

HOUSING Lansing



REASON FOR A PLAN

Housing affects the quality of life for Lansing's current residents and the city's ability to grow by attracting new generations. This in turn increases support for a wider range of businesses and their ability to recruit and retain employees. This study, commissioned by the City of Lansing, reflects the importance of housing availability and affordability to the entire community.

A housing study serves several purposes. It identifies how much and what type of housing is built does not always correlate with the housing people need or want. This is not because builders and owners do not want to meet demand. A variety of other forces often influences building decisions. When the market does not self-correct to meet demand, interventions in the market are necessary. Through community engagement, interviews, community tours, and market analysis, a housing assessment identifies market gaps and possible strategies to meet the housing needs of various households.

WHY NOW?

Housing availability and affordability are primary issues in American communities of all sizes and characteristics. While Lansing has successfully developed new housing, many stakeholders in the housing market believe that the city has lagged behind its development potential and that it lacks housing at both ends of the scale – both starter and higher cost products. Others point to a lack of rental units and local opposition to additional rental development. Local factors in Lansing include:

- Shortage of rental properties
- Limited new subdivision development
- Cost of infrastructure
- Relatively slow absorption rates and lack of economies of scale
- Lack of choice in the housing supply
- Perceived development risk on the edge of the metropolitan area

STUDY ORGANIZATION

This study includes an analysis of the Lansing housing market and offers practical recommendations and tools to address identified housing issues and opportunities. It also includes a close examination of the City Center area and its possible development as a mixed use environment. The study integrates an understanding of the physical and socioeconomic conditions and market potential with implementation tools that can be leveraged at the local or regional level.

- Chapter 1 examines housing, demographics and economic trends.
- Chapter 3 summarizes outreach efforts and community input.
- Chapter 4 utilizes a market analysis and community input to identify the community's strategic housing goals.
- Chapter 5 delivers strategies, programs, and policies that could move Enid towards housing that better meets demand.

HOUSING TERMINOLOGY

Some terms used in housing parlance are not easily understood without explanation and sometimes mean different things to different people. The following terms are used from time to time in this document.

Accessory Dwelling Unit (ADU). ADUs can be attached, detached, or a separate interior residential structure on the same parcel as the main single-family dwelling.

Affordable Housing. Any housing that is not financially burdensome to a household in a specific income range. The federal standard for affordability is housing cost equal or less than 30% of a household's gross adjusted income. On a community-wide scale, housing affordability is measured by the number of units with housing cost at or below 30% of the area median income. The term "affordable housing" can include but is not limited to housing assisted by state and federal tax credits federal programs

Appraisal. Assessment of the current market value of a property and usually a key requirement when a property is bought, sold, insured, or mortgaged. Calculation of appraisals uses "comparables" – properties located in the same area with similar characteristics and have an established value (recent sales).

Area Median Income (AMI). The midpoint in Lansing's income distribution, at which half of households earn more and half earn less. A household's income is calculated by its gross income or the total income before taxes and other payroll deductions.

Attainable Housing. Much like affordable housing,

this is housing that is not financially burdensome to a household despite their income range. This term does not have the association with state and federal programs as defined in affordable housing.

Cost Burdened. Any household spending more than 30% of their monthly income of housing.

Empty Nester. A single person or a couple without children living at home. Empty nester can include any age range, but most often refers to older adults and seniors whose children no longer live at home.

Market Rate. The price that the broad number of home buyers or renters are willing to pay for housing. Market rate housing is not restricted by price and generally implies the cost of housing without direct production assistance or ongoing subsidies from specific programs. Market rates fluctuate with demand, supply, construction costs, and other factors. Note, the market rate price may also be a price buyers must pay because there are no other options accommodating their situation, possibly making them housing cost burdened.

Senior Housing. Often thought of as nursing homes and assisted living facilities, senior housing in the context of this study is more broadly defined and refers to housing that caters to older adults. These housing options could include ground floor apartments, condos, housing with limited assistance, or other options that allow seniors to live independently with less maintenance.

Universal Design. Structural design that focuses on making the house safe and accessible for everyone, regardless of age, physical ability, or stature. Incorporates ideas like task lighting, wide entry ways, and easily adaptable spaces.

Workforce Housing. According to the Urban Land Institute, workforce housing is any housing that is affordable to a household earning between 60% and 120% of the area median income (AMI).

Development Types:

CHAPTER 1

Community Insights

The opinions of Lansing's residents and stakeholders helps define the state of the city's current housing market and citizen preferences about future directions. Understanding and incorporating the views of residents, Realtors, builders, employers, officials, and the financial community helps form appropriate policy. Input from these voices and other stakeholders was gathered through in-person meetings and a community survey. This chapter provides a broad overview of the community's input with additional community comments being spread through the rest of the chapters.



STAKEHOLDER OPINIONS

The planning process started with three listening sessions – informal group conversations with people active in various aspects of the local housing industry. This section summarizes major opinions of these participants, who included property owners and managers, Realtors, developers, financiers, and other stakeholders. *They do not necessarily reflect the opinions or conclusions of RDG.*

HOUSING FOR OLDER ADULTS

A potential market exists for a maintenance-provided rental community for older adults. One-level independent senior housing is needed. There is some developer interest in pursuing this market.

INFILL DEVELOPMENT

Lansing has an untapped market for moderately priced (\$300,000 range) single-family development on infill lots.

LOT AND DEVELOPMENT COSTS

Front end infrastructure costs discourage subdivision development. Street width and sidewalk

standards increase lot costs. Small subdivisions do not provide the economies of scale necessary to make incentives like Rural Housing Incentive Districts (RHIDs) feasible. Appraisals available in incremental phase one development do not address front end costs. *(RDG Comment: Other stakeholders offered the opinion that RHIDs could be helpful in financing infrastructure)*

PAST RECORDS

Poorly designed or executed projects elsewhere in the north edge of the KC metro area have soured the market for other new development.

INCENTIVES

- Property tax abatement has not been used in Lansing, but has been successful in neighboring cities including Bonner Springs. Lansing lags behind others in use of housing and development assistance programs. Need for fewer fees and more incentives.
- RHIDs could be an effective tool for funding infrastructure.
- Neighborhood revitalization tax abatement is used for commercial development, should be extended to residential.

