Housing Market Study

City of Republic

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For City of Republic BUILDS Department

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I. Executive Summary

Market Area Delineation

- Primary Market area was determined based on the Republic City Limits, which covers more than 15 square miles.
- Secondary Market area consists of the Springfield Metropolitan Statistical Area.
    - 5 Counties (Greene, Christian, Dallas, Polk, and Webster).
    - Deemed appropriate due to the unique confluence of transportation networks present.

Population Demographics

- Population statistics were derived from estimates and projections made by the Census Bureau and ESRI. These figures are at odds with the staff's own estimates and projections derived from a physical survey of dwelling units.
    - Primary Market Area (Republic)
    - Population Figures (ESRI)
        - 2010: 14,972 with an average annual growth of 5.5%
        - 2020: 17,525 with an average annual growth of 1.7%
        - 2025: 18,576 with an average annual growth of 1.2%
    - Population Figures (City Staff)
        - 2020: 19,635 with an average annual growth of 3.1%
        - 2025: 22,110 with an average annual growth of 2.4%
        - 2040: 37,386 with an average annual growth of 4.6%
    - Secondary Market Area (Springfield MSA)
        - 2010: 436,712 with average annual growth of 1.9%
        - 2020: 476,490 with average annual growth of 0.9%
        - 2025: 498,699 with average annual growth of 0.5 %

Republic's growth outpaces that of the Springfield MSA in both datasets, but this difference is more prominent when using the City's own counts.

- The Republic population is currently experiencing ageing. This is a phenomenon where the population is growing older faster than it is being replaced.

- Republic Residents are:
    - Predominately identify as White Caucasian.
    - Have a 58% likelihood of being married (14 or older, only).
    - Are less likely to receive a college education than their Springfield MSA or Missouri counterparts.
    - Are slightly less likely be below the poverty level than residents of the Springfield MSA but slightly more likely than the average Missourian.

Household Demographics

- Total Households (ESRI)
    - The number of households is growing at a rate that is slightly lower than the general population.
        - 2020: 6,479 households with an average annual growth of 1.6%
        - 2025: 6,859 households with an average annual growth of 1.17%
    - The lower growth rate is due to an increasing average household size.
        - 2010: 2.65 members per household
        - 2020: 2.68 members per household

        - 2025: 2.69 members
- Avg Household Size (ESRI)
    - Springfield MSA and Missouri Households are smaller.
        - Springfield MSA – 2.42 members per household (2020 & 2025)
        - Missouri – 2.44 members per household (2020 & 2025)
- Tenure (ESRI)
    - Households owning their home:
        - Republic: 67.8%
        - Springfield: 63.8%
        - Missouri: 67%
- Income (ESRI)
    - Republic households' median income ($52,847) is 13% higher than Springfield MSA and 3% lower than Missouri.
    - Per capita income for Republic ($25,022) is slightly lower than Springfield MSA($25,795)
        - This gap will close some by 2025 due to Republic's stronger growth rate (2.3%), which is more than a quarter of a percent higher than that of Springfield MSA.
- Housing Costs (ESRI)
    - Household spending on housing costs is higher for renters than for owners with 46% of Republic renters paying greater than 30% of their income for housing compared to less than 20% of owners.
    - Republic renters tend to pay higher rents than their Springfield MSA counterparts.
        - Especially true for rentals with more bedrooms where prices can be 20% higher.

Market Supply

- Current housing inventory breakdown (City of Republic)
    - 77% Single Family
    - 6% Duplexes
    - 15% Multifamily
    - 2% Group Homes
- The rate of permit issuance for new residential construction has increased by 14.4% annually since 2012.
- New Residential Permits Issued by Year (City of Republic)
    - 2018: 107
    - 2019: 163
    - 2020: 131
- Vacancy Rate (Census Bureau)
    -
    - The vacancy rate of housing is low enough to constitute a risk to the market as prices will rise in response and prospective buyers will seek other markets.
        - 2016: 4.3%
        - 2017: 4.1%
        - 2018: 3.2%
        - 2019: 1.9%
    - Vacancy is so low for owner-occupied dwellings that the Census Bureau projected 0 vacant units for 2019.
- Age of Housing Stock (Greene County)
    - Average Build Year for Republic is 1996 suggesting the typical home is at the end of it's 30-year lifespan.
- Multifamily (City of Republic)
    - 1,060 total dwelling units
    - 13.8% are Low Income Housing

Market Demand

- Demand determinations were made by setting the City's own population projections against the sum of existing and expected supply of dwelling units.
- By 2025
  - 1,132 total new dwelling units needed
    - 512 are expected or planned already
    - 620 additional units will be required to fill the gap
      - Single-family: 466
      - Two-family: 73
      - Multifamily: 54
- By 2040
  - 6,684 total new dwelling units needed
    - 2,167 are expected or planned already
    - 4,005 additional units will be required to fill the gap
      - Single-family: 3,763
      - Two-family: 173
      - Multifamily: -90
    - A surplus of 90 multifamily units beyond what are required is expected to be available by 2040. This does not necessarily indicate that a market does not exist for such housing, only that such a surplus goes beyond the composition of Republic's current housing mix where multifamily represents about 15% of all dwellings.

Recommendations

- Proposals outlined in this study are intended to improve the development process for both the applicant and city staff through practices centered on providing up-to-date information that is both clear and accurate.
  - Efforts centering on education of small-scale developers are intended to familiarize such individuals with the requirements for permit applications and inspections.
  - Proposals targeting larger-scale developers will focus on information provision, leveraging the City's information and resources to establish a clearinghouse where practicing and prospective developers are able to find up-to-date information on relevant topics.
  - Ideas that seek to create more effective decision-making processes for city staff will seek to capitalize on current growth trends.

II. Introduction

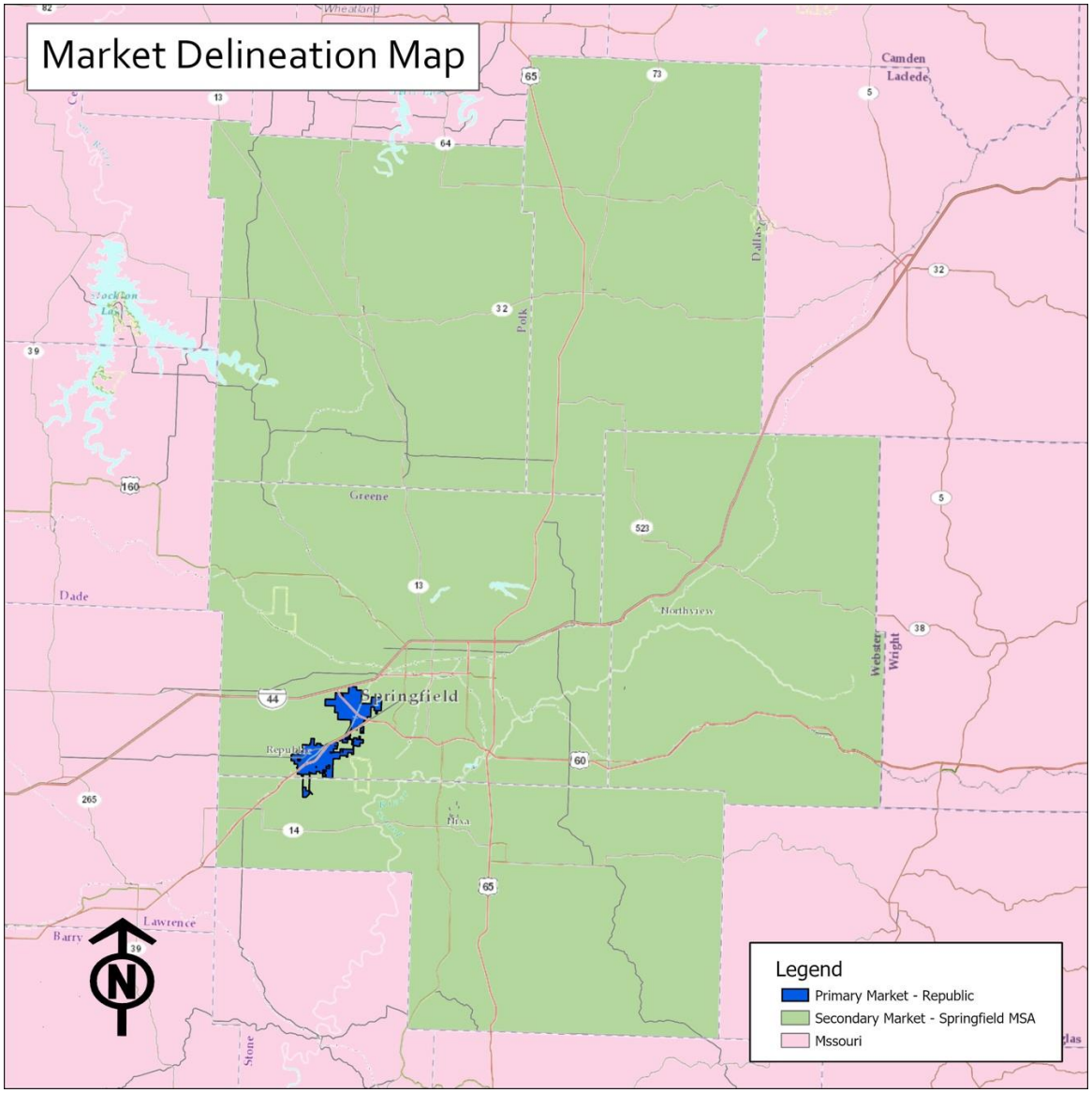
The purpose of this study is the presentation of information and general analysis of the Republic housing market. This work is intended for use by decisionmakers in the private and public spheres as the City continues to grow and change. While the focus of this study is not in making recommendations, per se, there is a highly selective set of ideas for staff implementation that have been included.

Market Area Delineation

The market areas for this study were defined based on previously existing geographical boundaries that represented the existing populations.

Primary Market Area
The City of Republic municipal boundaries constitute the Primary Market Area for which information is collected and analyzed. Republic covers 15.43 square miles of land and 138.4 miles of City-maintained roads.

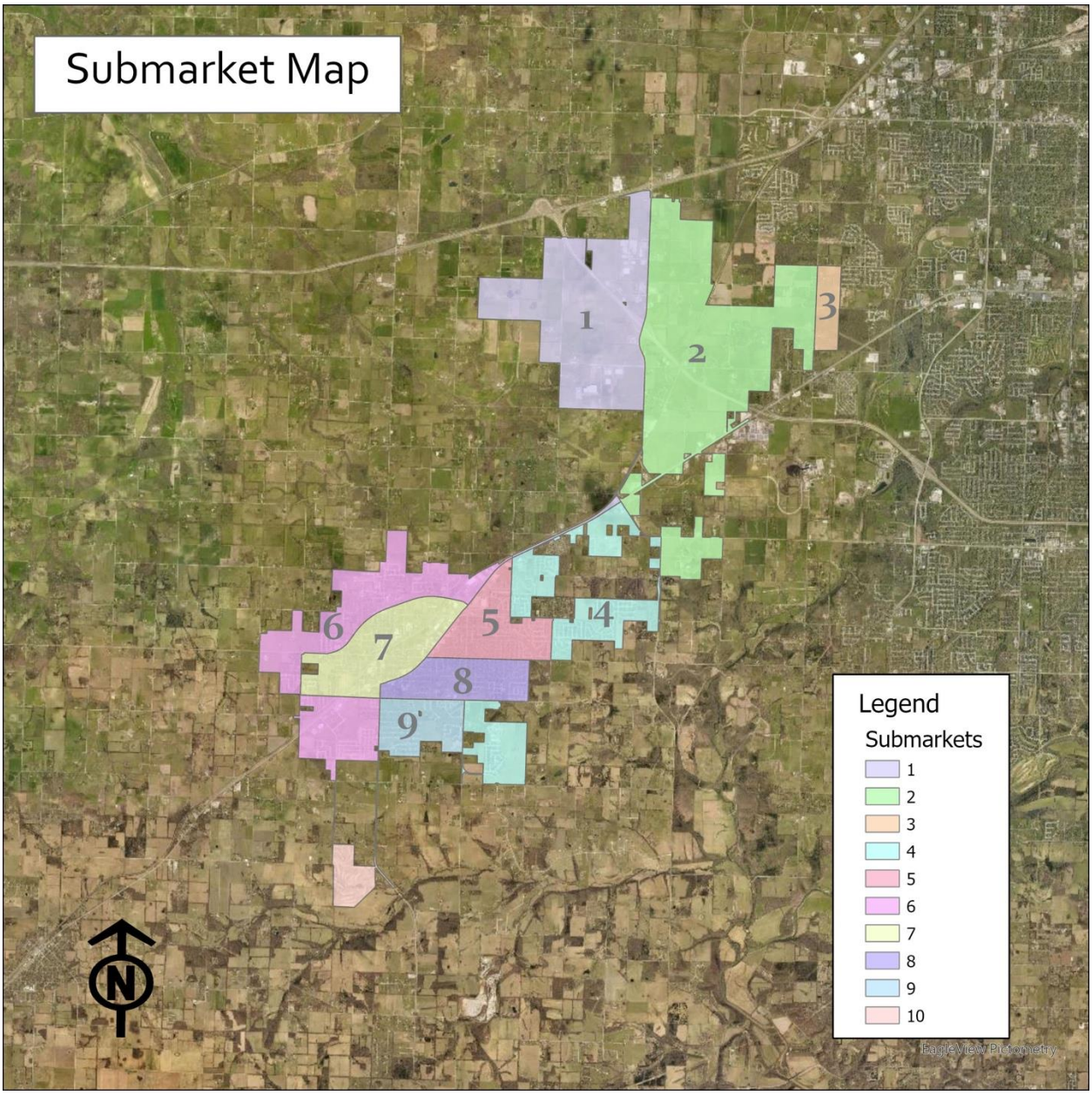
Secondary Market Area
The Springfield Metropolitan Service Area (MSA) boundary creates the Secondary Market Area. This area provides an appropriate focus for comparison as it encapsulates the greater region of which Republic is a part. Furthermore, the confluence of transportation assets found in the City of Republic provide travel options to anywhere in this region making appropriate it's inclusion. The Springfield MSA consists of five counties (Greene, Christian, Polk, Webster, and Dallas counties) and several municipalities – eight of which have populations of greater than 5,000 (Springfield, Nixa, Ozark, Republic, Bolivar, Marshfield, Battlefield, and Willard).



Submarkets

The Primary Market Area has been broken down into 10 Submarkets based on Census geography to better explore the data. The City of Republic intersects with 4 Census tracts (2010) in Greene County and 1 Census tracts (2010) in Christian County. These Census tracts break down into Census block groups, 10 of which intersect with the City of Republic. The intersecting polygons created by the Census block groups and the City's municipal boundaries make up the 10 Submarkets examined. By using the Census geography as the source of the Submarket boundaries, more granular information becomes available.

The Submarkets have been numbered to assist in identification. Submarkets 1 – 3 make up the area of Republic North, formerly the Village of Brookline. Republic North is arrayed along State Highway MM. The remaining Submarkets 4 – 10 form the portion of the City referred herein as Republic Central.



Sourcing and Limitations of Study

This Study was conducted internally using the wide array of resources available to City Staff. These resources consist of data taken from the Decennial Census (2010), the American Community Survey (primarily the 5-year estimates based on 2013-2018), ESRI, and counts, estimates, and data derived from the work product of City Staff. Demographic sections rely on ESRI and Census Bureau data for population figures to ensure authenticity with other data points presented from this source (age cohorts, household figures, etc.).

The supply model depicted within this study is based on the existing and expected inventory of subdivision lots. Demand elements are derived from the City's own population projection and buildout modeling.

This Study does not include a real estate market component and should not be used in place of such an analysis.

COVID-19

It is important to note that the start of this study predates awareness of COVID-19 and it is therefore not represented by the dataset, which is likely to be impacted in ways unforeseen. First identified in Wuhan, China in December of 2019, cases of COVID-19 infection spiked as the disease quickly spread around the world. By March 11, 2020 the World Health Organization (WHO) had classified the outbreak as a pandemic. Economic implications for COVID-19 have yet to be fully realized and a great deal of research is currently being conducted to discern long-term consequences in housing market adjacent topics such as regional migration and remote work.

