

CHAPTER FIVE

Housing and Neighborhoods

Housing is integral to quality of life. Not only are people emotionally attached to their homes, but shelter also fulfills an important psychological need for security. To serve all segments of the county's population, adequate housing at the proper price points are necessary. This chapter examines Shawnee County's housing market, including resident perceptions, existing conditions, and future conditions. In the process, occupancy trends, housing affordability, and vacancy are all examined. It concludes with several goals and recommendations based on public input generated throughout the process.

PERCEPTIONS

Survey participants completed a “report card” questionnaire in which they were asked to rank various housing issues and opportunities on a one-to-five scale, with five representing “excellent” and one representing “poor.” Attributes with average scores of 3.0 or above are perceived strengths and those below 2.5 represent areas of perceived weaknesses. These results were then better understood through stakeholder meetings. The following highlights important strengths and weaknesses regarding housing.

Housing availability, the cost of housing compared to income, and housing quality were all rated as strengths of Shawnee County’s housing market. However, nothing received a majority positive response because many responded neutrally. On the other hand, nothing was viewed too poor either, with Housing for senior and for young families receiving relatively neutral reviews as well, though they were the lowest rated categories. In focus groups and public meetings, housing was infrequently discussed. Most mentions of housing were with a focus on neighborhoods and ensuring that amenities like sidewalks were available. Continuing to provide good neighborhoods was suggested as helping attract workers and businesses to Shawnee County.

Figure 5.1: Housing (1 being poor and 5 being excellent)

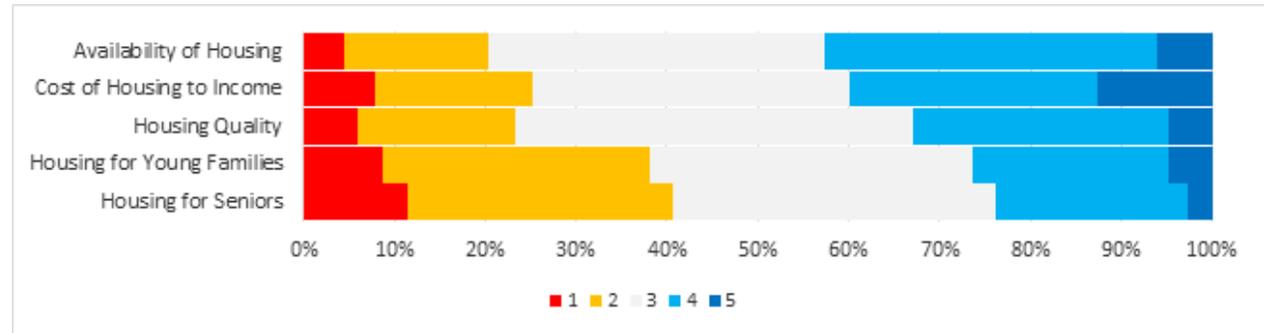


FIGURE 5.2: Questionnaire Responses: Housing (1 being Poor and 5 being Excellent)

SURVEY RESPONSE RATINGS

AVERAGE RATING

Housing for Seniors	2.75
Housing for Young Families	2.84
Housing Quality	3.08
Cost of Housing to Income	3.20
Availability of Housing	3.24

Source: RDG Community Questionnaire

EXISTING CONDITIONS

Examining Shawnee County’s housing market – its population growth, occupancy and tenure, affordability, and conditions – enable the County to understand current challenges, to forecast future needs, and to articulate a program to improve Shawnee County’s housing market.

Historic Development Patterns

Figure 5.3 shows that Shawnee County had 79,140 housing units in its housing stock in 2010. Since 1970, Shawnee County has experienced significant growth, adding 27,200 dwelling units at a rate of over 150 percent. At the same time, population only grew by 115 percent, signifying a decreasing household size (Figure 5.4).

Like many markets, housing construction can be cyclical with years of significant construction followed by quieter periods. Nearly half of the county’s housing development occurred during a boom in the 1970s

when more than 12,500 new units were constructed. Development declined in the 1980s but has steadily increased since, though never at previous levels of development. Development has occurred consistently across the county, though Williamsport and Topeka townships have lost units (Figure 5.6). Parts of both Topeka and Williamsport townships have been annexed by the City of Topeka, likely contributing to this.

