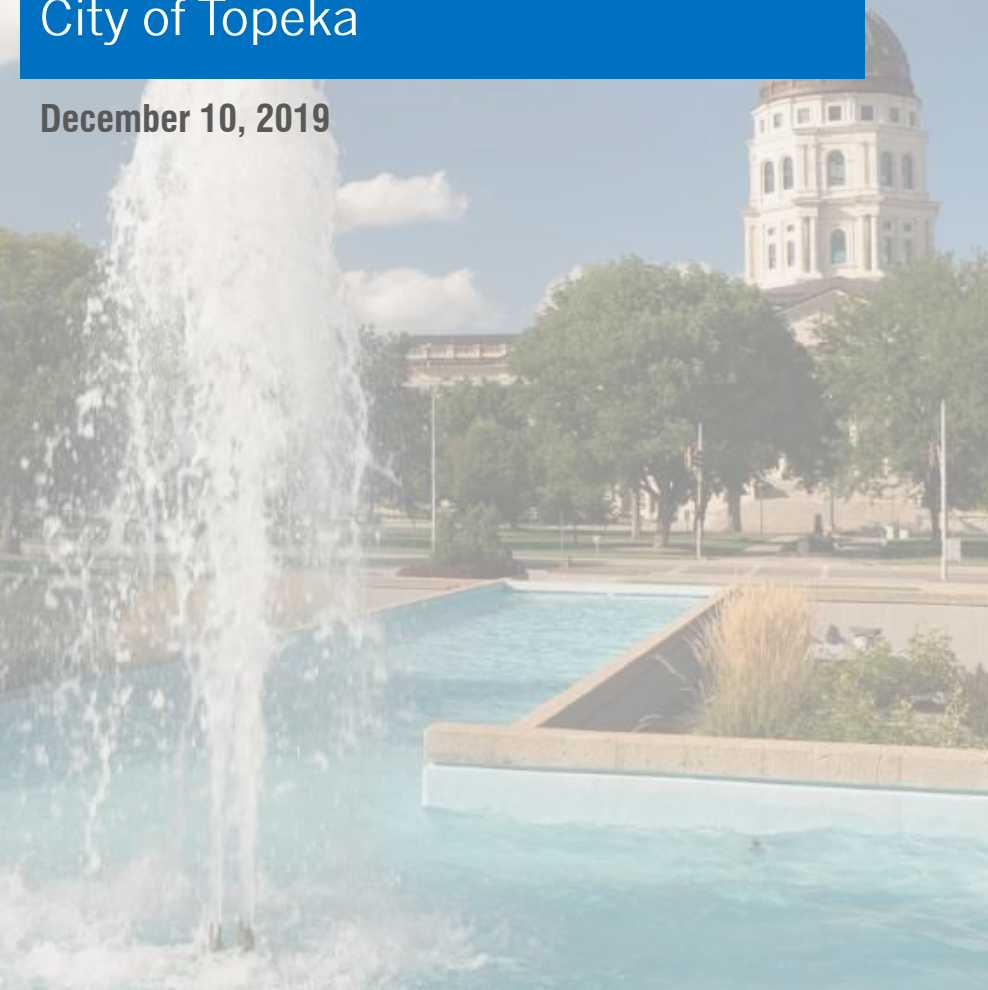


CITYWIDE HOUSING MARKET STUDY AND STRATEGY

PREPARED FOR
City of Topeka

December 10, 2019





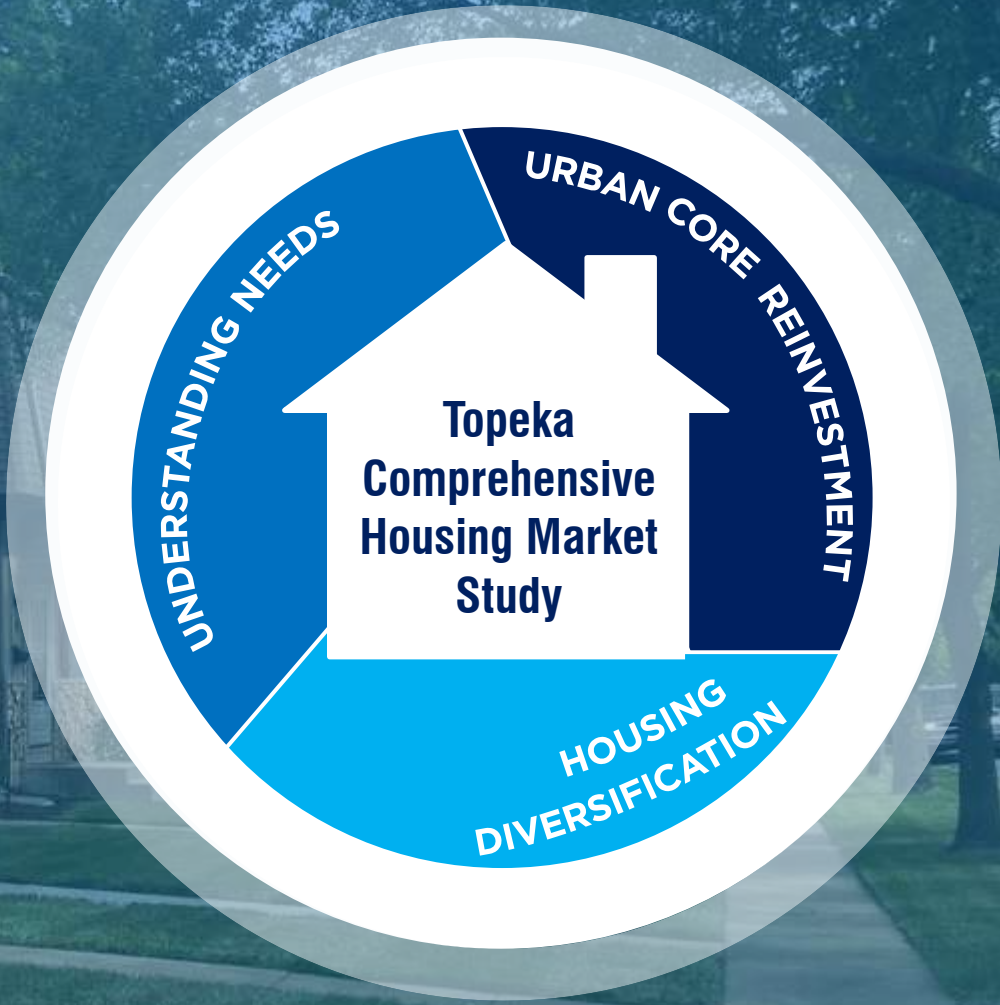
Study Purpose & Process

Understand

Market Analysis

Discussion

HOUSING STUDY
STRATEGIC FRAMEWORK



APPROACH

WHAT QUESTIONS WILL THIS STUDY/PROCESS ANSWER?

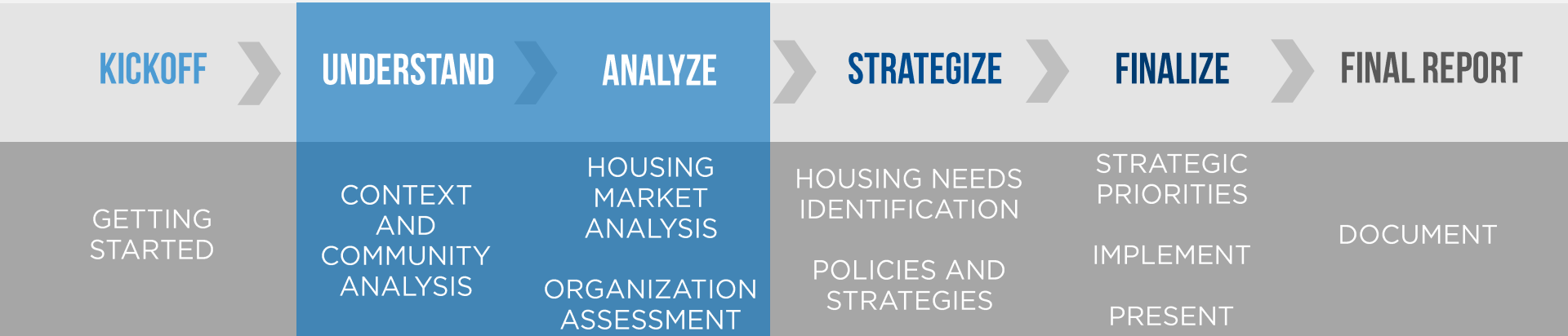
Is Topeka positioned to accommodate the housing needs from a wide range of households now and into the future?

What are the types of housing that are missing in the market?

What are the barriers and opportunities for housing diversification?



PROCESS & SCHEDULE



DEVELOPMENTSTRATEGIES®

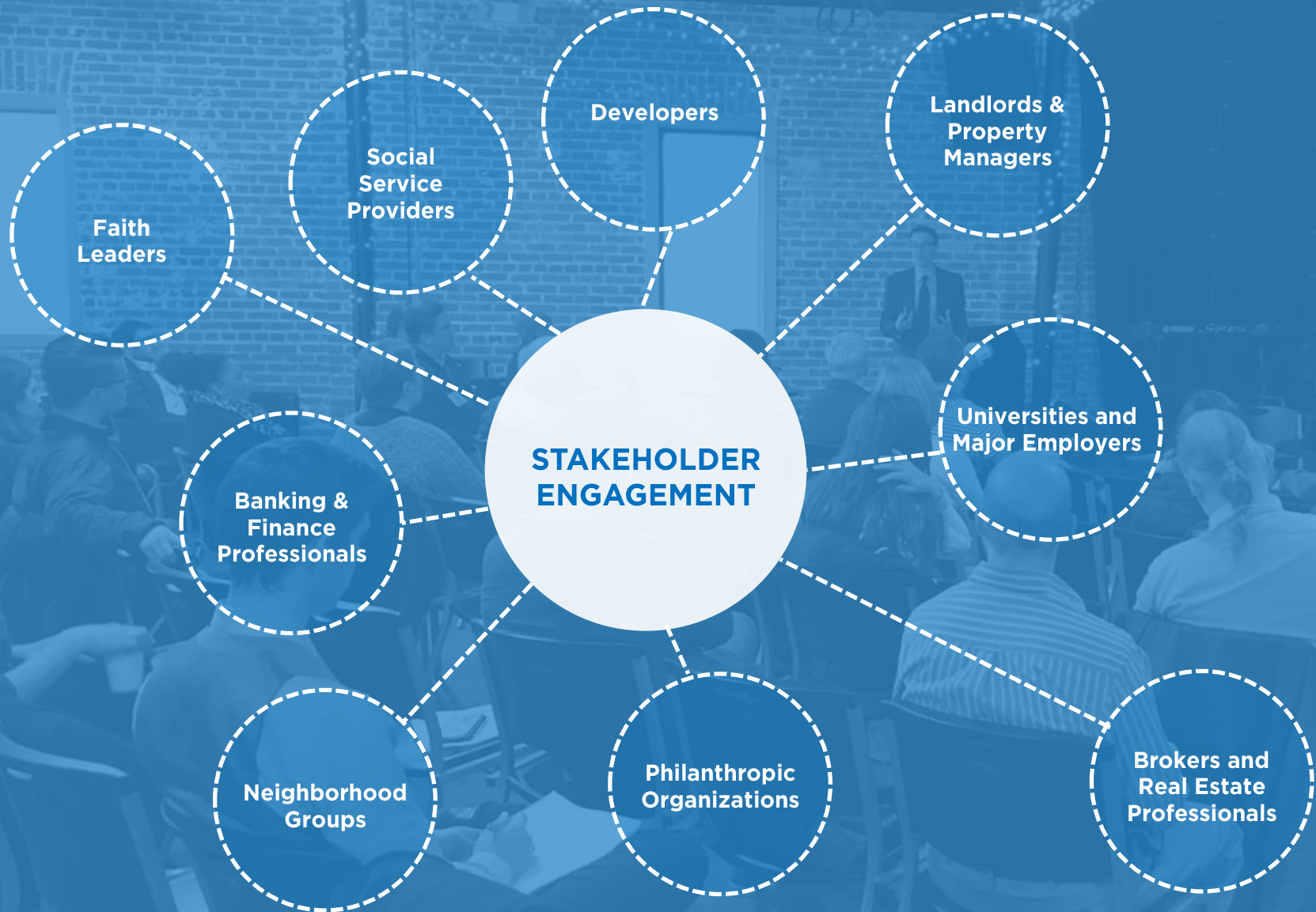
1 MONTH
SEPTEMBER

4 MONTHS
OCTOBER – JANUARY

2 MONTHS
FEBRUARY – MARCH

KICKOFF

STAKEHOLDER GROUPS



KICK-OFF CONVERSATIONS

WHAT WE HEARD

QUALITY

We need to improve the **quality** of the **housing stock** we already have, and reposition it to **meet market demand**.

REINVEST

We need a strategy that **focuses housing reinvestment** in our **core neighborhoods**.

RESOURCES

This study can help **align resources** and **services** to better serve our **vulnerable populations**.

OPPORTUNITY

Housing access and stability are foundational to **child and family wellbeing**, including school performance.

ACCESS

There is a shortage of quality **affordable and workforce housing** with **convenient access** to major employers.

OPTIONS

We need a diversity of housing **price points** and **housing types**.

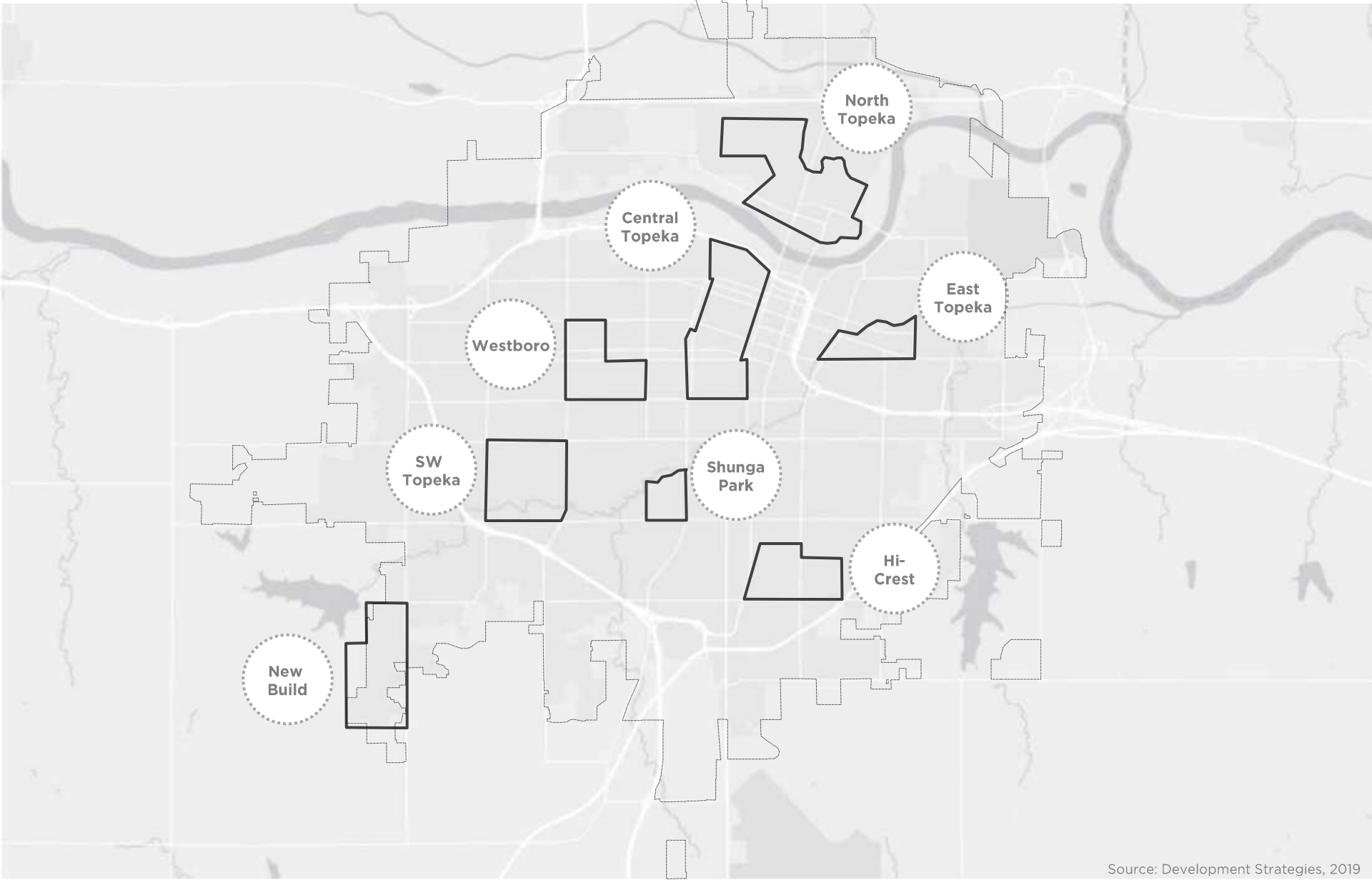
HOUSING GOALS

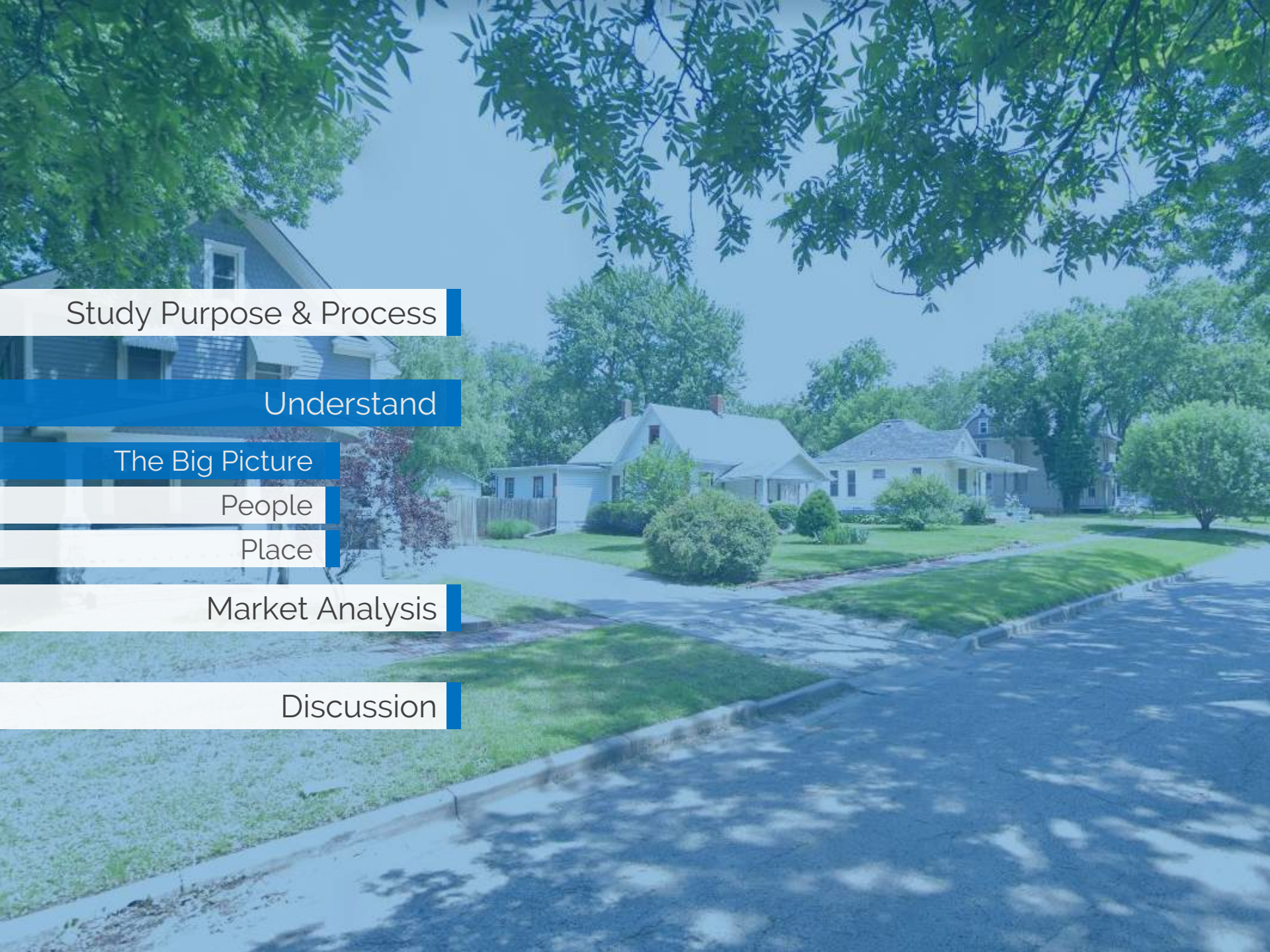
WHAT WE HEARD

1. Leverage housing (re)-investment to **stabilize Topeka's core neighborhoods.**
2. Improve housing stability for Topeka's vulnerable residents — **housing as opportunity**
3. Support **new housing development**, particularly **affordable** and **moderate-income** options.
4. Address **problem landlords, absentee owners, and vacant properties.**
5. Expand the **housing ecosystem** by building new partnerships to fund the Affordable Housing Trust Fund and create a CDC network.

UNDERSTANDING TOPEKA

FOCUS AREAS



A photograph of a residential street with several houses and lush green trees. The scene is overlaid with a semi-transparent blue filter. On the left side, there is a vertical navigation menu with several items, each in a white box with a blue bar to its right. The items are: 'Study Purpose & Process', 'Understand', 'The Big Picture', 'People', 'Place', 'Market Analysis', and 'Discussion'.

Study Purpose & Process

Understand

The Big Picture

People

Place

Market Analysis

Discussion

KEY TRENDS

What is the big picture?

What is going on now?



DOWNTOWN HOUSING TRENDS

RENTERS



31%

Increase in renter-occupied housing for households earning more than \$50,000 from 2009-2015

DEMOGRAPHICS



72%

Non-family households by 2025

PREFERENCES



66%

Prefer attached or small lot housing*

** If it puts them closer to work, mix of uses, etc.
Source: National Association of Realtors*

NATIONAL HOUSING CHALLENGES

COST BURDEN



47%

Of renter households are burdened by housing costs

SINGLE-FAMILY RENTAL



\$36 billion

Spent by large investors 2010-2017 to acquire single-family homes as rental property

BARRIERS



85%

Of potential buyers lack the savings for a 3.5% downpayment on a median-priced home

The Topeka Metropolitan Statistical Area is growing...

-0.4%

Topeka

+0.5%

Topeka MSA

+1.5%

MSA outside
of Topeka

...but all growth is
outside the city.

Based on projected job growth...