III. Demographics

Who Lives in Republic?

Population

The population for the City of Republic is an estimated 17,525 residents for 2020 (ESRI).
At the beginning of the millennium Republic experienced a surge of growth of 55.8% for the first decade (2000 – 2010), which is an annual growth rate of 4.54%. The Republic North area (Submarkets 1, 2, and 3) saw the number of residents balloon from 233 to 573 – a more than 145% increase. At the same time, Submarket 4 increased from 695 residents to 2,266, showing a 12.55% annual change. Submarket 7 was the only one to see a decline in population going from 2,026 in 2000 to 1,910 by 2010. During this same timeframe the Springfield MSA and state of Missouri grew at annual rates of 1.72% and 0.68%, respectively.

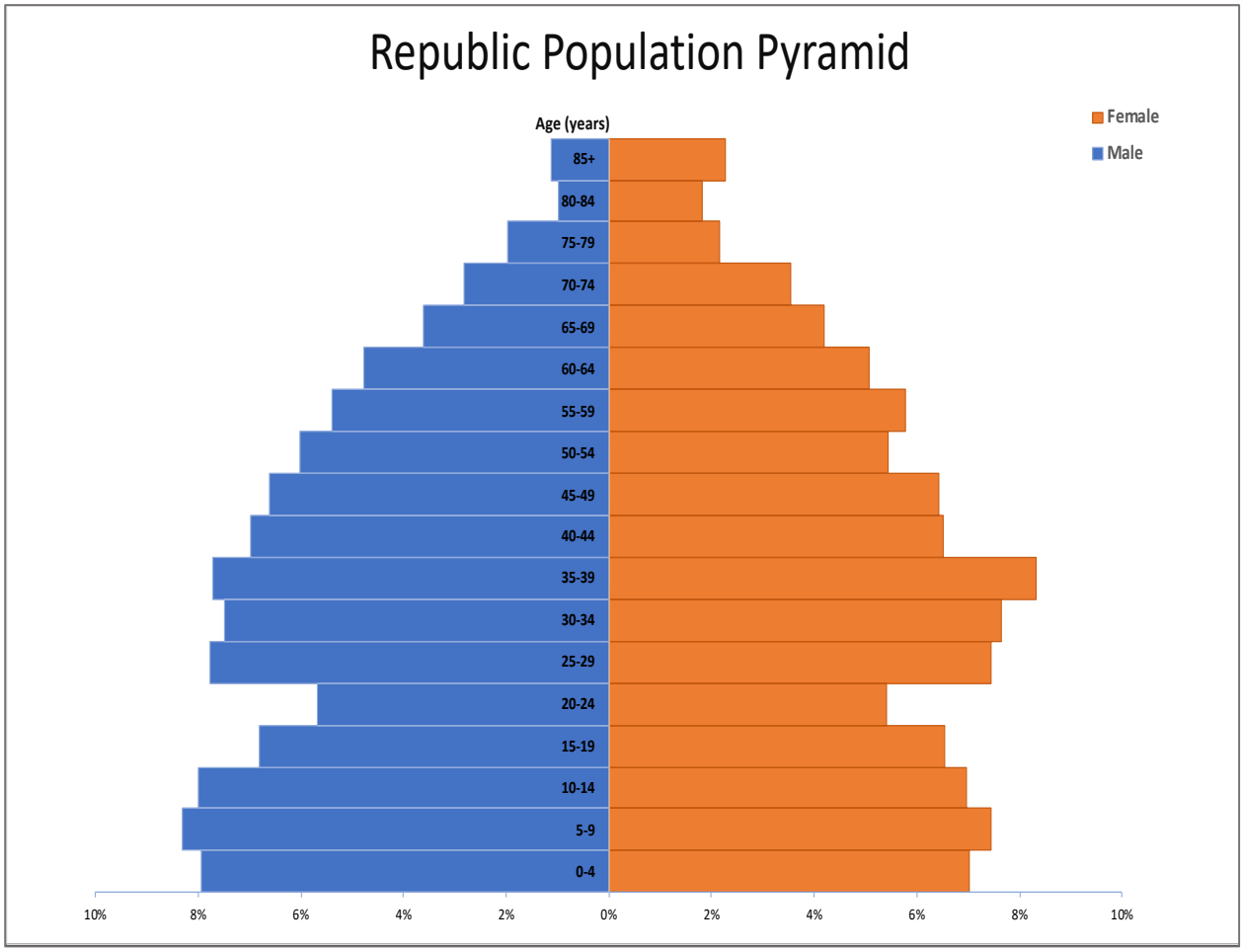
In the subsequent decade, 2010 – 2020, the City's overall growth slowed to 17.05% (1.55% annually). This reduction is likely the product of a natural return to rates more representative of those found in the greater region coupled with the effects of a national recession. The period was characterized by years of recovery following the Great Recession (Dec. 2007- June 2009), the origin of which has been linked to the housing market at large.

Looking at individual areas of Republic reveals higher than average annual growth in Submarket 4 (3.35%) and Submarket 6 (2.57%). Republic North continued to grow as Submarket 2 grew by 3.85% and Submarket 3 by 2.12% annually. Submarket 5 experienced a negative growth rate (-0.42%). Still, the City of Republic outpaced the Springfield MSA (0.85%) and state of Missouri (0.45%).

			Population						
			2000	2010		2020		2025	
			Population	Population	Change (Annual Growth)	Population	Change (Annual Growth)	Population	Change (Annual Growth)
Primary Market Area		*Republic City, MO*	9,605	14,972	4.54%	17,525	1.55%	18,576	1.17%
Submarkets	Brookline	*1*	21	24	1.34%	24	0.00%	25	0.82%
		2	199	524	10.17%	772	3.85%	848	1.90%
		3	13	25	6.76%	31	2.12%	34	1.86%
		Total	233	573	14.59%	827	4.43%	907	0.97%
	Republic (excluding Brookline)	*4*	695	2,266	12.55%	3,175	3.35%	3,481	1.86%
		5	2,007	3,263	4.98%	3,124	-0.42%	3,101	-0.15%
		6	1,431	2,670	6.44%	3,464	2.57%	3,775	1.73%
		7	2,026	1,910	-0.59%	1,979	0.35%	2,022	0.43%
		8	2,268	2,599	1.37%	2,973	1.32%	3,165	1.26%
		9	877	1,573	6.02%	1,862	1.66%	1,994	1.38%
		10	51	83	4.99%	97	1.53%	105	1.60%
		Total	9,355	14,364	5.35%	16,674	1.61%	17,643	0.58%
Secondary Market Area		*Springfield, MO MSA*	368,374	436,712	1.72%	476,490	0.85%	498,699	0.92%
Missouri			5,595,211	5,988,927	0.68%	6,268,203	0.45%	6,407,412	0.44%

Age Cohorts

When considering an area's demographics, it is important to look at the age of the population in question. Age cohorts break down a subject population by how old individuals are, providing a population total for each age group, or cohort. This is valuable in determining ageing trends for the population.



The period of 2010 – 2020 was evaluated using a population pyramid to look at age cohorts of five years (e.g. 0 – 4, 5 – 9, etc.). In addition, each cohort included a breakdown by gender. Cohorts were examined at the Primary, Secondary, Submarket, and state levels.

The data shows that the population of the Primary Market is ageing. In this context, "ageing" is used to describe a pattern wherein the population totals are higher for older cohorts than for younger cohorts when compared to the previous decade's population pyramid. The same holds true for all ten Submarkets, as well as for the Secondary Market and for Missouri. It is important to note, however, that the rate of this change is more severe for the City of Republic than for the Springfield MSA or the state of Missouri. At the same time, however, Republic is starting from a younger base population.

In Republic, the median population was 32.2 in 2010. By 2020 this figure was 34.9 – a change of +2.7 years, or 8.3%. Men were generally younger (median age of 33.7) than women (median age of 35.9). This reflects an overall trend of a "graying" population, whereby the number of younger residents (through inflow or birth) is not being adequately offset (through outflow or death) by that of older ones.

The trends within the Primary Market are reflected by most of the Submarkets with a few exceptions. Two Submarkets showed only a slight increase in median age over this period, albeit for different reasons. Submarket 7 had an increase of only +0.3 years (38.7 to 39) as the result of losses in older age cohorts. Submarket 9 increased by +0.4 years (36.1 to 36.5) due to increases in younger age cohorts, indicating inflow of young families.

The Secondary Market had a lesser change, with median age increasing just 1.7 years. However, the median age for 2020, 38, is actually higher than that of the Primary Market. For Missouri the median age for 2020 was 39.3, which is a change of +1.5 from 37.8 in 2010.

Republic's population is ageing faster than the surrounding region or even the state. If the trend continues the City will "catch up" with these more mature populations.

Race

The Primary Market is homogenous with 94.5% of residents identifying as "White". The next most common identification for City residents is "Two or More Races" at 2.5%. All other categories represent less than 1% of the City's population. The Submarkets making up Republic North (1, 2, and 3) are slightly more diverse with a "White" population of 91.3%. Here, there is an increase in identification as "Black or African American" (1.3%), "American Indian or Alaska Native Population" (0.7%), "Asian" (1.8%), "Two or More Races" (3.3%), and "Other" (1.6%).

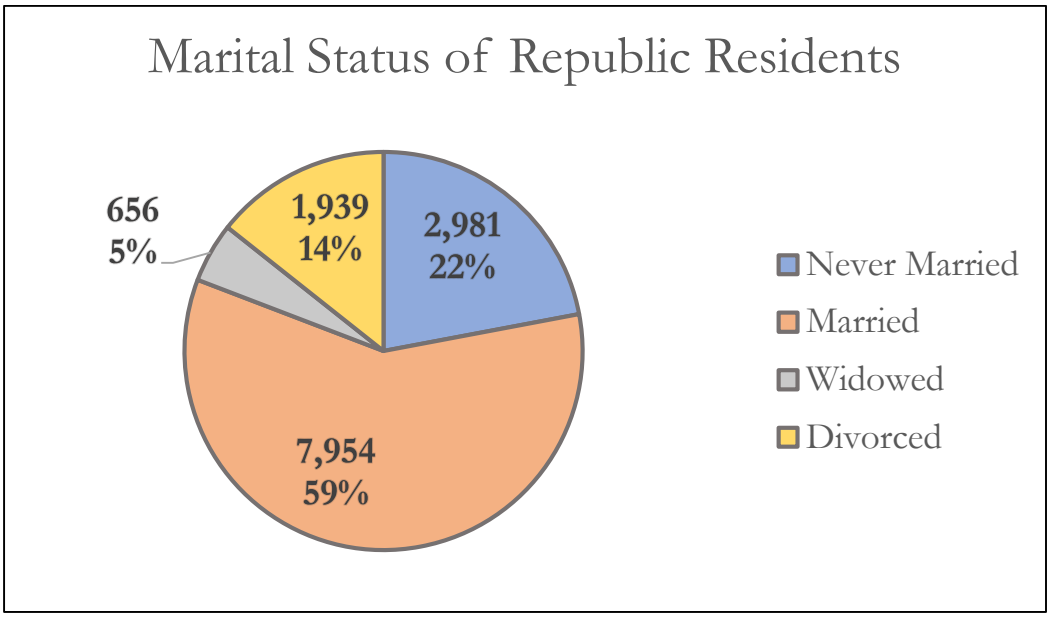
The Secondary Market is fairly similar to Republic in its racial makeup with the greatest difference being an increased "Black or African American" population of 2.5% and "Asian" population of 1.7%.

Missouri, comparatively, has more variation in racial makeup than both the Primary and Secondary Markets. "White" represents only 81.1% of residents and "Black or African American" respondents account for 11.7% of the population. Charts below depict the breakdowns in greater detail.

		Population by Race (2020)							
		White	2019 Black or African American	American Indian or Alaska Native Population	Asian	Pacific Islander	Other Race	Two or More Races	Total
Primary Market Area	*City of Republic, MO*	16,554	146	109	122	3	150	441	17,525
		94.5%	0.8%	0.6%	0.7%	0.0%	0.9%	2.5%	100.0%
Secondary Market Area	*Springfield, MO MSA*	433,736	11,804	3,453	8,103	432	5,067	13,895	476,490
		91.0%	2.5%	0.7%	1.7%	0.1%	1.1%	2.9%	100.0%
Missouri		5,080,468	733,660	32,358	137,165	9,252	104,442	170,858	6,268,203
		81.1%	11.7%	0.5%	2.2%	0.1%	1.7%	2.7%	100.0%

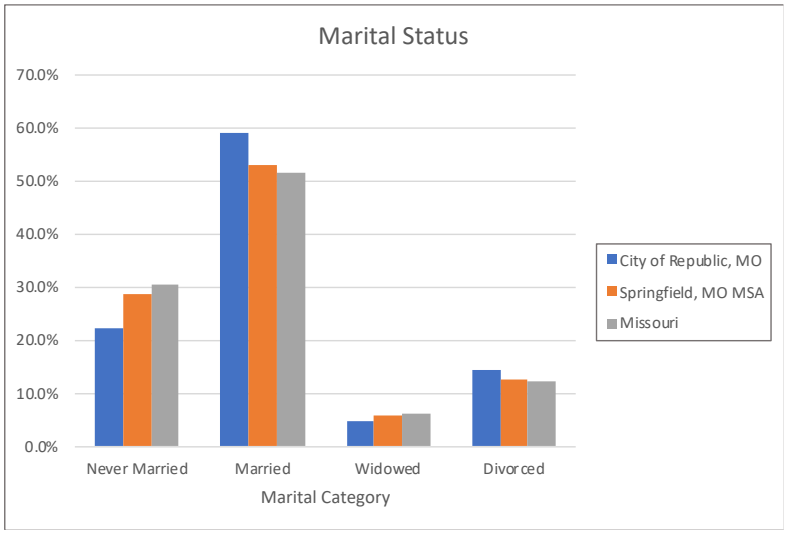
Marital Status

Residents of the Primary Market are more likely to tend toward marriage and away from divorce than their counterparts in the Secondary Market and state.



When asked about their marital status 58.8% of Republic residents above the age of fourteen responded that they are currently married, 14.3% are divorced, 4.8% identified as having been widowed, and 22% have never married. These figures are fairly stable across Submarkets

Looking at the Secondary Market and Missouri, the number of married respondents drops to 53.1% and 51.6%, respectively. Divorce figures were higher with 28.6% in the Secondary Market and 30.3% for Missouri. Reporting for widowed individuals and those who have never married showed no marked difference from the Primary Market.