NORTH METRO MARKET HEADWINDS

It is difficult to recruit developers to areas north of Johnson County. Johnson County and Lee's Summit area on the east side remain the strongest residential markets in the perceptions of builders.

LANSING AS A PLACE TO BUILD

Lansing has a story to tell. Builders are tiring of more difficult regulated, "red tape" environments for development, and may find Lansing to be more builder-friendly. This should be marketed as an asset. Quality of life itself will not attract developers who are mostly worried about the price of lots.

ENTRY-LEVEL HOME NICHE

Leavenworth County and Lansing have historically been underbuilt. Currently, there is no such thing as an "entry level house" in town. Opportunity exists to fill that gap.

IMPORTANCE OF GROWTH

More rooftops and population are necessary to create markets for other assets.

VARIETY OF HOUSING TYPES

- Resistance to townhouses has always been



there, but that will have to change. Only way to get unit costs down is to build density. HOA's are necessary in these projects to provide good maintenance. *(RDG Comment: Several builders expressed significant interest in building medium-density housing or mixed density projects incorporating twin-homes, duplexes, townhouses).*

- Some resistance to traditional apartments, with greater appeal for townhouse settings.
- New housing forms like ADUs and tiny houses should be considered.

AFFORDABILITY ISSUES AND HOUSING SUPPLY

- Difficult to build affordable housing because of construction cost, NIMBY ("not in my backyard") opposition, lack of incentives. Employees who work in the city (including teachers) live outside. In school system, only 20-25% live in town. In some cases, mobile homes were the only option. Typical rents in the \$1,100=1,500 range are not affordable to many workers.
- First time buyers come to town seeking houses in a \$150-200,000 range which cannot be feasibly developed with new construction.
- A significant multifamily project was defeated because of opposition. A reliable commitment to approve projects is necessary.
- As of May, 2023, only eight houses in Lansing were listed for sale.

SCHOOL ENROLLMENT

Lansing's school system has been an attraction, but school enrollment has been flat for the past few years. Facilities can handle 25% growth. Projected need for a new middle school has not emerged. More student enrollment would support expanded educational programs.

LANSING AND BASEHOR

Basehor has grown at a much faster rate than Lansing. Reasons: Aggressive reuse and build-out of distressed subdivisions, proximity to I-70 and I-435, quicker commute and access to Johnson County in contrast to slower travel on K-7.

Basehor has more successfully marketed itself and is viewed as being one step from Johnson County. *(RDG Comment: Basehor's population has tripled since 2000, while Lansing has grown by only 22%. In actual population, Basehor increased by about 4,600 people, Lansing by about 2,100.)*

RENTAL SUPPLY

- Lansing has a large number of single-family rentals. In the Rock Creek area, 20-30% of homes are rentals. Short-term owners often flip houses to property managers.
- *(RDG Comment: Minority opinion that Lansing seems to have enough rental houses available at any one time)*
- Prospective apartment residents cannot find settings with covered parking or garages. Modern amenities are a necessity.
- Limited options allow landlords to rent units with reduced upkeep.
- Trend of hedge funds buying lower cost houses, converting these to permanent rentals.
- Lansing and Leavenworth both lack market rate rentals.

PROPERTY VALUES

Leavenworth County values increased by 14%

during the last year. Typical house assessments have increased at a faster rate than incomes.

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HOUSING AND ECONOMIC DEVELOPMENT

- Development corporation focus has been on industry, but housing availability is increasingly an economic development issue because of need to recruit workers.
- Some large employment projects are also building housing.

BUILDER CAPABILITY

Lansing has a small number of builders. At one point, there were as many as 25 active builders, now only two or three.

MOVE-UP HOUSING

- Lansing lacks higher-end housing. Significant opportunity exists in excess of \$600,000. Average home price in Lansing is \$303,000, compared with \$430,000 in Basehor and \$453,000 in rural Leavenworth County.
- Market also for basic middle-class home – 3 bedroom, 2 bath, 2 car garage.

TRANSPORTATION

- Leavenworth County lacks a good east-west corridor.
- K-7 corridor suffers from too many traffic signals.

COMMUNITY SURVEY

The Community Housing Survey was open from May 5th to June 11th, 2023. The survey, with 157 participants, focused on how respondents felt about their current housing situation, the options available, and their ability and desire to relocate.

DEMOGRAPHICS

The demographic patterns of survey respondents help understand different situations households are in when answering the housing perception questions. A comparison with reported Census data in Chapter 2 shows whether survey respondents are representative of the broader city.

- › The overwhelming majority of respondents are owner occupants. Despite extensive efforts by City staff that included employer outreach, the survey was not successful in reaching renters.
- › Many survey respondents are in their family-rearing years or are empty-nesters. Proportionally, this is a fairly good representation of those heading households. The large percentage of households under 44 would likely indicate that many have been in the housing market in the last few years.
- › The majority of respondents live west of K-7, with about 25% in the city east of K-7 and about 20% from surrounding areas outside the city.

Figure 1.0: Occupancy of Survey Respondents

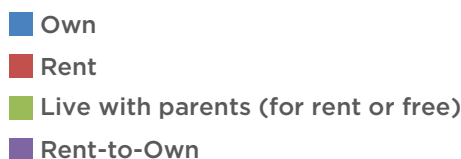
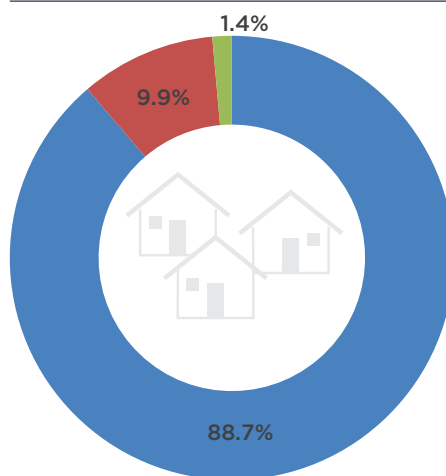