53%

of new jobs will pay **<\$35k**

rent + utilities **<\$875**

prices **<\$160k**

45%

of new jobs requiring a high school diploma will pay **\$35k - \$75k**

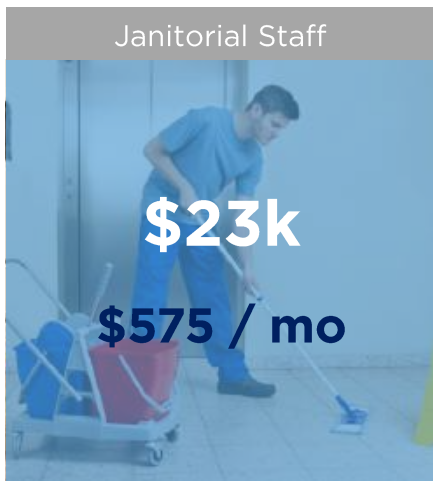
rent + utilities
\$875-\$1,875

prices **\$160k-\$280k**

...affordable and workforce housing will be critical.

ECONOMIC

MEDIAN ANNUAL WAGES OF OCCUPATIONS WITH HIGH PROJECTED NEAR-TERM GROWTH



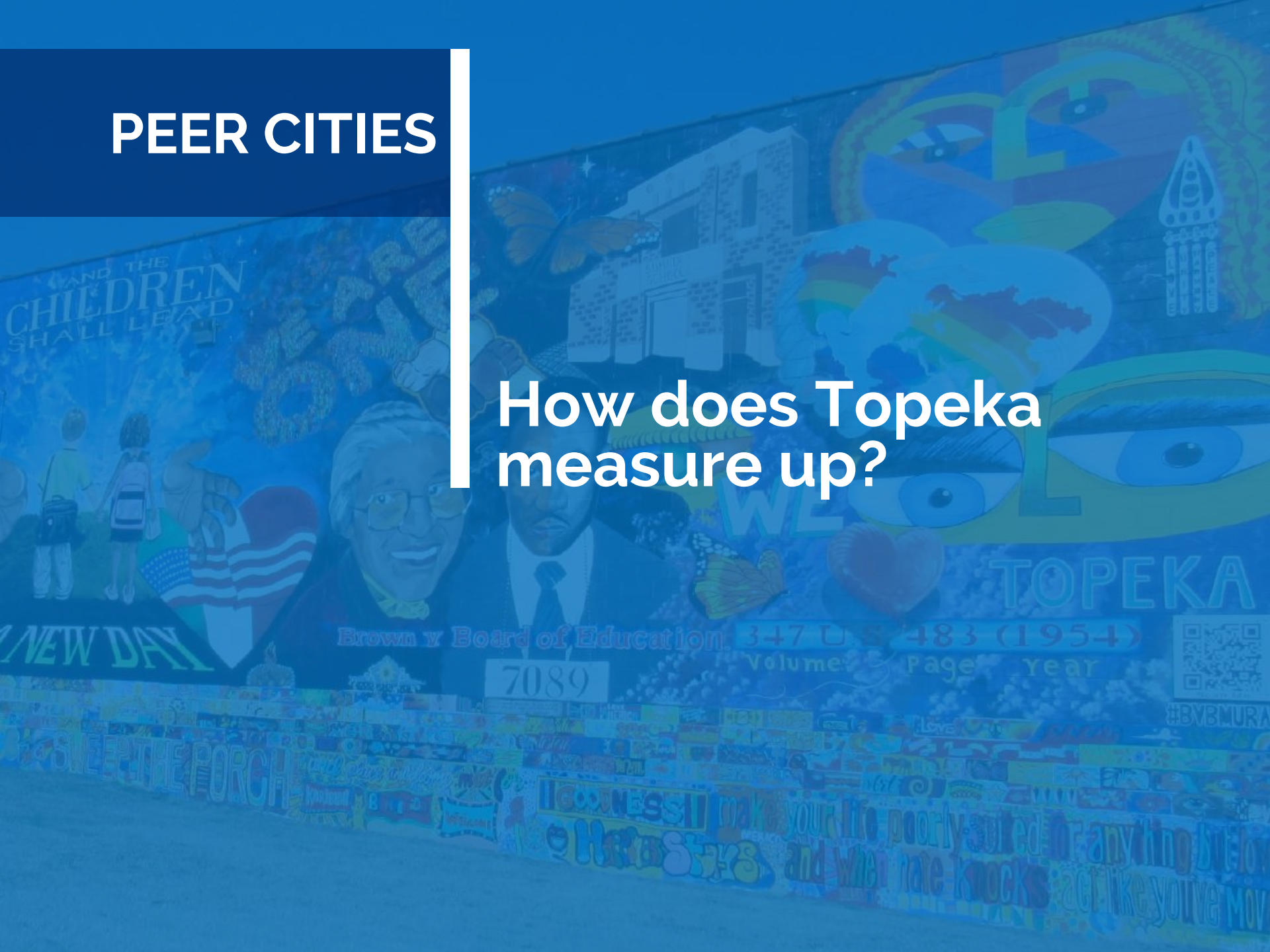
220 jobs retained
Planned expansion; within 5 years

Source: Kansas Department of Labor, KSNT

*: average wages

PEER CITIES

How does Topeka
measure up?



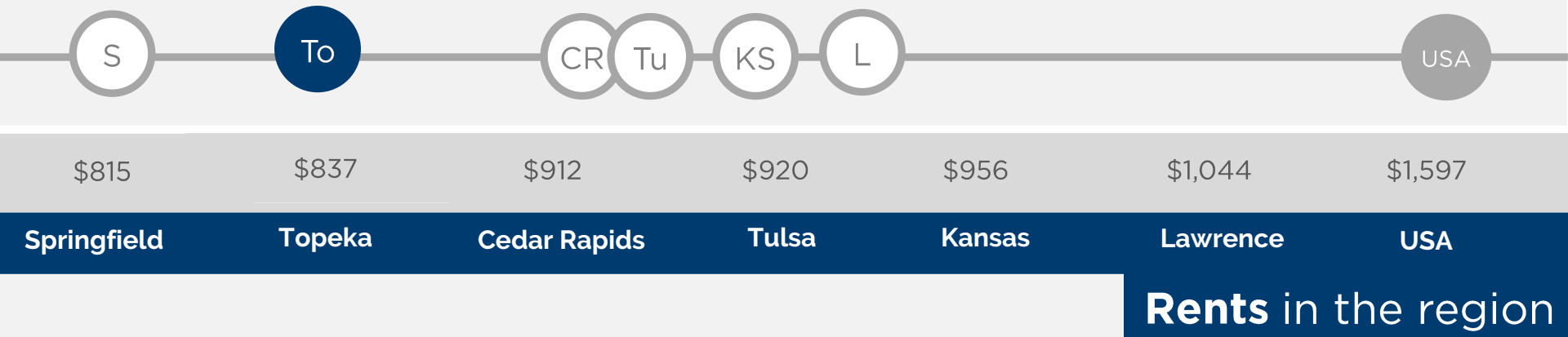
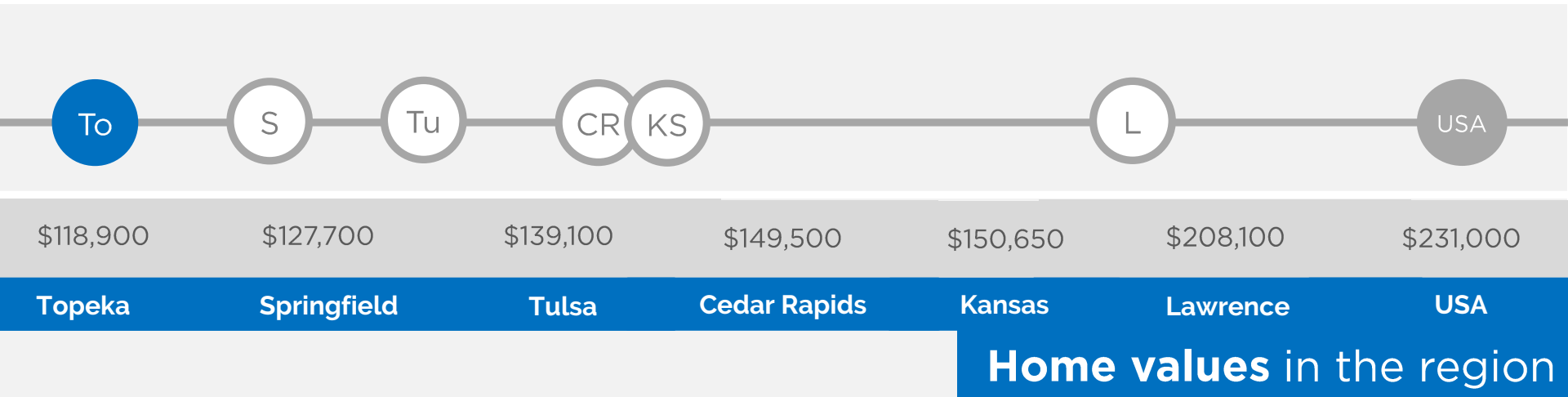
TRENDS

PEER CITY ANALYSIS



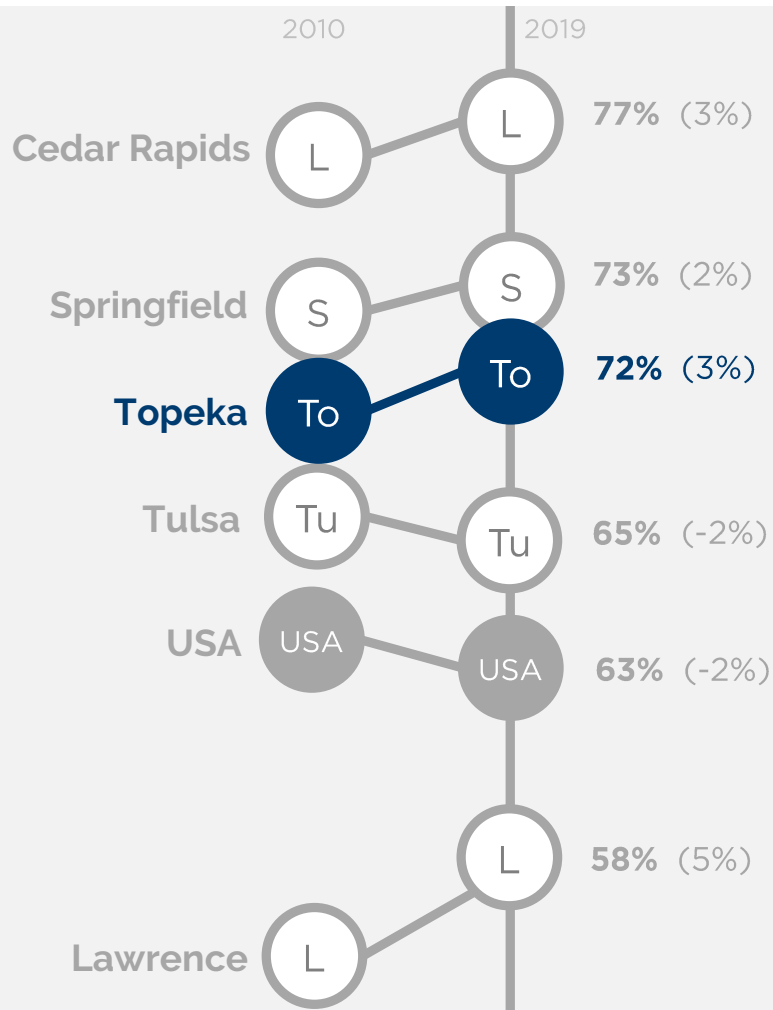
TRENDS

PEER CITY RENTS & HOUSING VALUES (MSA)

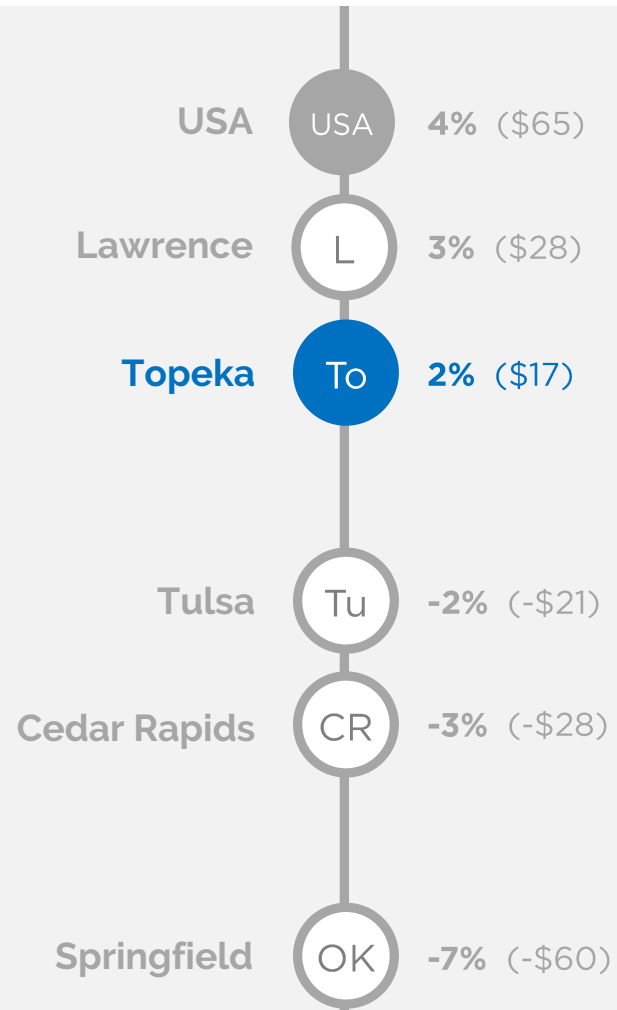


TRENDS

RENT AND HOMEOWNERSHIP TRENDS (REGIONAL)



OWNER-OCCUPANCY
2010-2019

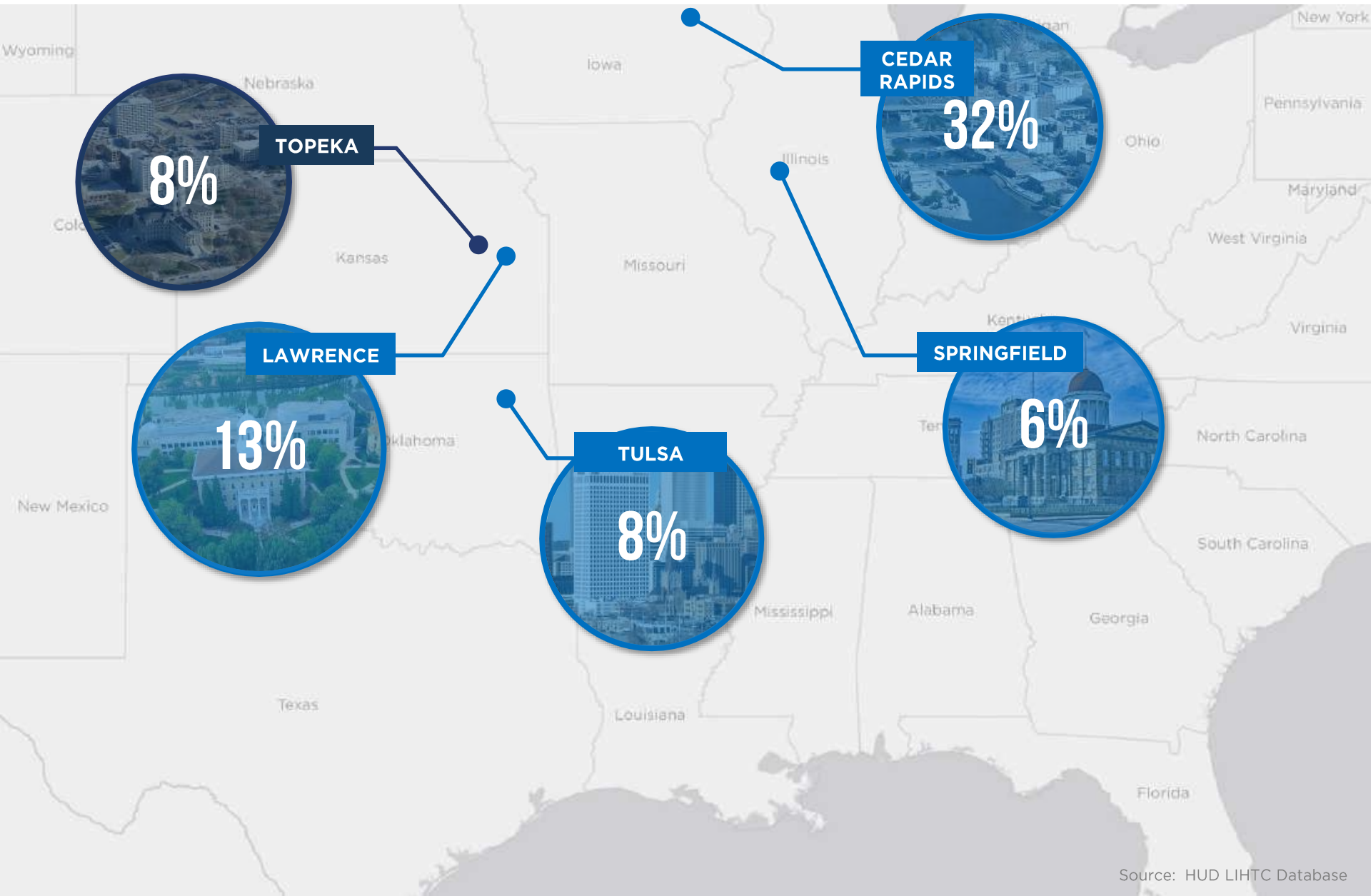


RENT CHANGE
2016-2019

Source: Esri, Zillow 2019
Home-ownership for City of Topeka: 63%
Rent change for City of Topeka: 3.7%

TRENDS

SHARE OF LIHTC UNITS BUILT SINCE 2010



Housing Affordability

What is it?

What does it look like
in Topeka today?



HOUSING AFFORDABILITY

WHAT IS IT?

Subsidized

Quality

Workforce Housing

Affordable

Public Housing

Living Wage

HOUSING AFFORDABILITY

SOME SIMPLE DEFINITIONS

rent or
mortgage+expenses

housing costs \leq **30%** x household income

income from anybody in the home
contributing to housing expenses
(e.g., family, roommates, etc.)

HOUSING AFFORDABILITY

SOME SIMPLE DEFINITIONS

\$785*

per month

to rent a 2-bedroom unit
of safe and decent quality

Based on FY19 HUD Fair Market Rent for Topeka, KS MSA.
*Gross rent, including \$200/month for utilities.
Utilities assumption based on max. utility allowance limits by HUD



HOUSING AFFORDABILITY

SOME SIMPLE DEFINITIONS

\$785*

per month

to rent a 2-bedroom unit
of safe and decent quality

Based on FY19 HUD Fair Market Rent for Topeka, KS MSA.
*Gross rent, including \$200/month for utilities.
Utilities assumption based on max. utility allowance limits by HUD

\$16/HR

housing wage

bare minimum to afford a
2-bedroom unit of safe and
decent quality

Calculated based on a \$785 rent, assuming 30% of
income toward rent, full-time employment

HOUSING AFFORDABILITY
WHAT'S THE PICTURE OF AFFORDABILITY IN TOPEKA?

Many households **cannot afford**
that \$785 rent...

33%

City of Topeka

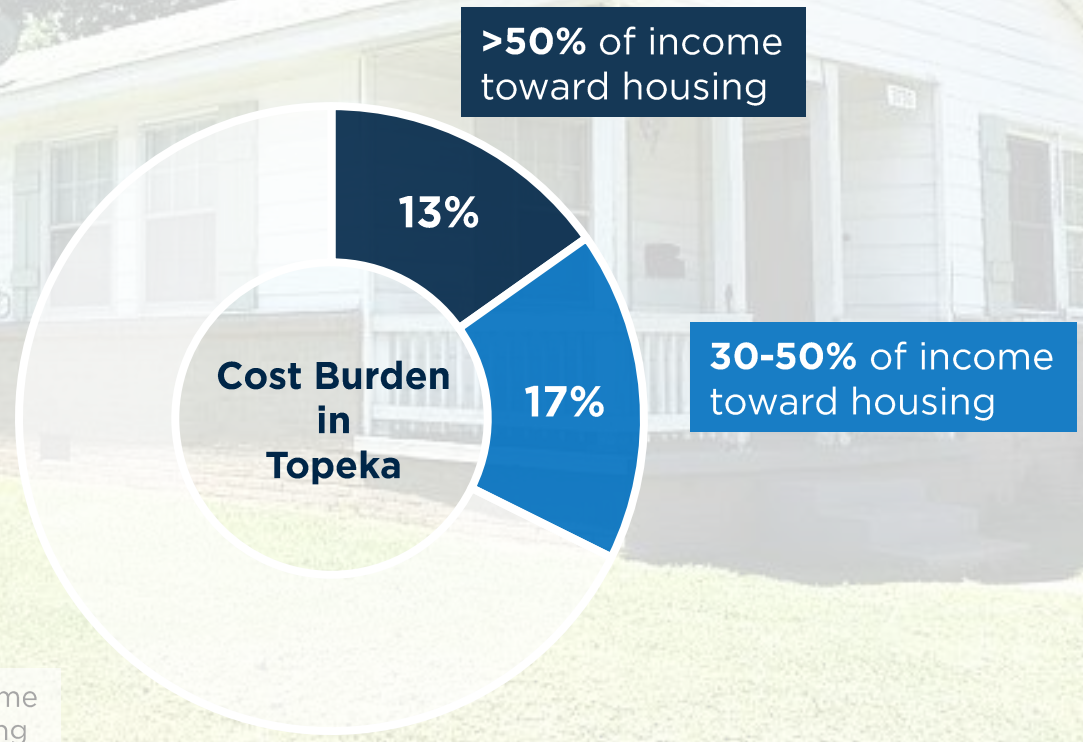
24%

Topeka MSA

HOUSING AFFORDABILITY

WHAT'S THE PICTURE OF AFFORDABILITY IN TOPEKA?

...and many households are **cost-burdened**, paying more than they can afford.



HOUSING AFFORDABILITY

THE EXPERIENCE

58TH

highest eviction rate
in the nation

Topeka ranks **220th**
in population among
U.S. cities

1 OF EVERY 23

renter households
evicted in 2016

2.8

evictions per day

1,012

evictions in 2016

EVICITION HOMELESSNESS

IN 2018, PER 10,000 PEOPLE...

23

HOMELESS

Shawnee County

17

Tulsa County,
OK

17

U.S.