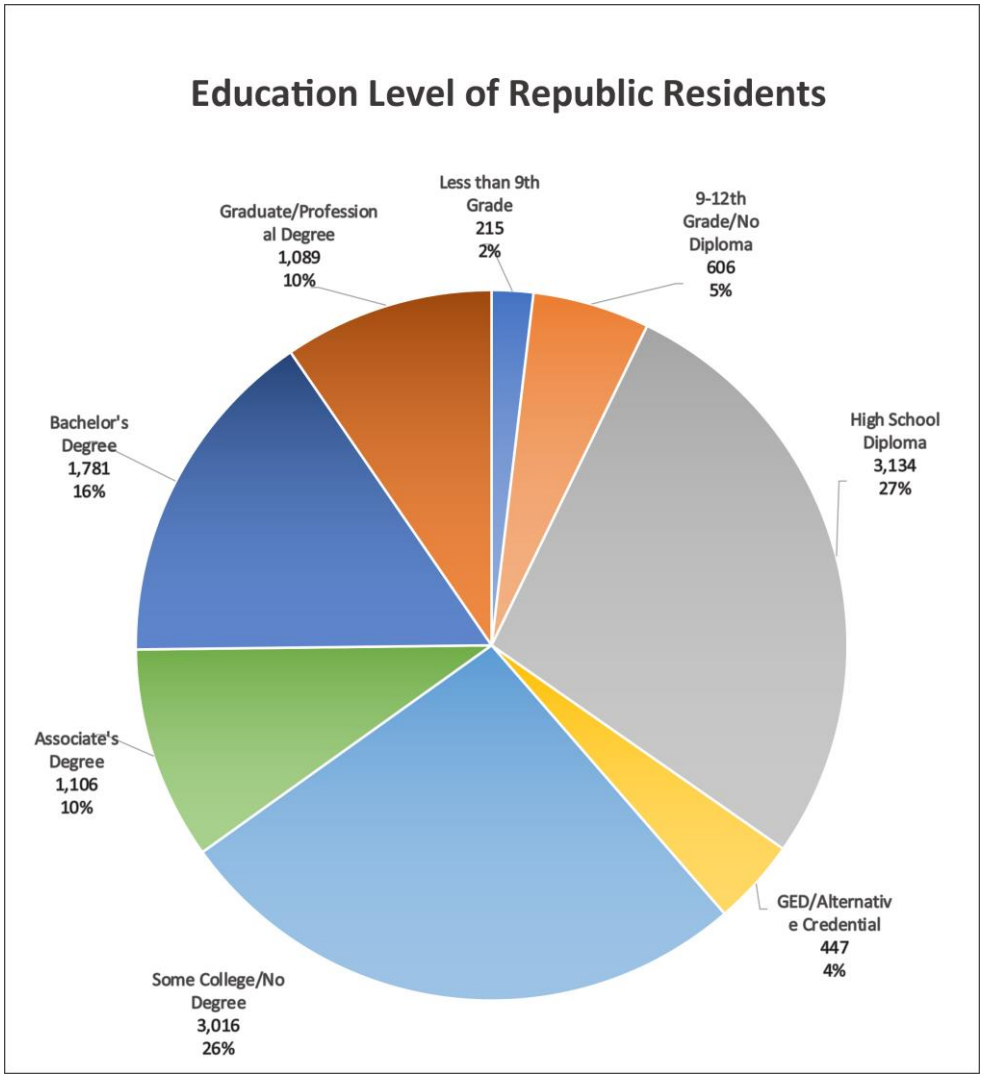


Education

The educational background of a population is an important component of its labor force. Such information helps prospective employers judge the fit of a location's workforce. Respondents are asked to provide the highest level of education they attained. A variety of possible choices are offered ranging from "Less than 9th Grade" to "Graduate/Professional Degree".

The highest level of educational attainment for individuals (twenty-five and older) in the Primary Market differs from that of the Secondary Market and state of Missouri. Overall, 34.9% of Republic residents have graduated from college. This compares with 36.5% for those living in the Springfield MSA and 38.3% for Missourians.

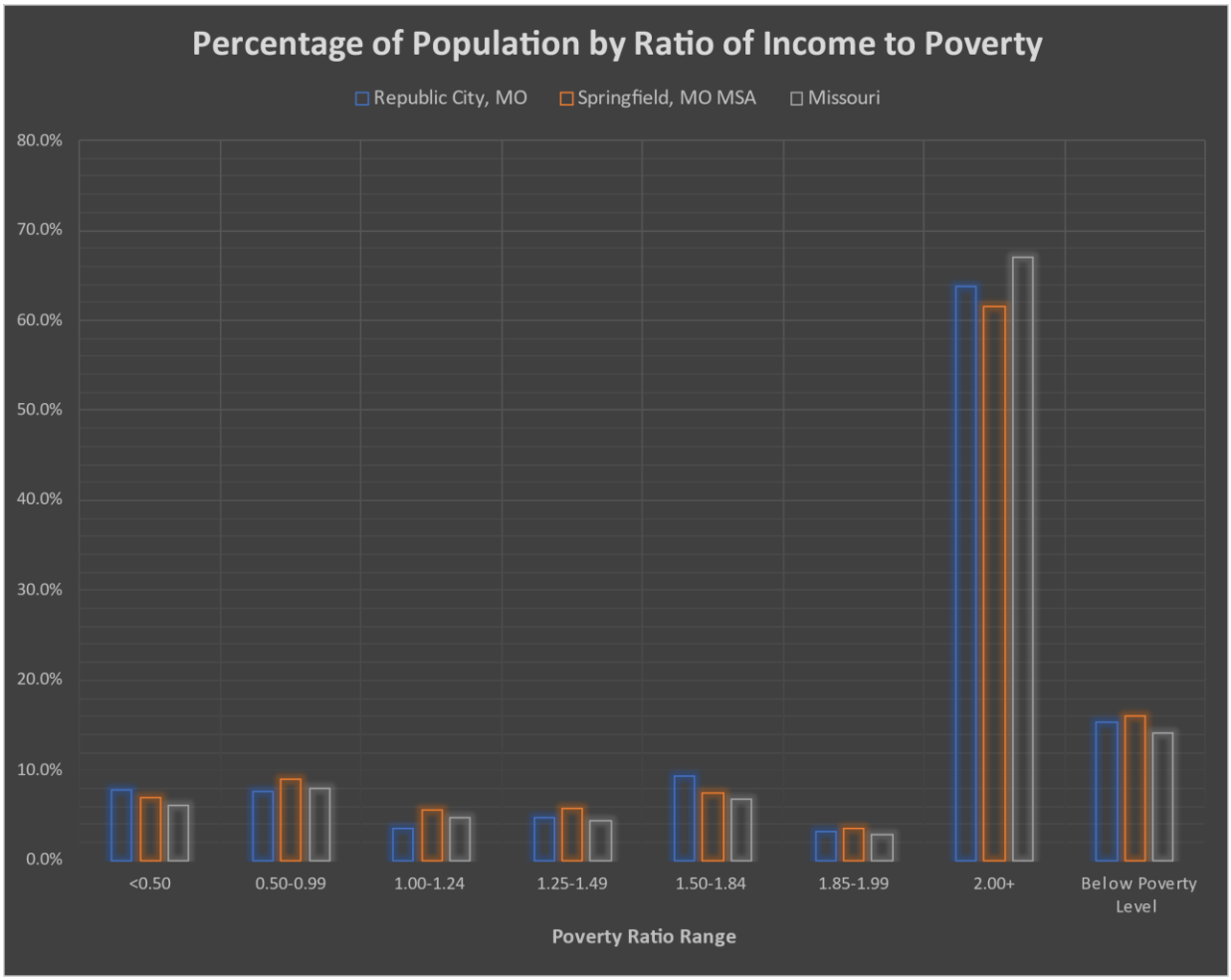
Specifically, residents of Republic are more likely to have graduated high school, started (but not finished) college, or received an associate's degree. However, they are less likely to have pursued a bachelor's degree or a Graduate/Professional degree than their counterparts in either the Springfield MSA or Missouri. In the Primary Market, the highest return of college graduates come from Submarket 9 – with 58.3%. Submarket 3 came in second at 47.6%. In fact, Republic North, as a whole, is one of the most educated parts of the City with 45.3% of respondents having graduated college.



Poverty

The Census Bureau determines poverty levels based on income – when an individual, household, or family does not meet the monetary threshold required to meet basic minimum needs, set by the Bureau, they are assigned poverty status. Such thresholds take into account the number of household members, their ages, and their employment eligibility. Income is computed using job earnings, unemployment compensation, Social Security, alimony, child support, and so on. Noncash benefits such as food stamps or public housing assistance are not taken into account when determining total income.

Poverty is most commonly reported in two ways. The first, is a numerical measure of how much one is above or below the threshold, which provides a count of the populace experiencing poverty. The second, is determined by creating a ratio of earned income to the threshold income amount. In this manner, it is possible to represent how far above or below the threshold a respondent's income places them.



In the Primary Market 15.3% of the population, or 2,425 people, are below the poverty level. Republic North has a rate of 8.4% and Republic Central is at 14.4%. The overall rate for Republic is in line with that of the rest of the region. The Secondary Market area has a rate of 16%, while Missouri's rate is 14.2%. Three Submarkets, all in Republic Central, have higher populations at or below poverty level. Submarket 5 has 580

residents, which is 20.7% of its population in this category; submarket 6 has 407 residents, or 16%, at or below poverty level; Submarket 7 has 489 residents, or 24.8%, experiencing poverty.

Looking at poverty ratios it becomes possible to not only identify the areas of Republic where poverty is less of a concern but to discern ratio ranges for percentages of the population. For instance, the City of Republic has 1,227 residents, or 7.8%, with a ratio of less than 0.50, which means that their income is less than half of the level that constitutes poverty. Two Submarkets have higher percentages for that range. Submarket 5 has 410 residents, or 14.6% of its population, in this ratio. Submarket 7 has 177, or 9% of its residents making less than half of the income necessary to be considered at Poverty Level.

On the other end of the income spectrum, 63.7% of Republic (10,069 residents) make more than double the poverty level income – a ratio of greater than 2.0. All three Submarkets in Republic North surpass the City in this ratio range. In Submarket 1, this is true for 91.3% of the residents, or 21 respondents; Submarket 2 has 69.4%, or 412, in this ratio range; Submarket 3 has 71.4%, which is 20 members of the population making more than twice the income that would qualify for poverty level. Although Republic Central's reporting for this category falls in line with the Primary Market at 63.2%, several of its submarkets surpass the larger Primary Market percentage in this ratio range: Submarket 4 with 73% (2,256), Submarket 6 with 72.8% (1,852), Submarket 9 with 81.4% (1,159), and Submarket 10 with 67% (59).

The Secondary Market area reporting aligns with the City of Republic at 61.5%, or 272,436 respondents, with income greater than twice the poverty level. Missouri, on the other hand, has a higher figure with 67% (3,959,942) than the Primary Market area. This suggests that incomes, overall, may have a higher average rate statewide than in the Primary or Secondary.

		Population by Ratio of Income to Poverty (2014-2018 ACS)*								
		<0.50	0.50-0.99	1.00-1.24	1.25-1.49	1.50-1.84	1.85-1.99	2.00+	Below Poverty Level	Total
Primary Market Area	*Republic City, MO*	1,227	1,198	553	746	1,487	519	10,069	2,425	15,799
		7.8%	7.6%	3.5%	4.7%	9.4%	3.3%	63.7%	15.3%	100%
Submarket	*1*	0	1	1	0	0	0	21	1	23
		0.0%	4.3%	4.3%	0.0%	0.0%	0.0%	91.3%	4.3%	100%
	2	32	19	29	12	73	17	412	51	594
		5.4%	3.2%	4.9%	2.0%	12.3%	2.9%	69.4%	8.6%	100%
	3	1	1	2	1	2	1	20	2	28
		3.6%	3.6%	7.1%	3.6%	7.1%	3.6%	71.4%	7.1%	100.0%
	Total	33	21	32	13	75	18	453	54	645
		5.1%	3.3%	5.0%	2.0%	11.6%	2.8%	70.2%	8.4%	100.0%
	4	43	182	271	26	254	58	2,256	225	3,090
		1.4%	5.9%	8.8%	0.8%	8.2%	1.9%	73.0%	7.3%	100%
	5	410	170	108	310	193	125	1,489	580	2,805
		14.6%	6.1%	3.9%	11.1%	6.9%	4.5%	53.1%	20.7%	100%
	6	191	216	25	88	138	33	1,852	407	2,543
		7.5%	8.5%	1.0%	3.5%	5.4%	1.3%	72.8%	16.0%	100.0%
	7	177	312	122	111	176	248	826	489	1,972
		9.0%	15.8%	6.2%	5.6%	8.9%	12.6%	41.9%	24.8%	100.0%
	8	202	142	95	80	540	14	1,550	344	2,623
		7.7%	5.4%	3.6%	3.0%	20.6%	0.5%	59.1%	13.1%	100%
	9	27	12	27	70	128	0	1,159	39	1,423
		1.9%	0.8%	1.9%	4.9%	9.0%	0.0%	81.4%	2.7%	100%
	10	0	13	7	7	1	1	59	13	88
		0.0%	14.8%	8.0%	8.0%	1.1%	1.1%	67.0%	14.8%	100%
	Total	1,050	1,047	655	692	1,430	479	9,191	2,097	14,544
		7.2%	7.2%	4.5%	4.8%	9.8%	3.3%	63.2%	14.4%	100%
Secondary Market Area	*Springfield, MO MSA*	30,940	40,069	25,242	25,556	33,329	15,589	272,436	71,009	443,161
		7.0%	9.0%	5.7%	5.8%	7.5%	3.5%	61.5%	16.0%	100%
Missouri		363,015	474,915	276,551	264,510	399,070	169,187	3,959,942	837,930	5,907,190
		6.1%	8.0%	4.7%	4.5%	6.8%	2.9%	67.0%	14.2%	100%

**Poverty is determined by the Census Bureau as the level of income at which minimum needs cannot be provided. The poverty ratio compares this minimum level with actual income for individuals to determine a poverty level. A ratio of "1.0" indicates that actual income is equivalent to the minimum income to meet needs.*

Households in Republic

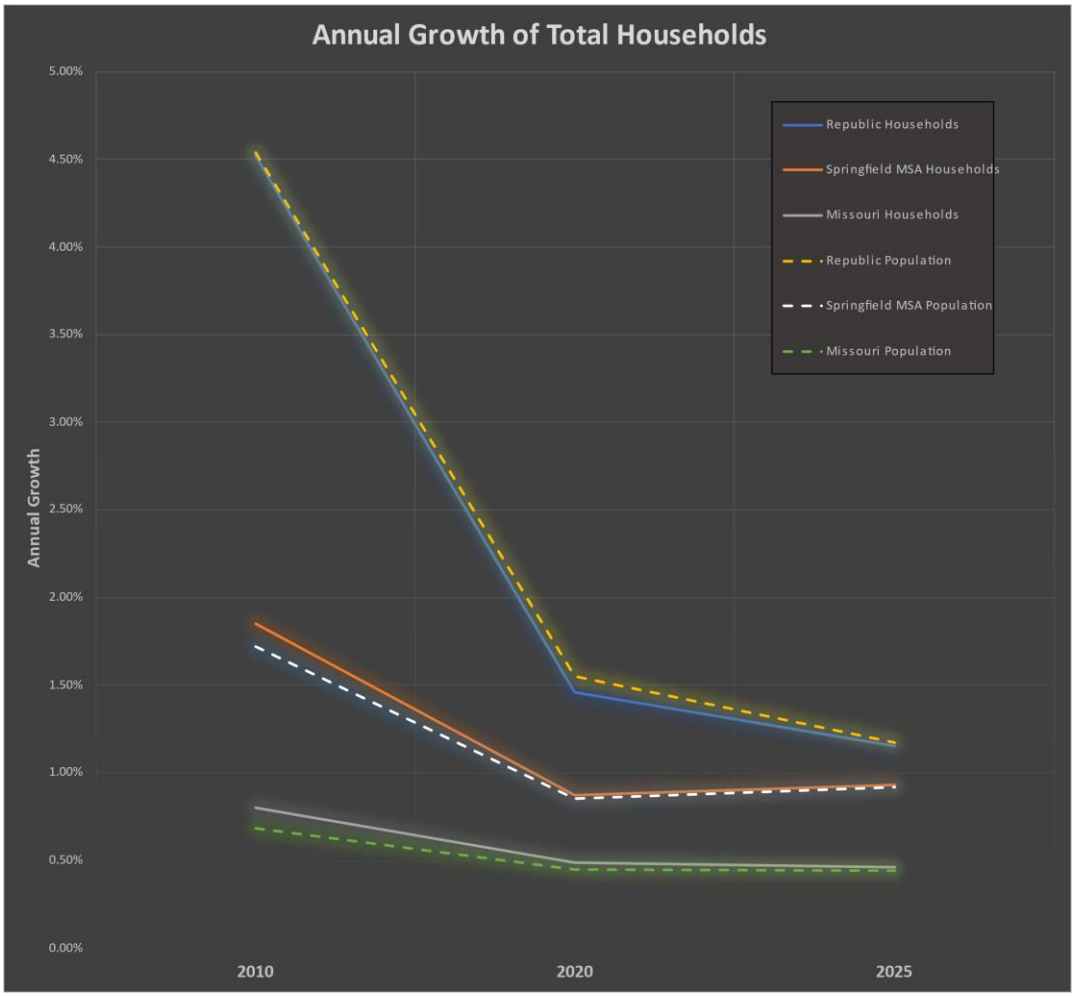
When considering the housing market, it is necessary to examine data and trends relating to households. A household is considered to be the group of people residing in a given dwelling unit. This is the key unit representing use of the housing market – making it one of the most singularly important measures to take.

