 - Options include:
 - Apartments;
 - Duplexes;
 - Older single-family homes;
 - Mobile homes; and,
 - Loft style apartments.
 - Occupancy is strong, with demand for all bedroom sizes.
 - Typical rents.
 - 1 bedroom- \$300 to \$425.
 - 2 bedroom- \$400 to \$550 (a few as high as \$700).
 - 3 bedroom- \$500 to \$1,200.

Existing Rental Housing

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Market Rate Rental Housing, continued

- ▣ Some existing developments.

- The Birches Apartments

- Fox Alley Apartments

- Village O Apartments

- Horizon West

- Windmill Apartments

- Peach Creek

- Parkway Terrace

- Wabash Corner

- Parkway Village

- Bearcat Apartments

- Briarwood

- Carson Apartments

- Fox Cove

- Show Me Inn

- Lakeside Common Duplexes

- Kobe Oaks and Logan Oaks

Existing Rental Housing

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Student Housing

- Enrollment at the University has increased 35% over the last year, and the current number of students is approximately 6,500.
 - There are approximately 3,000 on-campus, residential housing units.
 - The majority of students reside off-campus.
 - Approximately 200 new student units have recently been built on campus, with plans for another 320 to 340 units.

Existing Affordable Housing

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Family Affordable Renter Housing

- ▣ 4 existing developments with no new construction at this time.
 - Typical rents range from \$300 to \$500.
 - Most affordable housing developments are reported to have good occupancy and some have waiting lists.
 - Income qualified, married students can reside in a tax credit affordable housing development.

Existing Affordable Housing

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Senior Affordable Renter Housing

- 3 existing developments with no new construction at this time.
 - All have some sort of rent, interest, or tax credit subsidy.
 - Typical rents range from \$370 to \$535.
 - Most affordable housing developments are reported to have good occupancy and small waiting lists.
 - Autumn House is a senior-affordable rental housing development located in the Downtown area.

Existing Housing

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Existing Subdivisions in Maryville

- Several new subdivisions being developed around city.
 - Homes are generally priced at \$200,000 and up.
 - Subdivisions include:
 - Pleasant Ridge;
 - Sears Addition;
 - South Hills Estates;
 - Gibson's Addition;
 - Twin Meadows; and,
 - Westridge Estates.

Conclusions

- Additional residential units located Downtown would complement the revitalization efforts by increasing the 24-hour people presence.
- Increasing the customer base could strengthen the economy by increasing the transaction opportunities for Downtown businesses.
- The courthouse square is generally a nostalgic area of small rural communities that have the potential to be transformed or enhanced into a special neighborhood that can offer a variety of service, employment, dining, and entertainment options, in addition to unique residential housing options not found in other parts of the community.
- New housing options should be created and targeted for such higher income individuals as teachers, doctors, and other young professionals.
- Social and economic diversification of households in the Downtown could increase the variety of Downtown businesses and cultural venues, as well as the amount of discretionary income that could help to support economic expansion.

Conclusions (continued)

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- The higher rents that may be achievable for rental housing for higher income residents should make it easier to finance construction or redevelopment costs.
- Diversifying the residential base by encouraging higher income residents should have a positive impact on the marketability of residential and commercial real-estate in Downtown and may eventually lead to increased homeownership in the area.
- The conclusion of a quantitative demand analysis is that by capturing a modest 15% of the potential market for market-rate rental housing in the market area, there could be a demand from approximately 60 households for units with a total monthly housing cost (rent and utilities) of \$500 to \$750.
- The City should do whatever it can in terms of zoning and building codes, permit approval processing, tax abatement, technical assistance, and other financial options to facilitate the improvement of available Downtown space for quality housing.
- Consideration should be given to developing upscale, loft-style units on the upper floors of vacant commercial buildings.

Conclusions (continued)

- Affordable housing development for families and seniors is not recommended for Downtown at this time for the following reasons:
 - Affordable family and senior residential demand is typically generated by unit quality, rent affordability, and limited options in the rest of the community;
 - There does not appear to be any appropriate housing development sites for new development in the Downtown; and,
 - It is reasonable to assume that the lifestyle needs of families with children and seniors may be quite different than the lifestyle needs of the existing young and childless students.

- Although affordable family housing is not recommended Downtown, the good occupancy conditions noted at the existing developments indicates that there is a probable demand for additional units of this type in the community. The quantitative demand analysis concluded the demand to be approximately 43 limited income households.

- Although affordable senior housing would not be recommended Downtown, the good occupancy conditions noted at the existing developments indicates that there is a probable demand for additional units of this type in the community. The quantitative demand analysis concluded the demand to be approximately 23 senior households.

Market Opportunities

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The Primary Market Area (PMA) for residential demand in the City of Maryville as a whole and the Downtown market area:

- ▣ All of the City of Maryville;
- ▣ Parts of Nodaway County, and;
- ▣ Student households, which are a large share of the residential market, come from various parts of the State, Nation, and in some cases, the world.

Market Opportunities

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Assets of Downtown Maryville:

- ▣ Northwest Missouri State University – close proximity to Downtown;
- ▣ Employment – Downtown is the government employment center;
- ▣ Momentum – revitalization efforts are underway and noticeable;
- ▣ Stable Area – most of the street-level commercial space, as well as most of the upper-floor space is occupied;
- ▣ Potential Market Support – large, residential population base surrounds Downtown and could support revitalization efforts, and;
- ▣ Existing Apartment Market – significant amount of upper-floor space is currently being used for residential apartments.

Rental Household Opportunities

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Market Rate Renter Household Demand (2008-2013).

- ▣ 60 households attracted to Downtown Market Area:
 - ▣ One bedroom - 30
 - ▣ Two bedroom - 22
 - ▣ Three bedroom - 8

- ▣ Target Markets include:
 - ▣ College students;
 - ▣ Young professionals; and,
 - ▣ Small households without children.

- ▣ Baby boomers/empty nesters may be a future Target Market but will likely not be attracted to the quality and atmosphere of the Downtown residential options at the present time.

- ▣ Developers need to identify potential sites or buildings.

- ▣ Existing owners need to improve or readapt vacant building space.

Housing Production Considerations

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Some potential financing options include:

- ❑ Federal & State Affordable Housing Tax Credits, Historic Tax Credits, and New Markets Tax Credits;
- ❑ MHDC multi-family Loan Programs;
- ❑ Hope VI Main Street Grants;
- ❑ Tax Abatement, Tax Increment Financing, Community Improvement Districts, Neighborhood Improvement Districts, Special Service Areas, and State Grant Programs;
- ❑ Brownfield Redevelopment Program;
- ❑ Industrial Development Bonds;
- ❑ Neighborhood Assistance Program;
- ❑ Missouri Downtown Economic Stimulus Act;
- ❑ First-Time Homebuyer Loan Program;
- ❑ HeRO Program; and,
- ❑ Missouri Housing Trust Fund.

Contact Information

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

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