14

Sangamon
County, IL

8

Kansas

A photograph of a residential street with several houses and trees. The image is overlaid with a navigation menu consisting of several horizontal bars. The top bar is white with a blue right-side tab and contains the text 'Study Purpose & Process'. Below it is a solid blue bar with the text 'Understand'. This is followed by three white bars with blue right-side tabs containing the text 'The Big Picture', 'People', and 'Place'. Below these is a white bar with a blue right-side tab containing the text 'Market Analysis'. The final bar is white with a blue right-side tab containing the text 'Discussion'.

Study Purpose & Process

Understand

The Big Picture

People

Place

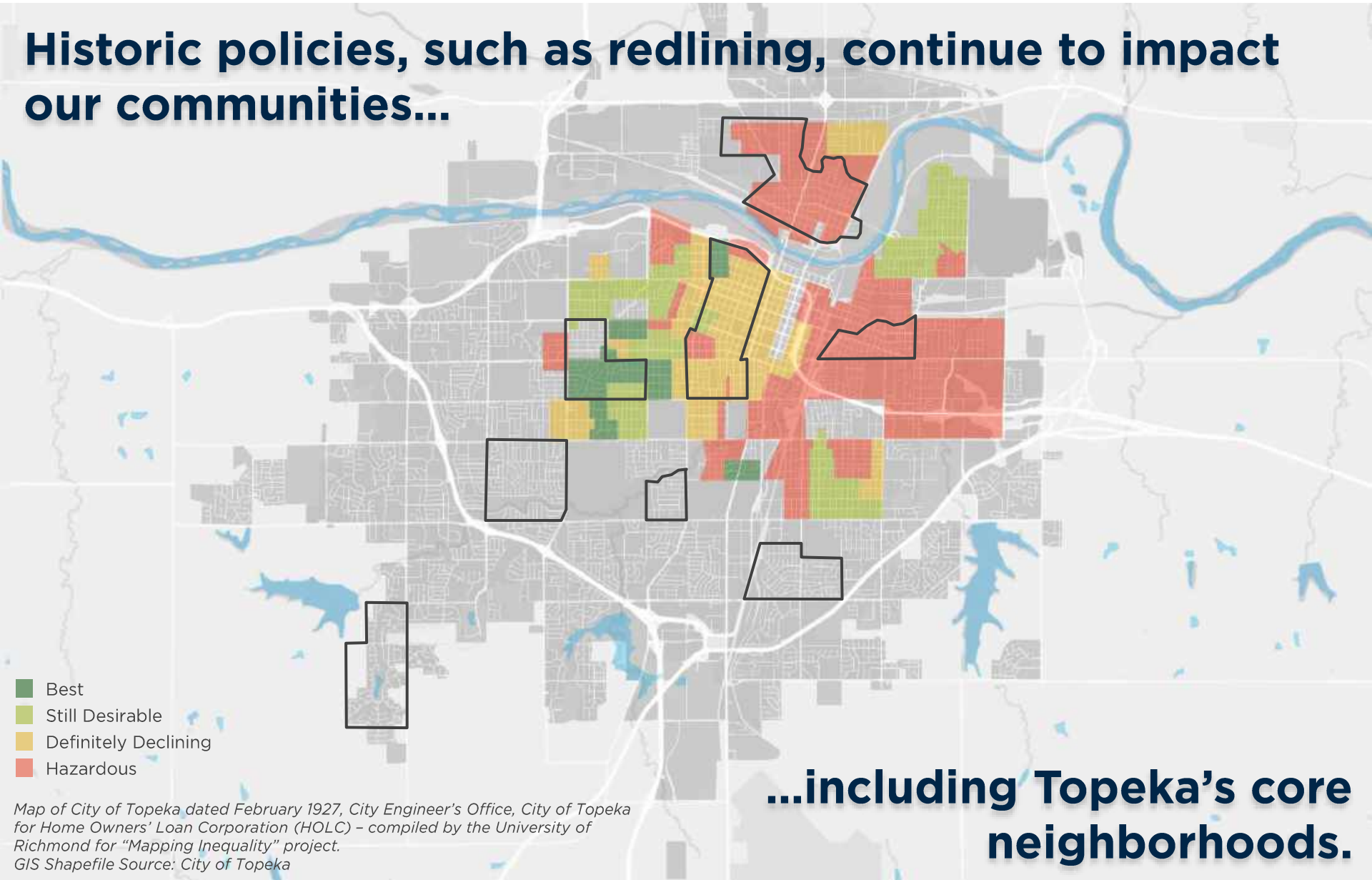
Market Analysis

Discussion

UNDERSTANDING TOPEKA'S NEIGHBORHOODS

HISTORY AND REDLINING

Historic policies, such as redlining, continue to impact our communities...



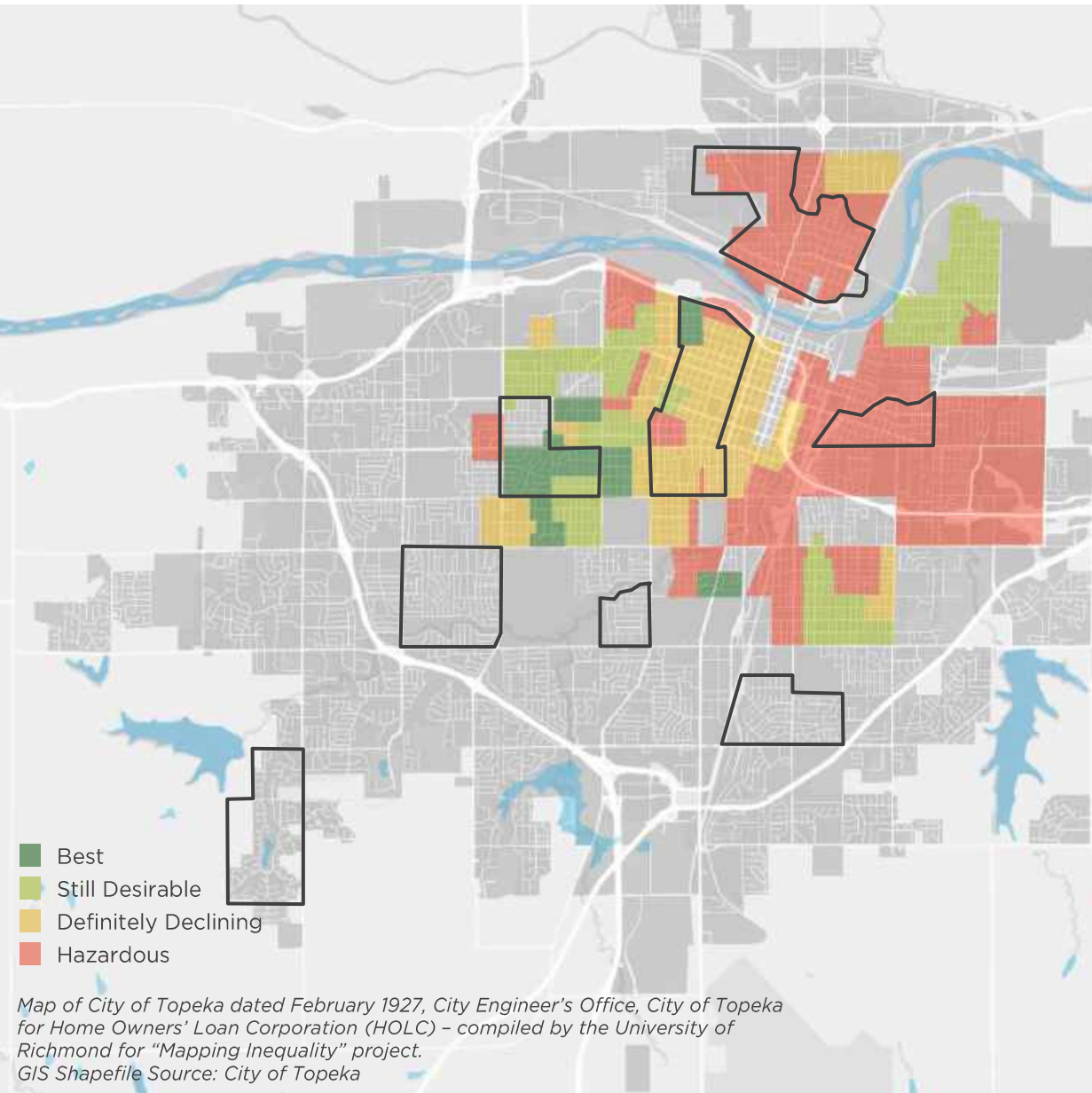
- Best
- Still Desirable
- Definitely Declining
- Hazardous

...including Topeka's core neighborhoods.

*Map of City of Topeka dated February 1927, City Engineer's Office, City of Topeka for Home Owners' Loan Corporation (HOLC) - compiled by the University of Richmond for "Mapping Inequality" project.
GIS Shapefile Source: City of Topeka*

UNDERSTANDING TOPEKA'S NEIGHBORHOODS

HISTORY AND REDLINING



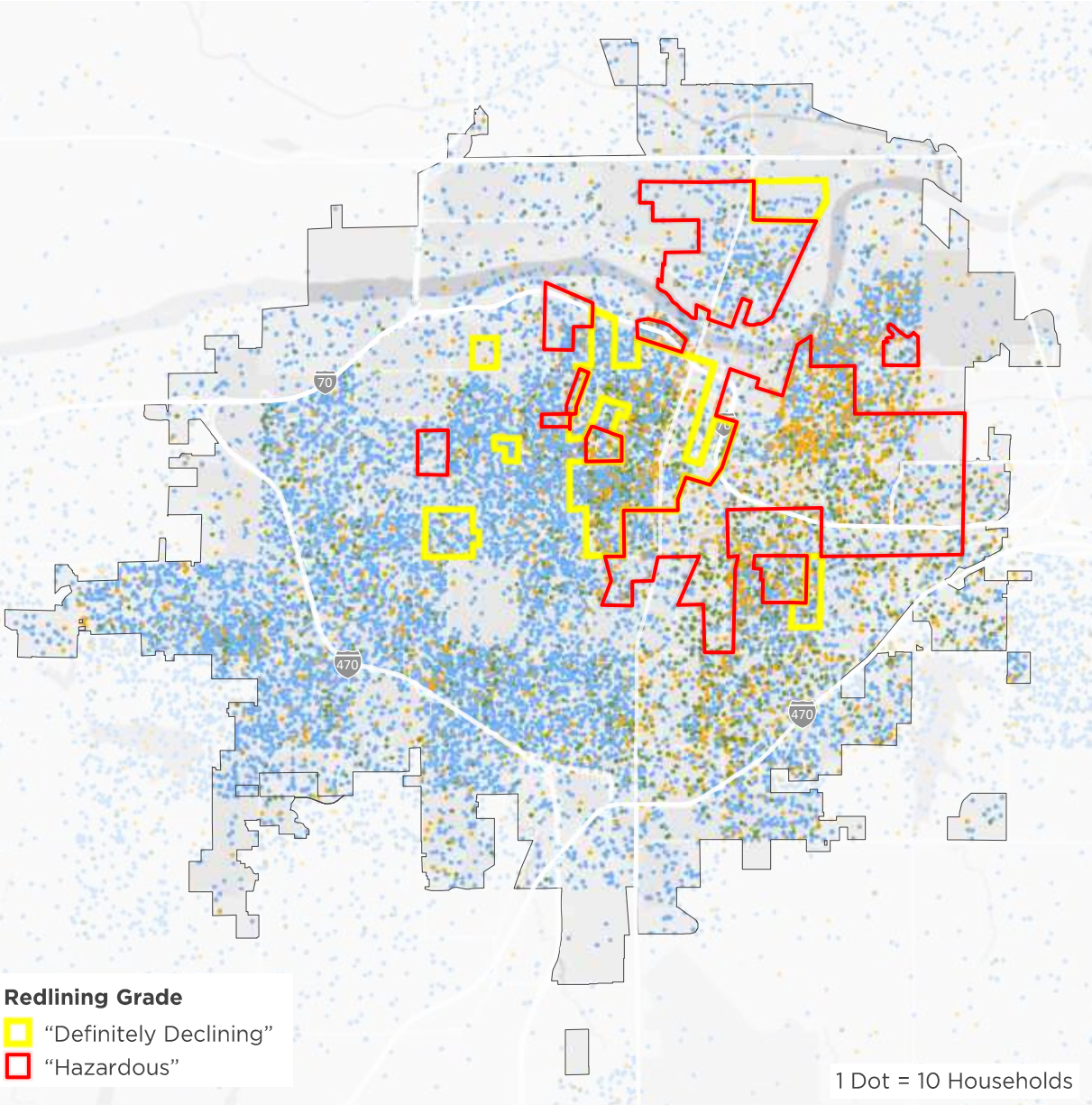
REDLINING...

- Restricted where residents could get a bank loan to buy or repair a home
- Limited access to insurance in “declining” and “hazardous” areas
- Encouraged investment in “new areas”
- Limited residents’ ability to gain wealth

Map of City of Topeka dated February 1927, City Engineer's Office, City of Topeka for Home Owners' Loan Corporation (HOLC) - compiled by the University of Richmond for "Mapping Inequality" project.
GIS Shapefile Source: City of Topeka

RACE + EQUITY

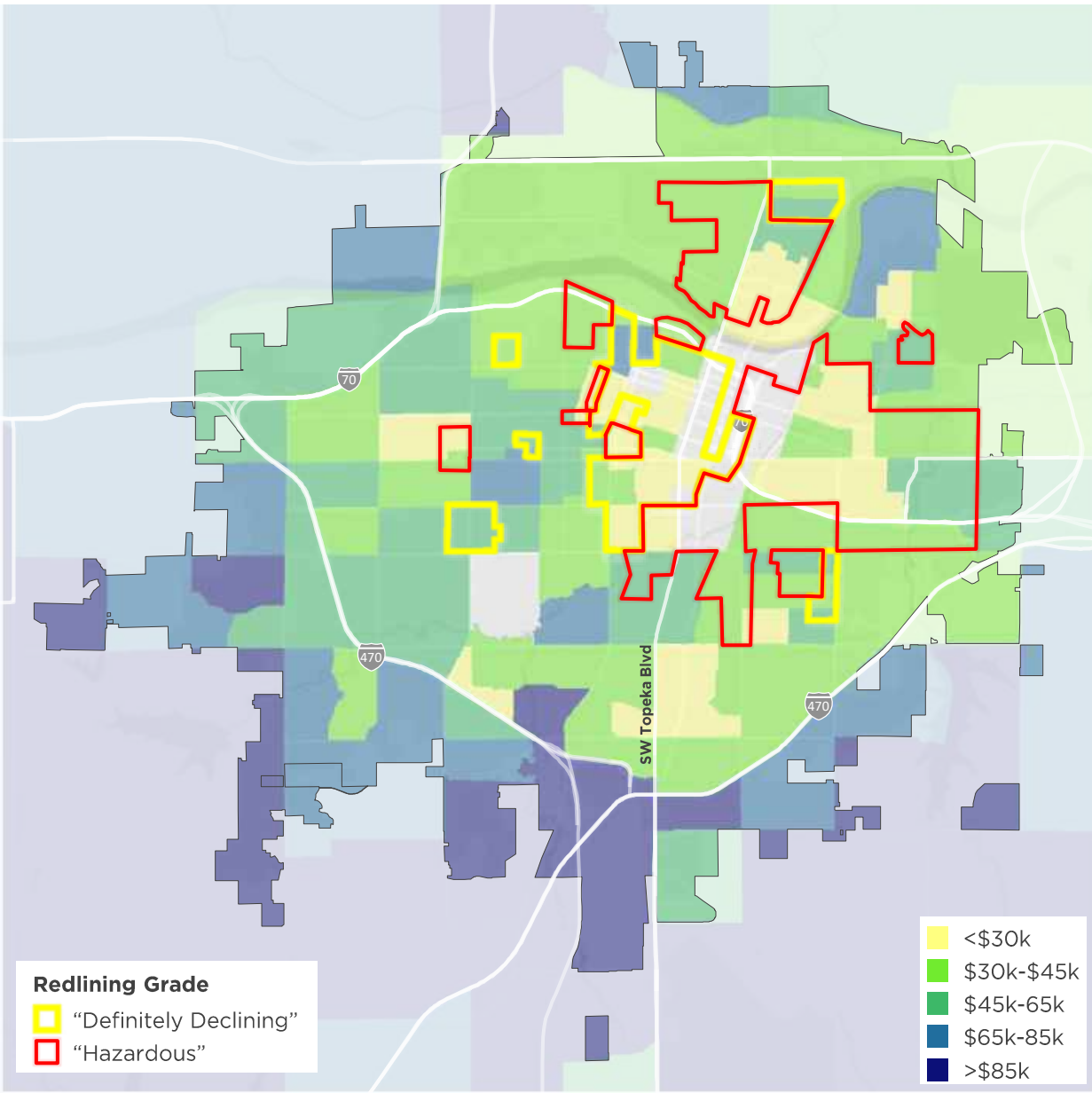
AN OVERVIEW



Source: ACS 2013-2017

RACE + EQUITY

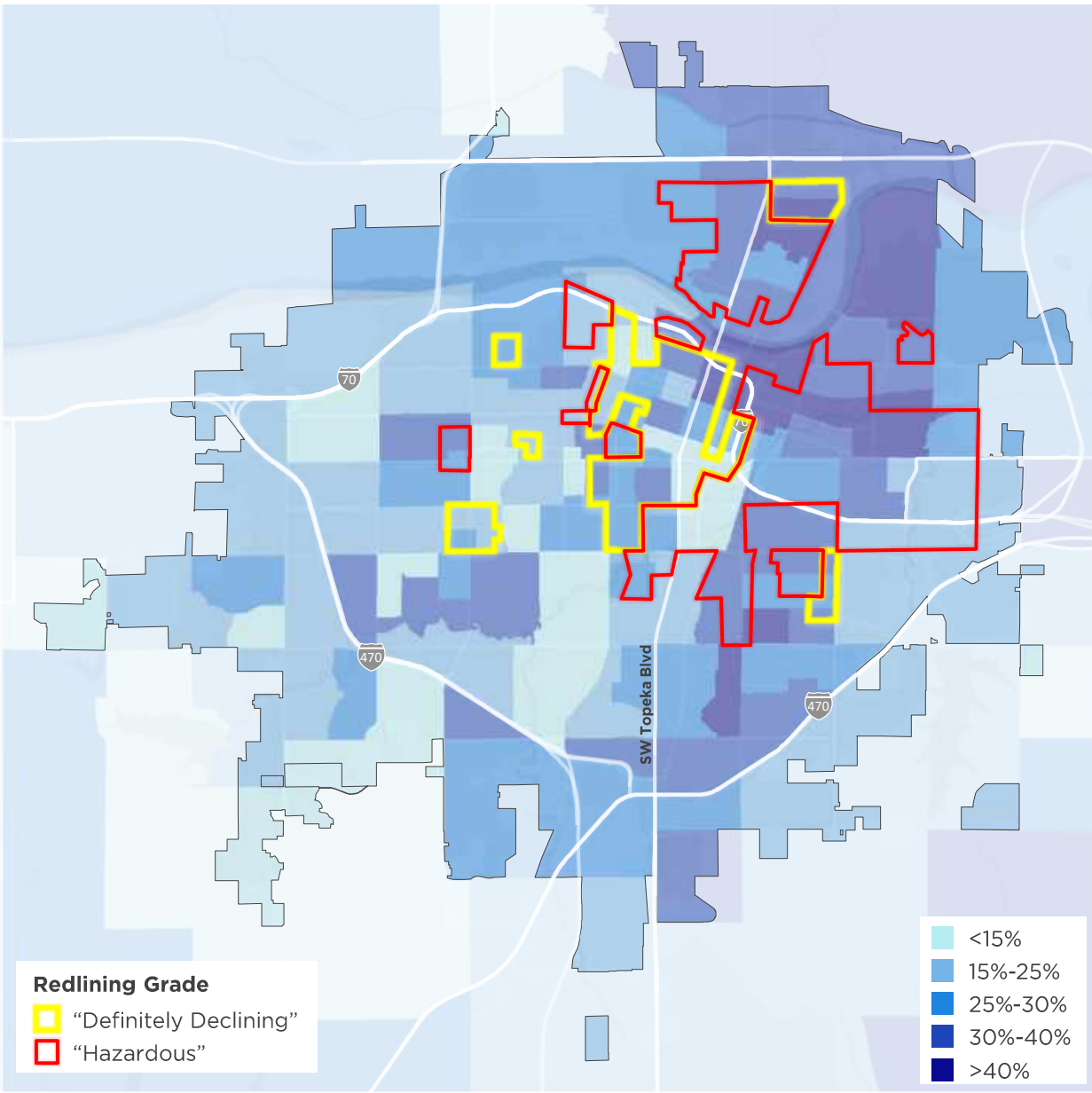
MEDIAN HOUSEHOLD INCOME



City of Topeka	\$46,100
White	\$48,950
Hispanic	\$41,830
African-American	\$30,500

