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Analysis of the KANSAS CITY, MISSOURI-KANSAS HOUSING MARKET

as of February 1, 1971

DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT
FEDERAL HOUSING ADMINISTRATION

WASHINGTON, D. C. 20411

OCTOBER 1971

FHA Housing Market Analysis

Kansas City, Missouri-Kansas, as of February 1, 1971

Foreword

This analysis has been prepared for the assistance and guidance of the Federal Housing Administration in its operations. The factual information, findings, and conclusions may be useful also to builders, mortgagees, and others concerned with local housing problems and trends. The analysis does not purport to make determinations with respect to the acceptability of any particular mortgage insurance proposals that may be under consideration in the subject locality.

The factual framework for this analysis was developed by the Economic and Market Analysis Division as thoroughly as possible on the basis of information available on the "as of" date from both local and national sources. Of course, estimates and judgments made on the basis of information available on the "as of" date may be modified considerably by subsequent market developments.

The prospective demand or occupancy potentials expressed in the analysis are based upon an evaluation of the factors available on the "as of" date. They cannot be construed as forecasts of building activity; rather, they express the prospective housing production which would maintain a reasonable balance in demand-supply relationships under conditions analyzed for the "as of" date.

Department of Housing and Urban Development Federal Housing Administration Economic and Market Analysis Division Washington, D. C.

FHA HOUSING MARKET ANALYSIS - KANSAS CITY, MISSOURI-KANSAS AS OF FEBRUARY 1, 1971

For purposes of this analysis, the Kansas City, Missouri-Kansas Housing Market Area (HMA) is defined as including the counties of Jackson, Cass, Clay, and Platte in Missouri, and Johnson and Wyandotte Counties in Kansas. The population of the HMA as of February 1, 1971, was an estimated 1,265,000.1/

Paralleling the national trend, economic expansion in the HMA slowed somewhat during the past year, resulting in a slower rate of in-migration and population growth. The housing market has remained firm, however, principally because of a sharp decline in residential building activity since mid-1969.

Anticipated Housing Demand

Based on anticipated growth in the number of households, on the number of housing units expected to be removed, on present vacancy rates, and on current estimates of residential construction activity, it is estimated that there will be an annual demand for about 9,300 nonsubsidized housing units in the Kansas City, Missouri-Kansas, Housing Market Area during the next two years, including approximately 3,600 single-family houses, about 5,200 units in multifamily structures, and about 500 mobile homes. Distributions of demand for single-family houses by price class and multifamily units by gross monthly rent are presented in tables I, II, and III.

The estimated demand for new nonsubsidized housing units in all geographic submarkets of the HMA is above the construction level for unsubsidized housing in 1970 and reflects the expected improvement in local economic conditions as well as the effects of resumed construction activity following a lengthy construction industry strike during 1970. The proportion of demand represented by units in multifamily structures parallels recent tendencies in the area, in which multifamily units have constituted as much as 70 percent of total construction activity in some submarkets.

^{1/} The U.S. Bureau of the Census reported a final population for the HMA of 1,253,916 as of April 1, 1970.

Occupancy Potential for Subsidized Housing

Federal assistance in financing costs for new housing for low- or moderate-income families may be provided through a number of different programs administered by FHA: monthly rent supplements in rental projects financed under Section 221(d)(3); partial payment of interest on home mortgages insured under Section 235; partial interest payment on project mortgages insured under Section 236; and federal assistance to local housing authorities for low-rent public housing.

The estimated occupancy potentials for subsidized housing are designed to determine, for each program, (1) the number of families and individuals who can be served under the program and (2) the proportion of these households that can reasonably be expected to seek new subsidized housing during the forecast period. Household eligibility for the Section 235 and Section 236 programs is determined primarily by evidence that household or family income is below established limits but sufficient to pay the minimum achievable rent or monthly payment for the specified program. Insofar as the income requirement is concerned, all families and individuals with income below the income limits are assumed to be eligible for public housing and rent supplement; there may be other requirements for eligibility, particularly the requirement that current living quarters be substandard for families to be eligible for rent supplements. Some families may be alternatively eligible for assistance under more than one of these programs or under other assistance programs using federal or state support. The total occupancy potential for federally assisted housing approximates the sum of the potentials for public housing and Section 236 housing. For the Kansas City HMA, the total occupancy potential is estimated to be 4,325 units annually (see table IV). Future approvals under each program should take into account any intervening approvals under other programs which serve the same families and households.

The annual occupancy potentials $\frac{1}{}$ for subsidized housing discussed below are based upon 1971 incomes, the occupancy of substandard housing, estimates of the elderly population, income limits in effect on February 1, 1971, and on available market experience. $\frac{2}{}$

Section 235 and Section 235. Subsidized housing for households with low-to moderate-incomes may be provided under either Section 235 or Section 236. Moderately-priced, subsidized sales housing for eligible families can be made available through Section 235. Subsidized rental housing for the same families may be alternatively provided under Section 236; the Section 236 program

^{1/} The occupancy potentials referred to in this analysis have been calculated to reflect the strength of the market in view of existing vacancy. The successful attainment of the calculated potentials for subsidized housing may well depend upon construction in suitably accessible locations, as well as a distribution of rents and sales prices over the complete range attainable for housing under the specified programs.

^{2/} Families with incomes inadequate to purchase or rent nonsubsidized housing generally are eligible for one form or another of subsidized housing.

contains additional provisions for subsidized rental units for elderly couples and individuals. In the Kansas City HMA, it is estimated (based on regular income limits) that, for the period February 1971-February 1973, there is an occupancy potential for an annual total of 1,200 subsidized family units utilizing either Section 235 or Section 236, or a combination of the two programs. In addition, there is an annual potential for about 825 units of Section 236 rental housing for elderly couples and individuals. The use of exception income limits would increase this potential by nearly one-half.