Generally, trends relating to growth of households should mirror those of population to some degree. Although, differences in growth can become more apparent as household size changes. An increase in household size will result in a lower growth rate for households than population. Such changes may offer insight into the type and size of homes the market will more readily absorb.

Household information collected sometimes differentiates between those that are comprised of a family and those that are not. Family households are defined as those households made up of members who are related by blood or marriage. This is worth examining because these two groups often show a desire for different mixes of housing. Family households are more likely to live in detached homes and are more likely to own their home. Non-family households are more likely to seek housing arrangements that require less long-term commitment and are more likely to occupy apartments and rentals in general.

Households

Primary Market household growth relates to that of the population as should be expected.



Between 2000 and 2010 the annual growth rate of households was 4.52% as the total number changed from 3,589 to 5,582. The average size of a household unit was 2.65. The annual growth rate from 2010 to 2020 for households (1.46%) tracks just below that of the population (1.55%), as the household count reached 6,479. The lower rate can be accounted for by the slight increase in household size, which rose from 2.65 to 2.68 during this period. Projections continue this trend. By 2025 the number of households is expected to reach 6,859 with an annual growth rate of 1.15%. Again, this rate is just below that of the population (1.17%). Average household size is expected to raise very slightly by 0.01 to 2.69 members per household.

The Secondary Market showed no change in its average household size of 2.42 during the period of 2010 to 2020. This figure remains static as the market is projected to 2025. The average household size for the state of Missouri falls by 0.01 for the period of 2010-2020 from 2.45 to 2.44. The 2025 projection shows it remaining stable at 2.44.

		Households									
		2000	2010			2020			2025		
		Number of Households	Number of Households	Change (Annual Growth)	Avg. Size of HH	Number of Households	Change (Annual Growth)	Avg. Size of HH	Number of Households	Change (Annual Growth)	Avg. Size of HH
Primary Market Area	*City of Republic, MO*	3,589	5,582	4.52%	2.65	6,479	1.46%	2.68	6,859	1.15%	2.69
Secondary Market Area	*Springfield, MO MSA*	145,304	174,584	1.85%	2.42	190,769	0.87%	2.42	199,795	0.93%	2.42
Missouri		2,194,594	2,375,611	0.80%	2.45	2,496,545	0.49%	2.44	2,555,047	0.46%	2.44

Tenure

Ownership status of a household's dwelling is referred to as tenure. Homes are either occupied by an owner or by a renter. Tenure for the Primary Market, taken as a whole, shows a small increase in owner-occupied homes over time. The number of owner-occupied dwellings rose from 67.2% in 2010 to 67.8% in 2020. Projections to 2025 predict this trend continuing to reach 68.7% by 2025.

Secondary Market owner-occupied homes experienced a decline during the 2010 – 2020 period. In 2010 this rate was 65.7% but had decreased 1.9% to 63.8% by 2020. This figure is expected to remain relatively stable – rising 0.1% in 2025. Missouri owner occupation shows a similar decline but from a higher starting point. Over ten years the rate declined 1.8% from 68.8% in 2010 to 67% in 2020. This rate is projected to continue to go down another 0.1% to 69.9% in 2025.

		Households by Tenure					
			2010		2020		2025	
		Type of Household	Number	Percent	Number	Percent	Number	Percent
Primary Market Area	*City of Republic, MO*	*Owner-Occupied*	3,753	67.2%	4,392	67.8%	4,714	68.7%
		Renter-Occupied	1,829	32.8%	2,087	32.2%	2,145	31.3%
		Total	5,582	100%	6,479	100%	6,859	100%
Secondary Market Area	*Springfield, MO MSA*	*Owner-Occupied*	114,621	65.7%	121,651	63.8%	127,624	63.9%
		Renter-Occupied	59,963	34.3%	69,118	36.2%	72,171	36.1%
		Total	174,584	100.0%	190,769	100.0%	199,795	100.0%
Missouri		*Owner-Occupied*	1,633,610	68.8%	1,672,084	67.0%	1,709,735	66.9%
		Renter-Occupied	742,001	31.2%	824,461	33.0%	845,312	33.1%
		Total	2,375,611	100.0%	2,496,545	100.0%	2,555,047	100.0%

Family v. Non-Family Households

In the Primary Market area there is a general upward growth trend for the percentage of households represented by non-families. In 2010 non-families represented 27.2% and families 72.8% of the housing market. By 2020 the spread had moved slightly, by 0.7%, in favor of non-families, who came to represent 27.9%, while families dropped to 72.1%. Projections into 2025 show the non-family household share continuing to rise another 0.3% to 28.2% with families dropping to 71.8%.

Submarkets follow their own trends which closely align to their respective tenure figures. For instance, in Submarket 7 family households represented 59.9% of the total 2010. This is very near the percentage of owner-occupied homes for that same year: 58.3%. While the numbers do not always match quite so well, the general trend holds, for the most part, across the Submarkets. It is also worth noting that the losses in population that occurred between 2010 and 2020 in Submarket 5 can be, in part, matched to the losses in family households. Here, family households fell from 900 in 2010 to 851 in 2020 while non-family households held steady at 344.

The Springfield MSA and state of Missouri follow a similar pattern to Republic with a continued gradual increase in the number of non-family households. In 2010 Secondary Market split between non-families and families was 35% to 65%. By 2020 this spread shifted in favor of non-families by 0.9%, raising their share to 35.9% and bringing the family household portion to 64.1%. By 2025, the increase in the number of non-family households is expected to continue, bringing their share up another 0.3% to 36.2% and lowering that of families to 63.8%.

Missouri's ratio of non-family to family households was 34.7% to 65.3% in 2010. This ratio shifted in favor of non-families by 0.9% in 2020 (35.6% to 64.4%). The trend is projected to continue into 2025 with a split of 35.9% non-family to 64.1% family, a gain of 0.3% for non-families.

			Households by Tenure					
				2010		2020		2025
			Type of Hou	Number	Percent	Number	Percent	Number	Percent
Primary Market Area		City of Republic, MO	Family	4,062	72.8%	4,672	72.1%	4,925	71.8%
			Non-Family	1,520	27.2%	1,807	27.9%	1,934	28.2%
			Total	5,582	100%	6,479	100%	6,859	100%
Submarket	Brookline	1	Family	6	100.0%	6	85.7%	6	85.7%
			Non-Family	0	0.0%	1	14.3%	1	14.3%
			Total	6	100%	7	100%	7	100%
		2	Family	169	72.8%	238	72.3%	259	71.9%
			Non-Family	63	27.2%	91	27.7%	101	28.1%
			Total	232	100%	329	100%	360	100%
		3	Family	7	100.0%	8	72.7%	9	75.0%
			Non-Family	0	0.0%	3	27.3%	3	25.0%
			Total	7	100%	11	100%	12	100%
		Total	Family	182	74%	252	73%	274	72%
			Non-Family	63	26%	95	27%	105	28%
			Total	245	100%	347	100%	379	100%
	Republic (excluding Brookline)	4	Family	597	75.3%	822	74.5%	895	74.2%
			Non-Family	196	24.7%	282	25.5%	311	25.8%
			Total	793	100%	1,104	100%	1,206	100%
		5	Family	900	72.3%	851	71.2%	842	70.8%
			Non-Family	344	27.7%	344	28.8%	348	29.2%
			Total	1,244	100%	1,195	100%	1,190	100%
		6	Family	685	75.9%	864	74.3%	936	73.8%
			Non-Family	218	24.1%	299	25.7%	333	26.2%
			Total	903	100%	1,163	100%	1,269	100%
		7	Family	507	59.9%	506	57.9%	512	57.2%
			Non-Family	339	40.1%	368	42.1%	383	42.8%
			Total	846	100%	874	100.0%	895	100.0%
		8	Family	716	74.4%	813	73.4%	862	72.9%
			Non-Family	246	25.6%	295	26.6%	320	27.1%
			Total	962	100%	1,108	100%	1,182	100%
		9	Family	454	83.0%	532	82.4%	569	82.1%
			Non-Family	93	17.0%	114	17.6%	124	17.9%
			Total	547	100%	646	100%	693	100%
		10	Family	24	80.0%	28	80.0%	30	78.9%
			Non-Family	6	20.0%	7	20.0%	8	21.1%
			Total	30	100.0%	35	100.0%	38	100.0%
		Total	Family	3,883	72.9%	4,416	72.1%	4,646	71.8%
			Non-Family	1,442	27.1%	1,709	27.9%	1,827	28.2%
			Total	5,325	100.0%	6,125	100.0%	6,473	100.0%
Secondary Market Area		Springfield, MO MSA	Family	113,544	65.0%	122,304	64.1%	127,536	63.8%
			Non-Family	61,040	35.0%	68,465	35.9%	72,259	36.2%
			Total	174,584	100.0%	190,769	100.0%	199,795	100.0%
Missouri			Family	1,552,133	65.3%	1,608,073	64.4%	1,638,587	64.1%
			Non-Family	823,478	34.7%	888,472	35.6%	916,460	35.9%
			Total	2,375,611	100.0%	2,496,545	100.0%	2,555,047	100.0%

Family Size

Examining family households by their number of members over time provides a more detailed accounting of how the average size of families, as well as households, are increasing.

			People Per Family Household												
		Year	2 People		3 People		4 People		5 People		6 People		7+ People		Total
			Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Primary Market Area	City of Republic, MO	2010	1,586	39.0%	983	24.2%	933	23.0%	376	9.3%	130	3.2%	54	1.3%	4,062
		2018	1,554	36.7%	1,186	28.0%	732	17.3%	515	12.2%	226	5.3%	16	0.4%	4,229
Secoindary Market Area	Springfield MO MSA	2010	53,755	47.3%	25,270	22.3%	20,461	18.0%	8,878	7.8%	3,256	2.9%	1,924	1.7%	113,544
		2018	57,002	49.0%	24,658	21.2%	19,886	17.1%	9,039	7.8%	3,481	3.0%	2,374	2.0%	116,440
Missouri		2010	699,051	45.0%	352,533	22.7%	289,496	18.7%	133,129	8.6%	49,302	3.2%	28,622	1.8%	1,552,133
		2018	727,021	47.2%	340,306	22.1%	276,745	18.0%	125,964	8.2%	44,406	2.9%	26,133	1.7%	1,540,575

Data collected in 2010 and 2018 show a decrease in two-person and four-person families for the Primary Market Area and a general rise for three-, five-, and six-person families. Large families of seven-or-more dropped by

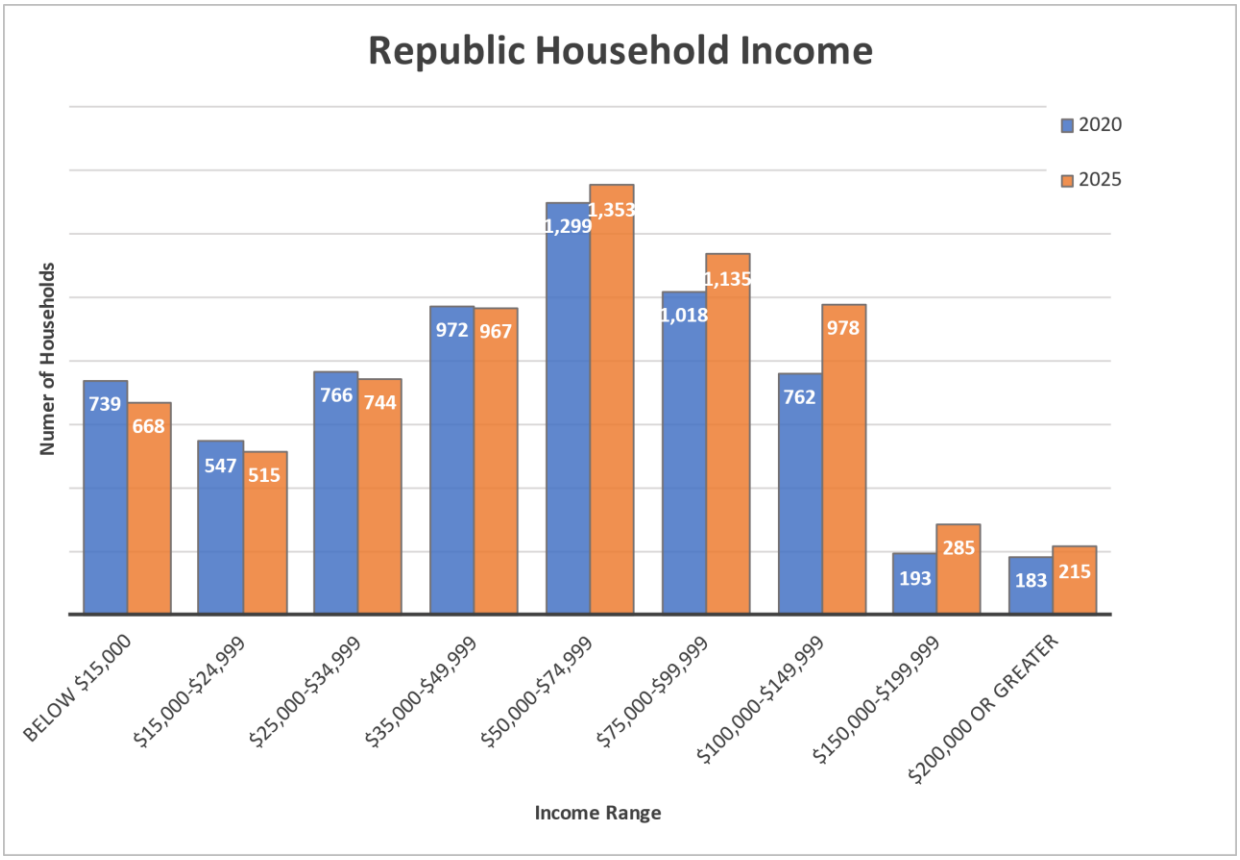
more than two-thirds. The general trend appears to be growth in early and established families. Additionally, the gains in six-person families indicate a possible rise in multi-generational households.

Household Finance

The financial position and patterns of residents influence the demand of the housing market by setting purchase price. As their financial prospects increase, buyers may consider homes of higher quality or larger size either for purchase or rent.

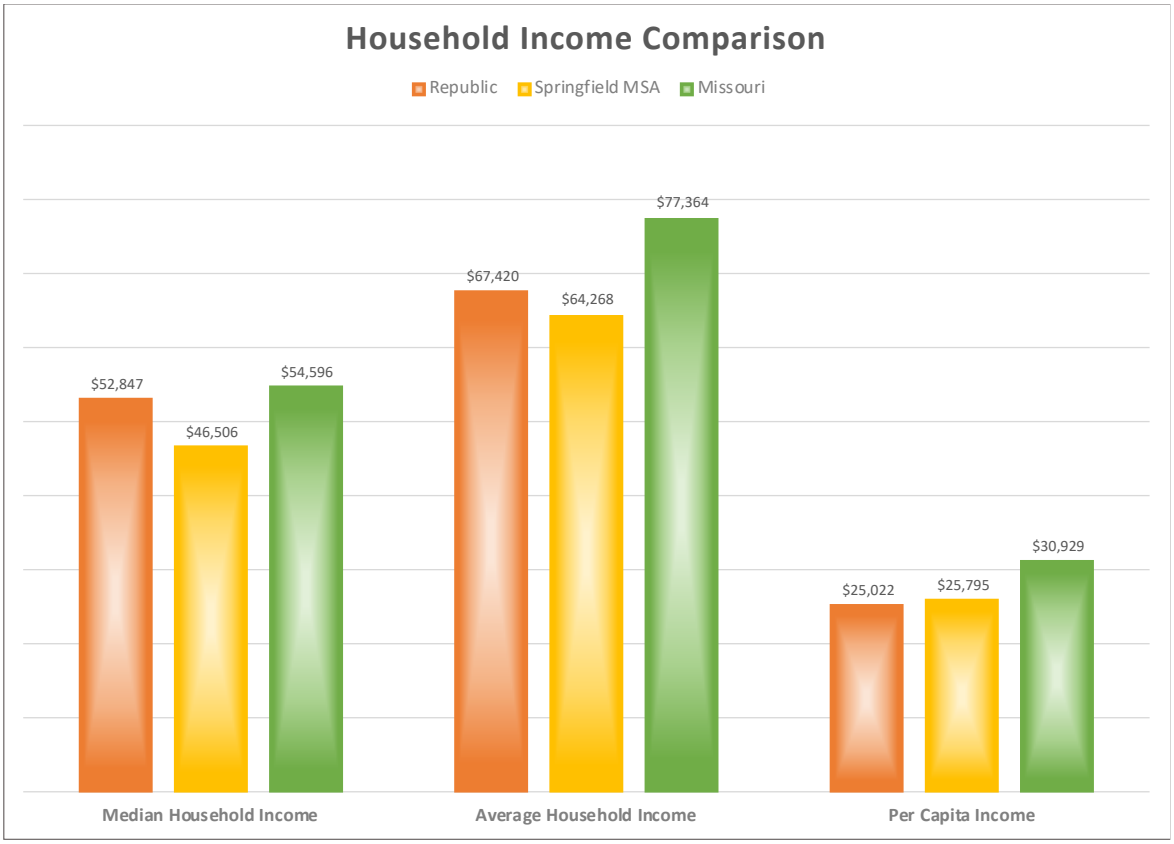
Household Income

The distribution of household income is expected to change favorably from 2020 to 2025. The Republic Household Income chart depicts the number of households in each income range for both years. There is a clear trend of movement up for income during this period. The lower three ranges, extending to $34,999 all lose proportional share from one year to the next. The $35,000 to $49,999 range stays roughly the same. The five highest ranges each grow in proportional share. Taken together this data indicates that incomes are predicted to skew higher for Republic residents. Specifically of note are the $100,000 to $149,000 range and the $150,000 to $199,999 range. The number of households in the former is predicted to grow by more than 10%, while the number of households in the latter shows 47% growth.