Topeka absorbed 58 percent of the county’s housing development, decreasing as a proportion of the county’s housing stock from 84 percent in 1970 to 75 percent in 2010. Meanwhile, Mission, Soldier, and Tecumseh Townships absorbed another 30 percent of housing development. Notably, much of Mission Township’s growth occurred within the Sherwood Improvement District, which oversees much of the public infrastructure and services for homes in the area, providing urban-levels of services for development in an unincorporated area. The remaining growth occurred in the county’s other Townships and Cities. Topeka tends to have smaller household sizes than the county as a whole.

More recently, Shawnee County’s construction industry has continued to steadily produce new housing units (Figure 5.7). Between 2010 and 2015, housing construction has slowed to a more gradual pace. Some 1,382 new housing units were constructed in the county at an average rate of 230 new units per year. Just over half were constructed outside of Topeka. These rates of development are slower than prior to the housing crash. 2005, Shawnee County’s peak year of housing production in the recent past, alone added more than 850 units.

The past few years, the production rate of single family units in rural areas experienced the largest growth with an average annual production of 114 units, compared to duplex, townhome, and multi-family which averaged 4 units annually. In Topeka, single family homes are developed at an annual rate of 96 units, with another 16 units of multifamily produced per year. This has resulted in a split of 91% single-family and 9% multi-family. However, rental occupancy has increased over this same time, meaning that single family homes are either rented out or converted in new multifamily units to make up the lagging construction of new multifamily units. Most multifamily is being constructed in Topeka.

FIGURE 5.3: Total Housing Units, 1970-2010

	1970	1980	1990	2000	2010	1970-2010 CHANGE	1970-2010 ANNUAL AVERAGE % CHANGE
City of Topeka	43,700	50,371	54,664	56,435	59,582	+15,882	0.9%
Tecumseh, Soldier, and Mission TWP	3,906	7,280	8,924	10,793	12,190	+8,284	5.3%
Other TWPs	4,334	6,795	5,403	6,540	7,368	+3,034	1.8%
All Shawnee County	51,940	64,446	68,991	73,768	79,140	+27,200	1.3%
Change	+12,506	+4,545	+4,777	+5,372			

Source: US Census Bureau

1. A housing unit, also called a dwelling unit, is a house, apartment, mobile home, group of rooms, or single room intended to be separate living quarters.

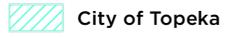
FIGURE 5.4: Persons Per Household, 1990-2010