RACE + EQUITY

HIGH SCHOOL DIPLOMA



City of Topeka

90%

White

91%

Hispanic

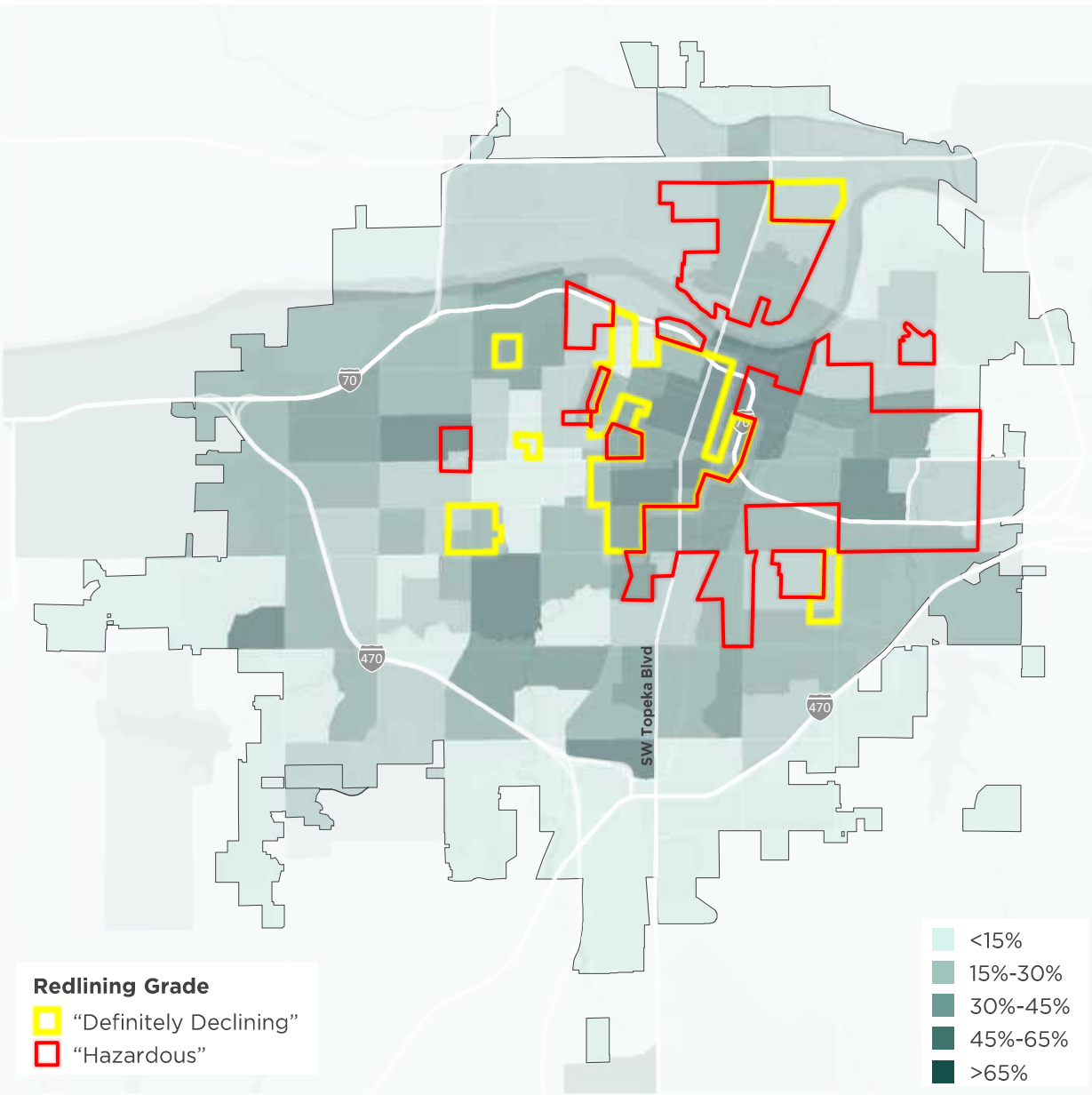
71%

African-American

84%

RACE + EQUITY

RENTER OCCUPIED HOUSING



City of Topeka 43%

White 39%

Hispanic 50%

African-American 67%

Redlining Grade
■ "Definitely Declining"
■ "Hazardous"

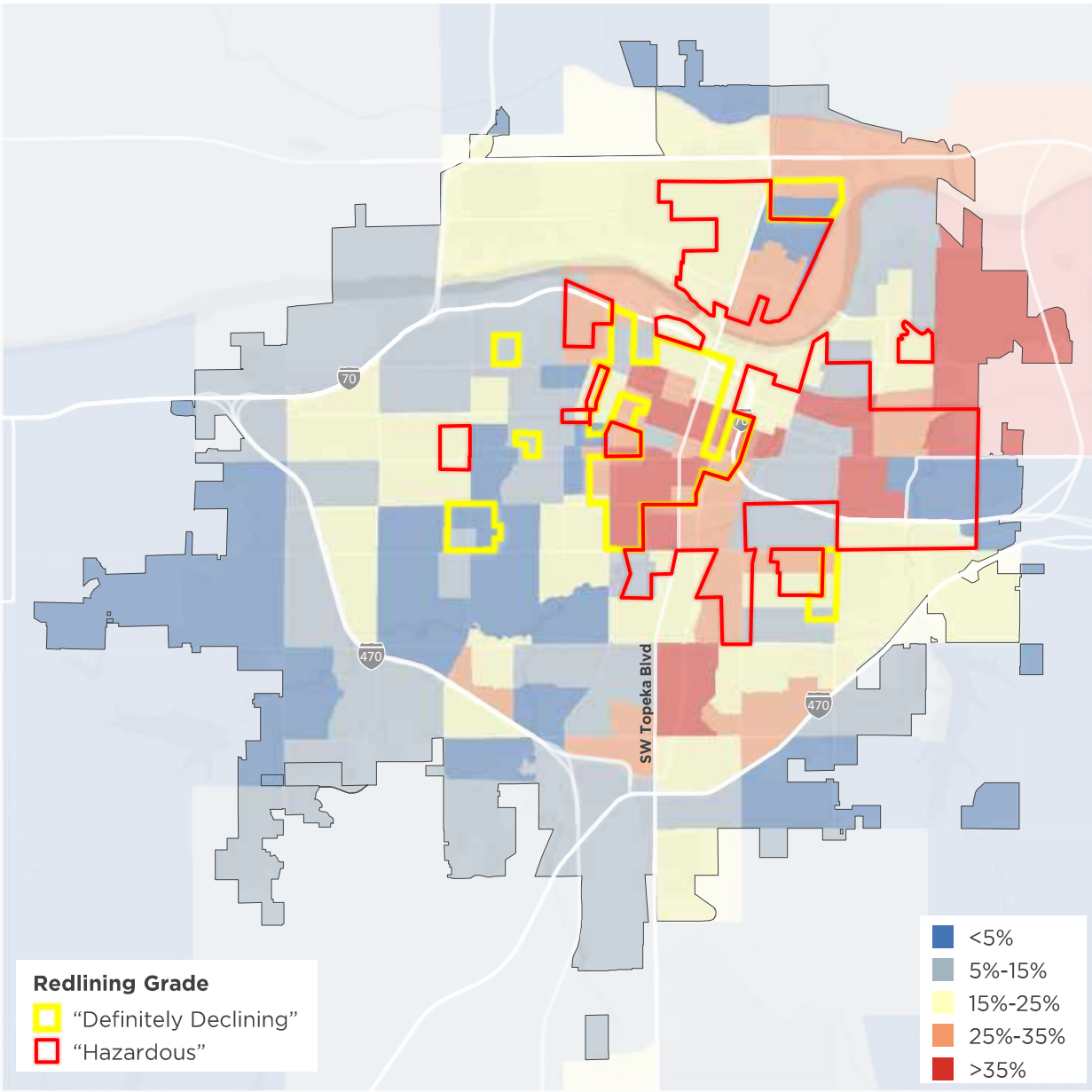
<15%
15%-30%
30%-45%
45%-65%
>65%

Source: ACS 2013-2017

RACE + EQUITY

HOUSEHOLDS BELOW POVERTY

**With incomes below \$25k, the federal poverty threshold for a family of four*



City of Topeka

17%

White

15%

Hispanic

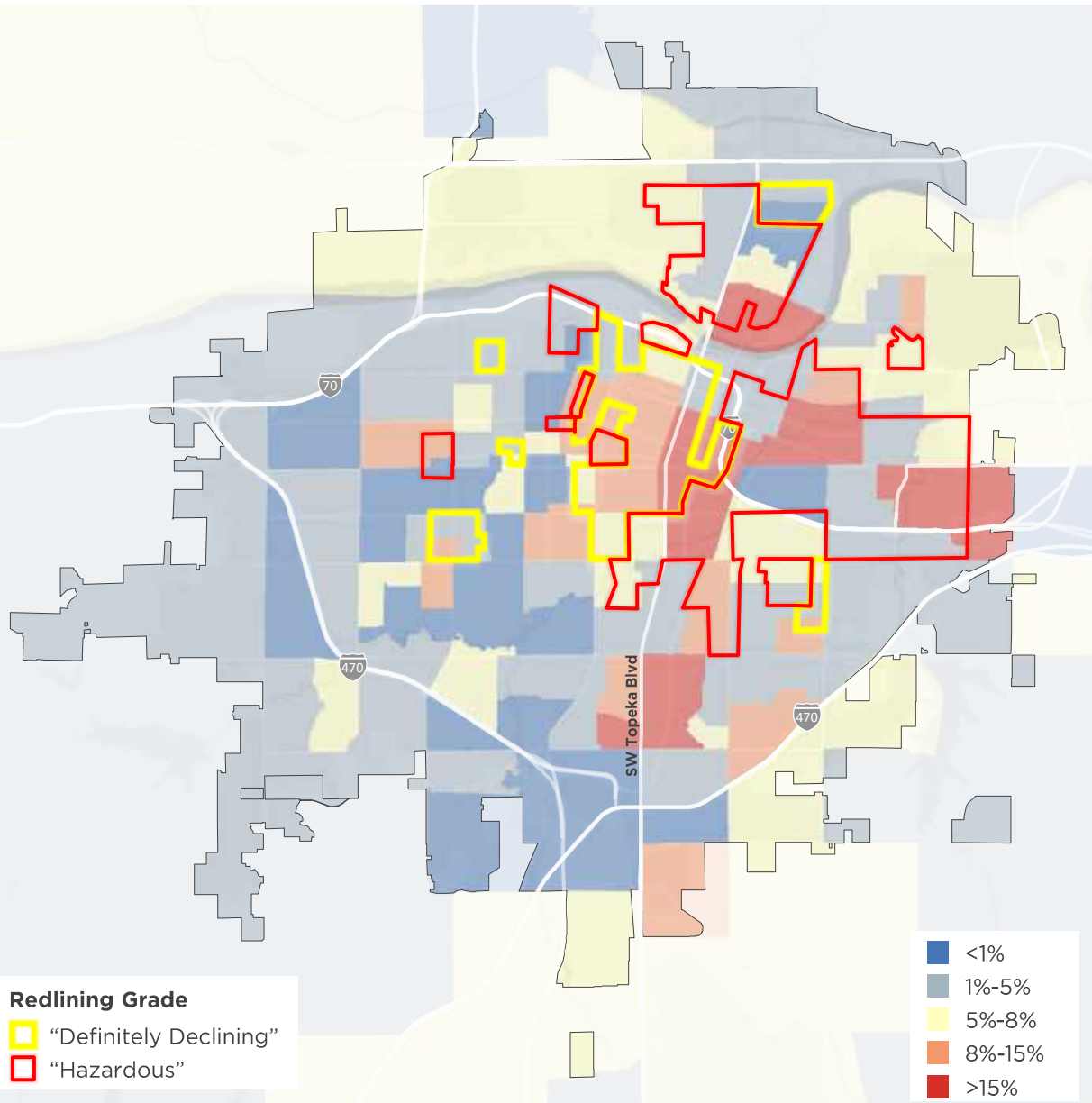
24%

African-American

24%

RACE + EQUITY

UNEMPLOYMENT RATE



City of Topeka 6%
(3.7% as of Aug'19)

White 5.1%

Hispanic 6.4%

African-American 10.1%

RACE + EQUITY

AN OVERVIEW



Median Household Income

Share with High School Diploma

Share of Renter Occupied Housing

Share Below Poverty Level

Unemployment Rate

City White African American Hispanic

HOUSING AFFORDABILITY
WHAT'S THE PICTURE OF AFFORDABILITY IN TOPEKA?

Many households **cannot afford**
that \$785 rent...



City of Topeka



31%



36%



52%

A photograph of a residential street with several houses and trees. The image is overlaid with a navigation menu consisting of several horizontal bars. The top bar is white with a blue right-side tab and contains the text 'Study Purpose & Process'. Below it is a blue bar with the text 'Understand'. This is followed by three white bars with blue right-side tabs containing the text 'The Big Picture', 'People', and 'Place'. Below these is a white bar with a blue right-side tab containing the text 'Market Analysis'. The final bar is white with a blue right-side tab containing the text 'Discussion'.

Study Purpose & Process

Understand

The Big Picture

People

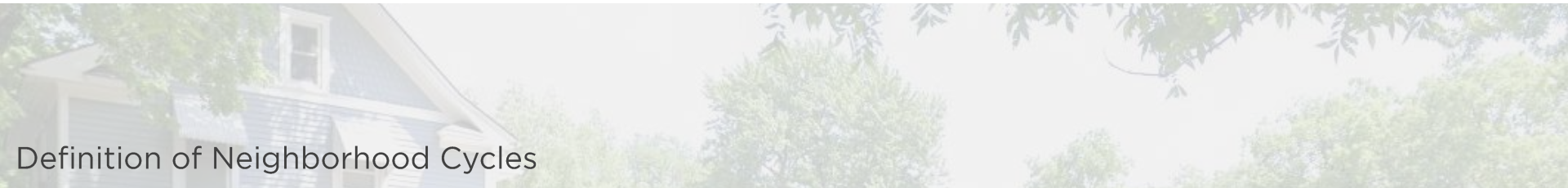
Place

Market Analysis

Discussion

UNDERSTANDING TOPEKA'S NEIGHBORHOODS

NEIGHBORHOOD CYCLES

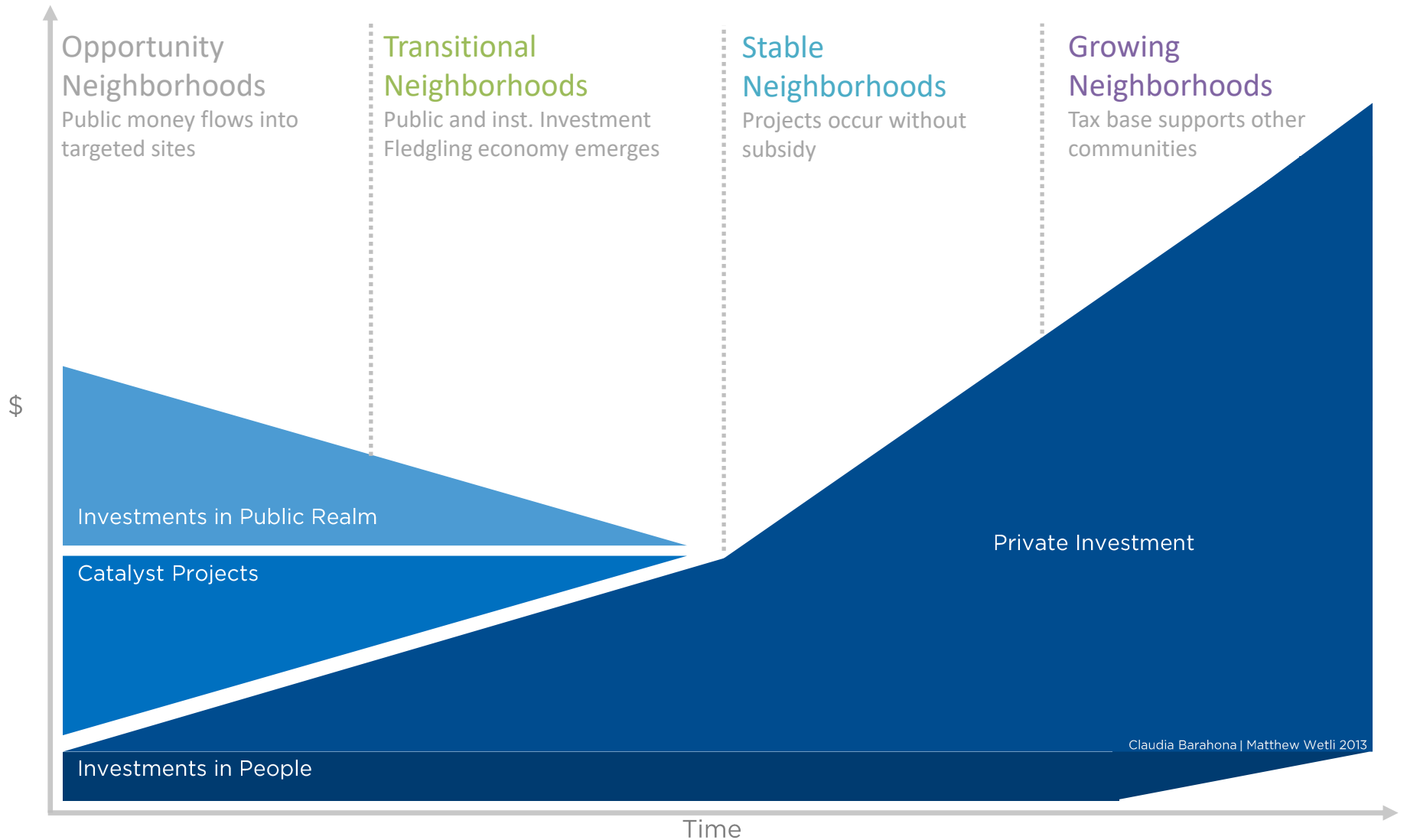


Definition of Neighborhood Cycles

OPPORTUNITY	TRANSITIONAL	STABLE	GROWING
<p>Opportunity neighborhoods are the areas of the city that have experienced the most disinvestment and abandonment, or have a significant amount of obsolete housing stock. These areas include portions of East Topeka, Hi-Crest, North Topeka, and Central Topeka.</p>	<p>Transitional neighborhoods are those with more stability and investment than opportunity neighborhoods yet still face multiple challenges. Transitional neighborhoods could also be those where there is concern that conditions will deteriorate.</p>	<p>Stable neighborhoods are established neighborhoods that do not show signs of widespread disinvestment. Neighborhoods like College Hill, Oakland, and many of the post-war neighborhoods in west Topeka and south Topeka are examples of this designation.</p>	<p>Growing neighborhoods are new subdivisions where new construction is underway, or existing neighborhoods where new development is replacing existing homes or densifying the area (i.e, redevelopment with new multi-family). Growing areas also include those with above average home price appreciation.</p>
<p>While these areas face complex challenges, there are multiple opportunities for reinvestment. City efforts should include consistent code enforcement, site assemblage, partnerships with community groups and nonprofits for community clean up and infill development opportunities, coordinated public improvements, and connecting residents to the broader housing ecosystem—partners focused on people-based interventions.</p>	<p>City efforts should include consistent code enforcement, partnerships with community groups and nonprofits for community clean-up and infill development opportunities, coordinated public improvements, and connecting residents to the broader housing ecosystem—to help residents who may need immediate repairs or assistance to stay in their homes.</p>	<p>City efforts in this area should include maintaining property standards by encouraging the continued investment in the homes—a more structure-based focus for interventions.</p>	<p>Existing neighborhoods like Westboro, Briarwood, and new development areas like Rockfire, Sherwood Park, and Misty Harbor are examples of this designation. City efforts in this area include normal plan review and permitting.</p>

UNDERSTANDING TOPEKA'S NEIGHBORHOODS

INVESTMENTS NEEDED



UNDERSTANDING TOPEKA'S NEIGHBORHOODS

OVERVIEW

OPPORTUNITY



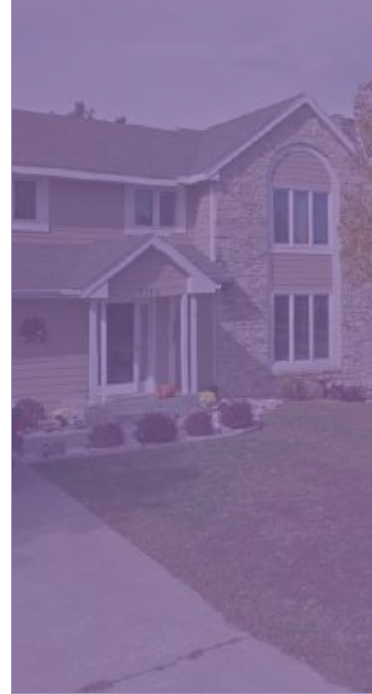
TRANSITIONAL



STABLE



GROWING



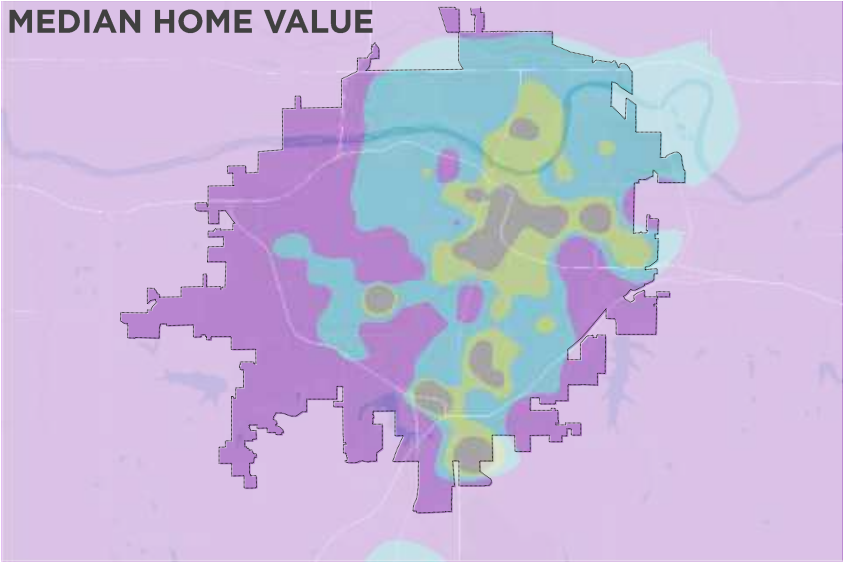
INDICATORS

Median Home Value	<45k	45k-70k	70k-110k	>110k
Projected Home Value Growth	<9%	9%-25%	25%-45%	>45%
Median HH Income	<16k	16k-33k	33k-66k	>66k
Owner HH	<30%	30%-45%	45%-70%	>70%
Poverty Level	>35%	20%-35%	10%-20%	<10%
Vacant Units	>25%	15%-25%	5%-15%	<5%
Permit Activity	Very low	Low	Moderate	High