Comparatively, figures for the average and median incomes in Republic fall between those of the Springfield MSA and Missouri. Republic's median household income is 13% higher than the Springfield MSA and 3%

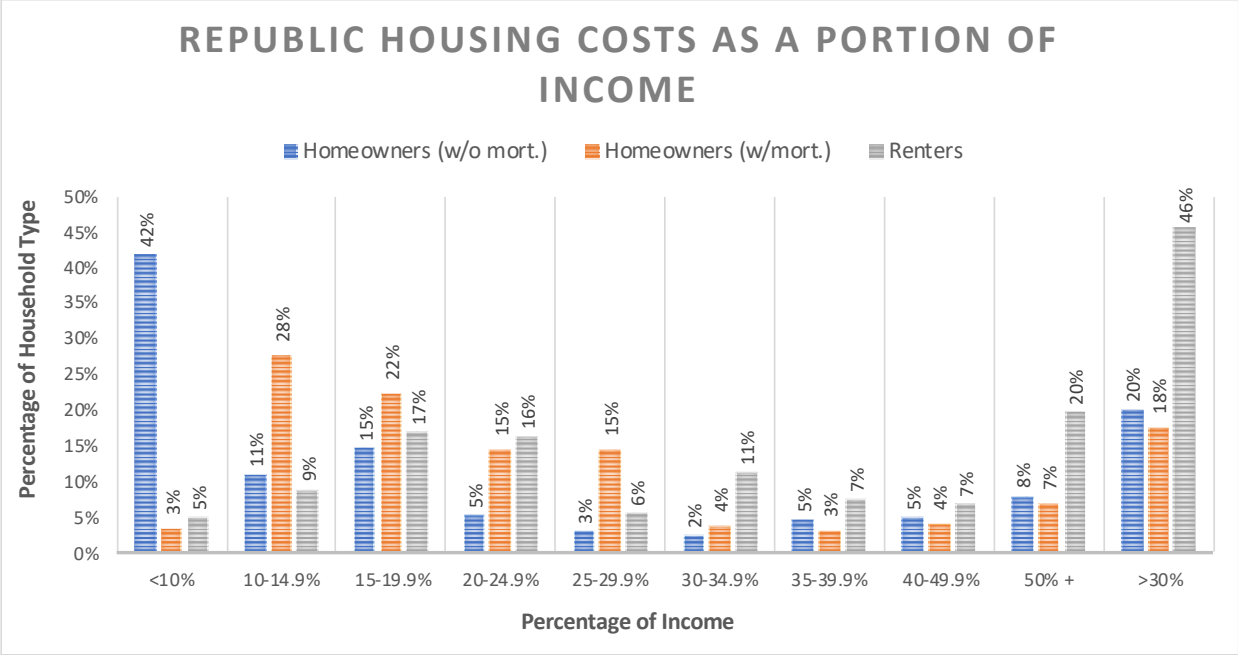
lower than that of Missouri. That difference is expected to be slightly exacerbated by 2025 as Republic experiences a 1.73% increase but Springfield MSA sees only 1.4% growth in median household income. Per capita income is close between both markets with Republic reporting $25,022 and the Springfield MSA showing $25,795 – a difference of $773. This gap is predicted to close slightly by 2025 at which time the difference would shrink to $506.



Housing Cost as a Portion of Income

According to the Census Bureau, a commonly accepted rule for budgeting asserts that the typical household should seek to limit the portion of income spent on housing to 30% or less. In doing so, the household should have adequate money to set aside for discretionary spending. This rule applies to both homeowners and renters.

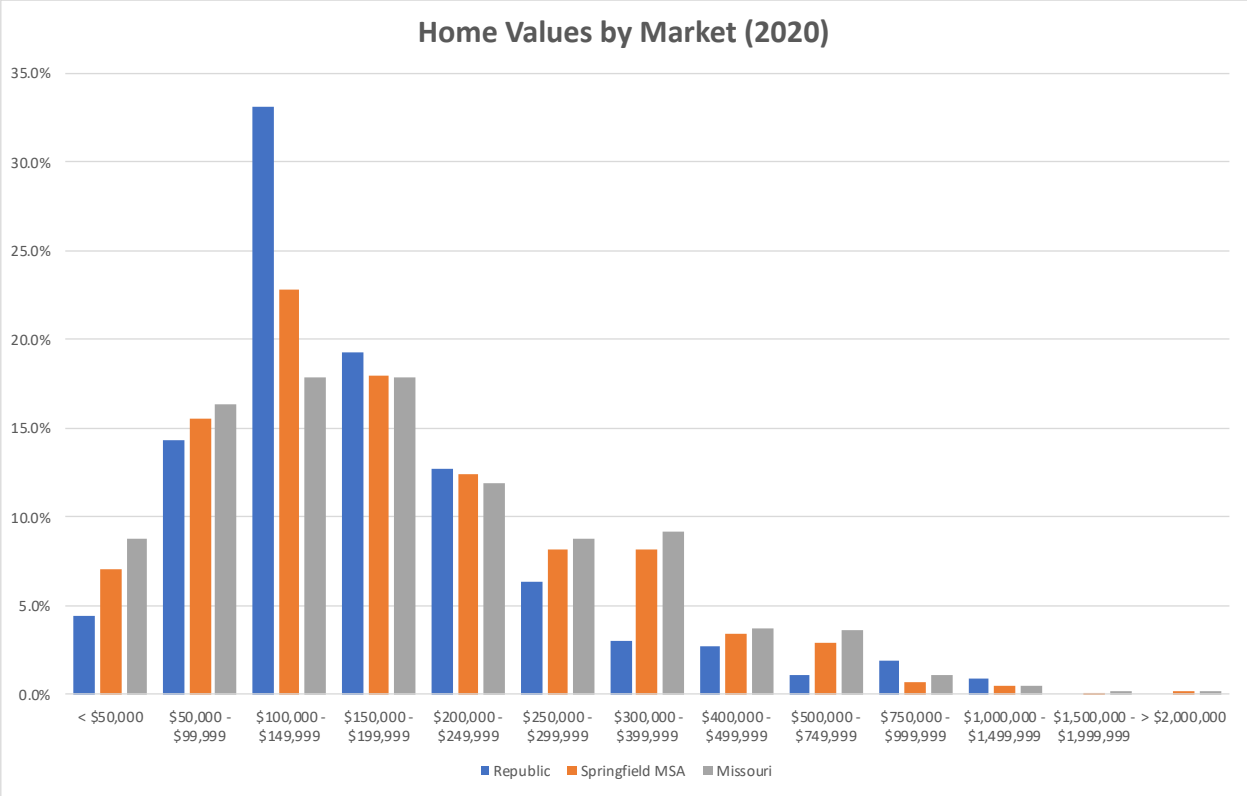
For renters these costs are limited to the gross rental payments and utilities, if separate. For homeowners, determining this figure can be more complicated as it includes concerns such as mortgage payments, utilities, and various types of insurance. The Census Bureau includes these necessary expenditures when assessing household costs.



Republic homeowners without mortgages, unsurprisingly, fare the best when looking at which group spends more on housing. As a group, homeowners tended to have lower proportional housing costs than renters. More than two-thirds of homeowners without mortgages and more than half of those with mortgages have housing costs of less than 20% of their overall income; compared with less than one-third of renters. On the other end of the scale, about 20% of renters pay at least half of their income in housing costs compared to 7% and 8% of homeowners with and without mortgages, respectively. As expected, examination of this data by Submarket shows that renters paying a lower proportional share of their income are more likely to be in Submarkets where housing assistance is available.

Housing Value

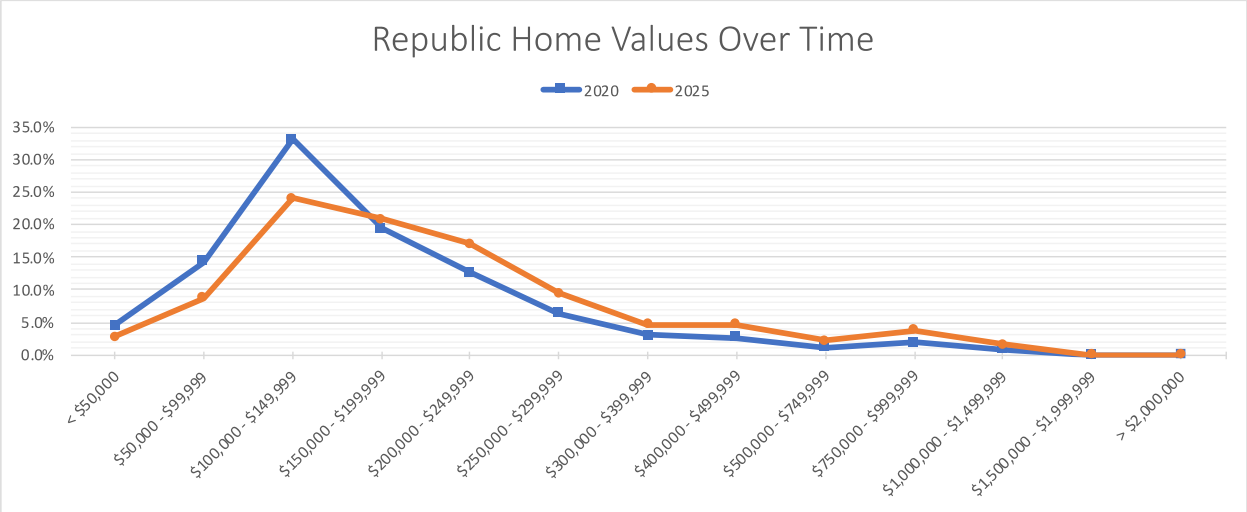
Housing values measure the actual worth of the home and are based on assessment figures. Housing data provided by ESRI offers the number of homes in various value ranges for 2020 and projections for 2025. Looking at these values charted by market for 2020 one thing is immediately clear: Republic has a large percentage of its homes in the $100,000 to $149,999 range. In fact, a third of all homes in the City fall in this range. This is more than 10% higher than the Springfield MSA (22.8%) and almost double that of Missouri (17.9%). Figures in higher end ranges, all the way from $250,000 to $749,999, are lower for Republic than other markets. Also of note is the smaller number of homes for Republic in the lowest range of less than $50,000.



Both median and average values are lower in Republic than both Springfield MSA and Missouri. Median values for the City are about 10% lower than Springfield MSA and 13% lower than Missouri. Median values are projected to tighten the gap between other markets by 2025 – moving to less than 4% lower than Springfield and about 4.5% lower than Missouri. Average home values are expected to pass both the Springfield MSA and Missouri by 2025. This change is the result of more expensive homes built on the outskirts of town coupled with market corrections of the surplus of Republic homes between $100,000 and $149,999.

			Home Value	
			Median Home Value	Average Home Value
Primary Market Area	*City of Republic, MO*	*2020*	$147,113	$190,796
		2025	$184,709	$243,334
Secondary Market Area	*Springfield, MO MSA*	*2020*	$162,899	$205,070
		2025	$190,842	$237,247
Missouri		*2020*	$169,646	$214,090
		2025	$193,273	$242,778

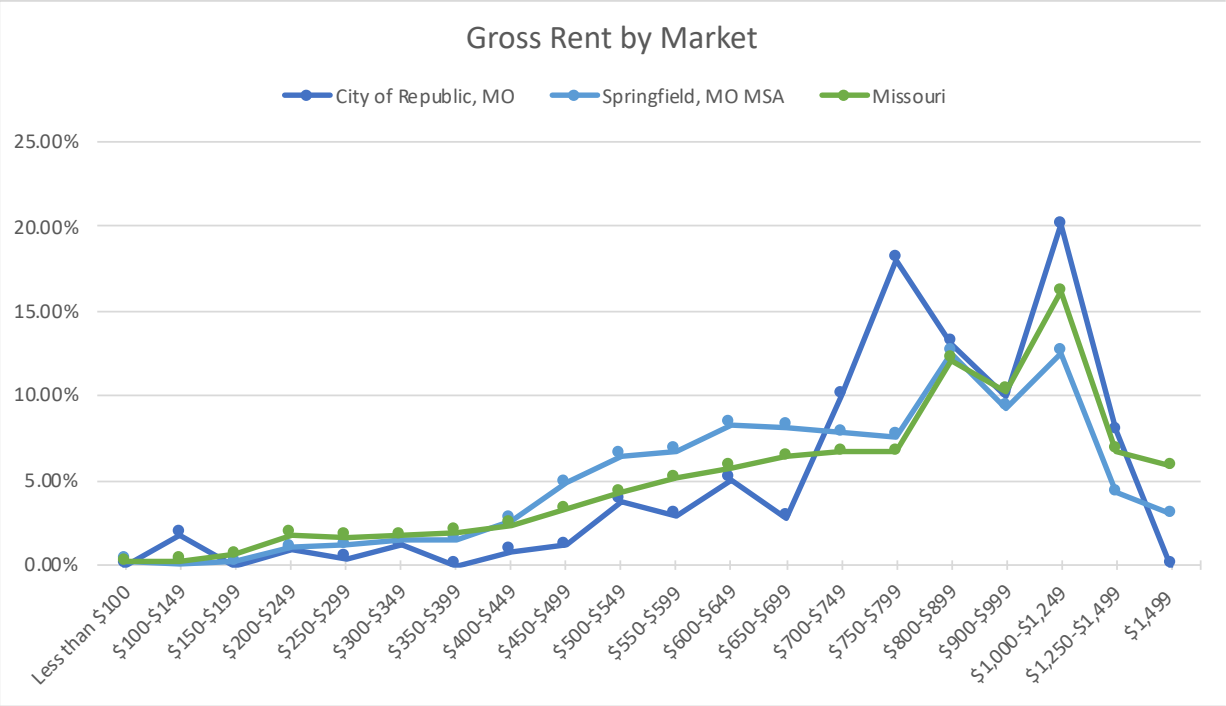
Over time home values are expected to normalize. This is due to a couple of factors. First, home values are anticipated to increase and, as a result, homes in one range will graduate to the next category. Second, the market should respond to regional outliers such as an abundance or dearth of homes in a particular range. Future developments are expected to take supply into account as they plan new projects.



Gross Rent

For Republic renters the rent tends to be higher than for those in the Springfield MSA. Gross rent in the Primary Market was $808 in 2018 and had remained fairly stable from the preceding years – only raising 3.6% since 2016. This compares to Springfield MSA where the rent was $745 in 2018 but rose at a faster rate (6.1%) from 2016. The state of Missouri matched closely to Republic's rent at $809 but rose at a faster rate of 6.5% over three years.