To date, houses financed under the Section 235 program have encountered no marketing problems. Since mid-1968, funds have been reserved for approximately 1,400 units under Section 235 and as of October 1, 1970, 1,200 Section 235 loans had been closed (875 for existing houses and 325 for new houses). Approximately 95 percent of the Section 235 loans were in Jackson and Wyandotte Counties. Approximately 300 units are presently under construction for which it is anticipated Section 235 financing will be required.

To date, occupancy experience with Section 236 housing in the HMA has been favorable; full occupancy and waiting lists are reported at the two completed projects in the area which represent a total of about 250 units. Absorption of units at the one project (142 units) in the initial rent-up stage is proceeding well. As of February 1971, there were about 850 Section 236 housing units under construction for family occupancy in the HMA. Additionally, approximately 250 Section 236 units have received firm commitments and over 7,900 units have been given conditional commitments or are pending feasibility study and the availability of funds. Most of the proposed Section 236 housing is in Jackson and Wyandotte Counties, particularly in the cities of Kansas City, Missouri; Independence, Missouri; and Kansas City, Kansas. Although none of the occupied units or units under construction have been designed specifically for elderly occupancy, it is expected that many elderly couples and individuals will be participating in the absorption of these units.

Similarly, among the nearly 2,900 Section 221(d)(3) BMIR housing units in the HMA, vacancies are minimal (fewer than one percent). Currently, there are about 450 units of Section 221(d)(3) housing under construction in the HMA (including about 150 units designed for the elderly).

Absorption of these Section 235, Section 236 and Section 221(d)(3) housing units currently in the initial rent-up stage, under construction, or holding firm commitments should satisfy the occupancy potential for such housing during the first year of the two-year forecast period. Absorption of units under construction or for which firm commitments have been issued should be observed closely as a basis for acceptance and timing of units included in the 7,900 units for which conditional commitments have been issued or for which feasibility is yet to be determined.

Rental Housing Under the Public Housing and Rent-Supplement Programs. These two programs serve households in essentially the same low-income group. The principal differences arise from the manner in which net income is computed for each program and from other eligibility requirements. For the Kansas City HMA, the annual occupancy potential for public housing is estimated at 1,425 units for families and 1,350 units for the elderly. Approximately one-third of the elderly also are eligible for housing under Section 236. In the case of the somewhat more restrictive rent-supplement program, the potential for families would be about 1,100 units, and the potential among the elderly would be the same (1,350 units).

There are approximately 3,340 units of low-rent public housing under management in the HMA at present (including about 350 units for the elderly). About 1,000 of these units are in Kansas City, Kansas, and about 2,100 units are in Kansas City, Missouri. Approximately 200 housing units are currently being leased for public housing tenancy in the HMA. An additional 1,000 units are under construction (about half of which are for the elderly). Local housing authorities report less than one percent of the existing units are currently vacant and a waiting list of 150 families and 350 elderly couples and individuals is reported. As of February 1, 1971, reservations for approximately 2,040 units had been issued, for which plans have been formulated for about 550 family units and 600 units for the elderly.

The provision of low-rent public housing units for the elderly and for families currently under construction or in the planning stage would satisfy approximately 80 percent of the public housing occupancy potential for the first year of the forecast period. Firm obligations of rent-supplement funds totaled less than 800 as of February 1, 1971. There has been some reservation of rent-supplement funds for units in Section 221(d)(3) BMIR and Section 236 housing under construction, but these units are well within the annual potential estimate.

Sales Market

The reduced rate of new construction because of construction strikes in 1969 and 1970 has resulted in a relatively tight market for nonsubsidized sales housing in the HMA. The homeowner vacancy rate in the HMA has declined from a range several years ago of 1.6 to 1.9 percent to 1.4 percent in April 1970 and 1.2 percent in February 1971. The inventory of available sales units is currently limited to older units in sections of Kansas City, Missouri and Kansas City, Kansas. However, maintenance of the current rate of single-family house production (approximately 6,000 units on an annual basis) throughout the forecast period should allow prospective buyers a significantly greater selection among available units.

Absorption of new units has been particularly successful in suburban Johnson and Platte Counties and southeastern Jackson County--areas favored in recent years by the development of rapidly growing sources of new employment and by ready access via major arterials to existing employment sources in the downtown area.

Results of the recent FHA survey of single-family home production in the HMA reveals that of 2,056 units completed during 1970 in 147 subdivisions with five or more completions, half were pre-sold and half were speculatively built. Of the 929 speculatively built houses, only 13 percent (125 units) were unsold at the end of the year, a ratio significantly below the rate of 21 percent recorded by an earlier survey covering construction during the year 1969. Although the median price of new sales houses has increased significantly in recent years (from about \$22,000 in 1967 to \$26,500 in 1970), gains in family income, particularly in Johnson, Platte and Cass Counties, has been adequate to support the rising prices.

Johnson County, Kansas, continues to lead the HMA in the production and absorption of higher-priced single-family houses. Nearly two-thirds of the homes priced above \$35,000 and offered in subdivisions during 1970 were located in Johnson County. Of the units built in Johnson County subdivisions last year, fewer than five percent were unsold at the end of the year. The overall home-owner vacancy rate for Johnson County (0.8 percent) is the lowest in the HMA. Completion of Kansas City International Airport in 1972 should significantly increase the market for low and moderately priced sales housing in both Platte and Clay Counties. Significant improvement in the housing market is already apparent in Platte County, where the homeowner vacancy rate has declined from 1.8 percent in April 1970 to 1.4 percent currently.