Figure 1.1: Age of Survey Respondents

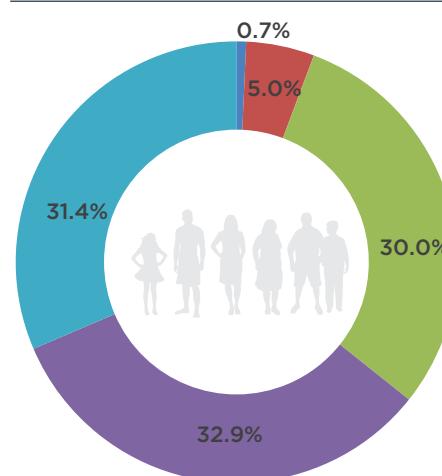


Figure 1.2: Where Respondents Live

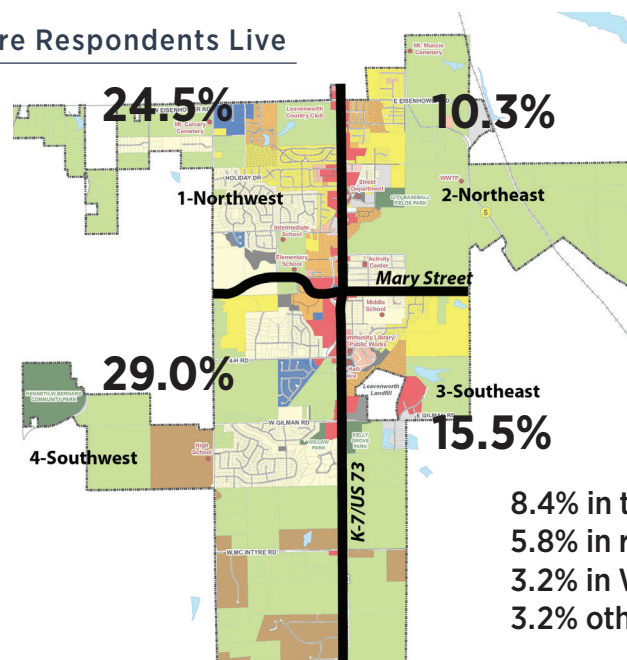
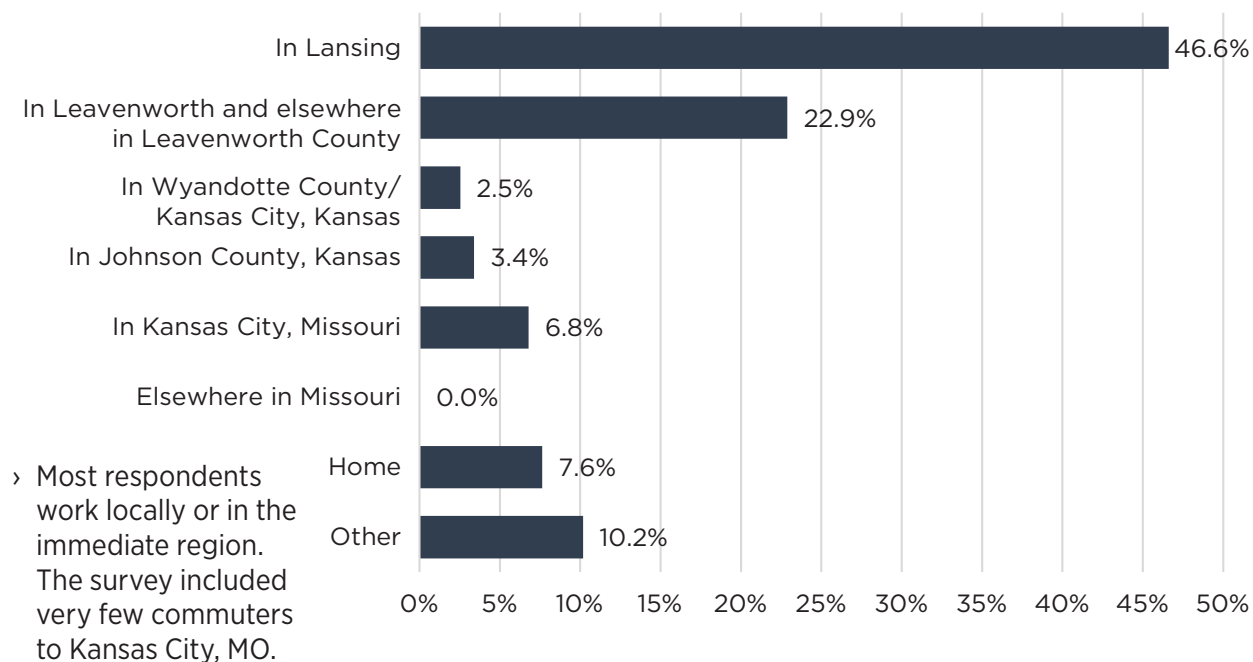


Figure 1.3: Where Respondents Work...**Figure 1.5: Identification by Race or Ethnicity**

White or Caucasian	83.2%
Prefer not to say	8.8%
Black or African American	3.7%
Two or more races	3.7%
Asian or Asian American	0.7%
American Indian or Alaska Native	0.0%
Native Hawaiian or other Pacific Islander	0.0%
Another race	0.0%

› Over 83% of survey respondents identify themselves as white or Caucasian. Nearly 7.5% identify themselves as Black or African American, Asian or Asian American and two or more races.