Looking at the median rent by number of bedroom units gives insight into the higher overall median rent for Republic. The data would indicate that the higher rate is a function of lower availability, both of larger units and overall supply over time. Republic rent more closely matches that of the Springfield MSA for smaller units (one-to-three-bedroom units). Median rents for units with four bedrooms in the Republic market are skewed, however, going for rates that are 20% higher. Year-over-year changes in rent of two-bedroom units for 2017-2018 were 3.66% a sharp rise of 2.85% when compared with the preceding figure of 0.81% from 2016-2017. For three-bedroom units, the increase in year-over-year moved 2.37% from 3.85% (2016-17) to 6.22% (2017-18). This may indicate a need for units with two and three bedrooms, which are the among the most common configuration.



Gross rent has also been tracked as across markets. Generally, Republic has a lower number of units in the lower and middle price ranges than either Springfield MSA or Missouri. At the top end, however, Republic has much higher percentages – specifically in ranges of $700-$749 and $1,000 - $1,249 than either other market. Springfield MSA follows the state's figures much more closely. However, it appears to have greater inventory of units in the mid-priced range and slightly fewer in the higher ranges than Missouri.

IV. Supply

The housing market, like all markets, operates as a function of supply and demand. Supply is created through new and resale housing, or dwelling units. The City plays an important role in the construction of new housing. In today's marketplace, most new homes are the product of large-scale developments called subdivisions. The subdivision creation process provides the standards and mechanisms through which large tracts of land are divided into smaller lots on which individual homes are to be built. City staff guide developers through this process by providing review and guidance to ensure that new subdivisions meet municipal ordinances that specify lot standards and infrastructure specifications. The end goal is to create well-functioning lots that serve to benefit the community for the foreseeable future.

Lots become sites for home construction by both large and small-scale builders. The City requires a building permit for all new construction. During the permitting process, construction and site plans are reviewed for compliance with municipal ordinances as well as with the subdivision's final plat.
Both the subdivision creation and building permitting processes require City staff to collect a variety of data. This data, when taken in aggregate, provides a window into the new housing side of market supply.

Types of Housing Structures

One of the key determinants of housing market supply is the number of dwelling units present. Dwelling units come in a variety of forms:

- Single-Family
- Two-Family (Duplex)
- Multi-Family
- Group Homes

Detached single-family homes are the most common form – making up 76.65% of City housing stock[1]. Such homes are what most people think of when they envision a traditional American-style dwelling. Each home takes the form of a single structure occupying its own dedicated parcel of land. In Republic, lot sizes and configurations for these homes are constrained by a parcel's assigned zoning district.

Two-family homes, also known as duplexes, are built to serve as two separate dwelling units. Generally, such units are arranged side-by-side and are separated by a firewall that is rated for two hours of burn time. This means that a fire occurring on one side of the building will take at least two hours to breach the separation. Duplexes make up about 6.48% of the housing stock in the City and have a couple of typical lot configurations. In the first, the entire structure sits on one parcel. This is the most traditional configuration and is most common when both dwelling units are owned by one party. The second configuration occurs when the dwellings each occupy their own lots with the shared wall residing on the adjoining property line.

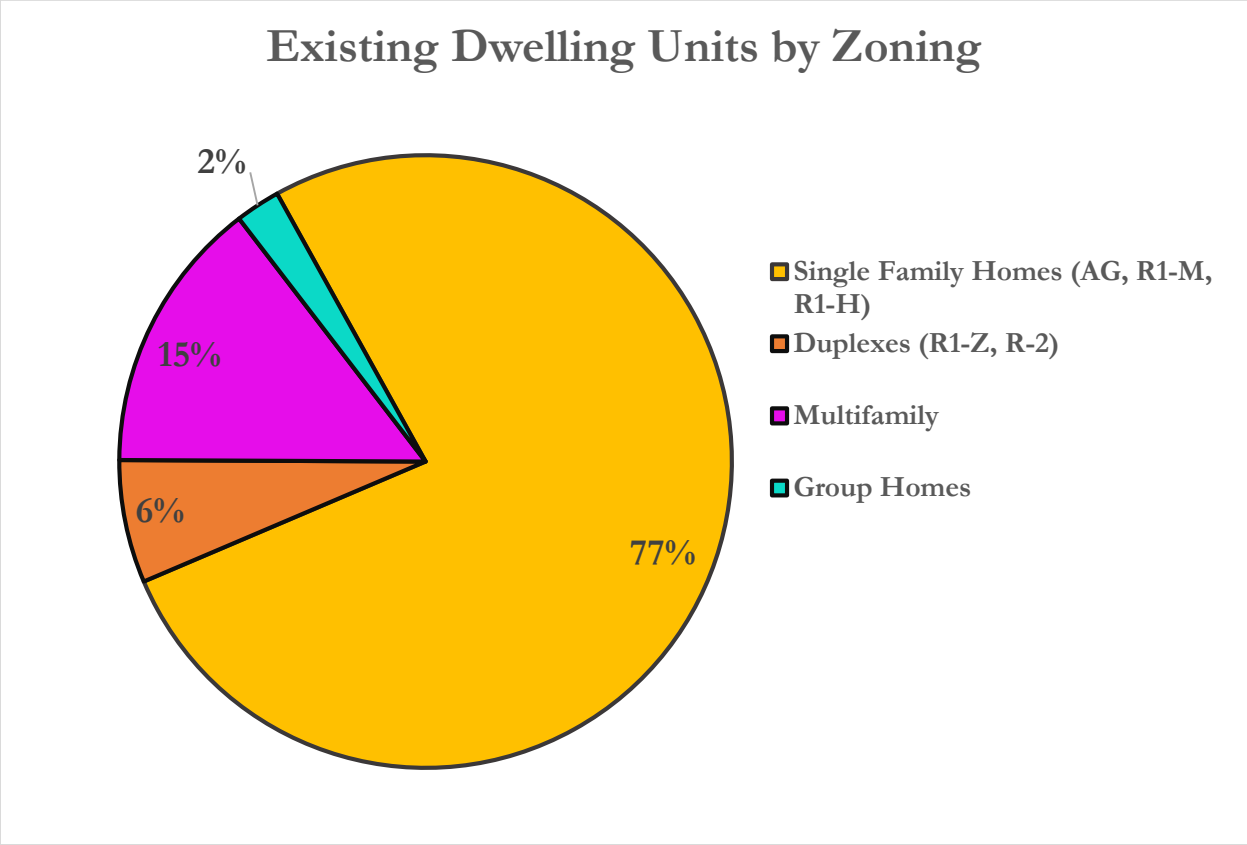
The City of Republic refers to these as attached single-family homes. This arrangement more readily facilitates the sale of these dwellings to separate parties. For the purposes of this study, attached single-family homes are treated as duplexes.

Multi-family dwellings are structures approved to hold more than two households. The arrangements typically found in Republic are apartment complexes and groupings of attached homes (duplexes, triplexes, quadplexes, etc.) occupying the same lot. Newer multi-family developments tend to be of the apartment complex-style,

[1]For the purposes of this section, "housing stock" refers to the dwellings or dwelling units in a given structure, rather than to the structure, itself. For example, a single-family home has one dwelling unit, while an apartment complex would have several.

assumedly because this a more efficient use of land. Multi-family dwellings account for 14.5% of the City's housing stock.

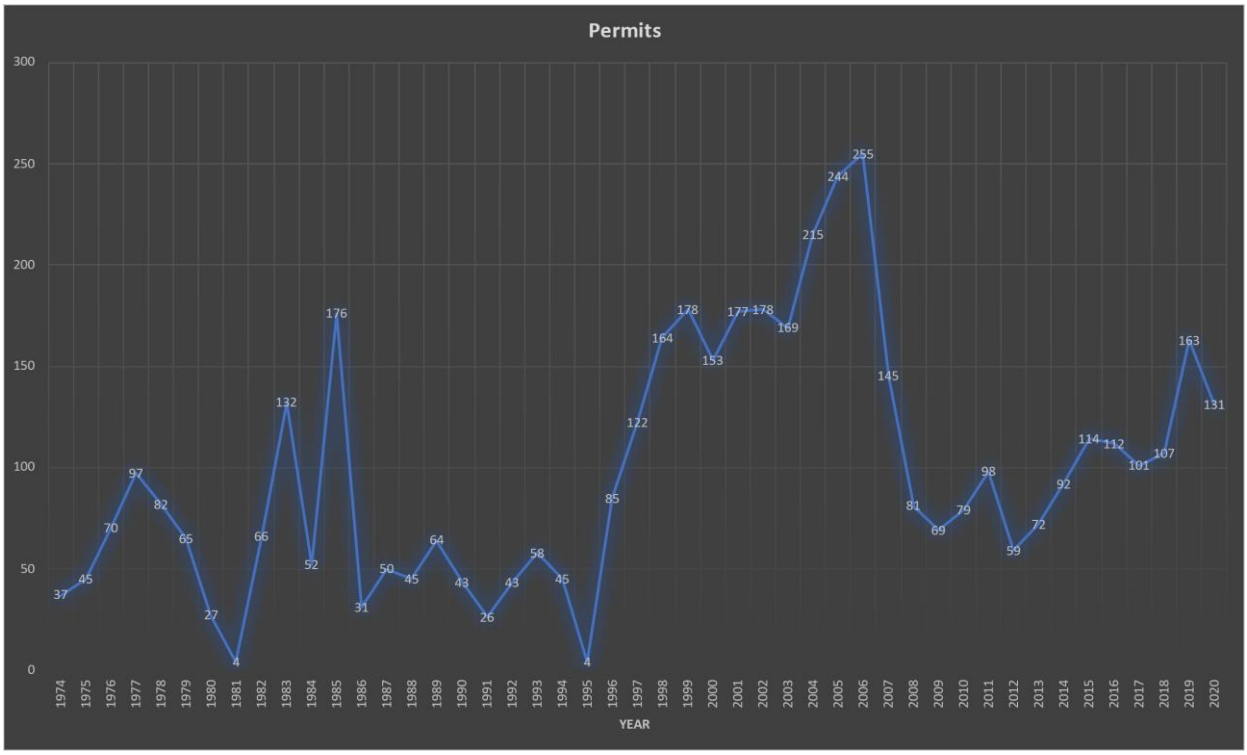
Republic also has a small number of group homes, all of which provide assisted-living facilities for seniors. Group homes have been characterized separately from multi-family for the purposes of information collection. Currently, such facilities make up 2.37% of all dwelling units in the City.



Single-Family and Duplex Dwellings

Permits Issued

Permit data showing new permits that were issued by the City gives us an idea of market growth over time. As the increase in population would suggest, the number of permits issued for new homes shows a positive trendline since data collection began in 1974. While this data is helpful to track the rate that new homes come onto the market, its usefulness is limited by the nature of subdivision development, which operates outside of the calendar year. A given development is likely to begin a year or more before construction starts on its related homes. This creates a lag between the appearance of platted lots and that of finished homes.

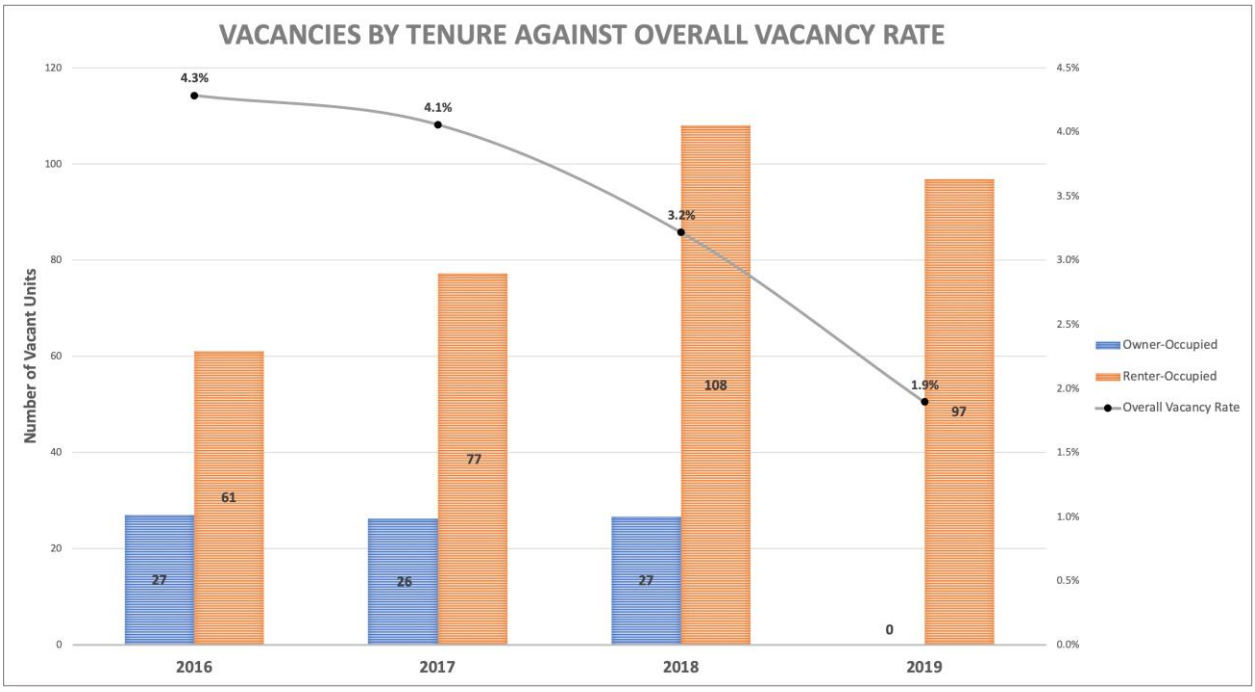


Starting in 1996, the City began to see increases in new residential construction permits issued that would be reflected in the subsequent Decennial Census. Permit figures increased yearly at an average rate of 14.3%, starting from 85 in 1996 and eventually topping out at 255 in 2006. The end of this period coincides with the point in time where Republic saw the effects of the Great Recession, which were visible throughout the City in the form of unfinished homes on lots and platted subdivisions where infrastructure installation would remain only partially completed for a decade. The numbers drop regularly for the period of 2007- 2012. For 2012 there were only 59 new residential construction permits issued – 23% of the number issued in 2006. In the time since, there has been a year-to-year increase of 14.4%, a figure surpassing the average seen during the previous growth period.

Vacancy

Vacancy rates provide the measure of unoccupied dwelling units. The rate is determined by dividing the number of vacant units by those that are occupied. The Census Bureau collects this information as part of the ACS and makes it available yearly. The ACS not only provides a general rate of vacancy for all housing units but also offers vacancy rates by tenure. A healthy vacancy rate is around 3% - 5%, providing excess supply for buyers and renters to enter the market or upgrade their existing housing.

Vacancy rates for the City of Republic are strikingly low. Starting at 4.3% in 2016, vacancy has fallen to 1.9% by 2019. This figure reflects the absence of owner-occupied homes on the market and a middling vacancy of rentals. In contrast, the Secondary Market vacancy rate for 2019 is a much healthier 7.5%, while Missouri's vacancy rate is a little high at 13.%.