With the recent reduction in the availability of new construction, the market for existing properties in most price ranges and localities has tightened. Competition for good quality listings is strong and a substantial appreciation in sales prices has been apparent. Because of the limited supply of low-cost new houses, existing houses are now the major source of housing for moderate-income families desiring homeownership.

Rental Market

The reduction in production of both single-family houses and multifamily units coincident with the construction strikes in recent months has resulted in a tightened market for nonsubsidized rental properties, as evidenced by the decline of the renter vacancy rate from 10.2 percent in April 1970 to 9.8 percent in February 1971. However, at a number of projects in the HMA, the combination of poor management, overpricing, and unfavorable location have resulted in unsatisfactory absorption experience. Developing market resistance has been most apparent among units in the higher rental ranges at certain locations in Johnson and Clay Counties. Production of units in these two counties had been particularly intense during the 1967-1968 period and, with the recent softening of the local economy, competition among projects in these areas has been considerable. However, units in the moderate rent ranges have experienced good absorption, particularly those located in southeastern Jackson County and Platte County. Luxury high-rise projects, particularly those in the Plaza area of Kansas City, Missouri, continue to experience successful market reception, although few additions to this inventory have been made in recent years.

Multifamily units have represented an increasing proportion of total additions to the housing inventory in recent years; of units authorized by building permits during 1970, nearly 60 percent represented multifamily units, up from less than 40 percent in 1965 and about 12 percent in 1960. Most of the recent additions to the multifamily unit inventory have consisted of two and three-story garden apartment complexes, located within easy access of the several interstate routes in the area. Shelter rents at these projects range widely, but average about \$130 to \$170 for one-bedroom units, \$150 to \$200 for two-bedroom units, and \$200 to \$300 for three-bedroom units. Many of these projects offer ample recreation facilities, social rooms, and extensive landscaping. Proposed shelter rents for units of this type now under construction range from \$165 to \$180 for one-bedroom units and \$190 to \$230 for two-bedroom units. Absorption of new multifamily units in Clay and Platte Counties should be observed closely during the forecast period as the full impact of completion of Kansas City International Airport becomes manifest.

Economic, Demographic, and Housing Factors

Economic Factors. The economy of the Kansas City area is highly diversified and traditionally has been less subject to short-term economic fluctuation than many areas. However, a recent input-output analysis of the economy by the City Development Department of Kansas City, Missouri indicates that Kansas City's economy is now strongly linked to the national economy with over half of its output exported and a considerable amount of national inputs utilized in the durable goods, manufacturing and trade sectors of the local economy. In recent months, the effect of the slowdown of the national economy, compounded by local labor disputes in the construction industry, has resulted in a decline in total employment in the HMA, the first since 1961. indicates, total nonagricultural employment in the six-county labor market area averaged 568,900 during 1970, a decline of 1,900 jobs from 1969. Persons involved in labor disputes increased in 1969 as the result of a four-month strike in the construction industry and increased again during 1970 as the combined result of an eight-month strike in the construction industry and a twomonth strike in the automobile industry.

As could be expected from the above, job losses in recent months have been most severe among the durable goods and contract construction industries. Between the twelve-month periods ending in January 1970 and in January 1971, employment in durable goods industries decreased by 4,700 jobs and employment in contract construction decreased by 4,600 jobs (see table VI).

The construction strikes of 1969 and 1970 particularly slowed construction activity at large public and private projects, notably at Kansas City International Airport and various apartment developments in the Kansas City area. Full resumption of strike-delayed construction this spring is expected to provide short-term economic stimulus to the local economy during the forecast period.

Kansas City's traditional importance as a national transportation center is expected to be augmented with the completion in mid-1972 of Kansas City International Airport, located 18 miles northwest of the city center, in Platte County, Missouri. According to the Kansas City Region Metropolitan Planning Commission and the City Development Department of Kansas City, Missouri, primary airport-related employment is expected to increase as a result of the availability of this new facility from approximately 12,000 jobs in 1969 to 25,400 jobs by 1975. Many of the existing jobs in this industry will be relocated in the vicinity of the new airport and nearly all the new jobs will be so located.

There are a number of proposals by private investors for development in the area near the airport. Included among the tentative proposals approved to date by the Kansas City, Missouri, Planning Commission are industrial parks, apartment developments, and office complexes representing a total investment of more than 300 million dollars and involving development of more than 1,000 acres. However, such large-scale secondary development of the area is not likely to commence before mid-1972, toward the end of the forecast period.

During the two-year forecast period ending February 1, 1973, nonagricultural employment is expected to increase by about 15,550 jobs annually to a total of 600,000 jobs. This rate of employment growth in the HMA is similar to that recorded between 1967 and 1969, when nonagricultural employment gains averaged 15,500 jobs annually. This projection is premised on the expected gains in contract construction and airport-related employment suggested above and on local employment increases coincident with the anticipated recovery of the national economy. Nonmanufacturing employment, (particularly in trade, services and government) is expected to increase substantially during the forecast period. In the manufacturing sector of the local economy, several industries are expected to enjoy favorable export demand during the period, including electrical machinery, instruments, and ordnance, printing and publishing, and chemicals.

A considerable portion of the new employment opportunities anticipated in the HMA during the last half of the forecast period will be located in Platte and Clay Counties, Missouri, a sector of the HMA which has heretofore experienced relatively limited development.

Income. As of February 1, 1971, the estimated median annual income of all families in the Kansas City HMA was \$9,975, after deduction of federal income tax. Renter households of two or more persons had an estimated median annual after-tax income of \$7,800. In 1959, the medians were \$5,575 for all families and \$4,375 for renter households. Detailed distributions of all families and renter households by 1971 income and the 1959 and 1971 median incomes for the constituent counties of the HMA are presented in table VII.