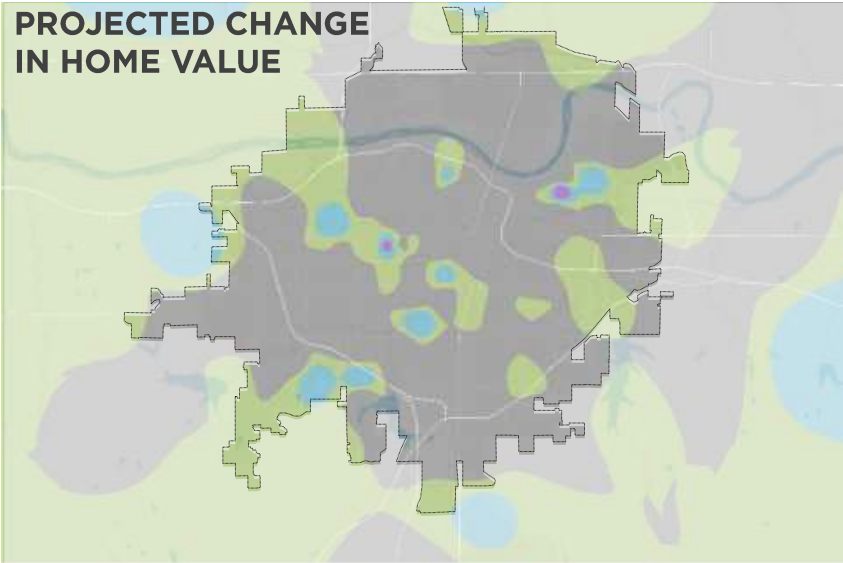
UNDERSTANDING TOPEKA'S NEIGHBORHOODS

INDICATORS

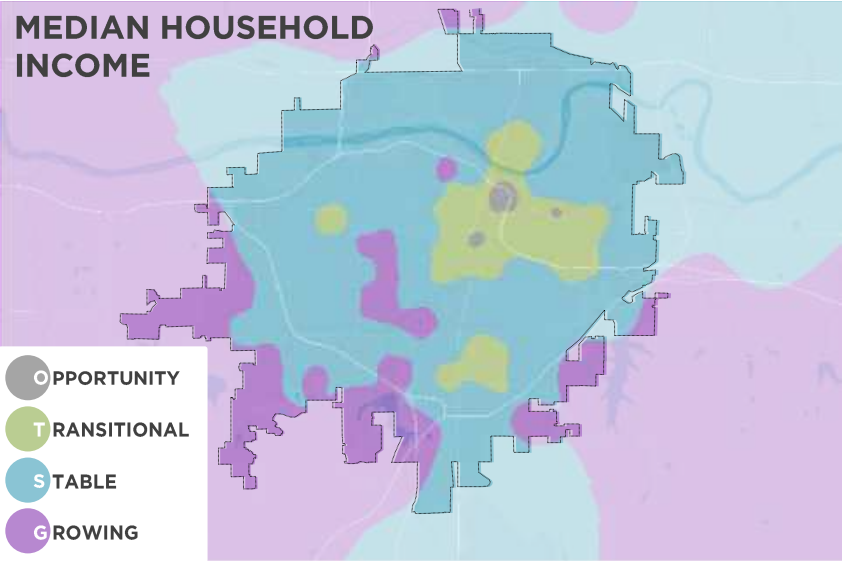
MEDIAN HOME VALUE



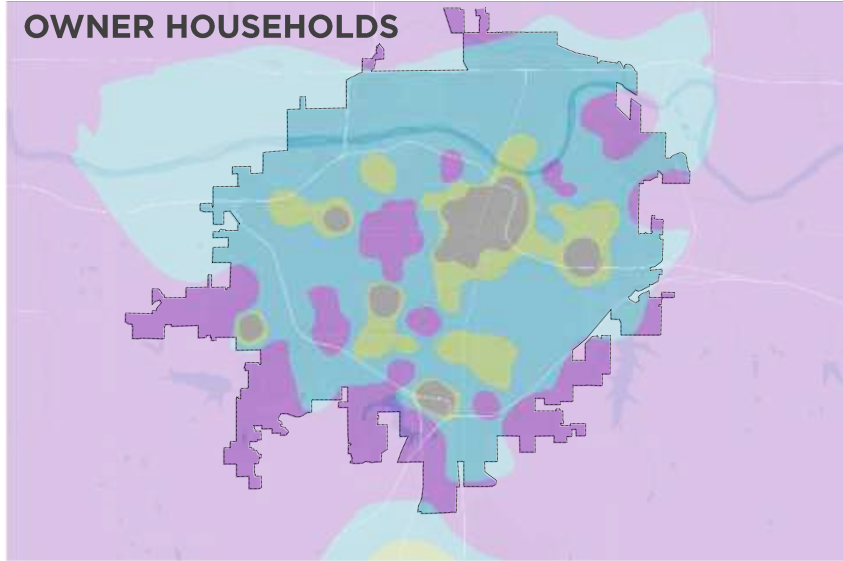
PROJECTED CHANGE IN HOME VALUE



MEDIAN HOUSEHOLD INCOME



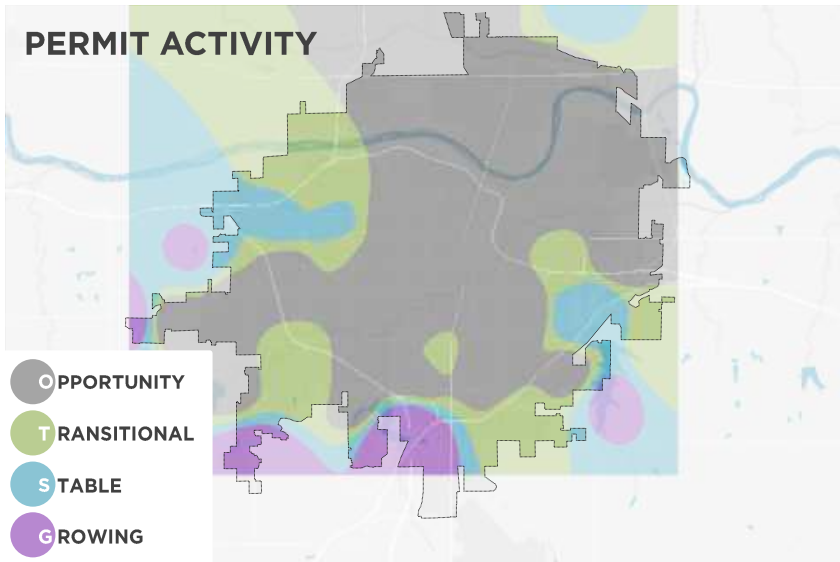
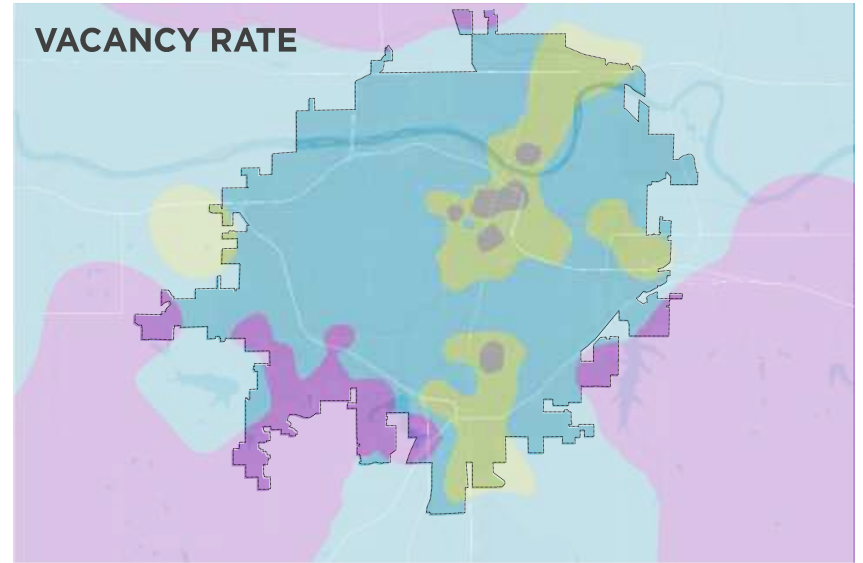
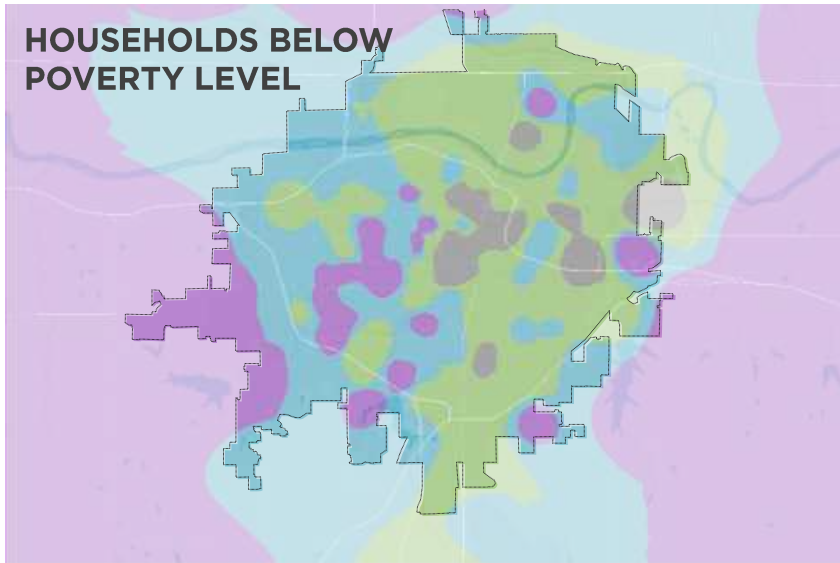
OWNER HOUSEHOLDS



- O**PPORTUNITY
- T**RANSITIONAL
- S**TABLE
- G**ROWING

UNDERSTANDING TOPEKA'S NEIGHBORHOODS

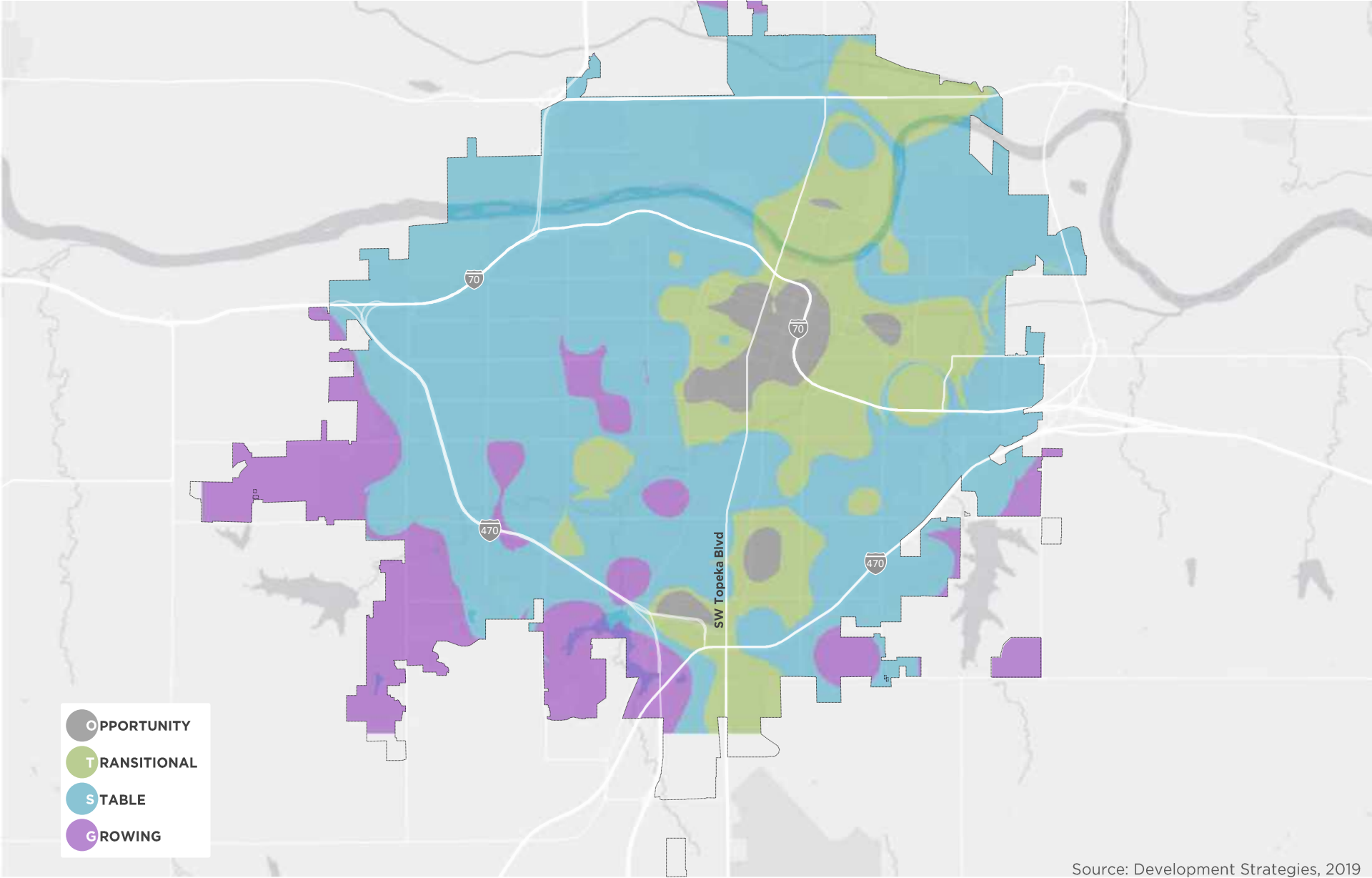
INDICATORS



Median Home Value	35%
Projected Home Value Growth	0%
Median Household Income	0%
Owner Households	20%
Households Below Poverty	25%
Vacancy Rate	10%
Permit Activity	10%

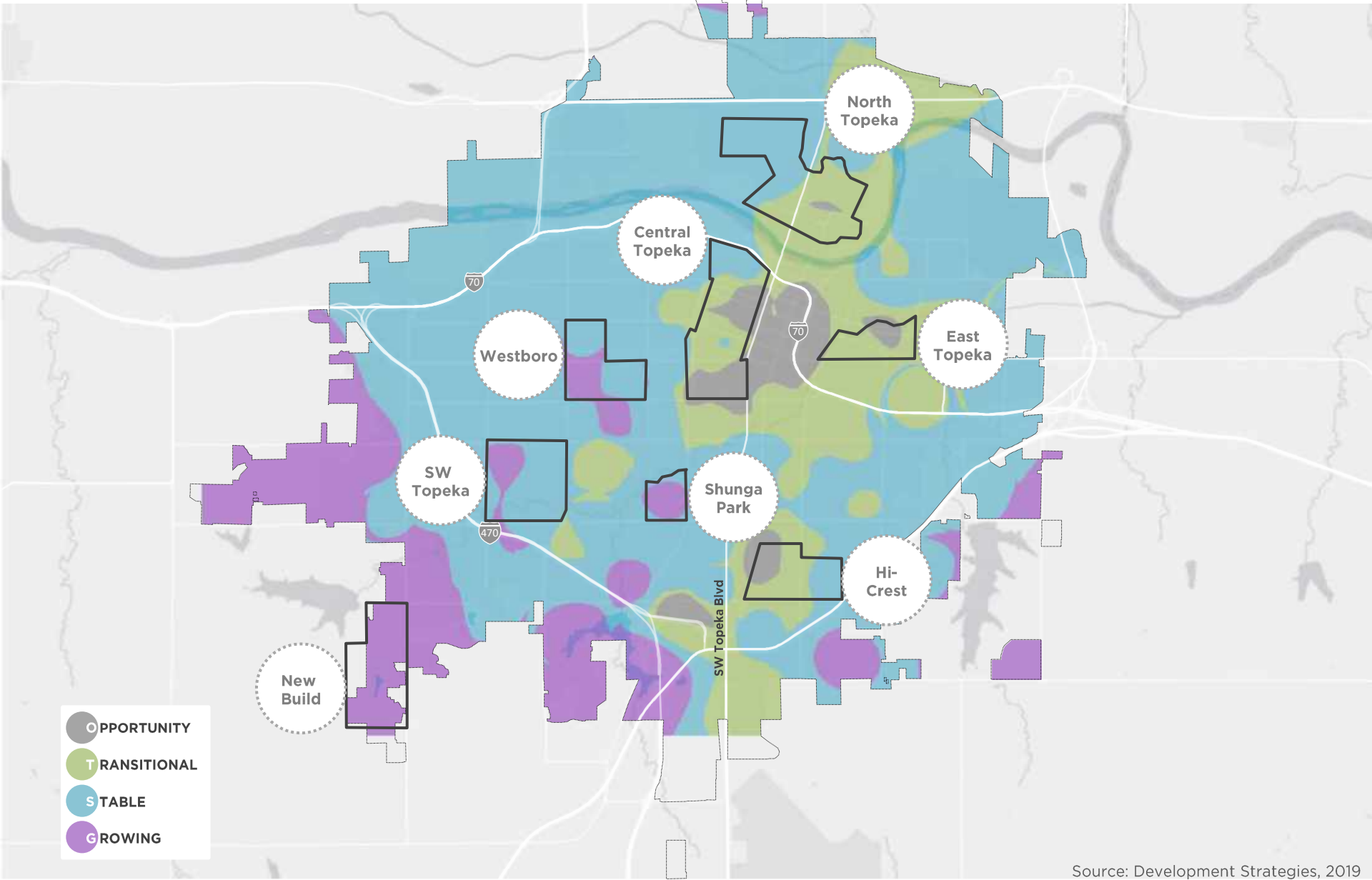
UNDERSTANDING TOPEKA'S NEIGHBORHOODS

NEIGHBORHOOD CYCLES



UNDERSTANDING TOPEKA'S NEIGHBORHOODS

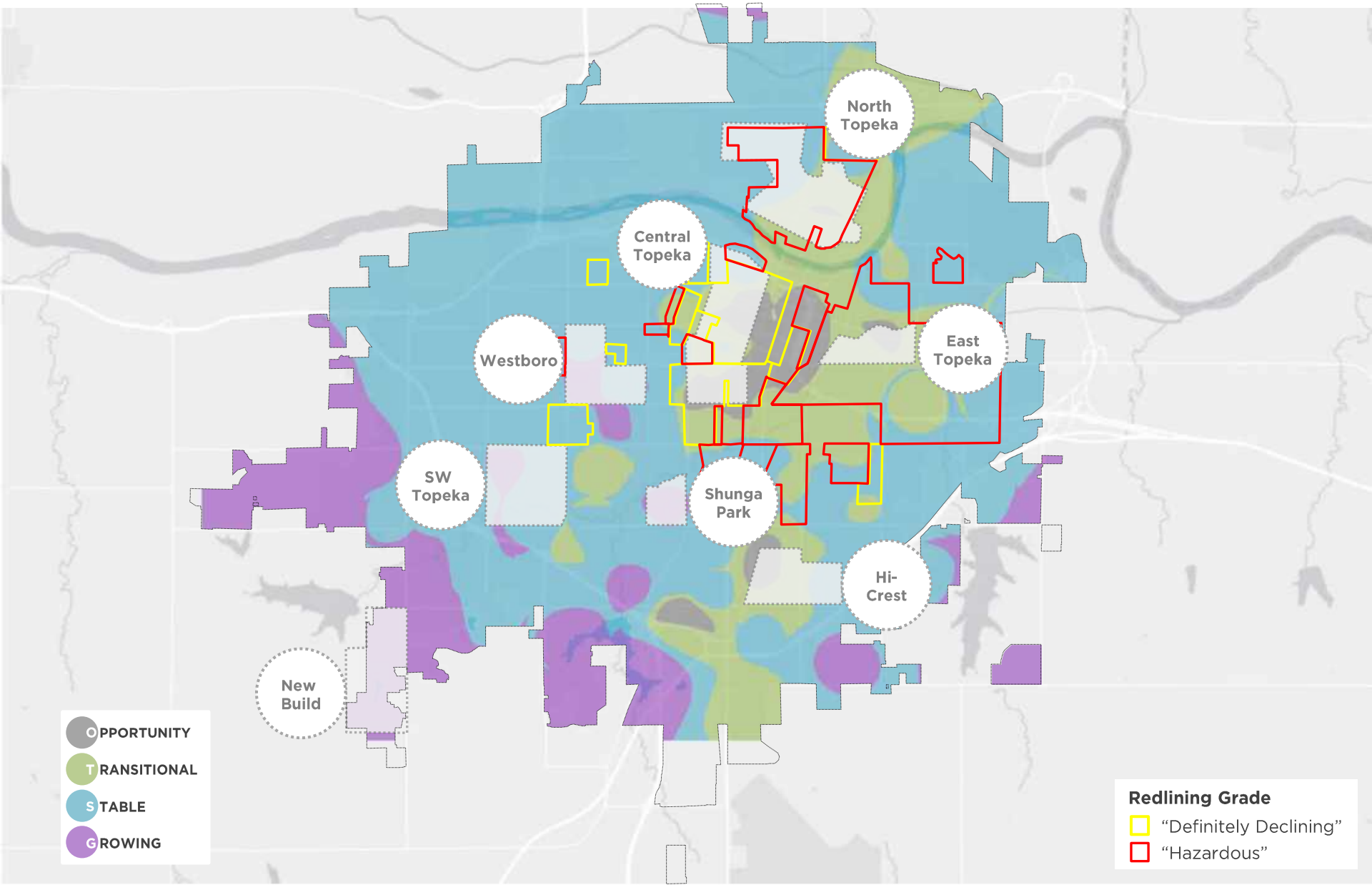
NEIGHBORHOOD CYCLES



- OPPORTUNITY
- TRANSITIONAL
- STABLE
- GROWING

UNDERSTANDING TOPEKA'S NEIGHBORHOODS

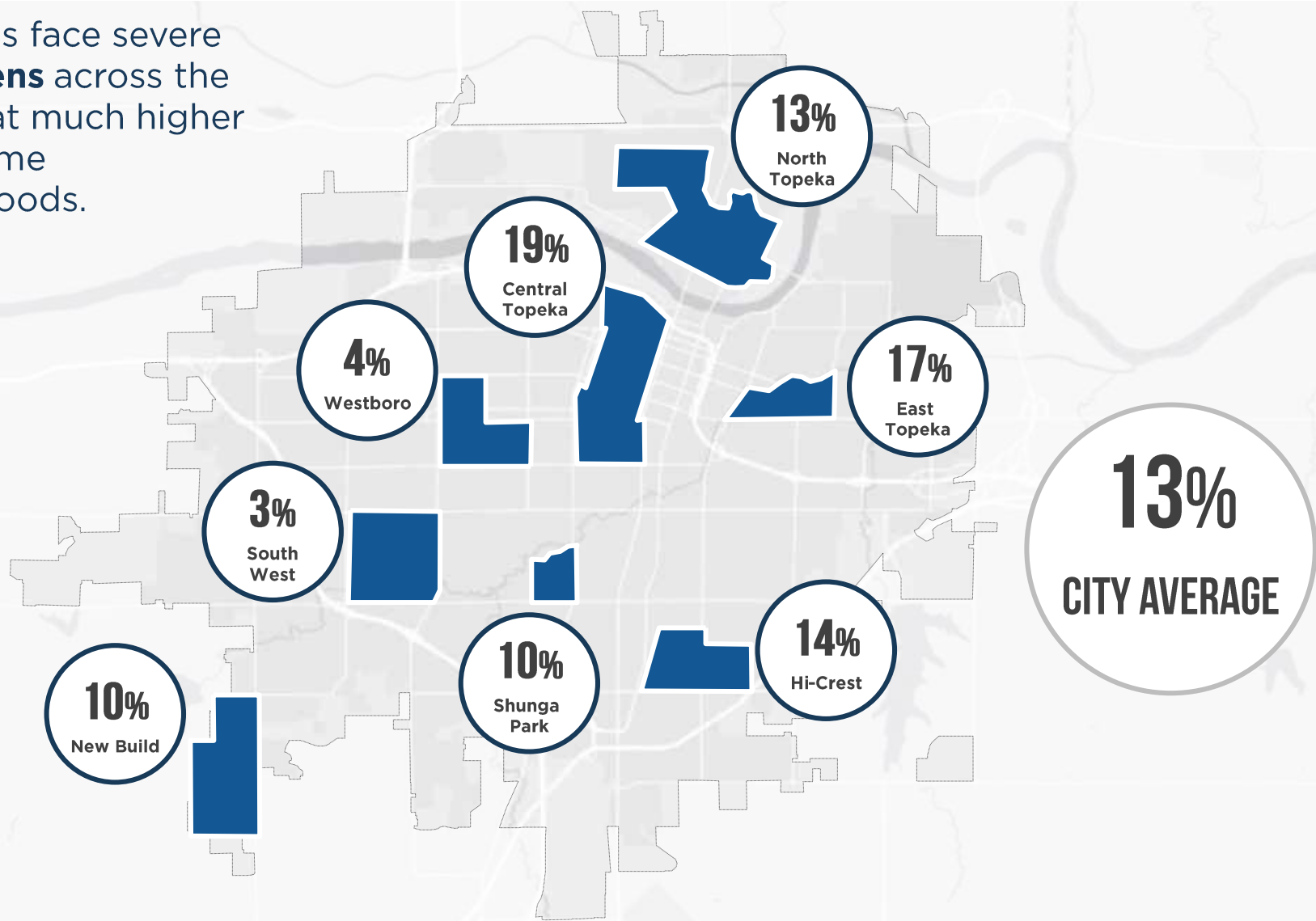
NEIGHBORHOOD CYCLES



HOUSING AFFORDABILITY

WHAT'S THE PICTURE OF AFFORDABILITY IN TOPEKA?