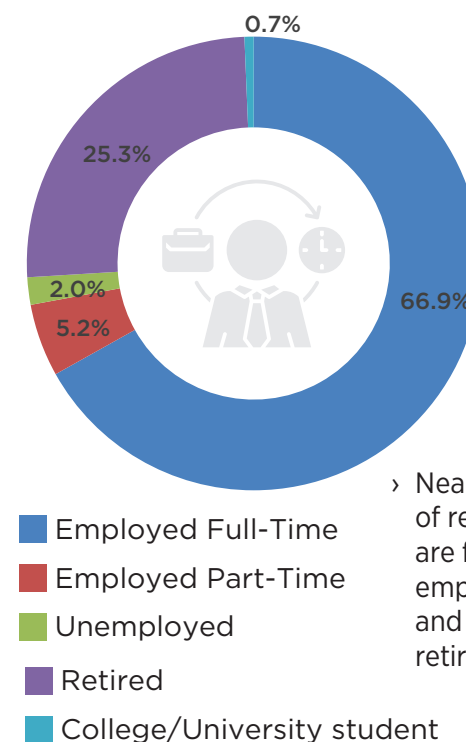
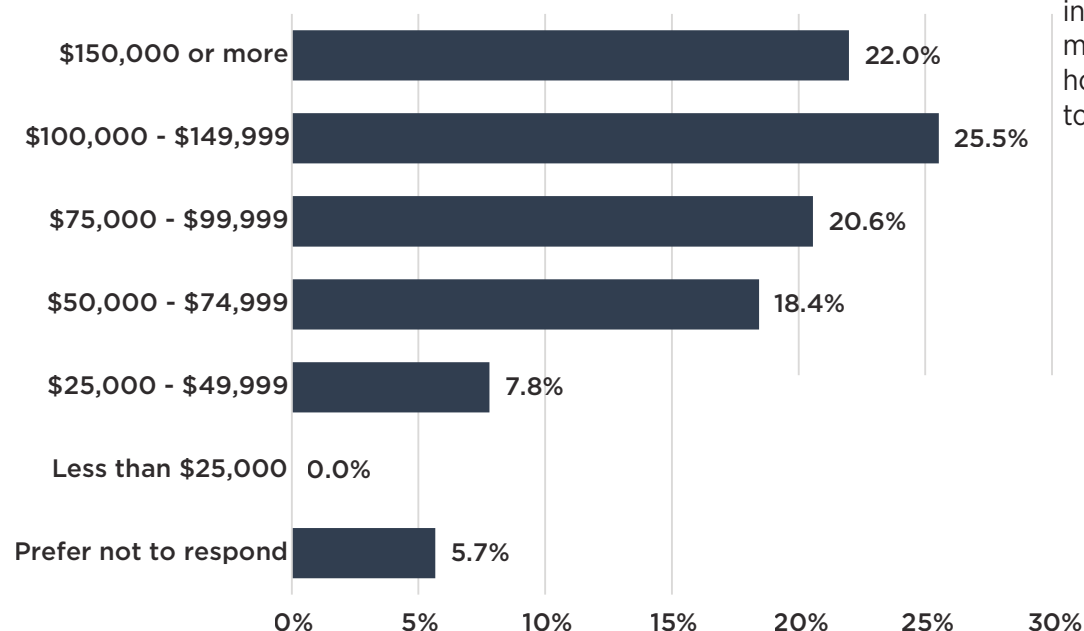
Figure 1.4: Employment

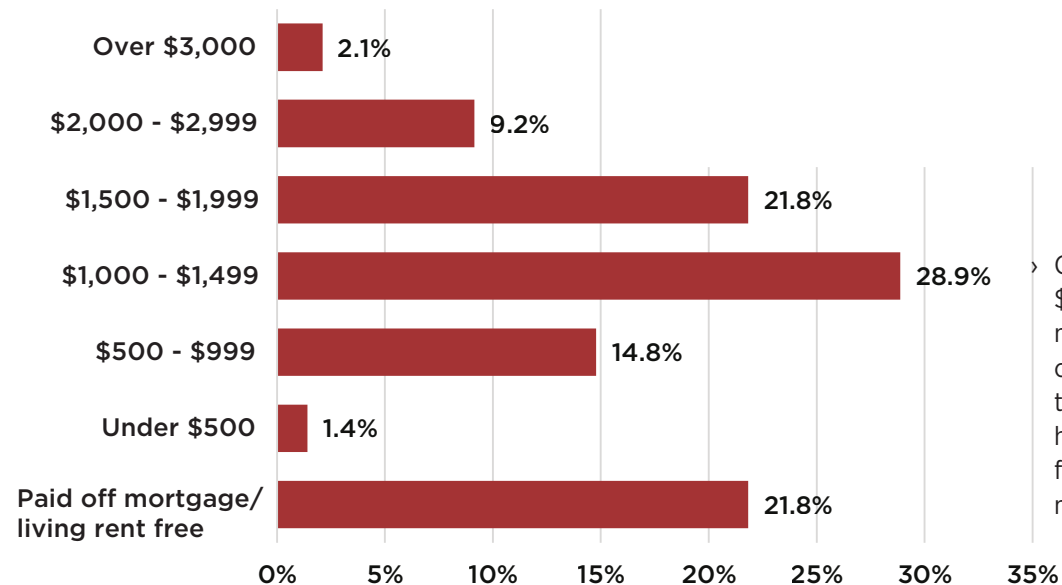
Figure 1.6: Income of Survey Respondents



› The estimated median household income in Lansing in 2020 was \$98,416. The majority of respondents to the survey had household incomes ranging from \$100,000 to \$149,999.