<u>Demographic Factors</u>. The <u>population</u> of the Kansas City HMA was an estimated 1,265,000 persons in February 1971, an average increase of 15,900 annually

since April 1960 (see table VIII). Nearly one-half of this growth was in Johnson County, Kansas, which registered a 55 percent increase in population over the period. The rate of population growth was also high in Clay and Platte Counties, Missouri, reflecting the initiation in recent years of large-scale residential development of this portion of the metropolitan area. Although increases in population did occur in Jackson and Wyandotte Counties, the rates of growth there were not nearly as large as in the suburban counties. The continuation of suburbanization, accelerated somewhat by the location of new employment centers outside the central cities, is expected during the forecast period. By February 1973, total population in the HMA is expected to total about 1,294,000, an average annual increase of 14,500 persons over the current total.

There were 413,100 <u>households</u> in the HMA as of February 1, 1971, an increase of 6,050 yearly since the April 1960 census (see table VIII). The distribution of household growth among the constituent counties of the HMA during the period is similar to that of population growth. During the two-year forecast period ending February 1, 1973, the number of households in the HMA is expected to increase by about 5,700 annually to a total of 424,500.

Housing Factors. There were an estimated 439,650 housing units in the Kansas City HMA as of February 1, 1971, a net gain of approximately 67,200 units since April 1, 1960. The increase resulted from the construction of about 108,750 units, the loss of about 43,550 units by planned demolitions and other causes, and the net increase of about 2,000 mobile homes. Approximately 2,000 single-family and 5,600 multifamily housing units were under construction as of February 1, 1971. Among the multifamily units under construction were about 1,000 low-rent public housing units and about 850 Section 236 housing units.

As measured by building permits issued, nonsubsidized residential construction activity in the HMA reached 12,240 units in 1968 (see table X).2/ Since then, nonsubsidized construction activity has been hampered by conditions in the mortgage market as well as construction industry strikes; permits issued in 1969 and 1970 totaled 10,507 and 8,710, respectively. The proportion of multifamily units constructed to total building activity has increased throughout the last decade and since 1968 has constituted more than half of the new additions to the inventory. During the last 24 months, multifamily unit construction accounted for nearly 60 percent of total nonsubsidized residential construction was most active in Kansas City, Missouri (including portions of Jackson, Clay and Platte Counties). Other quite active areas include that portion of Jackson County outside Kansas City, Missouri and Johnson County, Kansas. These three areas combined accounted for nearly 80 percent of new

^{1/} The U.S. Bureau of the Census reported a final population for the HMA of 1,253,916 as of April 1, 1970.

 $[\]underline{2}$ / Building permit authorizations cover more than 95 percent of all housing starts in the HMA.

nonsubsidized residential construction in the HMA since 1960. Particularly active within this broad area were the I-35 corridor in northeast Johnson County and the area southeast of Kansas City, Missouri, proximate to the I-435 loop. The production of privately-financed subsidized housing has increased significantly in the last eighteen months under the impact of the Section 235 and Section 236 housing programs (see table XI). Production of housing under these programs constitutes a growing proportion of total housing starts in the HMA.

In February 1971, there were about 18,650 <u>vacant</u> nonseasonal, nondiapidated housing units available in the Kansas City HMA. Of that total, 3,400 were available for sale and 15,250 were available for rent, equal to homeowner and rental vacancy rates of 1.2 percent and 9.8 percent, respectively. Both vacancy rates are below the levels recorded at the time of the April 1960 Census, generally reflecting the impact of sharply reduced rates of new construction because of the eight-month construction strike during 1970. However, the renter vacancy rate remains at a relatively high level because of a number of factors, including the high rate of multifamily-unit production in 1968 and 1969 and selective market resistance to some projects because of location, poor management, or overpricing. Table XII presents detailed vacancy trends by constituent counties of the HMA.

Table I

Estimated Annual Demand

For Nonsubsidized Single-family Sales Housing

Kansas City, Missouri-Kansas, Housing Market Area

February 1971 - February 1973

Price class	HMA total	Jackson <u>County</u>	Johnson <u>County</u>	Clay County
Under \$20,000	175	75	15	20
\$20,000 - 22,499	265	125	25	50
22,500 - 24,999	430	225	45	55
25,000 - 27,499	525	200	70	55
27,500 - 29,999	460	225	75	60
30,000 - 34,999	660	175	195	125
35,000 - 39,999	385	100	200	40
40,000 - 44,999	265	50	150	30
45,000 - 49,999	175	25	125	10
50,000 and over	260	50	200	5
Total	3,600	1,250	1,100	450

			Platte <u>County</u>	Cass County	Wyandotte County
Under		\$20,000	10	20	35
\$20,000		22,499	15	30	20
22,500	-	24,999	30	35	40
25,000	-	27,499	65	75	60
27,500	-	29,999	35	25	40
30,000	-	34,999	75	55	35
35,000	-	39,999	30	5	10
40,000	-	44,999	25	5	5
45,000	-	49,999	10	-	5
50,000	and	over	5	_	-
-			300	250	250

Source: Estimated by Housing Market Analyst.