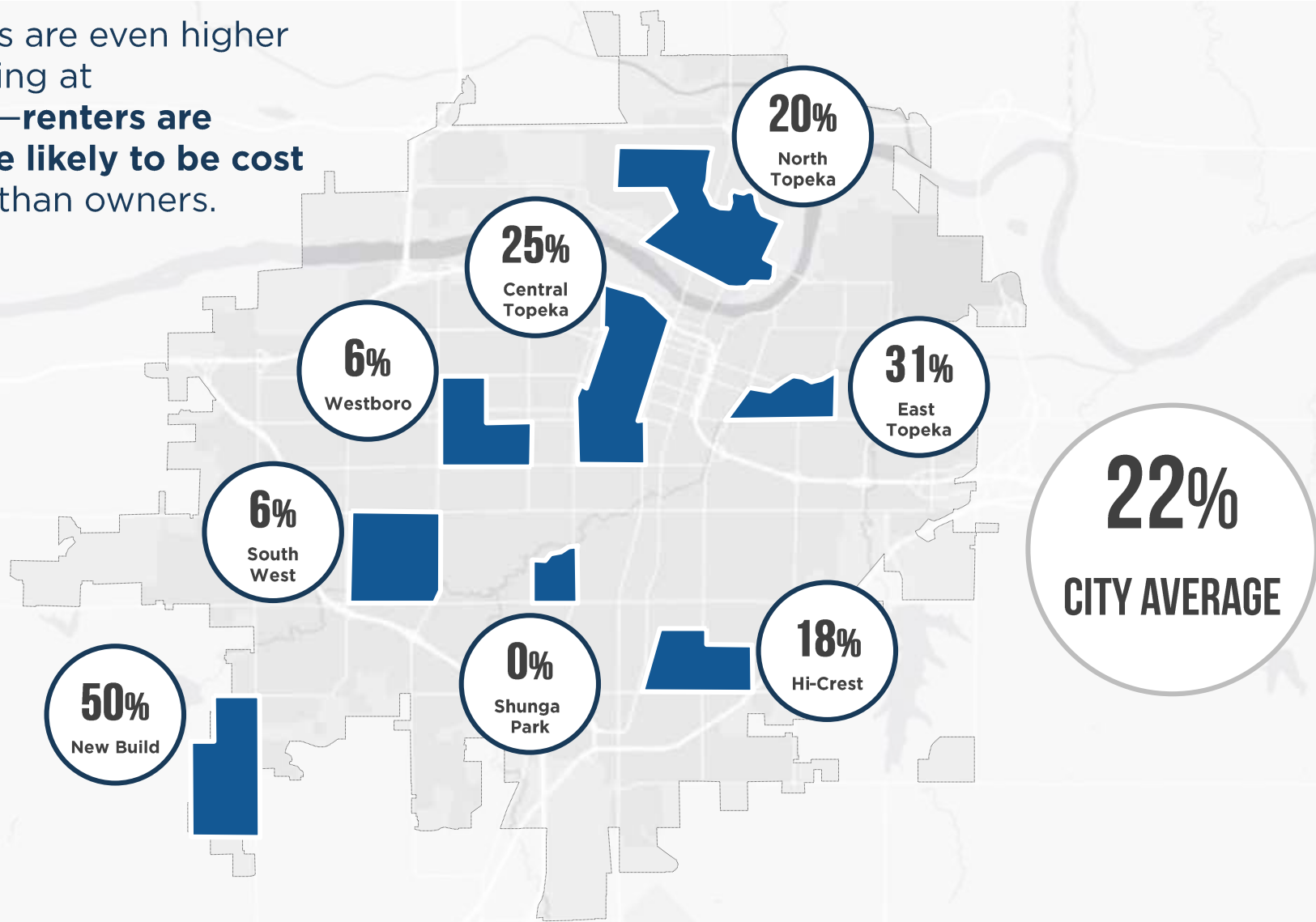
Households face severe **cost burdens** across the City—but at much higher rates in some neighborhoods.



NEIGHBORHOODS ANALYSIS

SEVERE RENT BURDEN—SHARE PAYING MORE THAN 50% OF INCOME TOWARD RENT

These rates are even higher when looking at rentership—**renters are much more likely to be cost burdened** than owners.



NEIGHBORHOODS ANALYSIS

MEDIAN YEAR BUILT

1890
Central Topeka

1920
North Topeka

1940
Westboro

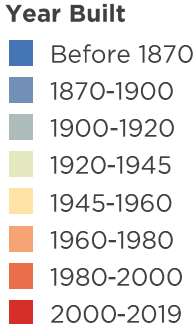
1900
East Topeka

1950
SW Topeka

1965
Shunga Park

2000
New Build

1960
Hi-Crest



Source: Parcel Data, City of Topeka

NEIGHBORHOODS ANALYSIS

BUILDING CONDITION

7.4
Average
Central Topeka

7.8
Average
North Topeka

10.8
Average
Westboro

5.5
Average
East Topeka

9.8
Average
SW Topeka

10.5
Average
Shunga Park

10.3
Average
New Build

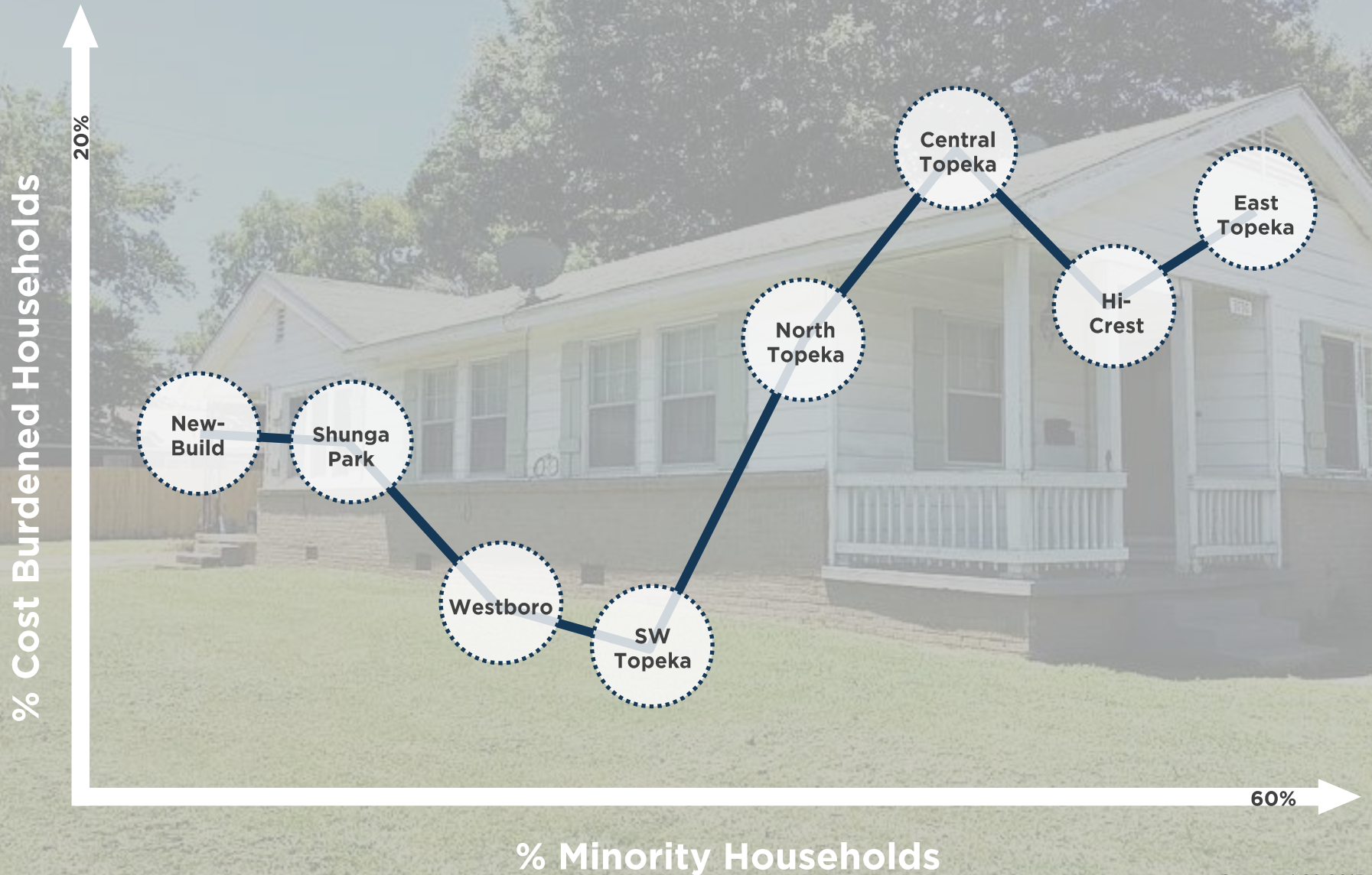
6.1
Average
Hi-Crest



Source: Parcel Data, City of Topeka

NEIGHBORHOODS AND EQUITY

HOUSING COST BURDEN - A GREATER HARDSHIP FOR MINORITIES



A photograph of a residential street with several houses and lush green trees. The scene is overlaid with a navigation menu consisting of several horizontal bars. The top bar is white with a blue right-side tab and contains the text 'Study Purpose & Process'. Below it are three more white bars with blue tabs, containing 'Understand', 'The Big Picture', 'People', and 'Place' respectively. The fourth bar is solid blue with white text 'Market Analysis'. The final bar is white with a blue tab and contains the text 'Discussion'.

Study Purpose & Process

Understand

The Big Picture

People

Place

Market Analysis

Discussion

Market Analysis

A market-based look
at conditions on the
ground...

...not yet ideas for
solutions, though this
understanding is an
essential foundation.



HOUSING SUPPLY

MARKET-RATE RENTAL SUMMARY METRICS



City of Topeka

CLASS B

CLASS C

14,327

HOUSING
UNITS

7.3%

VACANCY
RATE

\$715

AVERAGE
RENT/MO

5,403

5.5%

\$767

HOUSING UNITS

VACANCY RATE

AVERAGE RENT/MO

8,905

8.3%

\$676



Central Topeka

CLASS B

CLASS C

443

HOUSING
UNITS

6.0%

VACANCY
RATE

\$474

AVERAGE
RENT/MO

218

5.1%

\$493

HOUSING UNITS

VACANCY RATE

AVERAGE RENT/MO

1,550

6.8%

\$312

MULTIFAMILY SUPPLY

LOWER MIDSCALE

La Casa Grande Apartments

Built 1969, (191 units)
Occupancy: 89%

Rents
Studio: \$535
1BR: \$564
2BR: \$708
3BR: \$930
\$0.75 Avg. PSF



White Lakes Plaza Apartments Homes

Built 1973 (144 units)
Occupancy: 97%

Rents
1BR: \$604
2BR: \$685
\$0.76 Avg. PSF



Whitehall Apartments

Built 1979 (74 units)
Occupancy: 93%

Rents
1BR: \$563
2BR: \$714
3BR: \$780
\$0.68 Avg. PSF



Park South Apartments

Built 1970 / Ren. 2018 (234 units)
Occupancy: 87%

Rents
Studio: \$427
1BR: \$519
2BR: \$603
3BR: \$930
\$0.71 Avg. PSF



MULTIFAMILY SUPPLY

MIDSCALE

Crown Colony Apartments

Built 1982 (220 units)
Occupancy: 97%

Rents
1BR: \$814
2BR: \$895
3BR: \$949
\$1.11 Avg. PSF



Chalet

Built 1983 (233 units)
Occupancy: 96%

Rents
Studio: \$518
1BR: \$731
2BR: \$922
3BR: \$1,262
\$1.00 Avg. PSF



Trianon Apartments

Built 1966 (88 units)
Occupancy: 98%

Rents
1BR: \$700
2BR: \$818
3BR: \$1,233
\$0.71 Avg. PSF



Sherwood Apartments

Built 1988 (300 units)
Occupancy: 96%

Rents
1BR: \$860
2BR: \$924
3BR: \$1,040
\$1.05 Avg. PSF



MULTIFAMILY SUPPLY

STUDENT

Washburn North

Built 1971 (21 units)

Rents
Studio: \$394
1BR: \$497
2BR: \$564
\$0.81 Avg. PSF



The Lofts at College Hill

(220 units)

Rents
Studio: \$636
1BR: \$731
2BR: \$1,027
3BR: \$1,132
4BR: \$1,258
\$0.91 Avg. PSF



Mount Vernon Apartments

Built 1971 (111 units)

Rents
1BR: \$477
2BR: \$596
\$0.80 Avg. PSF



Washburn Place

Built 1998 (28 units)
Occupancy: 93%

Rents
2BR: \$638
\$0.91 Avg. PSF



MULTIFAMILY SUPPLY NEW CONSTRUCTION/REHAB

101 N Kansas Ave

Built 1900 (33 units)
Occupancy: 92%

Rents
2BR: \$1,150
\$1.12 Avg. PSF



Woodland Park at Soldier Creek

Built 2004 (236 units)
Occupancy: 95%

Rents
1BR: \$835
2BR: \$773
3BR: \$885
\$0.93 Avg. PSF



Downtown Lofts

Built 2017-19 (75 units)

Rents
1BR: \$648
2BR: \$1,350
\$0.68 Avg. PSF



The Overlook

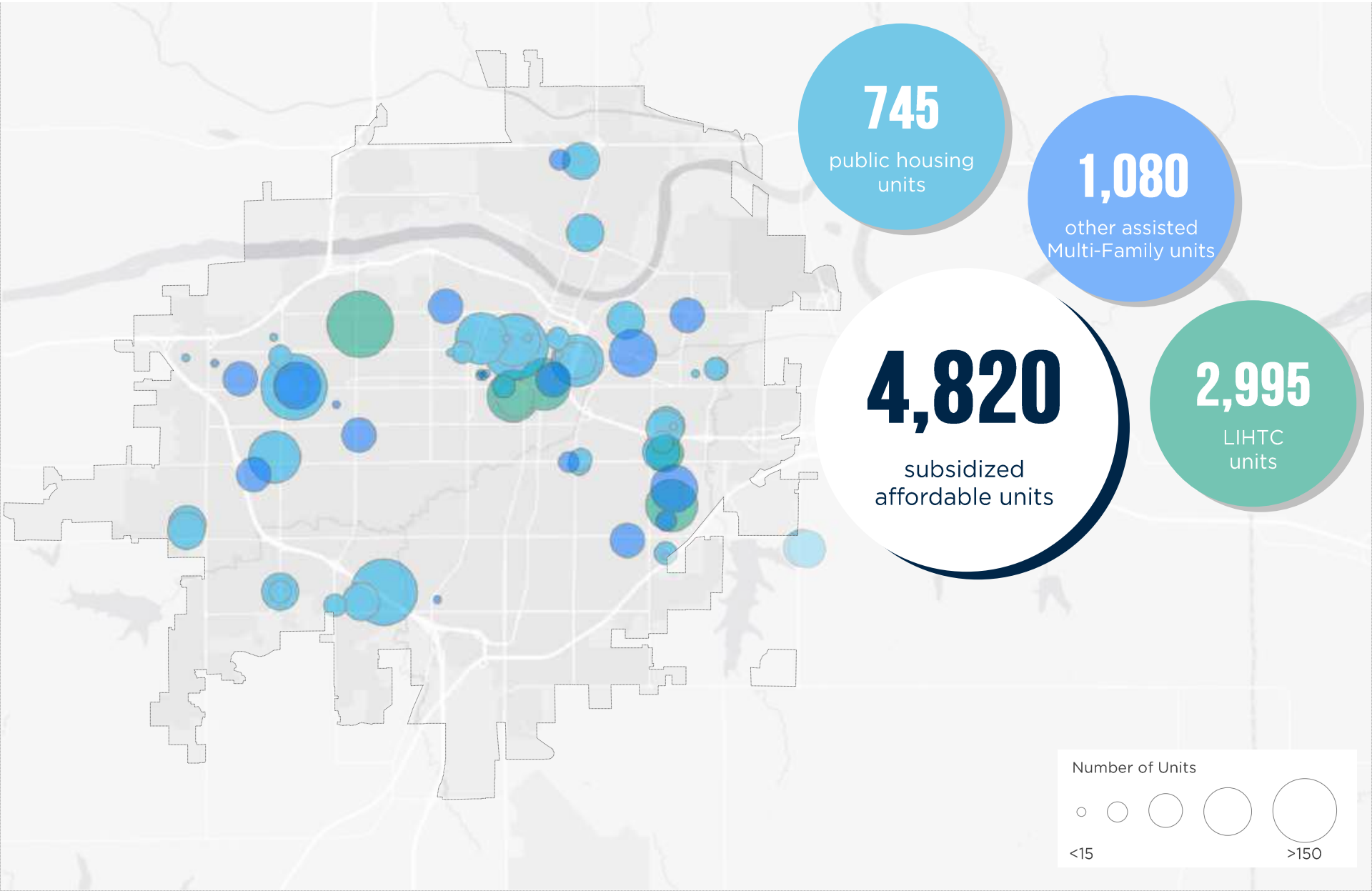
Built 2001 (318 units)