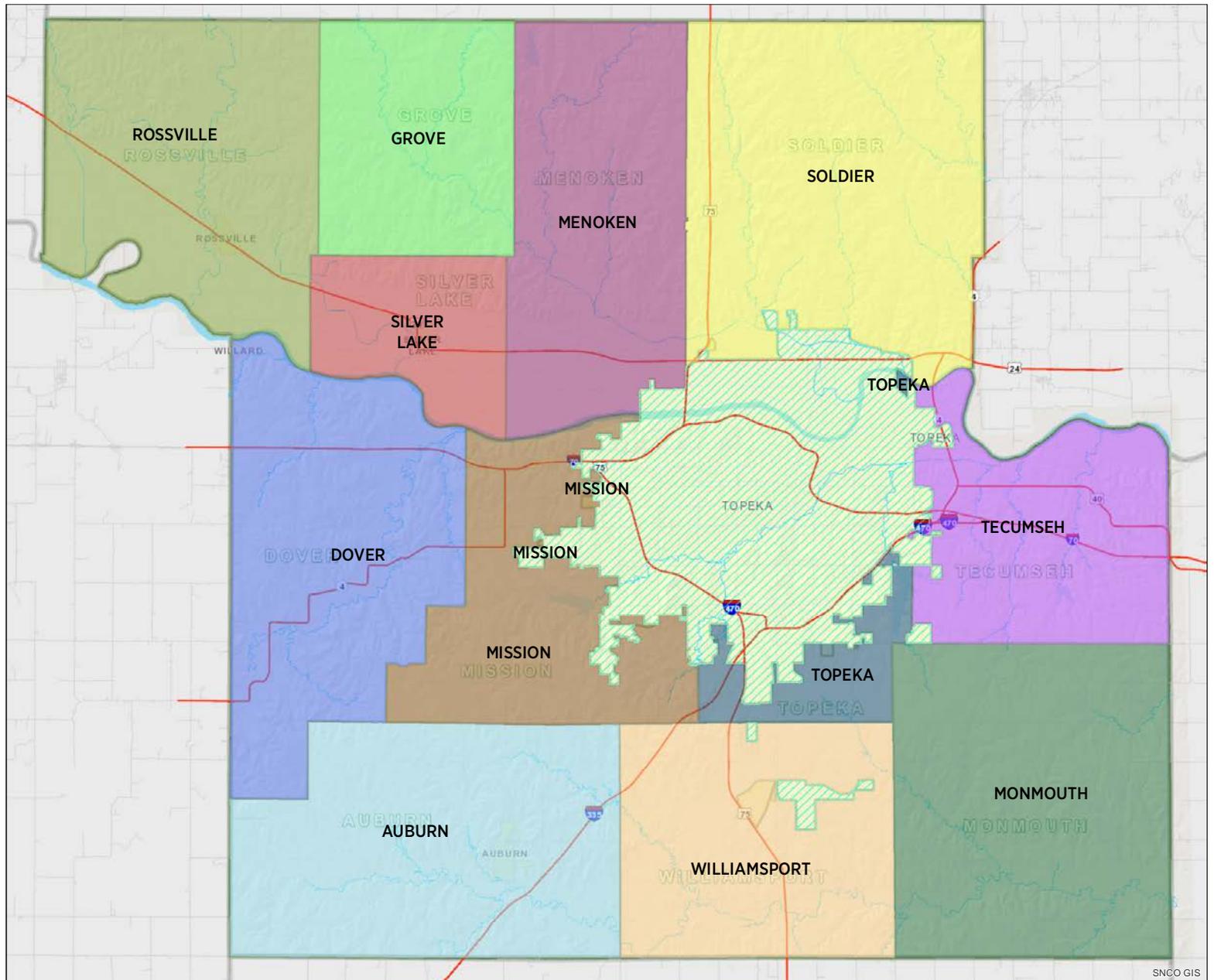
	1990	2000	2010
All Shawnee County	2.46	2.39	2.39
Topeka	2.33	2.27	2.29

Source: US Census Bureau

Shawnee County Comprehensive Plan

Townships

-  City of Topeka
-  AUBURN
-  DOVER
-  GROVE
-  MENOKEN
-  MISSION
-  MONMOUTH
-  ROSSVILLE
-  SILVER LAKE
-  SOLDIER
-  TECUMSEH
-  TOPEKA
-  WILLIAMSPORT



SNCO GIS

FIGURE 5.5: Townships of Shawnee County

FIGURE 5.6: 1970-2010 Historic Township and Topeka Housing Units in Order of Size

	1970	1980	1990	2000	2010	2000-2010 ANNUAL % CHANGE	1970-2010 ANNUAL % CHANGE
City of Topeka	43,700	50,371	54,664	56,435	59,582	0.6%	0.9%
Soldier TWP	2,066	3,518	3,940	4,777	5,644	1.8%	4.3%
Mission TWP	723	1,788	2,570	3,120	3,592	1.5%	9.9%
Tecumseh TWP	1,117	1,974	2,414	2,896	2,954	0.2%	4.1%
Williamsport TWP	1,456	1,505	1,303	1,457	1,494	0.3%	0.1%
Auburn TWP	327	626	763	1,006	1,247	2.4%	7.0%
Monmouth TWP	344	546	680	1,016	1,203	1.8%	6.2%
Silver Lake TWP	364	616	677	774	820	0.6%	3.1%
Rossville TWP	452	552	580	630	694	1.0%	1.3%
Dover TWP	323	392	472	549	651	1.9%	2.5%
Menoken TWP	292	352	419	515	588	1.4%	2.5%
Topeka TWP	713	2,131	414	425	433	0.2%	-1.0%
Grove TWP	63	75	95	168	238	4.2%	6.9%
Shawnee County	51,940	64,446	68,991	73,768	79,140	0.7%	1.3%