Table II

Estimated Annual Demand for Nonsubsidized Rental Housing

Kansas City, Missouri-Kansas, HMA

February 1971 - February 1973

M 4.1.1			Н	AA total	
Monthl gross rent	•	<u>Efficiency</u>	One bedroom	Two bedrooms	Three or more bedrooms
	.40	110		-	_
	.49	70	-	-	_
	.59	45	-	-	_
160 - 1	.69	30	695	-	-
170 - 1	79	5	470	_	_
180 - 1	.89	5	320	_	-
190 - 1	.99	5	215	745	-
200 - 2	19	5	220	595	-
220 - 2	:39	-	95	465	1/5
240 - 2	59	-	50	255	145
260 - 2	79	_	25		95
	99	_		155 80	70
300 and		_			50
Total		275	2,090	90 2,385	90 450

Source: Estimated by Housing Market Analyst

Estimated Annual Demand for Nonsubsidized Rental Housing Kansas City, Missouri-Kansas, Housing Market Area February 1, 1971-February 1, 1973

Three or more hedrooms		•		•	•	• (25	3 2	2 5		ଥ ଆ	8			•		•			•	• •	•	01	; • ^	•		151
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One Two Efficiency bedroom bedrooms Jackson County, Mi	3	25	15	'n	\$	5	\$	•	•	•	•	۱.	165	3		ม	10	2	S	,	ı	•	•	1	•	1	•	۱'	32
Monthly gross rent Under \$140	\$140 - 149	150 - 159	160 - 169	170 - 179	180 - 189	190 - 199	200 - 219	220 - 239	240 - 259	200 - 279	662 - 087	300 and over	Total			V		150 - 159								250 - 279	280 - 299	over and over	Total

Source: Estimated by Mousing Market Analyst.

Table IV

Estimated Annual Occupancy Potential for Subsidized Rental Housing

Kansas City, Missouri-Kansas, Housing Market Area

February 1, 1971-February 1, 1973

		Unit <u>Size</u>	Section 236 ^a / exclusively	Eligible for both programs	Public housing exclusively	Total for both programs
				HMA total		
$\overline{A_{\bullet}}$	Families					
		<pre>1 bedroom 2 bedrooms 3 bedrooms 4 bedrooms Total</pre>	175 450 350 225 1,200	0 0 0 0 0	255 525 470 175 1,425b/	430 975 820 400 2,625
В.	Elderly	Efficiency 1 bedroom Total	175 <u>175</u> 4/ 350	400 <u>75</u> 475	710 <u>165</u> 875 c /	1,285 415 1,700
			Miss	ouri portion total		
Α.	Families					
		1 bedroom 2 bedrooms 3 bedrooms 4+ bedrooms Total	125 300 250 <u>175</u> 850	0 0 0 <u>0</u>	195 355 370 <u>120</u> 1,040 <u>b</u> /	320 655 620 <u>295</u> 1,890
В.	Elderly					
		Efficiency 1 bedroom Total	135 <u>140</u> 275 <u>d</u> /	300 <u>50</u> 350	605 <u>140</u> 74 5 2/	1,040 330 1,370
			Kan	sas portion total		
A.	Families					
		1 bedroom 2 bedrooms 3 bedrooms 4+ bedrooms Total	50 150 100 <u>50</u> 350	0 0 0 <u>0</u>	60 170 100 <u>55</u> 385 <u>b</u> /	110 320 200 <u>105</u> 735
В.	Elderly					
		Efficiency 1 bedroom Total	40 35 75 <u>d</u> /	100 <u>25</u> 125	$\frac{105}{\frac{25}{130}c}$	245 85 330

 $[\]underline{a}$ / Estimates are based on regular income limits.

Source: Estimated by Housing Market Analyst.

 $[\]frac{1}{b}$ / About three-fourths of these families also are eligible under the rent supplement program.

All of these elderly couples and individuals also are eligible for rent supplements.
 Applications and commitments under Section 202 are being converted to Section 236.

Table V

Work Force Components

Kansas City, Missouri-Kansas, Housing Market Area, 1967-1970

(annual averages in thousands)

Components	1967	1968	1969	1970
Civilian work force	<u>571.1</u>	586.6	606.3	616.3
Unemployment Percent	23.1 4.0%	22.5 3.8%	24.3 4.0%	31.2 5.1%
Agricultural employment	7.4	7.2	7.2	7.1
Persons involved in labor disputes	0.8	0.3	4.0	9.1
Nonagricultural employment Wage and salary All other nonag. employ.a/	539.8 483.2 56.6	556.6 498.8 57.8	570.8 511.3 59.5	568.9 507.5 61.4

 $[\]underline{a}/$ Includes self-employed, unpaid family workers, and domestics.

Source: Missouri Division of Employment Security.

Nonagricultural Wage and Salary Employment by Industry

Kansas City, Missouri-Kansas, HMA, 1967-1971

(annual averages in thousands)

					Twelve	months
					ending	January
	<u>1967</u>	1968	1969	<u>1970</u>	1970	1971
Nonag. wage and salary employment	483.2	498.8	511.3	507.3	512.2	506.7
Manufacturing	130.3	130.9	131.9	126.4	131.8	125.7
Durable goods Lumber & furniture Stone, clay & glass Primary metals Fabricated metals Nonelectrical machinery Electrical equipment Transportation equipment Other durable goods	76.0 2.7 5.1 6.1 8.9 11.2 17.6 13.9 10.5	77.3 2.7 5.1 6.1 9.4 11.1 17.8 15.4 9.7	78.1 2.6 5.1 6.3 9.0 10.9 18.6 15.1	8.4	78.0 2.6 5.1 6.3 9.0 10.9 18.7 15.0 10.4	73.3 2.3 5.0 6.2 8.3 9.8 20.3 12.7 8.7
Nondurable goods Food & kindred Apparel & textile Paper & allied Printing & publishing Chemicals & allied Petroleum & coal Other nondurable goods	54.3 13.9 6.4 5.0 13.8 9.7 1.9 3.6	53.6 12.9 6.2 5.4 14.0 9.5 1.9 3.7	53.8 11.8 6.2 5.1 14.8 9.6 1.8 4.5	8.8 1.8	53.8 11.8 6.2 5.1 14.8 9.6 1.8 4.5	52.4 11.8 5.9 5.0 14.8 8.7 1.8 4.3
Nonmanufacturing Mining & quarrying Contract construction Transportation & utilities Wholesale & retail trade Finance, ins., & real estate Services (exl. pvt. hsld.) Government	352.9 .6 23.2 49.2 115.9 30.2 70.7 63.1	367.9 .6 24.6 50.3 120.5 30.9 74.9 66.4	379.4 .6 23.4 50.6 124.4 32.1 79.1 69.2	380.9 .6 19.2 51.1 124.9 32.8 80.9 71.4	380.4 .6 23.5 50.6 124.7 32.2 79.4 69.4	381.0 .6 18.9 51.1 124.8 32.8 81.1 71.6