Rents
1BR: \$785
2BR: \$860
3BR: \$1,050
\$0.77 Avg. PSF



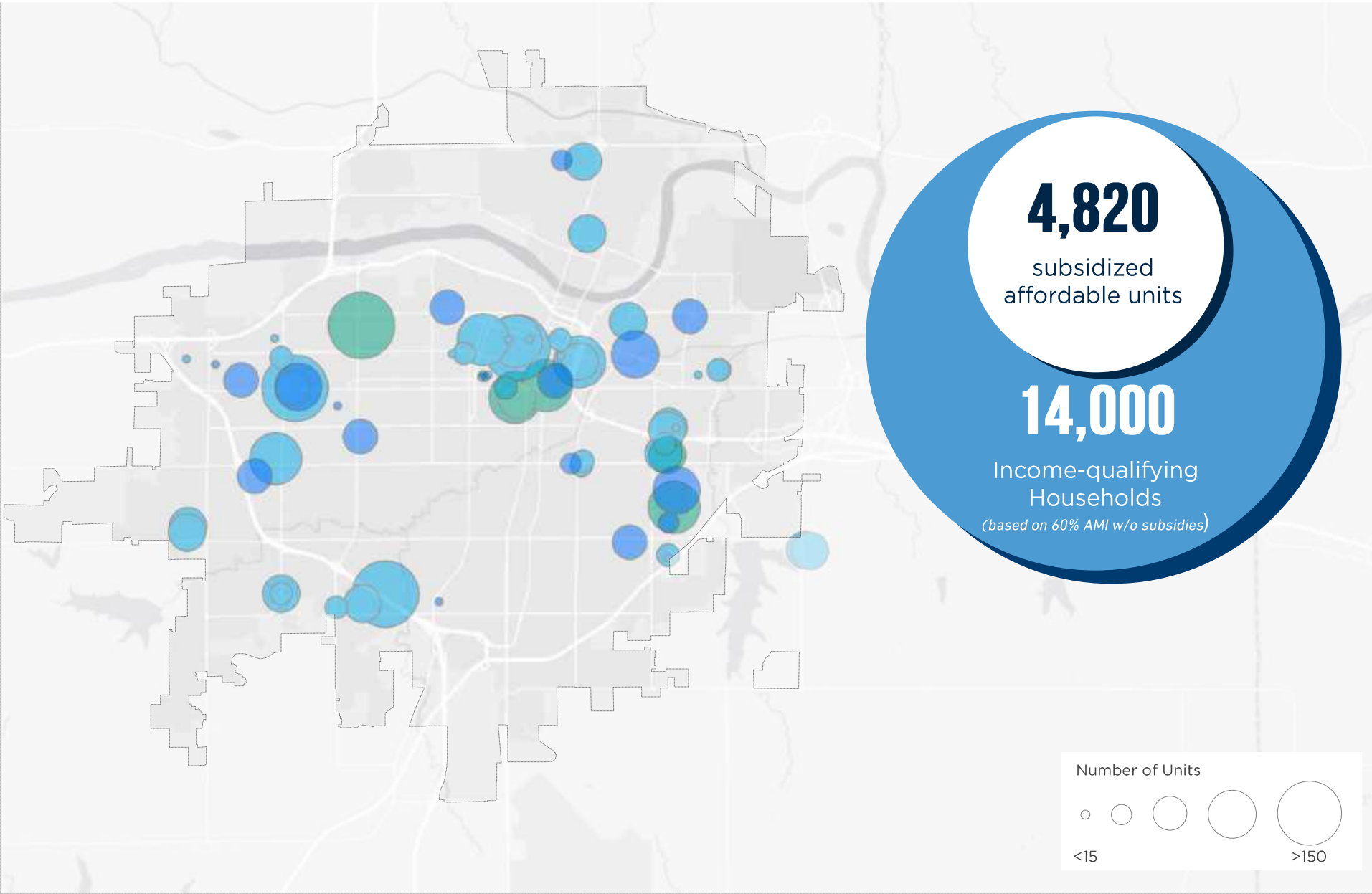
EXISTING SUPPLY

SUBSIDIZED AFFORDABLE HOUSING



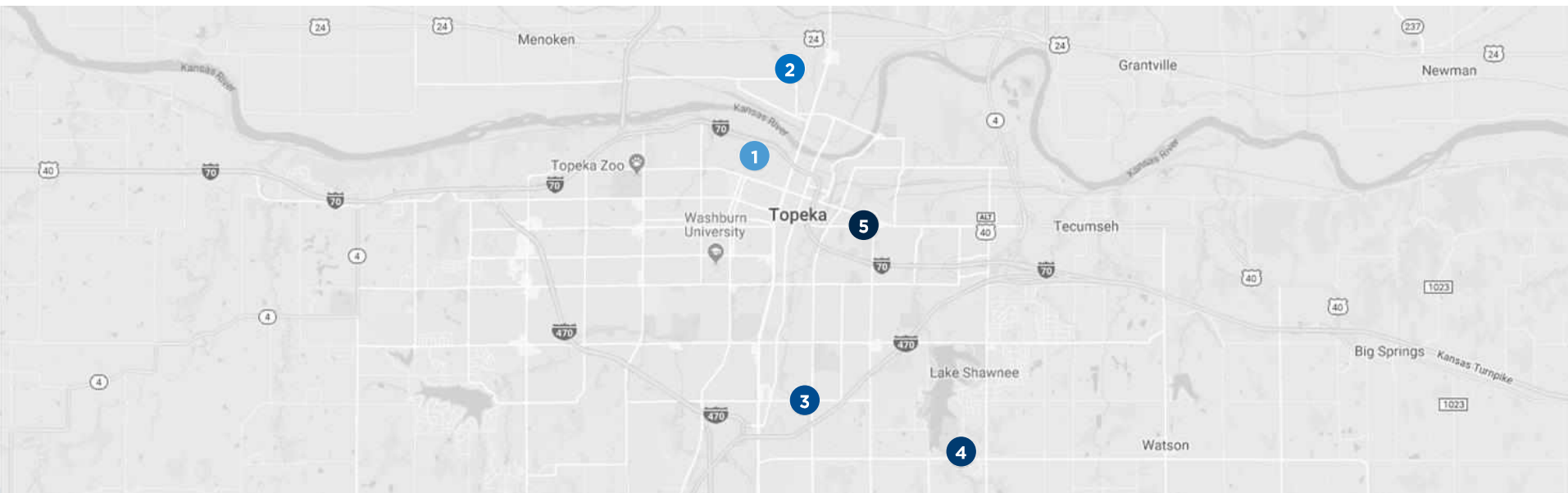
EXISTING SUPPLY

SUBSIDIZED AFFORDABLE HOUSING



SINGLE-FAMILY MARKET

RECENTLY SOLD



1
139 SW Kendall Avenue
Central Topeka

2
1908 NW Fillmore
North Topeka

3
508 SE 37th Street
Highcrest

4
4404 SE Clover Court
Rockfire

5
700 SE Leland Street
East Topeka

Built 1907

960 SF
\$78 PSF

2BR 1Bath:
\$75,000

Built 1930

752 SF
\$61 PSF

2BR 1Bath:
\$45,500

Built 1954

1,408 SF
\$34 PSF

3BR 1Bath:
\$48,500

Built 2010

1,631 SF
\$140 PSF

3BR 3Bath:
\$228,000

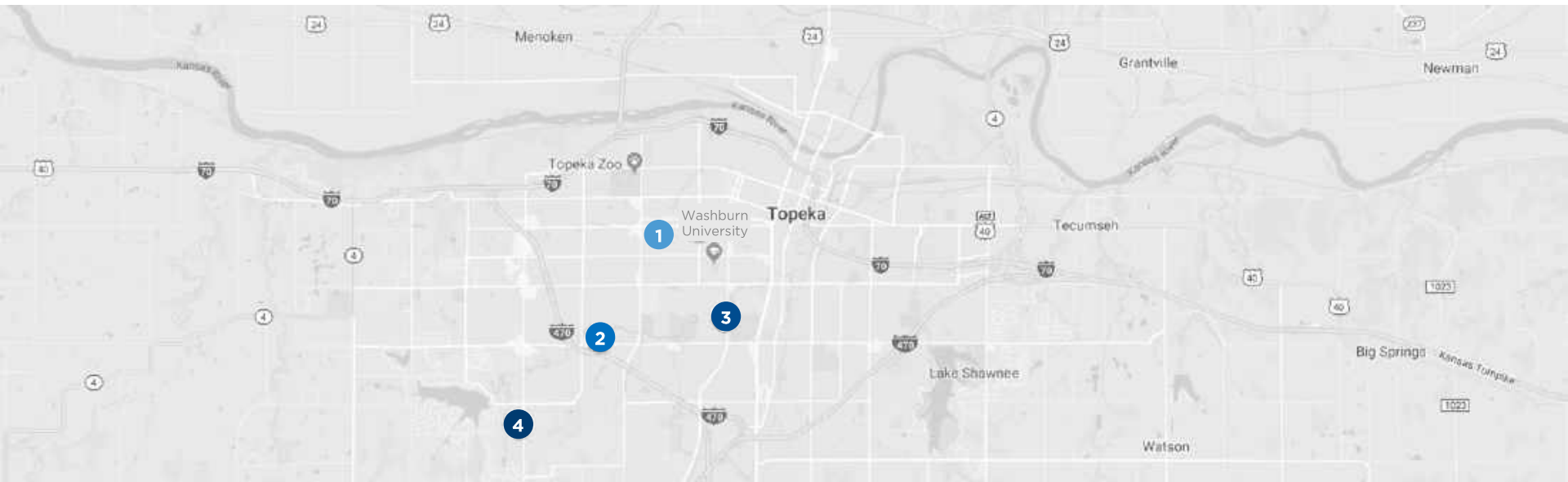
Built 1930

1,036 SF
\$17 PSF

2BR 1Bath:
\$17,501

SINGLE-FAMILY MARKET

RECENTLY SOLD



1
3544 SW 15th Street
Westboro

Built 1955

2,198 SF
\$78 PSF

3BR 3Bath:
\$171,000



2
2825 SW Sunset Road
Southwest

Built 1959

1,476 SF
\$78 PSF

3BR 2Bath:
\$115,000



3
1601 SW Sieben Street
Shunga Park

Built 1972

2,234 SF
\$76 PSF

4BR 4Bath:
\$170,000



4
6021 SW 39th Court
New Build

Built 1995

2,040 SF
\$110 PSF

3BR 3Bath:
\$225,000

Market Analysis

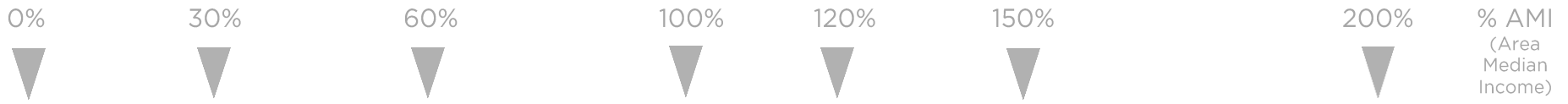
DEMAND

What are future needs?



MARKET ANALYSIS

TYPES OF SUPPLY - AFFORDABILITY



Subsidized Affordable Workforce Upscale Luxury

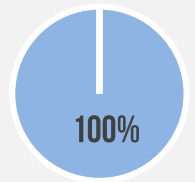
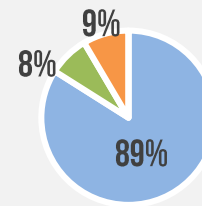
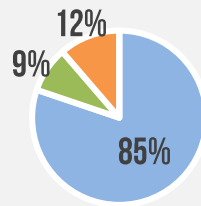
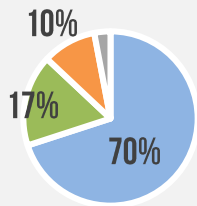
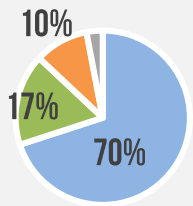
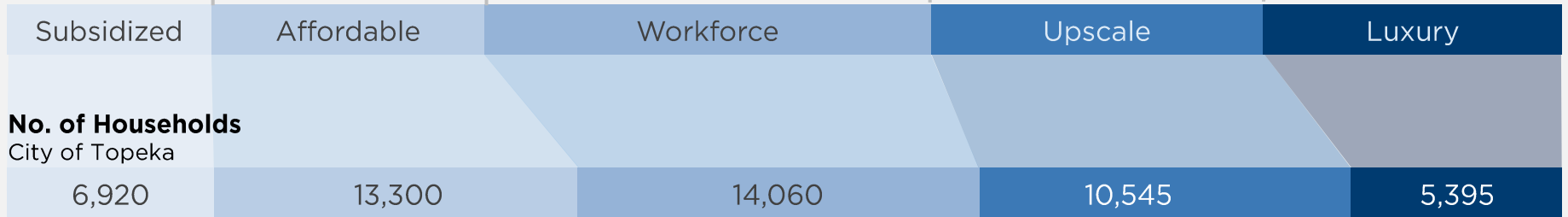


COST OF HOUSING

AFFORDABILITY METRICS AND INCOME DISTRIBUTION

0% 30% 60% 100% 120% 150% 200%
 ▼ ▼ ▼ ▼ ▼ ▼ ▼
 % AMI
 (Area Median Income)

	\$16K	\$33K	\$66K	\$110K
For-Sale Affordability	\$70K	\$140K	\$250K	\$320K
Rental Affordability	\$400	\$830	\$1,380	\$1,830

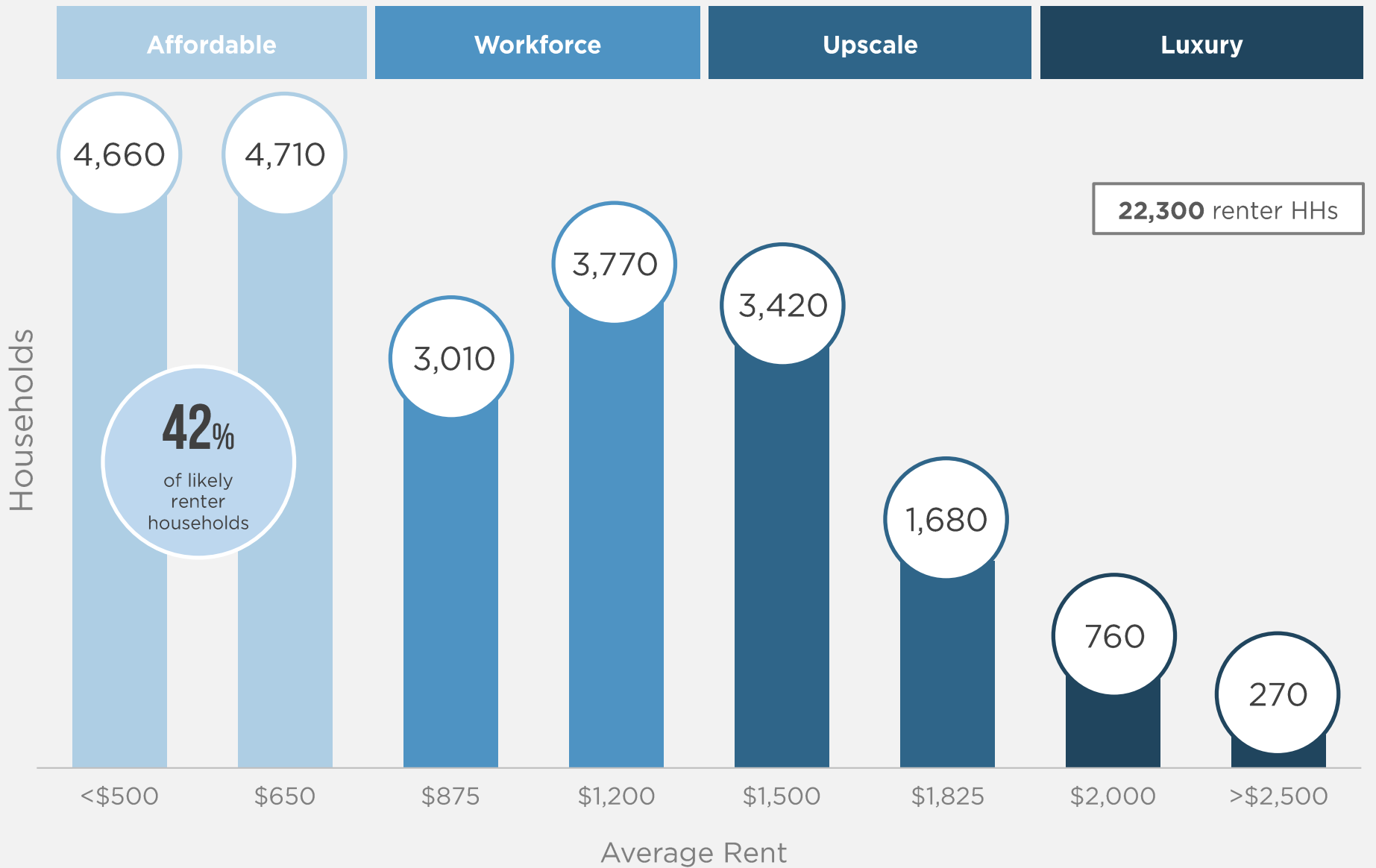


White African American Hispanic Other

Source: 2013-17 American Community Survey 5-Year Estimates

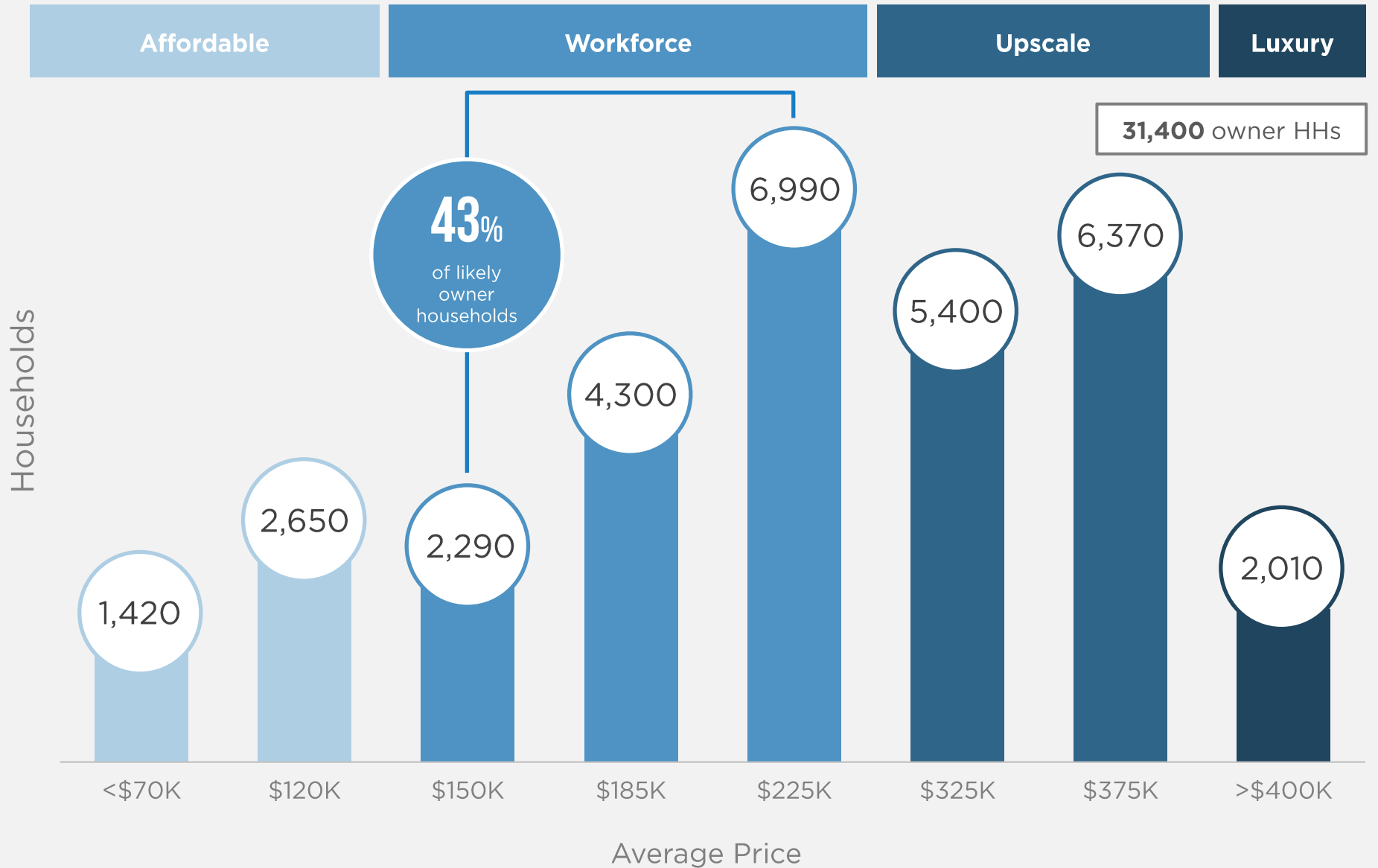
HOUSEHOLD HOUSING AFFORDABILITY

STUDY AREA - RENTAL



HOUSEHOLD HOUSING AFFORDABILITY

STUDY AREA - FOR-SALE



SENIOR HOUSING DEMAND

PRIMARY MARKET AREA



INDEPENDENT LIVING



ASSISTED LIVING

> for self-sufficient individuals; activity and community-focused, with some meals provided.

> for individuals with some care need; trained staff on-site for personal and medical care; all meals provided.

1,100

market area senior households that can afford \$2,000-\$4,000/month

200

market area senior households that can afford \$3,500-\$5,000/month

350

market area senior households that can afford \$5,000+/month

Market Implications

What does this mean in terms of future housing development?



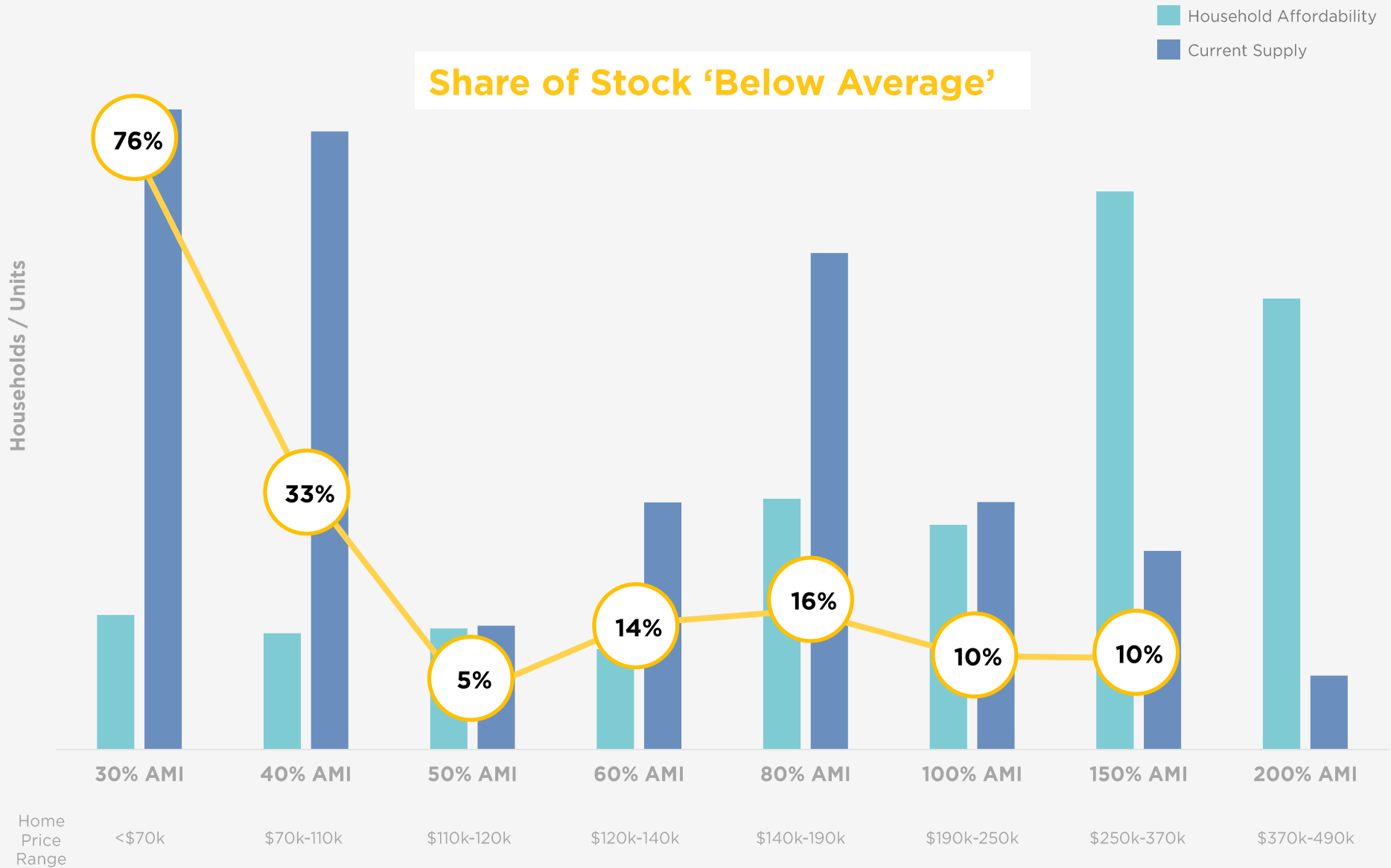
DEMAND

CITYWIDE AFFORDABILITY GAPS - OWNER



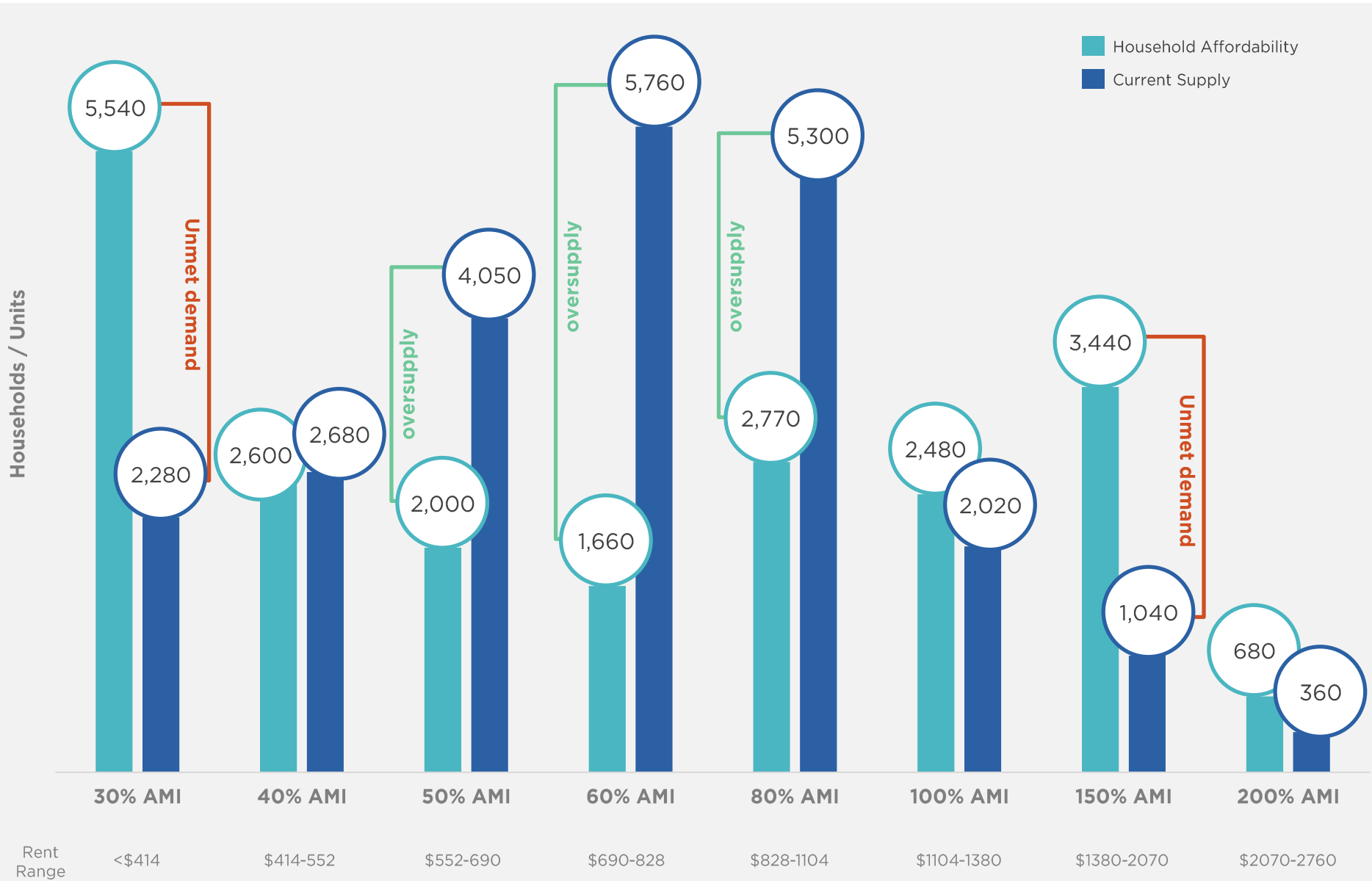
DEMAND

CITYWIDE AFFORDABILITY GAPS - OWNER



DEMAND

CITYWIDE AFFORDABILITY GAPS - RENTER



DEMAND ANALYSIS

WHAT DOES THIS MEAN?