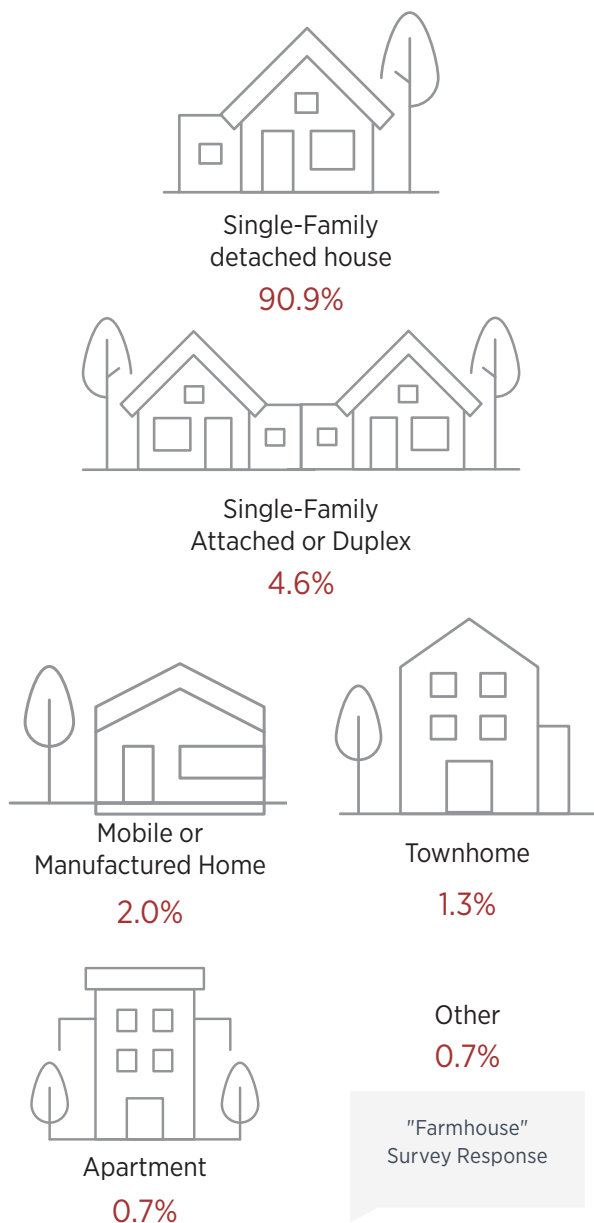
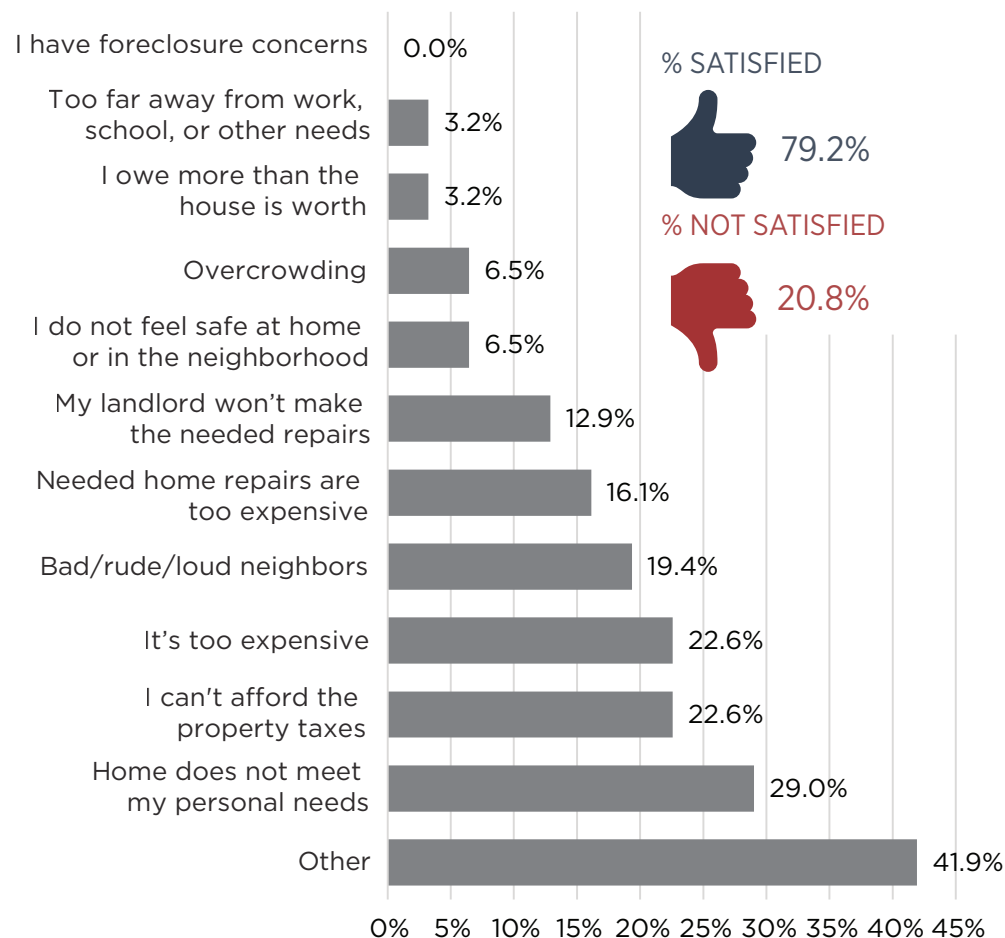


Figure 1.7: Monthly Rent or Mortgage of Survey Respondents



› Over 50.0% of respondents pay between \$1,000 and \$1,999 monthly rent or mortgage, and nearly 22.0% have paid off their mortgage. On an overall basis, this suggests that the typical Lansing household pays less than 30% of its income for housing, given the city's relatively high median household income.

Figure 1.8: Respondents current housing:

Figure 1.9: Reasons respondents are **NOT** satisfied with their current housing:

Other reasons respondents are **NOT** satisfied with their current housing:

"Property taxes are too high"
Survey Response

"I would like to buy a home but there is nothing affordable or available"
Survey Response

"Too small; also want a garage"
Survey Response

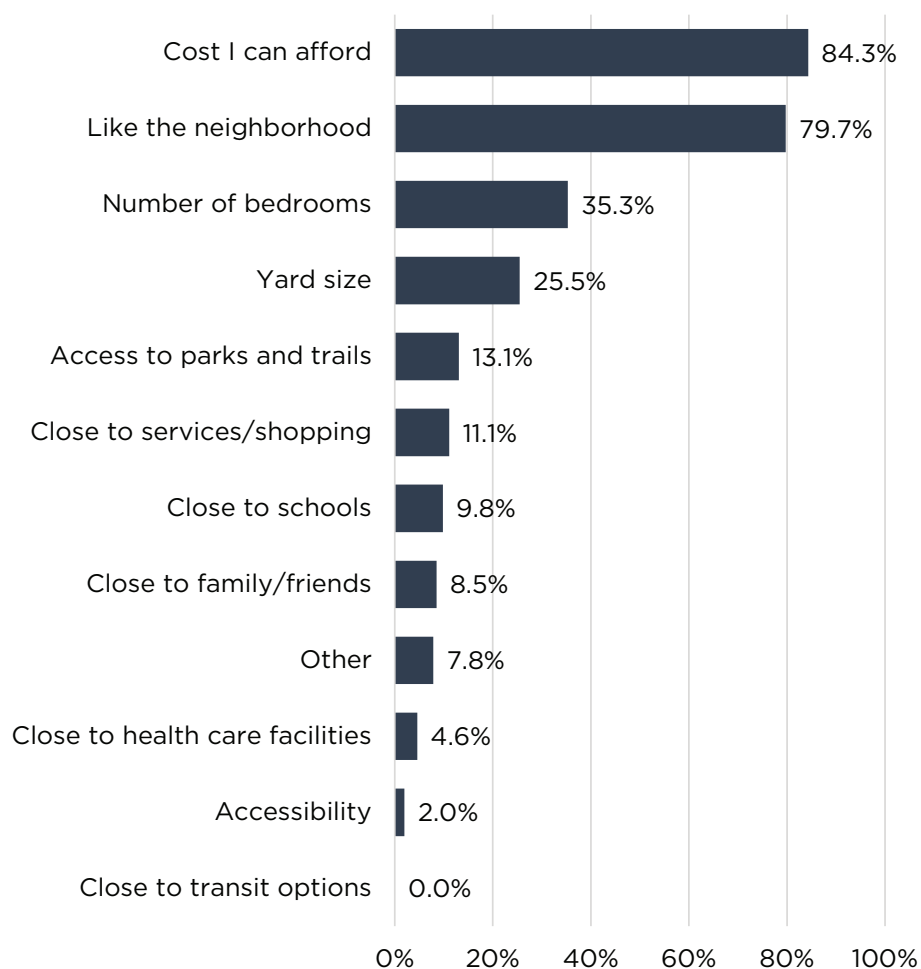
"Not enough housing selection"
Survey Response