 $[\]underline{a}$ / Items may not add to totals because of rounding.

Source: Missouri Division of Employment Security.

Table VII

Family Income Characteristics

Kansas City, Missouri-Kansas, Housing Market Area

A. Percentage Distribution of All Families and Renter Households By Annual Income After Deduction of Federal Income Tax As of February 1971

Annual incomeafter tax	All <u>families</u>	Renter households <mark>a</mark> /
Under \$3,000	6	12
\$3,000 - 3,999	3	5
4,000 - 4,999	5	7
5,000 - 5,999	4	9
6,000 - 6,999	7	9
7,000 - 7,999	8	10
8,000 - 8,999	8	10
9,000 - 9,999	9	8
10,000 - 12,499	18	13
12,500 - 14,999	10	7
15,000 and over	22	_10
Total	100	100

B. Median Family Income After Deduction of Federal Income Tax

	All fa	milies	Renter ho	households <u>a</u> /		
Locality	1959	1971	1959	1971		
Housing Market Area	\$5,575	\$9,975	\$4,375	\$7,800		
Cass County, Mo.	4,935	8,270	3,800	7,030		
Clay County, Mo.	5,815	9,775	4,825	8,295		
Jackson County, Mo.	5,345	9,700	4,630	8,235		
Platte County, Mo.	5,235	10,200	4,500	8,670		
Johnson County, Ks.	7,065	13,525	5,800	11,500		
Wyandotte County, Ks.	5,215	9,215	4,445	7,823		

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table VIII

Population and Household Trends Kansas City, Missouri-Kansas, Housing Market Area April 1960-February 1973

			•		Average annual change						
	April	April	February	February		0-Feb. 1971	***************************************	L-Feb. 1973			
<u>Population</u>	1960	1970	1971	<u> 1973</u>	Number	Percenta/	Number	<u>Percent</u> a/			
HMA total	1,092,545	1,253,916	1,265,000	1,294,000	15,900	1.3	14,500	1.1			
Missouri portion	763,258	849,409	855,400	871,200	8,500	1.0	7,900	0.9			
Cass County	29,702	39,448	40,200	42,300	975	2.8	1,050	2.5			
Clay County	87,474	123,322	125,800	133,050	3,525	3.3	3,625	2.8			
Jackson County	622,732	654,558	656,600	660,500	3,125	0.5	1,950	0.3			
Platte County	23,350	32,081	32,800	35,350	875	3.1	1,275	3 . 7			
Kansas portion	329,287	404,507	409,600	422,800	7,400	2.0	6,600	1.6			
Johnson County	$\frac{329,237}{143,792}$	217,662	222,700	236,200	$\frac{1}{7,275}$	4.0	6,750	2.9			
Wyandotte County	185,495	186,845	186,900	186,600	125	0.1	- 150	-0.1			
<u>Households</u>											
HMA total	<u>347,324</u>	409,435	413,100	424,500	6,050	1.6	5,700	1.4			
	251 102	284,203	286,250	292,500	3,225	1.2	3,125	1.1			
Missouri portion	251,182 8,973	12,077	12,300	13,000	300	2.9	350	2.8			
Cass County Clay County	25 , 697	38,113	38,950	41,500	1,225	3.8	1,275	3.2			
Jackson County	209,638	224,369	225,100	227,300	1,425	0.7	1,100	0.5			
Platte County	6,874	9,644	9,900	10,700	275	3.4	400	3.9			
W	96,142	125,232	126,850	132,000	2,825	2.5	2,575	2.0			
Kansas portion	$\frac{96,142}{40,270}$	64,934	66,500	71,050	$\frac{2,625}{2,425}$	4.6	2,275	3.3			
Johnson County Wyandotte County	55,872	60,298	60,350	60,950	400	0.8	300	0.5			

 $[\]underline{a}$ / Derived through the use of a formula designed to calculate the percentage rate of change on a compound basis. Sources: 1960 and 1970 Censuses of Population and Housing; 1971 and 1973 estimated by Housing Market Analyst.