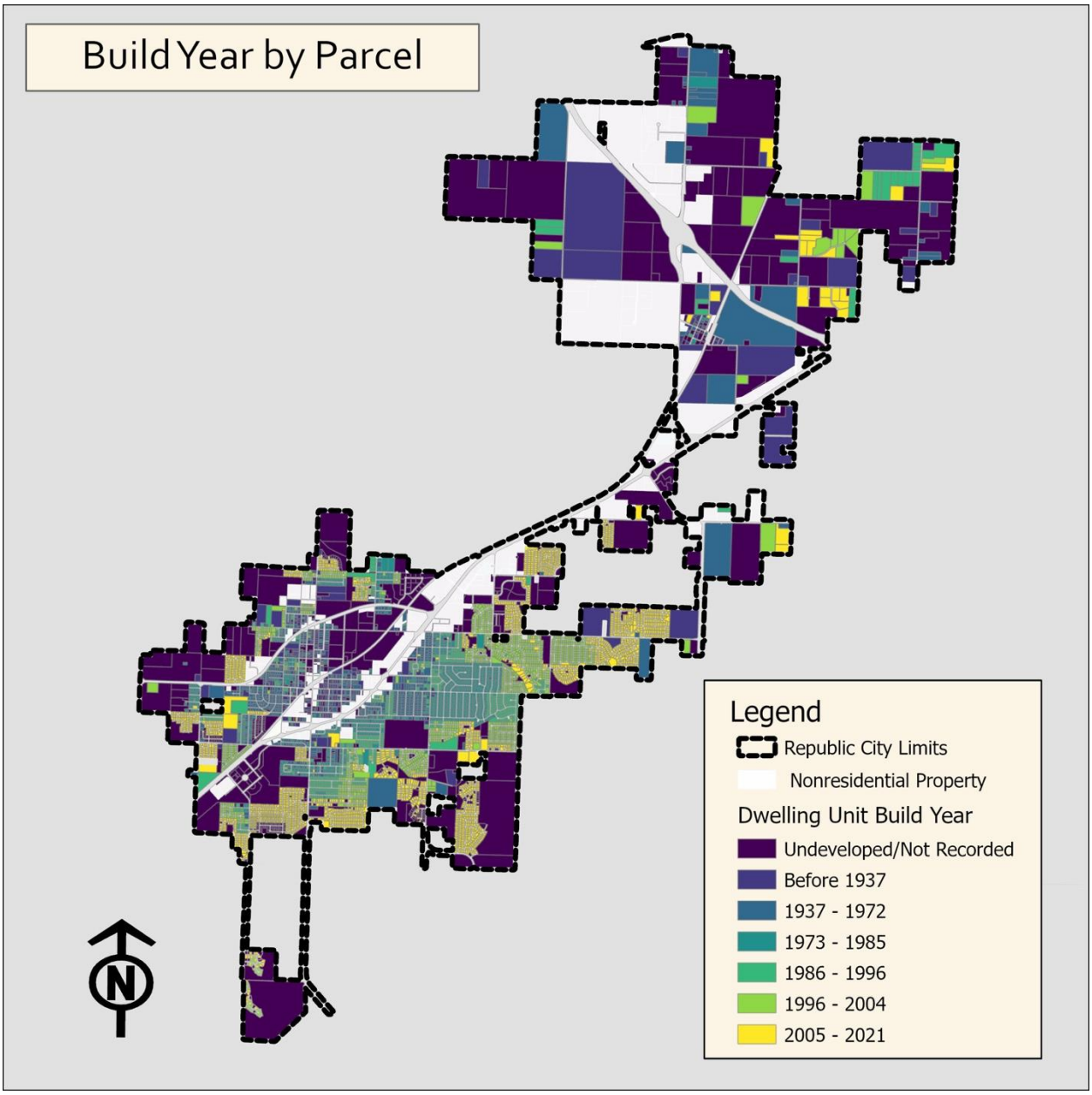


Build Year

The Greene County Assessor's office makes available a wide range of data that is related to each parcel. One important piece of information this data shows is the build year of the principal structure on the lot. The Assessor's office publishes the parcel data as a shapefile, usable by the City's GIS system. It is then possible to view any of the data included geospatially. By filtering this shapefile to show only residential parcels a picture of the development order emerges.

Data from the Greene County Assessor's office was used to create a map showing the range of build year (and most recent remodel) by parcel. This information is useful to view the development pattern of the City. It also provides an indication as to the quality of the housing stock. Residential dwellings have a lifespan depending on the quality of construction materials used. Maintaining a home beyond its lifespan, generally about 30 years, requires repair and upgrade. Viewing these structures in terms or their build year gives insight to where housing stock has met, or will soon meet, the limit of its lifespan.

As the new residential construction permit data suggests, the average build year of single-family dwellings in Republic is 1996. The average home, then, will reach the end of its lifespan in 2026. The viability of such structures will be dependent on their previous maintenance and the willingness of homeowners to make significant investment in their continued viability. Viewing the City by build year shows a pattern of development spread over time and is a function of subdivision buildout, which has, generally, moved from inside of Republic Central outward toward the City's peripheral.



Multi-Family Dwellings

Republic has a healthy inventory of multi-family dwellings representing around 15% of the total housing market. According to the Department of Housing and Urban Development, of the City's 1,060 multi-family dwelling units, about 13.8% are Low Income Housing Tax Credit Properties (LIHTC). Projects that utilize the LIHTC program receive tax credits in return for dedicating units as rentals for low-income tenants. These occupants will then receive a form of rent subsidy.

As the Multifamily Location Map indicates, larger apartment complexes have clustered to the area east of the intersection of US Highway 60 and State Highway 174. Smaller multifamily uses comprised of generally lower intensities like quad- or tri-plexes are in the older part of the City. This area is bounded by Main Street to the east, West Avenue to the west, US Highway 60 to the south, and Wade Street to the north.

V. Demand

Determining the state of the housing market requires a calculation of demand for the primary market. Demand is considered met when it equals the available supply. For the purposes of this study, housing market demand is measured in households while supply is represented by dwelling units. In order for the market to reach a state of equilibrium all households in the market would need to find a dwelling unit. This is further complicated by the specific housing needs and preferences held by those customers, relating to issues of quality and quantity. Potential homeowners are looking for a home that meets their requirements for size, quality, and amenities. Someone in the market for a four-bedroom home is unlikely to purchase one with only two-bedrooms. Furthermore, a household's requirements are variable over time. The following illustration outlines the possible varieties in dwelling units that one household may be in the market for over their lifespan.

A young household may start with two members renting a small home or apartment. Once householder incomes stabilize and the household itself grows, they may purchase a starter home that affords them greater living space. As family growth continues and careers mature, the household may re-enter the market with the intention of upgrading to an even larger home. Eventually, members age-out and leave, becoming their own head-of-household. This leaves the original two members of the parent household with an overabundance of dwelling area. The household may decide to downsize and return to a smaller unit, possibly one that is designed to target their age demographic. Ideally, the City's housing supply is able to provide the variety in options necessary to retain households through their lifespan.

Identifying Demand

Housing demand for a five and twenty-year period was determined using a range of available sources. These sources were used to generate a breakdown of dwelling units by type: single-family, two-family, multi-family, and group home that would be required by the given year. This breakdown makes it possible to determine market needs for the future, which represents the demand for new housing. Future demand is then set against known future supply to identify gaps in housing types.

City Staff's own population projection efforts, completed in 2019, provide the basis for the demand projections. The City has population projections for both 2025 and 2040. First, potential growth in group home occupancy was removed from the projected population totals because these people are not classified as living in households for the purposes of Census surveys[2]. Group homes represent roughly .88% of the overall population. When divided by the average household size for the given year, the adjusted population figures yield the number of occupied dwelling units. ESRI projections were used for the household size in 2025. No projections for average household size exist out to 2040, so the trend for preceding years was extrapolated to obtain a figure for the year. Occupied dwellings were then divided by the difference between one and the projected vacancy rate to determine the total number of dwelling units required to serve the population. The vacancy rate for 2025 was taken from ESRI projections. No projection exists for the vacancy rate out to 2040, so a figure for "preferred vacancy", being 3%[3], was used. The total number of dwelling units were then broken down into single, two-, and multi-family units based on the City's existing housing mix. The results represent the number of dwelling units of each type that are required in order to serve the City's projected populations for 2025 and 2040.

[2] Due to the unique category in which group homes exist, they were used in calculation of demand but will not be discussed in the analysis.

[3] 3% is considered a rule-of-thumb target for housing market vacancy where enough supply exists to provide choice without creating a glut on the market.

	2020	2025		2040	
	Total	Total	Change (from 2020)	Total	Change (from 2020)
Population	19,635	22,110	2,475	37,386	17,751
Population (excl. Group Home pop.)	19,462	21,915	2,453	37,057	17,595
Avg HH Size	2.68	2.69	-	2.73	-
Vacancy	1.9%	3.5%	1.6%	3.0%	1.1%
Households	7,262	8,147	885	13,574	6,312
Dwelling Units	7,310	8,442	1,132	13,994	6,684

Determining Market Gap

The purpose in identifying the housing market gap is to determine the difference between how many dwelling units are necessary to serve future demand and how many exist presently. The inventory gap provides the total number of units that should be constructed by a given year in order to ensure enough market supply. However, as the facilitator of development in the City, staff has access to additional information that allows these initial figures to be pared down even further.

Development is recorded throughout the City. This is primarily done through the tracking of subdivision buildout. Every lot of every subdivision has been assigned a status denoting its place within a development timeline. This timeline includes various phases of platting – preliminary, infrastructure construction, and final, as well as the permitting of principal structures on the lot. In this way it is possible to know not only if a lot is vacant or not, but also to associate with it a potential timeline for development. The greatest challenge in this endeavor is to attach a timeline to a potential development.

A myriad of factors can influence a development's "time-to-market", or the speed with which it progresses from the conceptual stage to the point of occupancy. However, by making certain assumptions about development timelines it becomes possible to categorize known and expected projects in a manner that allows for demonstration of their absorption into the 2025 or 2040 market inventory. For the purposes of setting development-associated timelines it is assumed that both dwellings producible on vacant non-multi-family residential lots and those dwelling units which would be the eventual result of projects in the infrastructure construction phase will be available for absorption into the market by 2025. Dwelling units that would result from the full buildout of all existing subdivisions and planned development districts with currently approved preliminary plats or are currently undergoing land use changes (i.e., annexation, rezoning, or planned development district design) in an effort to facilitate future platting have been assumed to be available for absorption into the market by 2040.

	2020	2025				2040				
	Total	Total	Inventory Gap	Stock Expected *	Actual Gap	Total	Initial Inventory Gap	Inventory Gap**	Stock Expected ***	Actual Gap
Dwelling Units	7,310	8,442	1,132	512	620	13,994	6,684	6,172	2,167	4,005
Single Family (AG, R1-L, R1-M, R1-H)	5,603	6,471	868	402	466	10,726	5,123	4,721	958	3,763
Two-Family (R-2, R1-Z)	474	547	73	0	73	907	433	433	260	173
Multifamily	1,060	1,224	164	110	54	2,029	969	859	949	-90
Group Home	173	195	22	0	22	329	156	156	0	156

**Consists of currently vacant lots and subdivisions with infrastructure under construction.*

***Includes "Stock Expected" from 2025.*

****Consists of all units resulting from preliminary platted subdivisions, Planned Development Districts, and projects currently undergoing Land Use changes.*

Market Gap Analysis

By 2025, the City of Republic is projected to need a total of 8,442 dwelling units in order to serve the 8,147 households expected to live here. This figure accounts for the projected vacancy rate of 3.5%, which represents 295 unoccupied units. To reach the projected amount of housing needed, 1,132 dwelling units would have to be completed by 2025. Of the required units, 512, or 45%, are already accounted for as "Stock Expected", meaning they are to be constructed either as part of ongoing projects or through infill of vacant lots. Of the different dwelling types, two-family dwellings are furthest from meeting demand, with the "Actual Gap" equivalent to the "Inventory Gap". This is a result of a complete lack of vacant lots to allow infill of this type and no such anticipated projects on the horizon. Multi-family units are closest to meeting the demand for 2025 with only 33%, 54 units, remaining after accounting for anticipated projects. Single-family units are somewhere in the middle with a little less than 54%, or 466 units, left.

Looking forward into 2040, a total of 13,994 dwelling units would be necessary to house the City's projected population of 37,386. Again, this number includes the buffer provided by a vacancy rate of 3%, which comes out to 420 vacant units, to provide market choice and to allow for continued growth. By this time, the City needs 6,684 additional dwelling units when compared against current inventory. For the 2040 time period, "Stock Expected" is comprised of the sum of dwelling units constructed as a result of all possible infill of vacant residential lots, the completion of subdivisions currently installing infrastructure, the completion of all preliminary platted residential subdivisions, and a handful of projects moving through the land use change process. The "Actual Gap" as a percentage of the total "Inventory Gap" for each type of housing varies wildly. After accounting for all "Stock Expected", single-family housing has an "Actual Gap" of 4,005 units, which is 79.7% of the "Inventory Gap". Two-family housing is left with an "Actual Gap" of 173 units out of an "Inventory Gap" of 433 – meaning about 39.95% will need to be supplied. Of especial interest is multi-family, which has a predicted surplus by 2040. Once all "Stock Expected" is supplied, the "Inventory Gap" of 859 units will be reduced to -90 units. This suggests that "Stock Expected" by 2040 will outstrip demand (as determined by the current mix of housing) by supplying 110.48% of the required units.

VI. Recommendations

The City of Republic practices a hands-off, market driven approach to housing development. Decisions about land use at the parcel level are best made by the actors with the greatest degree of buy-in – usually the owner or developer because it is in these individuals' self-interest to create a successful project. This buy-in incentivizes those actors to seek out or become experts in the issues pertaining to their project.

City Staff believes their role is as a facilitator of development rather than a gatekeeper. Providing information and analysis for prospective projects of all sizes contributes to the larger goal of ensuring the highest and best use of land in the City.

The recommendations below are designed to enhance this practice that has seen unmatched success in the past few years.

Webpage Restructure

This recommendation is intended to cover the creation of educational materials and guidance that is out of date or does not currently exist. The City's website is the most logical place for such resources and, therefore, constitutes an important part of such an effort.

The BUILDS Department webpage is overdue for reorganization and updating. The consolidation of Public Works and Community Development is a reorganization that should be better reflected through their internet presence. The website presents a primary need that must be addressed before new education efforts are undertaken otherwise such efforts run the risk of going unused and unnoticed. In addition, the website is commonly used for obtainment of materials related to permitting and for guidance concerning practicalities of adopted building codes for small residential projects. Staff should strive to keep this source user-friendly and error-free.

Building Inspection Workshop

By virtue of their position, City Inspectors have accumulated an intimate knowledge with the residential construction process, particularly as it pertains to the inspection regimen. The Building Inspection Workshop would provide an opportunity to share this knowledge with interested parties. The target audience would consist of small-level and first-time builders, as well as those residents who wish to participate in the construction process themselves. Misconceptions as to the City's purpose for requiring permits and conducting inspections can be dispelled through transparency. Successful implementation of this recommendation is expected to contribute to gains in efficiency.

Topics for discussion include: "When Should I Apply for a Permit", "The Permitting Process – From Start to Finish", "Preparing for Inspections", "Common Mistakes Leading to Inspection Fails."

Residential Market Data Transparency

Republic must leverage its governmental position to provide actionable intelligence to decisionmakers.
The City of Republic is the site of undeniable regional growth. As the size of the City increases, so too does its presence. Every interested party provides a possible opportunity. Capturing such potential energy requires accessible information. Making sure this information is accurate and available can be the difference that draws new investments to the community.

One enormous resource that is underutilized concerns the residential data collected by the BUILDS Department. This information currently informs decisions made by the City, as it should. However, efforts should be taken to further refine the information being collected, the collection process, and the available forms

of output. The department must continue to focus on efforts to provide residential market information in real time and to find new and inventive ways to make that information accessible.

Cost-Analysis Process Development

The City of Republic currently has a high ratio of undeveloped to developed property partly due to the addition of Republic North (previously the former Village of Brookline). Most of this property exists on the peripheral of the City's utility systems and, therefore, requires some form of improvement to serve. The City must act in a cost-effective manner when expanding infrastructure. True cost-effectiveness requires an understanding of the future benefits a given development will produce and how they match up against the lifetime costs of the project-related infrastructure burdens incurred by the City. City staff should explore and design a consistent process for conducting such cost-benefit analyses and consider the value in presenting results as part of staff reports provided to City Council during their evaluation of land use related cases.