"House has drainage issues and am having trouble finding someone to help fix it"
Survey Response

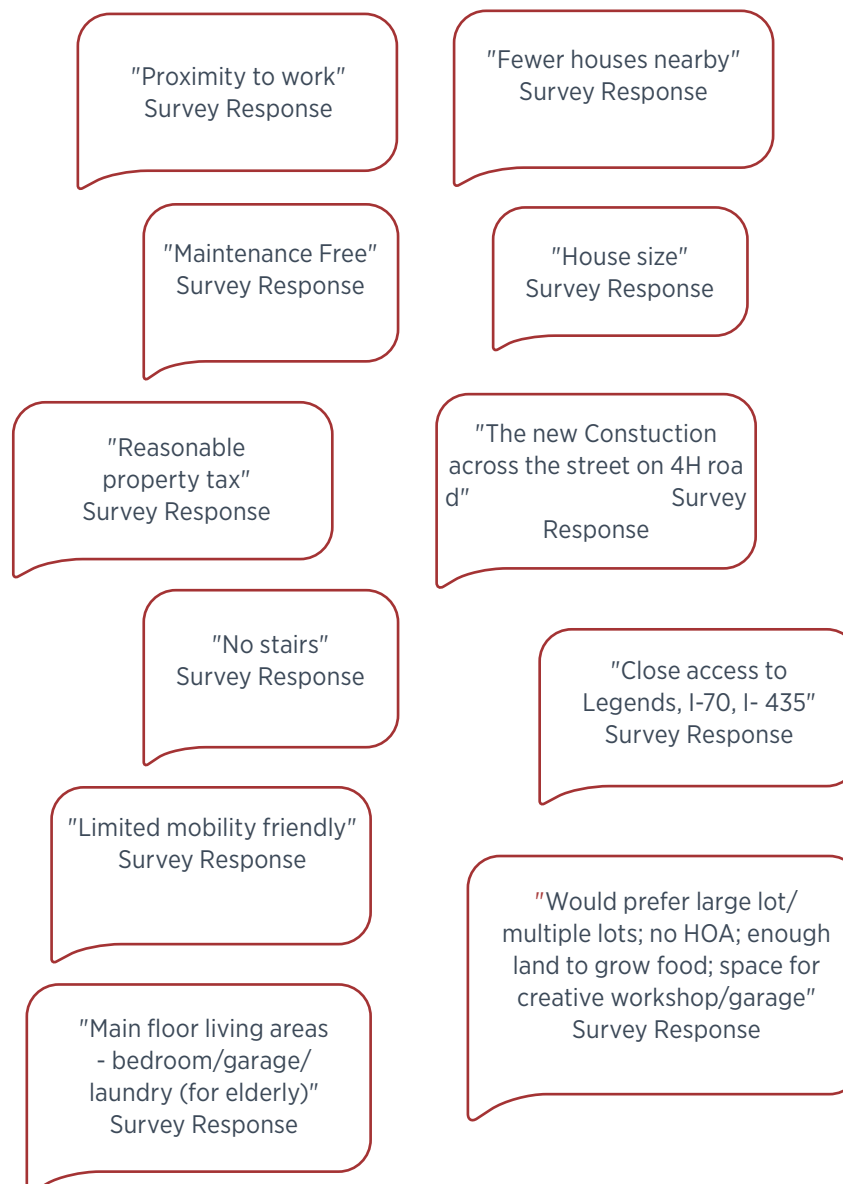
"Neighborhood has stopped repairing & taking care of homes. No oversight by city to help adhere to city codes/rules. Dogs allowed to run at large and off leash with no consequence to owners. City needs to hire animal control and someone who will enforce building codes."
Survey Response

IMPORTANT FACTORS WHEN CHOOSING

Figure 1.10: Respondents most important factors when choosing housing:

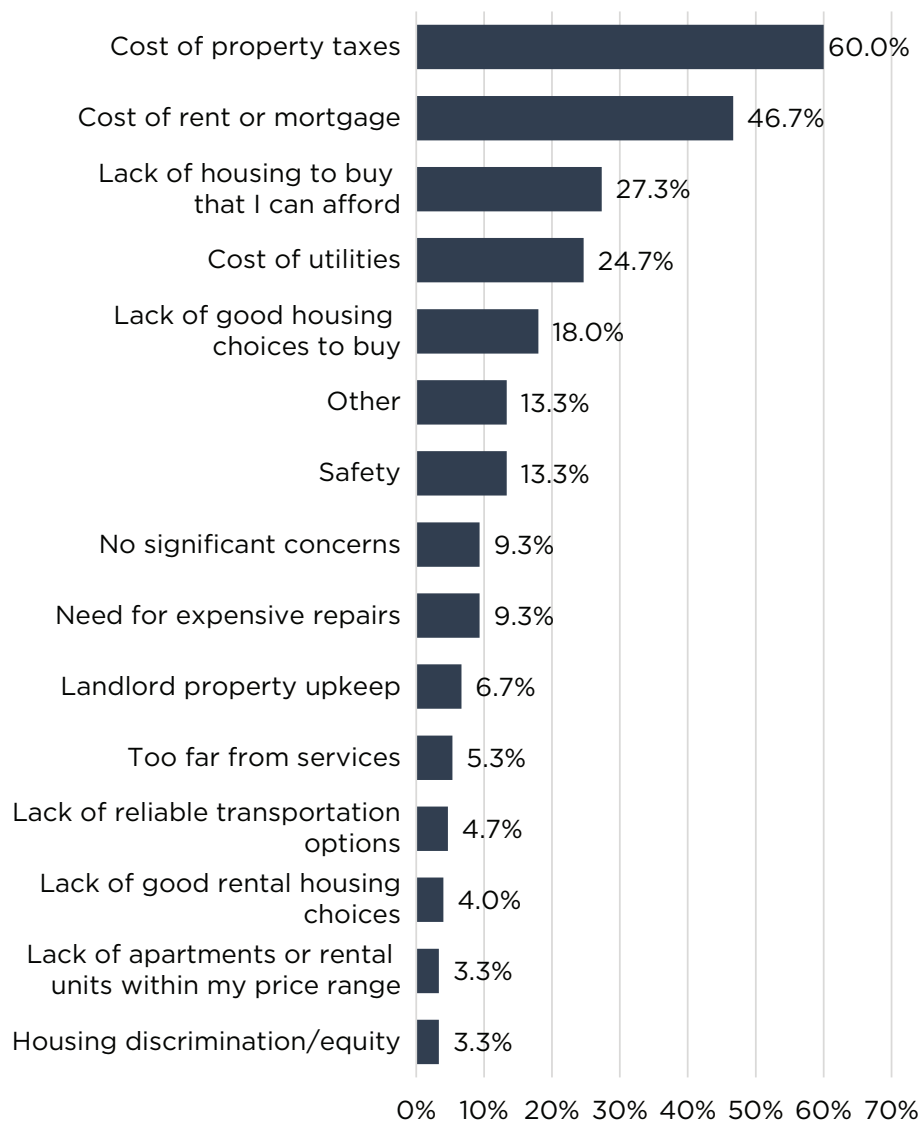


Other important factors respondents find when choosing housing:



BIGGEST CONCERNS REGARDING

Figure 1.11: Biggest concerns regarding housing in Lansing:

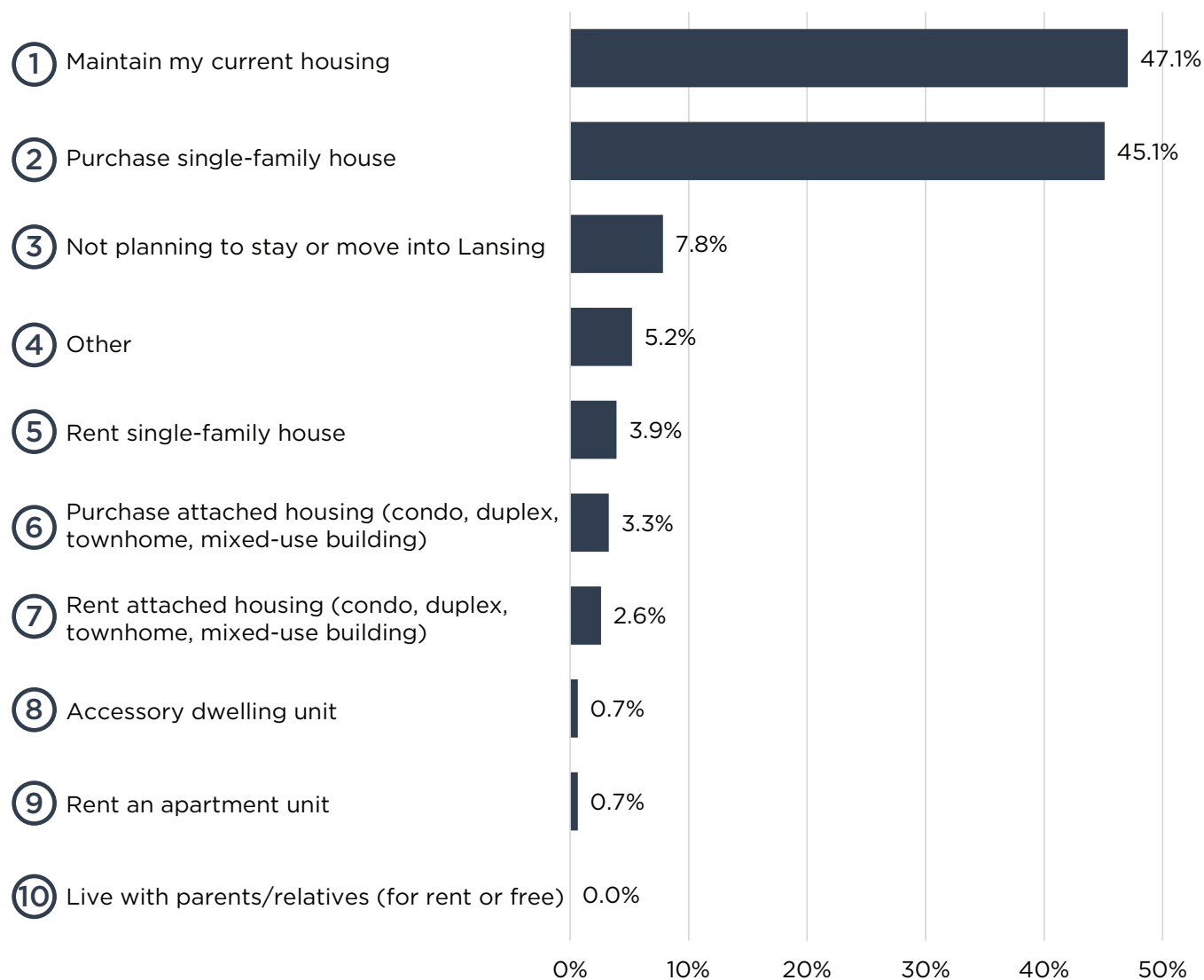


Other concerns respondents have regarding housing in Lansing:



PREFERRED HOUSING ACTIONS IN

Figure 1.12: Top 10 preferred housing actions from respondents that plan to stay or move into Lansing:



Other actions include:

"We have been considering trying to find a ranch since our house has so many stairs but those are hard to come by!"
Survey Response

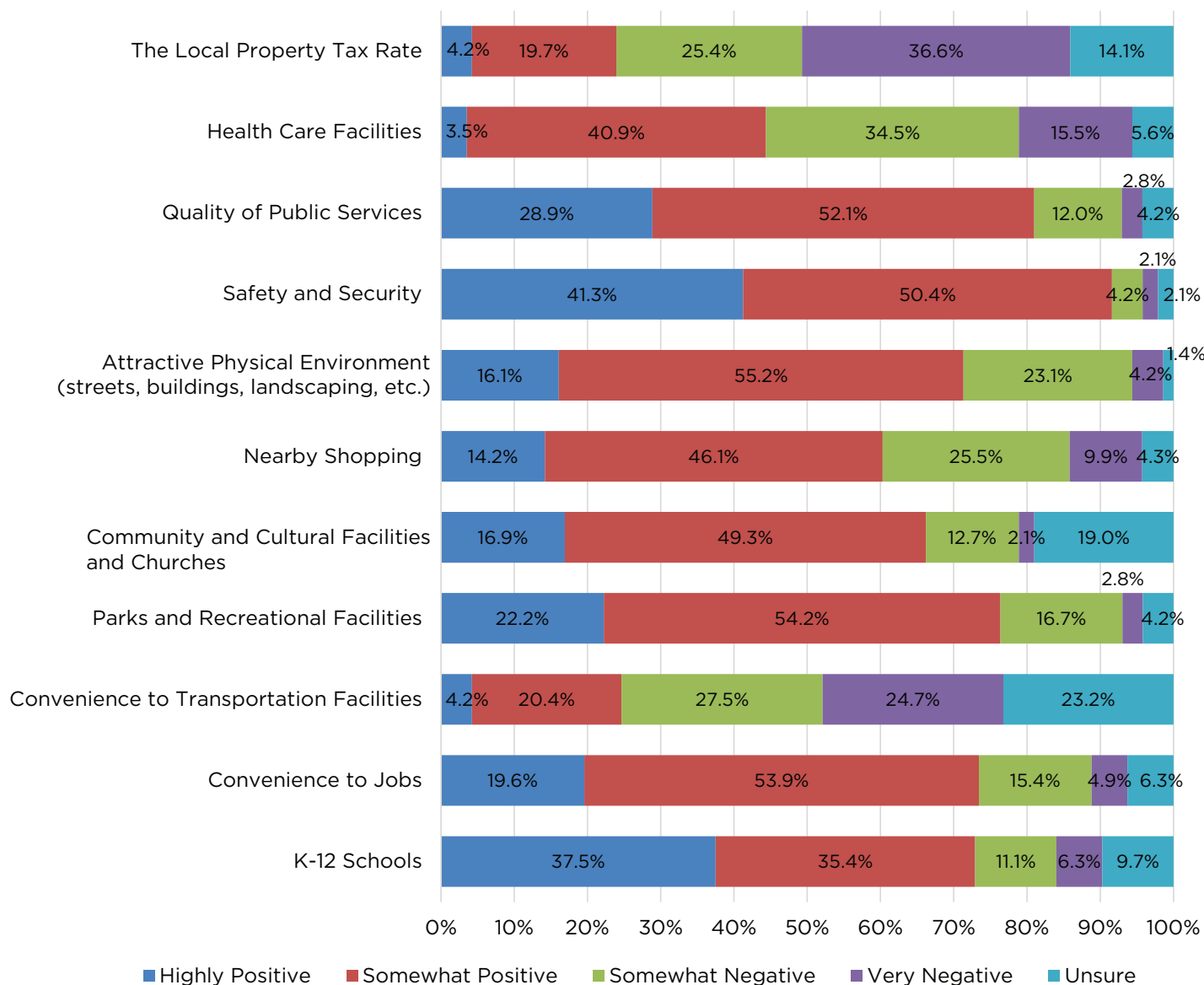
"A home I could run massage business out of."
Survey Response

"Build custom single family house on acreage"
Survey Response

"A home I could run massage business out of."
Survey Response

AMENITIES IN

Figure 1.13: Thinking about the amenities that are currently in or near Lansing, respondents rated the impact of each one on the attractiveness of Lansing:



PREFERRED HOUSING PRODUCTS

Survey respondents were asked whether they felt a series of different housing products would be successful in Lansing. The question intended to explore the type of housing products that may be needed in the future. Overall, respondents believe a variety of housing sizes and types would be successful. This support for a variety of housing can help increase diversity of housing on offer and the affordability of houses on the market.

- › Over 85% of respondents in Lansing felt that mid-size, three- bedroom houses; affordable, small two or three-bedroom houses, would be successful.
- › Between 60% and 76% of respondents thought duplex (60.28%), larger home with four or more bedrooms (65.71%), Commercial/ Residential mixed-use (65.96%), Large lot residential housing in rural areas (74.29%), and independent senior living housing (76.06%) would be successful.
- › Overall, respondents see a need for a greater variety of housing options and only feel less sure about tiny houses, smaller multifamily (quadplex or triplex) units, and manufactured housing.

Figure 1.14: Respondents preferred housing products:



Mid-size, three-bedroom house - 95.04%



Affordable, small two- or three-bedroom house - 88.81%



Independent - Senior Living Housing- 76.06%



Large lot residential housing in rural areas (over 1 acre) - 74.29%



Commercial/Residential mixed-use- 65.96%



Larger home with four or more bedrooms - 65.71%



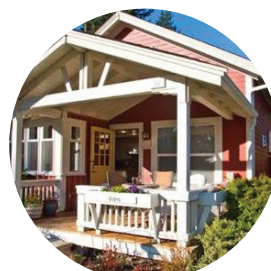
Duplex 60.28%



Townhome or Row housing - 49.65%



Apartment - 46.43%



Tiny Houses - 41.43%



Smaller multifamily (quadplex or triplex) - 41.13%



Manufactured housing - 23.40%