Table IX

Housing Inventory Trends Kansas City, Missouri-Kansas, Housing Market Area April 1, 1960 - February 1, 1971

		4	lissouri po	ortion		Kansas portion			
	Cass	Clay	Jackson	Platte	Total Mo.	Johnson	Wvandotte	Total Ks.	HMA
Component	County	County	County	County	portion	County	County	portion	total
April 1, 1960									
Total housing inventory	9,824	27,290	225,714	7,595	270,423	43,429	58,583	102,012	372,435
Total occupied Owner-occupied Pct. of total occ. Renter-occupied Pct. of total occ. Total vacant	8,973 5,874 65.5% 3,099 34.5% 851	25,697 19,580 76.2% 6,117 23.8% 1,593	209,638 123,386 58.9% 86,252 41.1% 16,076	6,874 5,082 73.9% 1,792 26.1% 721	251,182 153,922 61,3% 97,260 38.7% 19,241	40,270 34,886 86.6% 5,384 13.4% 3,159	16,882	96,142 73,876 76,8% 22,266 23.2% 5,870	119,526
April 1, 1970									
Total housing inventory	13,122	<u>39,949</u>	241,919	10,493	305,483	67,482	63,484	130,966	436,449
Total occupied Owner-occupied Pct. of total occ. Renter-occupied Pct. of total occ. Total vacant	12,077 8,339 69.1% 3,738 30.9% 1,045	38,113 27,088 71.1% 11,025 28.9% 1,836	224,369 137,019 61.1% 87,350 38.9% 17,550	9,644 6,960 72.2% 2,684 27.8% 849	284,203 179,406 63.1% 104,797 36.9% 21,280	64,934 48,806 75.2% 16,128 24.8% 2,548	60,298 40,802 67.7% 19,496 32.3% 3,186	125,232 89,608 71.5% 35,624 28.5% 5,734	409,435 269,014 65.7% 140,421 34.3% 27,014
February 1, 1971									
Total housing inventory	13,250	40,950	242,100	10,700	307,000	69,150	63,500	132,650	439,650
Total occupied Owner-occupied Pct. of total occ. Renter occupied Pct. of total occ. Total vacant	12,300 8,500 69.1% 3,800 30.9% 950	38,950 27,750 71.2% 11,200 28.8% 2,000	225,100 137,700 61.2% 87,400 38.8% 17,000	9,900 7,150 72.2% 2,750 27.8% 800	286,250 181,100 63.3% 105,150 36.7% 20,750	66,500 50,100 75.3% 16,400 24.7% 2,650	60,350 40,800 67.6% 19,550 32.4% 3,150	126,850 90,900 71.7% 35,950 28.3% 5,800	413,100 272,000 65,8% 141,100 34,2% 26,550

Sources: 1960 and 1970 Censuses of Housing; 1971 estimated by Housing Market Analyst.

Table X

Housing Units Authorized by Building Permits 2/

Kansas City, Missouri-Kansas, Housing Market Area 1960-1970 1960-1960 1961 1962 1963 1964 1965 1966 1967 1968 1969 1970 1970 HMA total 7,995 8,390 9,470 9,044 11,541 12,283 9,578 11,160 12,240 10,507 8,710 110,918 Single-family 6,598 6,288 6,431 6,364 6,915 7,652 5,033 6,150 6.040 4,146 3.822 65,439 Multifamily 1,007 2,102 2,803 2,680 4,456 4,631 4,453 6,200 6,337 4,613 4,888 44.152 Public housing 390 236 170 110 397 24 1,327 <u>5,9</u>48 Missouri portion 5,741 <u>5,5</u>30 5,209 7,688 7,951 5,950 7,366 7,918 6,803 6,185 72,289 Single-family 4,531 4,141 4,130 4,219 4,753 5,141 3,460 4,139 3,794 2,740 2,619 43,667 Multifamily 678 1,600 1,264 1,729 2,765 2,810 2,440 3,227 4,124 4,039 3,566 28,242 Public housing 136 170 50 24 380 Cass County 292 341 393 522 292 275 304 294 364 3,764 Single-family 274 319 286 245 351 277 245 288 266 232 271 3,054 Multifamily 22 18 107 153 171 15 30 16 28 57 93 710 Public housing Clay Countyb/ 487 527 615 762 727 846 659 855 860 895 718 7,951 Single-family 452 492 533 514 526 513 354 415 297 216 315 4,627 Multifamily 35 35 46 248 201 333 344 501 445 598 502 3,288 Public housing 36 36 Jackson Countyb/ 2.642 1,973 2,328 2,697 3,409 2,661 2,363 2,919 2,812 1,774 2,496 28,064 Single-family 2,493 1,451 1,706 1,745 2,043 2,268 1,495 1,118 1,827 1,556 1,018 18,710 Multifamily 149 522 622 952 1,216 393 818 1,092 1,256 656 1,478 9,154 Public housing 150 50 200 Kansas City, Mo.c/ 2,631 2,018 1,612 2,078 3,074 2,912 3.975 2,452 3,715 3,521 2,264 30,252 Single-family 1,152 1.668 1,529 1,662 1,719 1,924 1,278 1,486 1,382 969 910 15,679 Multifamily 460 963 449 356 1,173 2,051 1,174 1,588 2,333 2,528 1,354 14,429 Public housing 100 20 24 144 Platte County 176 269 116 <u>73</u> 177 201 214 237 324 343 2,248 Single-family 160 211 76 53 114 127 159 184 175 124 204 1,587 Multifamily 16 58 40 20 18 74 30 200 62 139 661 Public housing 3,940 Kansas portion 2,786 2,649 3,096 4,332 3,794 4,322 3,853 3,628 3,704 2,525 38,629 Single-family 2,067 2,147 2,301 2,145 2,162 2,511 1,573 2,011 2,246 1,406 1,203 21,772 Multifamily 329 502 1,539 951 1,691 1,821 1,995 1,386 2,076 2,298 1,322 15,910 Public housing 390 100 60 397 947 Johnson County 2,649 2,646 3,060 1,548 1,764 1,966 2,636 2,882 3,434 2,915 1,768 27,268 Single-family 1,348 1,484 1,673 1,510 1,502 1.827 1,184 1,611 1,618 922 15,637 958 Multifamily 200 280 976 456 1,144 1,233 1,452 1,264 1,823 1,993 810 11,631 Public housing Wyandotte County 1,238 885 1,291 1,130 1,207 1,272 888 992 912 789 757 11,631 Single-family 719 389 663 628 635 660 684 393 635 484 245 6,135 Multifamily 129 222 563 495 547 588 543 122 253 305 512 4,279

60

397

947

P Preliminary

Public housing

100

390

Sources: U.S. Census Bureau, C-40 and C-42 Construction Reports; and estimates by Housing Market Analyst.