There are several important considerations and further analysis is needed to quantify future housing demand.

- “Demand” refers to what existing households can afford assuming that **30% of income goes towards housing costs** (rent/mortgage payment plus utilities).
- Low-income households allocate a **significantly greater proportion of income** towards housing costs. Middle- and upper-income households may allocate less, creating an imbalance on both ends of the graph.
- Most low-income households in Topeka are housed, but **rent burden is an issue**. The “unmet demand” portion of the 30% AMI bracket are households burdened by housing costs in the 40% and 50% AMI levels.
- There is a need to **support organizations** that work with people/families to stabilize their finances and **move up the housing affordability scale**.
- Housing quality is generally **substandard at lower affordability levels**. More than half of all units at or below 50% AMI are “below average” quality or worse. While these units are “affordable” their condition leads to higher utility bills and potential health and safety hazards.



DEMAND ANALYSIS

WHAT DOES THIS MEAN? (CONTINUED)

- This is compounded by uneven neighborhood cohesion. **Lack of access to services and amenities** in some parts of Topeka limits the potential buyer pool for many quality rehabs or well-maintained older homes.
- Smaller for-sale units—condos, townhomes—can be positioned at a **more accessible price point for moderate-income households** than larger detached single-family homes. Diversity in housing stock can fill these gaps and create a **pathway to homeownership** for a broader range of households.
- There is an **undersupply of rental units** throughout the community. The absence of **upscale rental properties**—there is very little supply at 150% AMI and above—creates additional pressure as affluent households have fewer options of sufficient quality. These households opt for lower-priced rentals, enter the for-sale market, or choose to live elsewhere.
- **Demand for affordable housing** is persistent in communities throughout the country. Though subsidies and incentives are finite, LIHTC can be used to ensure long-term provision of affordable units in improving neighborhoods, or dramatically improving the overall quality of the rental stock in struggling areas.



MARKET ANALYSIS

SUMMARY

There is a need for:

- New or modern **affordable housing**.
- Moderate and higher-priced **for-sale housing**.
- Improved condition of the **existing housing stock**.
- **New construction**.

There is an abundance of “affordable” housing, but **several factors make it undesirable**—condition, location, neighborhood conditions, schools, etc.

It is not just about price, it is about **quality of product and place**. It is also about **people**.

There is a need for a **strategic approach** to align market opportunities to improve neighborhood conditions.



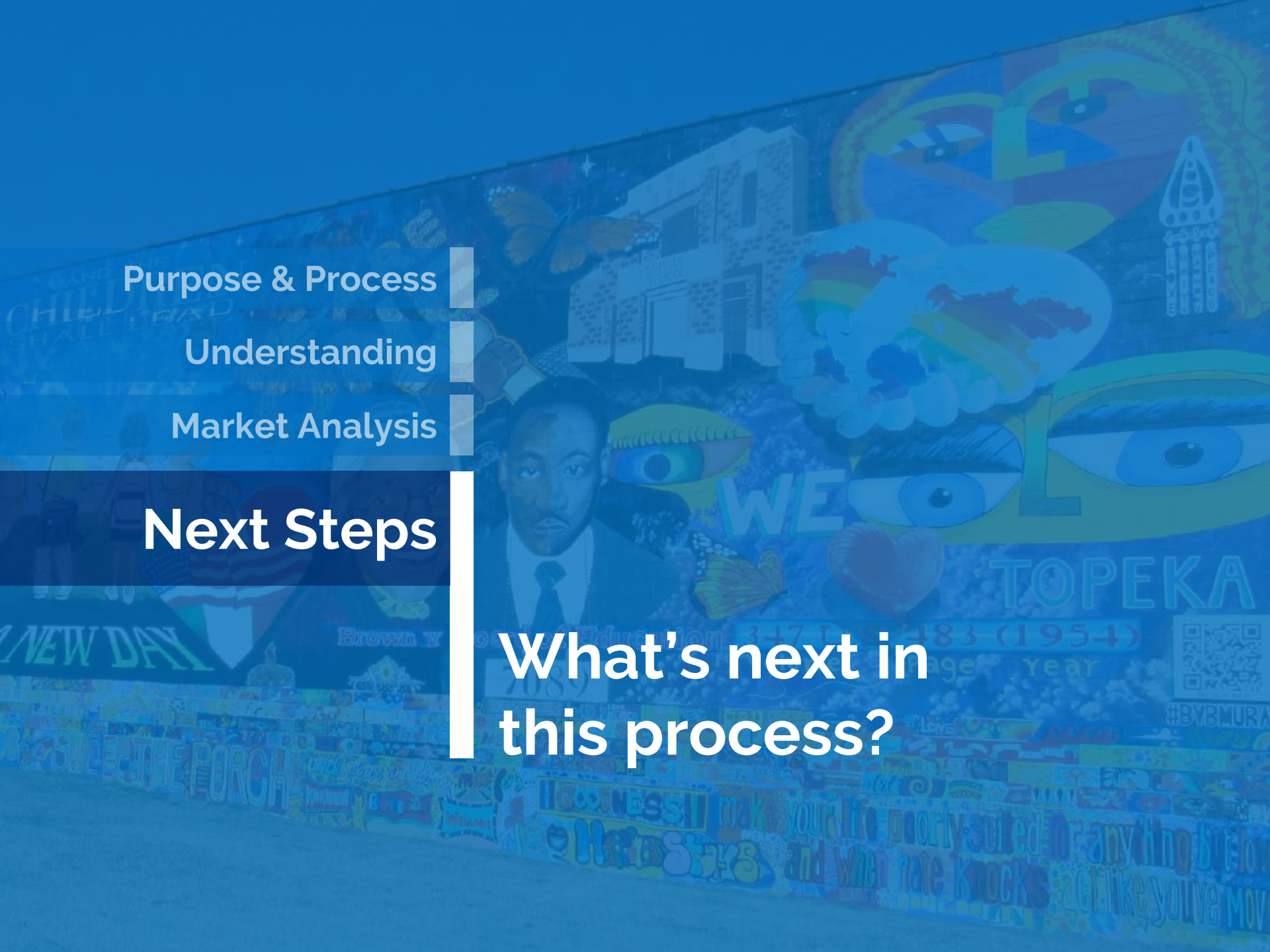
Purpose & Process

Understanding

Market Analysis

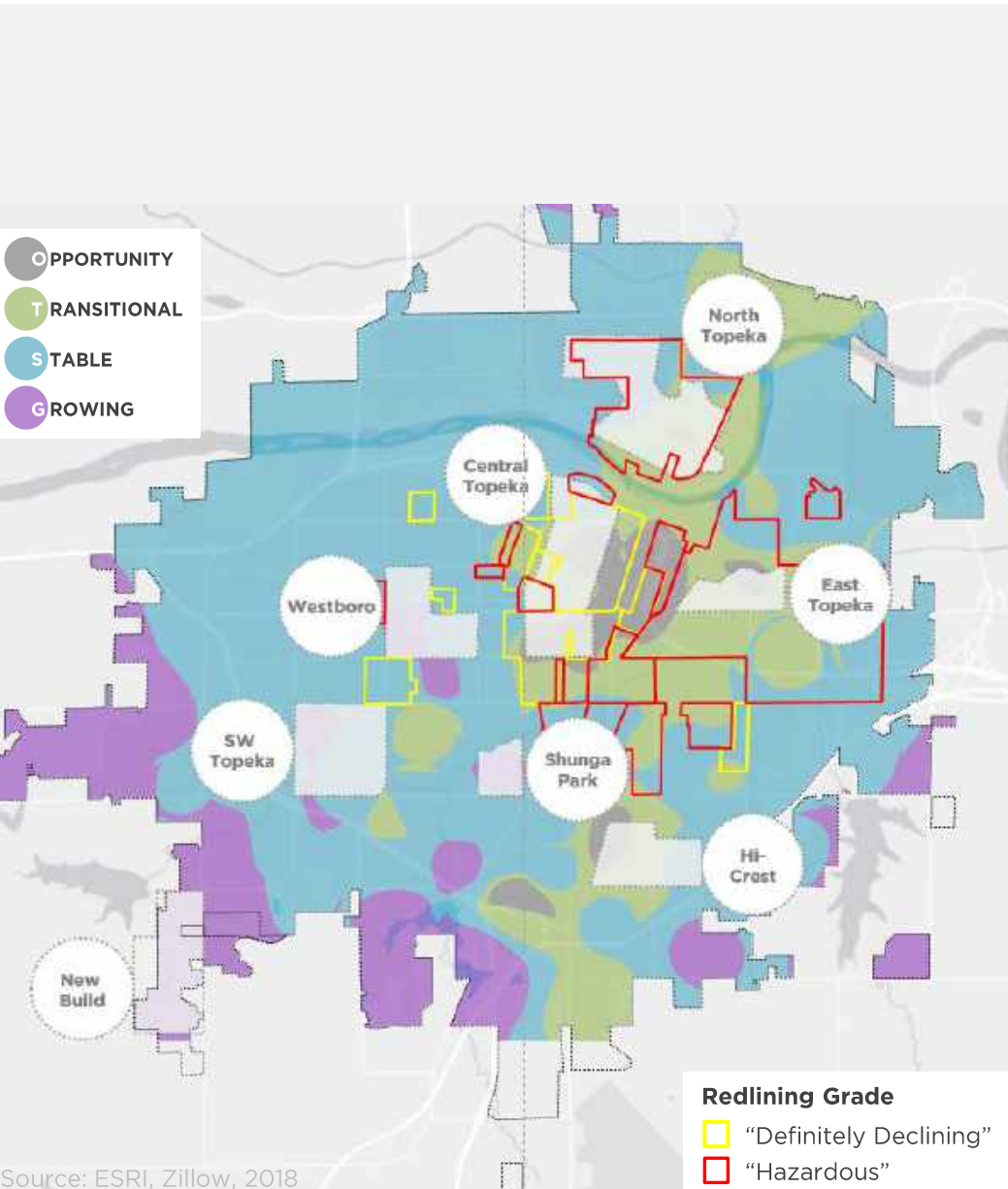
Next Steps

**What's next in
this process?**



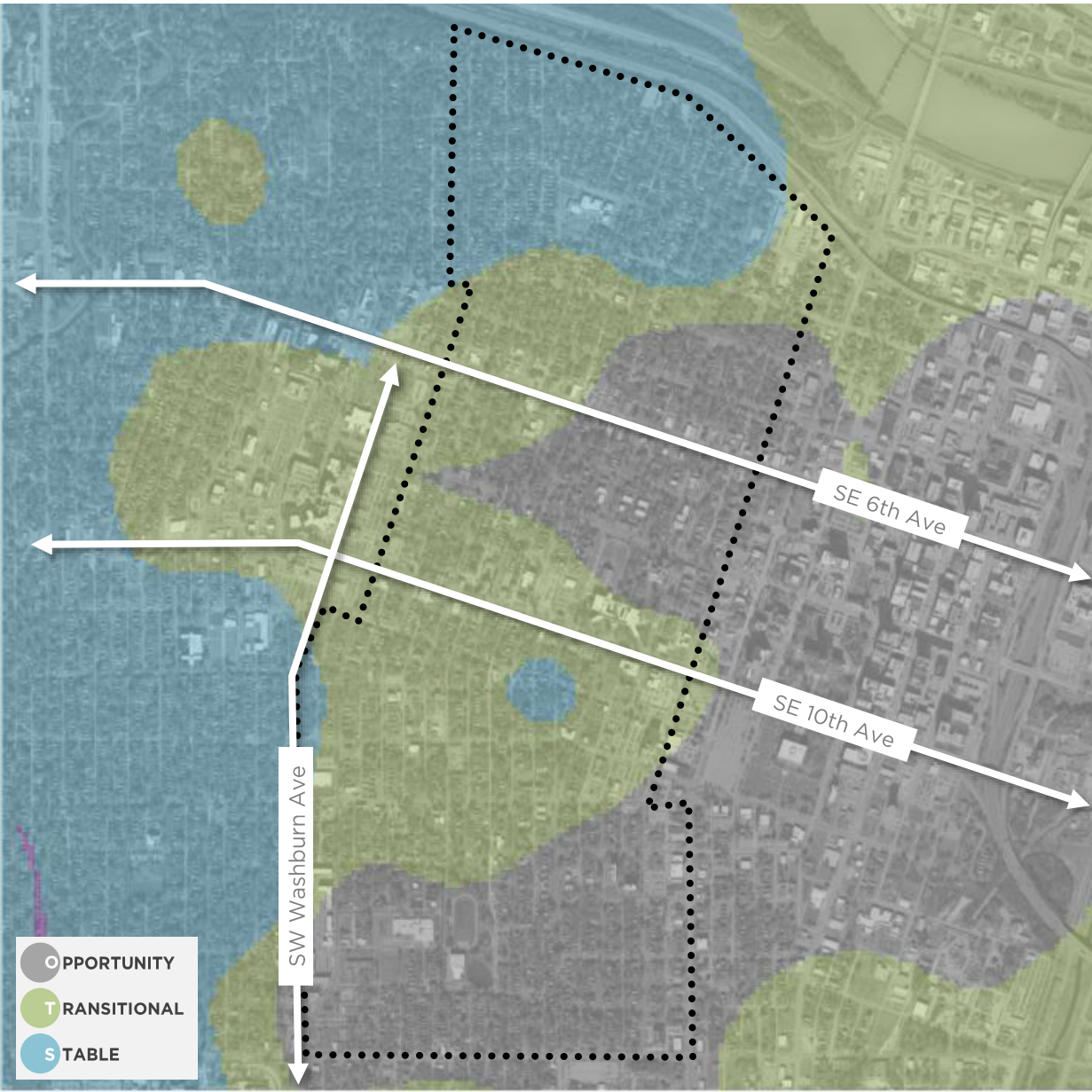
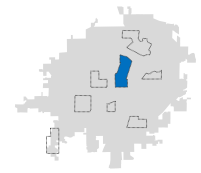
FOCUS AREA ANALYSIS

SUMMARY



Focus Area	Change in housing units (2010-2019)	Median Home Value	Renter Share	Extremely Cost-Burdened
City Average	1.3%	\$117k	37%	13%
Central Topeka	2.1%	\$75k	67%	19%
East Topeka	1.3%	\$34k	47%	17%
North Topeka	0.2%	\$69k	38%	13%
Hi-Crest	0%	\$63k	42%	14%
SW Topeka	0.6%	\$102k	22%	3%
Westboro	0.2%	\$139k	15%	4%
Shunga Park	0%	\$195k	4%	10%
New Build	23%	\$279k	8%	10%

A CLOSER LOOK CENTRAL TOPEKA FOCUS AREA



KEY CHARACTERISTICS

MEDIAN
YEAR BUILT

1890

HOME
PRICES

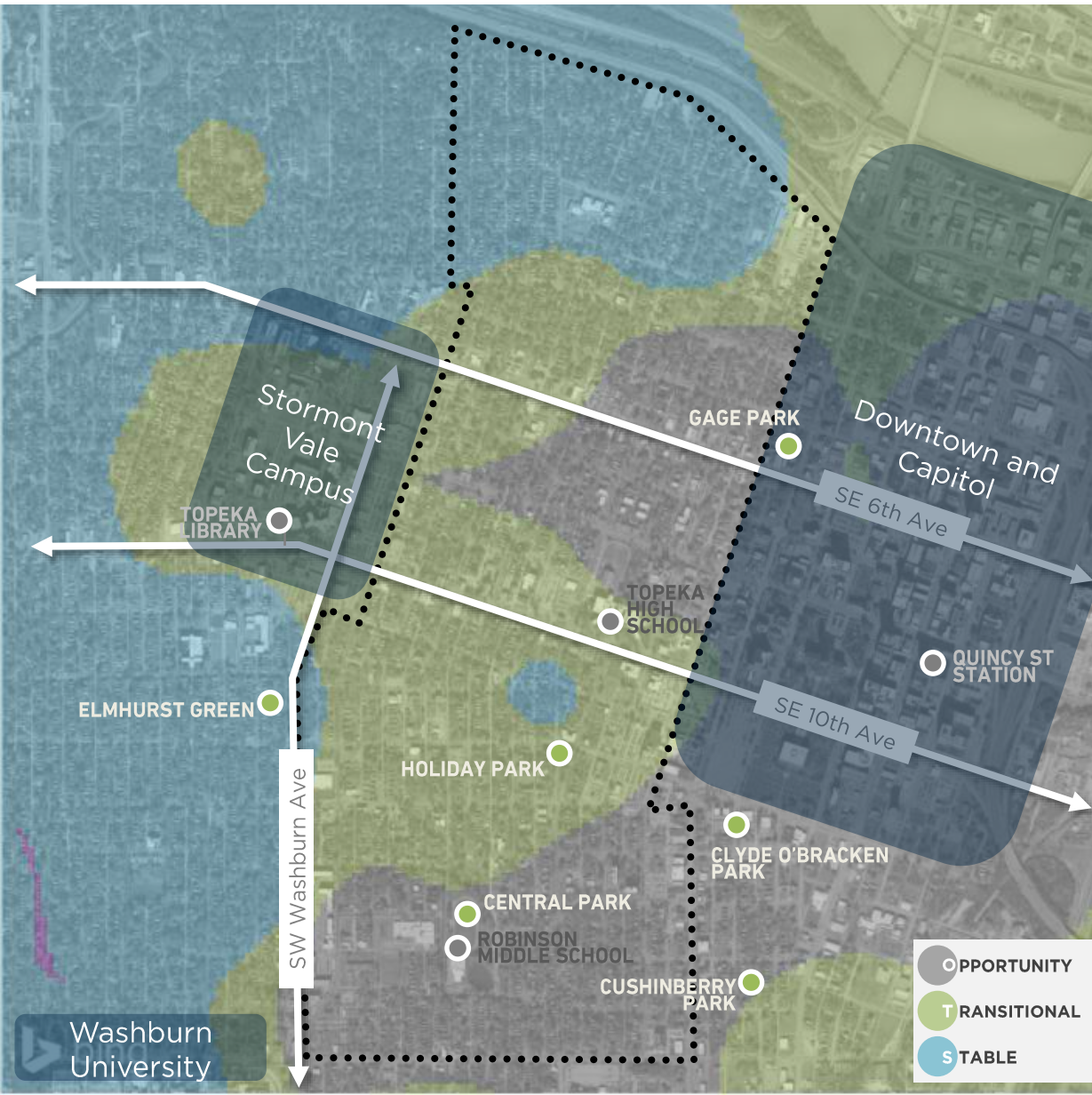
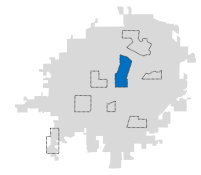
\$20K - \$300K

CONDITION
RATING

AVERAGE

A CLOSER LOOK

CENTRAL TOPEKA FOCUS AREA



ASSETS & PRIORITIES

- Stable areas adjacent to and within focus area
- Proximity to Washburn U., Downtown, and Stormont Value
- Proximity to Quincy St Station
- Good access to multiple parks

OPPORTUNITIES

- Housing needs for Stormont Vail and Washburn
- Housing options not available or planned downtown
- Leverage momentum from adjacent area

CHALLENGES

- General conditions
- Older housing stock
- Pockets of high crime

NEXT STEPS

1

**ORGANIZATIONAL
ASSESSMENT
AND
HOUSING
STRATEGY**



2

Understand
**Housing
Needs &
Goals**

3

Quantify
**Development
Costs &
Funding Gaps**

Evaluate
**Capacity of
Existing
Organizations
and Programs**

4

Identify
**Organizational
&
Programmatic
Gaps**

5

*Strategy for
Utilizing
Available
Resources*

6

*Strategy for
Creating
New Resources
& Tools*

7

*Define Roles &
Responsibilities
for
Implementation*

Purpose & Process

Understanding

Market Analysis

Next Steps

Discussion



HOUSING GOALS

WHAT WE HEARD

1. Leverage housing (re)-investment to **stabilize Topeka's core neighborhoods.**
2. Improve housing stability for Topeka's vulnerable residents — **housing as opportunity**
3. Support **new housing development**, particularly **affordable** and **moderate-income** options.
4. Address **problem landlords, absentee owners, and vacant properties.**
5. Expand the **housing ecosystem** by building new partnerships to fund the Affordable Housing Trust Fund and create a CDC network.