Appendix A – Demand Generation (Build-Out and Demand Projection by Chris Tabor)

Build-Out Data

	2020	2025
Size of Avg. Household	2.646	2.69
Occupancy Rate	0.957	0.957

Zoning	R1				R2	R3	Total
Density	*L*	*M*	*H*	*Z*	—	—	
Percentage of Existing Mix	*0.0001*	*0.7020*	*0.0701*	*0.0093*	*0.0521*	*0.1663*	*1.0000*
Ratio of Acreage per Dwelling Unit	5.5900	0.3378	0.2195	0.1359	0.1448	0.0753	--
Dwelling Units	1	4824	482	64	358	1143	*6872.0000*
2018 Acres (Actual)	5.59	1629.59	105.78	8.70	51.84	86.09	*1887.5900*
2020 Acres	6.30	1835.36	119.14	9.80	58.39	96.96	*2125.9386*
2030 Acres	8.84	2576.62	167.25	13.76	81.97	136.12	*2984.5611*
2040 Acres	11.99	3494.60	226.84	18.66	111.17	184.62	*4047.8700*

Single Family (Detached)	Single Family (Attached)	Duplex	Multi-Family	
77.23%	0.93%	5.21%	16.63%	100.00%

	2020	2025	2030	2040
Population	19,635	22,110	27,565	37,386
Households	7,421	8,219	10,418	14,129
Dwelling Units	7,740	8,573	10,866	14,737
Single Family Low Density	1	1	2	2
Single Family Medium Density	5,433	6,018	7,627	10,345
Single Family High Density	543	601	762	1,034
Single Family (Attached)	72	80	101	137
Duplex	403	447	566	768
Multi-Family	1,287	1,426	1,807	2,451

Zoning	C			
Density	1	2	3	Total
Acres 2018 (Actual)	104.00	201.18	13.39	**318.57**

M		
1	2	Total
273.04	207.60	**480.64**

Homes (Proj, Exp, Const)

	Projected Homes*	Expected Homes**	Built Homes
Single Family Homes (AG, R1-M, R1-H)	947	134	5,514
Duplexes (R1-Z, R-2)	114	0	199

**Based on lots of subdivisions that have been preliminary platted or where infrastructure is being or has been constructed.*

***Based on vacant lots.*

	Projected DUs*	Expected DUs**	Built DUs
Single Family Homes (AG, R1-M, R1-H)	947	134	5,514
		27.46%	81.41%
Duplexes (R1-Z, R-2)	114	0	199
		0.00%	2.94%
Multifamily	-	354	1,060
	-	72.54%	15.65%

Appendix B – Subdivision Lot Tracker (Chris Tabor)

	DU's of non-PDD Subdivisions				
Zoning District	Preliminary Platted (only)	Infrastructure Under Construction	Final Platted	Developed	Vacant
AG	0	0	97	86	11
R-2	0	0	121	121	0
R1-H	221	184	479	462	17
R1-M	92	0	4,578	4,509	69
R1-Z	114	0	38	38	0
Grand Total	**1,061**	**246**	**6,067**	**5,892**	**156**

	DU's of PDD Subdivisions (Organized by Functional Zoning)				
Zoning District	Preliminary Platted (only)	Infrastructure Under Construction	Final Platted	Developed	Vacant
AG	0	0	0	0	0
R-2	67	0	64	64	0
R1-H	148	0	213	146	48
R1-M	419	62	411	400	11
R1-Z	0	0	66	66	0
Total	**634**	**62**	**754**	**676**	**59**

	Dwelling Units for All Subdivisions (Includes PDD's by Functional Zoning)						
Zoning District	Early Development (Land Use Change)	Preliminary Platted (only)	Infrastructure Under Construction	Final Platted	Developed	Vacant*	Total Buildout
AG	1	0	0	97	86	11	98
R-2	12	134	0	370	370	0	516
R1-H	0	369	184	692	608	65	1,245
R1-M	77	511	62	4,989	4,909	80	5,639
R1-Z	0	114	0	104	104	0	218
R-3	705	244	110	1,060	1,060		2,119
Grand Total	**795**	**1,372**	**356**	**7,312**	**7,137**	**156**	**9,835**

Appendix C – Build Year Chart (Census Bureau)

Primary Market Area	Submarket	Secondary Market Area	Build Year	2014 or Later		2000-2009		1990-1999		1980-1989		1970-1979		1960-1969		1950-1959		1940-1949		1939 or Earlier		Median Year
				Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	
City of Republic, MO	Republic (excluding Brookline)	Springfield, MO MSA	1	-	0.0%	4	26.7%	1	6.7%	4	26.7%	3	20.0%	-	0.0%	-	0.0%	-	0.0%	3	20.0%	1985
			2	15	3.8%	244	61.6%	44	11.1%	23	5.8%	7	1.8%	19	4.8%	4	1.0%	8	2.0%	32	8.1%	2004
			3	1	9.1%	5	45.5%	3	27.3%	1	9.1%	-	0.0%	-	0.0%	-	0.0%	1	9.1%	-	0.0%	2003
			Total	16	3.8%	253	60.0%	48	11.4%	28	6.6%	10	2.4%	19	4.5%	4	0.9%	9	2.1%	35	8.3%	
	Brookline		4	71	7.7%	490	53.1%	109	11.8%	92	10.0%	89	9.6%	14	1.5%	-	0.0%	-	0.0%	58	6.3%	2004
			5	-	0.0%	275	24.0%	363	31.7%	227	19.8%	172	15.0%	27	2.4%	47	4.1%	13	1.1%	20	1.7%	1993
			6	36	3.8%	331	34.9%	246	25.9%	122	12.9%	111	11.7%	29	3.1%	14	1.5%	51	5.4%	8	0.8%	1997
			7	-	0.0%	38	4.2%	217	24.0%	59	6.5%	210	23.2%	122	13.5%	49	5.4%	29	3.2%	182	20.1%	1974
			8	-	0.0%	145	15.1%	202	21.1%	280	29.2%	193	20.1%	77	8.0%	-	0.0%	26	2.7%	36	3.8%	1985
			9	39	8.2%	185	39.1%	165	34.9%	66	14.0%	18	3.8%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	2000
			10	-	0.0%	13	39.4%	8	24.2%	5	15.2%	3	9.1%	-	0.0%	-	0.0%	-	0.0%	4	12.1%	1997
			Total	146	2.7%	1,477	27.4%	1,310	24.3%	851	15.8%	796	14.8%	269	5.0%	110	2.0%	119	2.2%	308	5.7%	
		Springfield, MO MSA		2,960	1.5%	38,474	19.7%	40,861	21.0%	26,275	13.5%	32,256	16.6%	16,235	8.3%	13,082	6.7%	7,111	3.6%	17,622	9.0%	1986
Missouri				34,492	1.3%	378,096	14.0%	403,112	14.9%	336,024	12.4%	433,433	16.0%	316,974	11.7%	285,885	10.6%	133,539	4.9%	388,098	14.3%	1976

Appendix D – Residential Construction Permits (City of Republic)

New Residential Home Construction Permits Issued

Year	Permits	Change	Change in Percent
1974	37	-	-
1975	45	8	21.6%
1976	70	25	55.6%
1977	97	27	38.6%
1978	82	15	-15.5%
1979	65	17	-20.7%
1980	27	38	-58.5%
1981	4	23	-85.2%
1982	66	62	1550.0%
1983	132	66	100.0%
1984	52	80	-60.6%
1985	176	124	238.5%
1986	31	145	-82.4%
1987	50	19	61.3%
1988	45	5	-10.0%
1989	64	19	42.2%
1990	43	21	-32.8%
1991	26	17	-39.5%
1992	43	17	65.4%
1993	58	15	34.9%
1994	45	13	-22.4%
1995	4	41	-91.1%
1996	85	81	2025.0%
1997	122	37	43.5%
1998	164	42	34.4%
1999	178	14	8.5%
2000	153	25	-14.0%
2001	177	24	15.7%

2002	178	1	0.6%
2003	169	9	-5.1%
2004	215	46	27.2%
2005	244	29	13.5%
2006	255	11	4.5%
2007	145	110	-43.1%
2008	81	64	-44.1%
2009	69	12	-14.8%
2010	79	10	14.5%
2011	98	19	24.1%
2012	59	39	-39.8%
2013	72	13	22.0%
2014	92	20	27.8%
2015	114	22	23.9%
2016	112	2	-1.8%
2017	101	11	-9.8%
2018	107	6	5.9%
2019	163	56	52.3%
2020	131	32	-19.6%

Average	**98**
Average of last twenty years	
Average of last decade	**104.9**
Average of last five years	**122.8**

Appendix E – Multifamily Inventory (Chris Tabor)

						Developed				Projected		Remaining	
Parcel ID	Address	Name	Subsidized/Unsubsidized	Year Built (Dwelling Units)	Lot Acreage	Buildings	Dwelling Units	Bedrooms	Total Living Area (ft²)	Buildings	Dwelling Units	Buildings	Dwelling Units
88171630015	1740 E Hamilton St	Republic Palms Apartments	Unsubsidized	2005/2006/2007/2019	10.94	11	192	384	182,832	11	192	0	0
88171640118	2130 E Hamilton St	Oak Court Place Apartments	Unsubsidized	2008/2009	6.46	3	72		76,794	3	72	0	0
88171630009	1605 E Hines St	Spring Hill Apartments	Subsidized	2001	5.33	3	36		35,832	3	36	0	0
88171640113	810 N Oakwood Ave	Oakwood Place	Subsidized/Unsubsidized (47	2015	3.61	3	47	96	63,618	3	47	0	0
88171630011	1600 E Windmill Way	Pinewood Park Apartments		2001/2002	5.31	6	96		80,344	6	96	0	0
88171040003	3246 E Old Stone Ave (Lot 1)	Old Stone Apartments	Unsubsidized	2007	5.51	4	96		99,321	4	96	0	0
88171040003	3246 E Old Stone Ave (Lot 2)	Old Stone Apartments	Unsubsidized	2008	4.03	4	96		90,516	4	96	0	0
88171040003	3246 E Old Stone Ave (Lot 4)	Old Stone Apartments	Unsubsidized	2009	3.45	5	120		125,370	5	120	0	0
88171942300	310 W Anderson St	Anderson Street Apartments	Subsidized	1973	2.08	10	20	28	21,508	10	20	0	0
88171911800	215 W Olive St	Olive Street Duplex and 3-plex	Unsubsidized	1990	0.86	2	5	6	5,073	2	5	0	0
88171911402	136 N. West St	West Ave 4-plex	Unsubsidized	1979	0.40	2	4	8	4,104	2	4	0	0
88171920103	236 N Cedar Ave	Cedar Park	Unsubsidized	2006	0.86	1	16		15,176	1	16	0	0
88171920102	235 N Cedar Ave	Cedar Park	Unsubsidized	2006	0.89	1	8		8,792	1	8	0	0
88171920102	223 N Cedar Ave	Cedar Park	Unsubsidized	2006	0.51	1	16		15,176	1	16	0	0
88171920103	220 N Cedar Ave			2006	0.82	1			7,998	1		0	0
88171930201	728 W Elm St	Hummingbird Place Apartments	Unsubsidized	1969	1.21	1	8		8,654	1	8	0	0
88171942102	207 S Main St	Main Street Apartments	Unsubsidized	1988	0.87	1	6		5,376	1	6	0	0
88172031001	310 S Main St	Main Street 4-plex	Unsubsidized	1978	0.55	1	4		3,264	1	4	0	0
88171930302	609 W O'Neal Rd	O'Neal Apartments	Unsubsidized	1971	0.32	1	4		2,997	1	4	0	0
88171840500	338 W Wade St	Wade Street 4-plex	Unsubsidized	1979	0.50	1	4		5,473	1	4	0	0
88171730600	621 N Boston Ln	Boston Heights Apartments	Subsidized	1983	5.58	9	36		22,788	9	36	0	0
88171730600	701 N Boston Ln	Republic Senior Housing	Subsidized	1991	1.72	4	16		10,020	4	16	0	0
88171630001	1405 E Hines St	Republic Apartments	Unsubsidized	1985	1.20	2	16		16,730	2	16	0	0
88171630001	1405 E Hines St	Republic Heights Apartments	Subsidized	1985	0.70	1	16		9,804	1	16	0	0
88171630001	1405 E Hines St	Republic III Apartments	Subsidized	1985	1.47	3	24		20,544	3	24	0	0
88171640114	697 N Williams St	Oakwood Heights Townhouses	Unsubsidized	2008	1.25	1	6		9,221	1	6	0	0
88171640114	632 N Williams St	Oakwood Heights Townhouses	Unsubsidized	2008	1.14	2	17		21,931	2	17	0	0
88171640113	1903 E Haley St	Oakwood Heights Townhouses	Unsubsidized	2007	1.16	2	17		21,351	2	17	0	0
88172031401	305 S Morningside Ave	Morningside Apartments	Unsubsidized	1969	0.52	1	6		7,600	1	6	0	0
88171840200	907 N Walnut	Dogwood Apartments	Unsubsidized	1978	0.46	1	4		2,304	1	4	0	0
88171840101	912 (907?) N Walnut Ave	Dogwood II Apartments	Unsubsidized	1983	0.93	2	16		12,754	2	16	0	0
88172010601	826 E Lee St	Sifferman Manor Apartments	Unsubsidized	1971	0.3822	1	5		4,290	1	5	0	0
88172010606	820 E Lee St	O'Neal Apartments	Unsubsidized	1966	0.6484	1	6		5,940	1	6	0	0
88171911403	325 W Elm St	Elm Street Apartments	Unsubsidized	1985	1.71	3	12		8,064	3	12	0	0
88171841000	641 N Main St	Main Street 5-plex	Unsubsidized	1995	0.43	1	5.000		4,988	1	5	0	0
88171911403	340 W Grant St	Grant Street Duplex	Unsubsidized	1979	0.44	1	2		1,664	1	2	0	0
88171911403	332 W Grant St	Grant Street Duplex	Unsubsidized	1979	0.44	1	2		1,664	1	2	0	0
88171930201	103 S Sherman Ave	Sherman Street Duplex	Unsubsidized	1970	0.28	1	2		3,016	1	2	0	0
88171840800	645 N Walnut Ave	Walnut 4 Duplex	Unsubsidized	1899	0.16	1	2		1,092	1	2	0	0
88171040002	W Old Stone Ave	Field Stone PDD	Unsubsidized	2020	4.19	0	0	176		3	110	3	110
88172031203	139 E Miller Rd	Miller Court Senior Villas PDD		Unbuilt		5	0			8	40	8	40
88173010105	W Miller Rd	Frisco Square Village PDD		Unbuilt			0			-	204	-	204
		Total				**100**	**1060**	**698**	**1,043,983**	**111**	**1414**	**11**	**354**

Appendix F – Group Home Inventory (Chris Tabor)

Address	Name	Subsidized,	Year Built (	Acreage	Buildings	Dwelling U
635 E State Hwy 174	Bristol Care		1996	1.10	1	6
901 E State Hwy 174	Republic Nursing and Rehab		1986	11.25	1	127
300 S Cottonwood Ave	Sonshine Manor			4.47	1	40
TOTAL						**173**

Appendix G – Platted Subs by Submarkets (Chris Tabor)

		Plat Status			Lot Status	
Submarket	**Zoning**	***Preliminary***	***Infrastructure***	***Final***	***Developed***	***Vacant***
2	AG	0	0	36	33	3
	R1-M	0	0	43	40	3
	Total	**0**	**0**	**79**	**73**	**6**
4	R1-M	218	62	1001	994	7
	R1-H	139	120	108	108	0
	R-2	0	0	84	84	0
	Total	**357**	**182**	**1193**	**1186**	**7**
5	R1-M	0	0	740	739	1
	R1-H	0	0	158	158	0
	R1-Z	0	0	2	2	0
	R-2	0	0	23	23	0
	Total	**0**	**0**	**923**	**922**	**1**
6	R1-M	102	48	1012	996	16
	R1-H	0	80	169	144	25
	R1-Z	48	0	90	90	0
	R-2	0	0	48	48	0
	Total	**150**	**128**	**1319**	**1278**	**41**
7	R1-M	30	0	627	593	34
	R1-H	0	0	3	3	0
	R1-Z	66	0	0	0	0
	R-2	0	0	15	15	0
	Total	**96**	**0**	**645**	**611**	**34**
8	R1-M	0	0	823	819	4
	R1-H	0	0	147	147	0
	R1-Z	0	0	12	12	0
	R-2	0	0	15	15	0
	Total	**0**	**0**	**997**	**993**	**4**
9	R1-M	148	0	720	688	32
	R-2	0	0	5	5	0
	Total	**148**	**0**	**725**	**693**	**32**
10	AG	0	0	61	52	9
	Total	**0**	**0**	**61**	**52**	**9**
Total	*AG*	0	0	97	85	12
	R1-M	498	110	4966	4869	97
	R1-H	139	200	585	560	25
	R1-Z	114	0	104	104	0
	R-2	0	0	190	190	0
	TOTAL	**751**	**310**	**5942**	**5808**	**134**