 $[\]underline{a}$ / Includes public low-rent housing. Excludes other subsidized housing which is shown in table XI.

b/ Excludes Kansas City, Missouri.

c/ Includes parts of Jackson, Clay, and Platte Counties.

Estimated Construction Starts for Privately Financed Subsidized Housinga/
Kansas City, Missouri-Kansas, Housing Market Area

1960-1970

	1960	<u>1961</u>	1962	1963	1964	1965	<u>1966</u>	1967	1968	<u> 1969</u>	<u>1970</u>	1960 - 1970
HMA total Single-family	-	-	-	<u>552</u>	<u>732</u>	<u>136</u>	<u>92</u>	<u>562</u>	1,041 -	<u>672</u> 71	1,627 340	<u>5,414</u> 411
Multifamily	-	-	-	552	732	136	92	562	1,041	601	1,287	5,003
Jackson County	-	-	-	<u>396</u>	<u>302</u>	-	<u>92</u>	<u>433</u>	<u>439</u>	271	1,231	3,164
Single⊸family Multifamily	-	-	-	- 396	302	-	- 92	- 433	- 439	40 231	250 981	290 2,874
nulcitamily	_	_	_	390	302	_	92	455	433	2,1	901	•
Wyandotte County	-	-	-	<u>156</u>	<u>184</u>	<u>136</u>	-	<u>129</u>	<u>126</u>	<u>191</u>	<u>396</u>	1,318
Single-family Multifamily	-	-	-	156	184	136	-	129	- 126	31 160	90 306	121 1,197
Remainder of HMA	· -	-	-	-	<u>246</u>	-	-	-	<u>476</u>	210	-	<u>932</u>
Single-family	-	-	-	-	-	-	-	-	-	-	-	-
Multifamily	-	-	-	-	246	-	-	-	476	210	-	932

<u>a</u>/ Includes Section 221(d)(3) BMIR, Section 236, Section 235. Excludes public housing which is included in Table X. Source: FHA Division of Research and Statistics, estimates by Housing Market Analyst.

Table XII

Vacancy Trends Kansas City, Missouri-Kansas, Housing Market Area April 1, 1960 - February 1, 1971

	Missouri portion					Kansas portion			
Vacancy	Cass	Clay	Jackson	Platte	Total Mo.	Johnson	Wyandotte	Total Ks.	HM A
characteristics	County	County	County	County	<u>portion</u>	County	County	portion	total
April 1, 1960									
Total vacant units	<u>851</u>	1,593	16,076	<u>721</u>	19,241	3,159	2,711	5,870	25,111
Available vacant	397	<u>865</u>	11,752	<u>164</u>	13,178	2,226	1,578	3,804	16,982
For sale	109	389	2,435	63	2,996	960	453	1,413	4,409
Homeowner vacancy rate	1.8%	1.9%	1.9%	1.2%	1.9%	2.7%	1.1%	1.9%	1.9%
For rent	288	476	9,317	101	10,182	1,266	1,125	2,391	12,573
Renter vacancy rate	8.5%	7.2%	9.7%	5.3%	9.5%	19.0%	6.2%	9.7%	9.5%
Other vacant <u>a</u> /	454	728	4,324	557	6,063	933	1,133	2,066	8,129
April 1, 1970									
Total vacant units	1,045	1,836	17,550	849	21,280	2,548	3,186	5,734	27,014
Available vacant	437	1,344	13,111	<u>418</u>	15,310	2,015	2,286	4,301	19,611
For sale	$\frac{437}{132}$	244	2,241	131	2,748	408	555	963	3,711
Homeowner vacancy rate	1.6%	0.9%	1.6%	1.8%	1.5%	0.8%	1.3%	1.1%	1.4%
For rent	305	1,100	10,870	287	12,562	1,607	1,731	3,338	15,900
Renter vacancy rate	7.5%	9.1%	11.1%	9.7%	10.7%	9.1%	8.2%	8.6%	10.2%
Other vacant <u>a</u> /	608	492	4,439	431	5,970	533	900	1,433	7,403,
February 1, 1971									
Total vacant units	<u>950</u>	2,000	17,000	800	20,750	2,650	3,150	5,800	26,550
Available vacant	<u>350</u>	1,650	12,000	3 <u>5</u> 0	14,350	2,150	2,150	4,300	18,650
For sale	100	300	2,000	100	2,500	400	500	900	3,400
Homeowner vacancy rate	1.2%	1.1%	1.4%	1.4%	1.4%	0.8%	1.2%	1.0%	1.2%
For rent	250	1,350	10,000	250	11,850	1,750	1,650	3,400	15,250
Renter vacancy rate	6.2%	10.8%	10.3%	8.3%	10.1%	9.6%	7.8%	8.6%	9.8%
Other vacanta/	600	350	5,000	450	6,400	500	1,000	1,500	7,900

Sources: 1960 and 1970 Censuses of Housing and estimates by Housing Market Analyst.

a/ Includes dilapidated units, seasonal units, units rented or sold and awaiting occupancy, and units held off the market for absentee owners and othe reasons.

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DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

OCT 7 1971

LEURARY WASHINGTON, D.C. 20410

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U. S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT FEDERAL HOUSING ADMINISTRATION WASHINGTON, D. C. 20411

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PENALTY FOR PRIVATE USE, \$300

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