Source: US Census Bureau

Figure 5.7: Building Permits, Census 2010-2015



*Excludes City of Topeka

Source: US Census Bureau

Occupancy Trends

The way that people live in Shawnee County matters. By examining the characteristics of housing in Shawnee County, it is possible to understand the way that current and future residents will interact with the housing market. The vacancy rate, in combination with the relative share of owner-occupied versus renter-occupied dwellings, impacts the way people first enter the housing market and then move within the market during their time in the County.

VACANCY

Vacancy is often viewed as a negative trait, but a healthy vacancy rate of between five and six percent helps ensure homebuyers and renters can find housing when needed while also serving as a filter to remove and replace the lowest quality housing from the market.

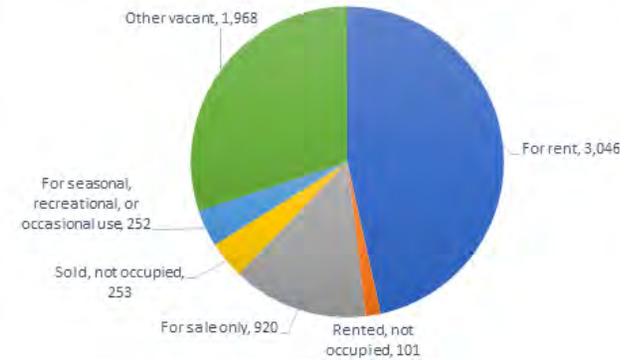
In Shawnee County, the vacancy rate increased as new housing developed faster than population growth (Figure 5.9). In 1970, the county's vacancy rate was 3.8 percent. After the housing boom, vacancy increased to 8.7 percent, after which it declined through 2000. The recession caused it to jump again to 8.3 percent in 2010. Topeka with a vacancy of 9.5 percent largely seems to drive the vacancy rate up as it contains much of the housing stock.

Other areas with high vacancy rates include Dover (9.2 percent), Williamsport (8.3 percent), and Topeka (11.3 percent) Townships. Rossville and Silver Lake townships also have vacancies above 5 percent, while the rest have maintained vacancies below the 5 percent mark. Overall, the remainder of the county outside Topeka had a combined 2010 vacancy of 4.6 percent.

However, for Shawnee County, the actual number of units available on the market is lower than the vacancy rate suggests (Figure 5.8). Of the 6,540 units that were

vacant in 2010, 354 were already sold or rented but not yet occupied, 252 were for seasonal, recreational, or occasional use, and another 1,968 were vacant for other reasons. Another 3,046 vacant units were for rent and 920 vacant units were for sale. As a result, the homeowner vacancy rate was lower at 1.9 percent, similar to national rates. However, the rental vacancy rate was higher at 10.9 percent, a few percentage points above the vacancy rate nationally. The higher rental vacancy may be caused by lower quality of units that are not meeting renter's needs.

Figure 5.8: All Shawnee County Vacancies by Type, 2010



Source: US Census Bureau

FIGURE 5.9: Vacancy Rate, 1970-2010

	1970	1980	1990	2000	2010
Auburn TWP	8.0%	5.6%	2.6%	3.2%	4.4%
Dover TWP	6.8%	6.9%	10.0%	7.8%	9.2%
Grove TWP	7.9%	6.7%	4.2%	3.6%	4.2%
Menoken TWP	4.5%	6.8%	2.4%	4.5%	4.8%
Mission TWP	1.7%	10.2%	4.1%	2.1%	4.4%
Monmouth TWP	3.5%	6.0%	2.5%	2.7%	3.6%
Rossville TWP	3.3%	4.2%	4.5%	4.6%	6.6%
Silver Lake TWP	4.4%	5.5%	4.1%	5.0%	5.9%
Soldier TWP	3.0%	2.4%	1.8%	3.0%	3.3%
Tecumseh TWP	2.8%	2.9%	1.9%	1.8%	3.1%
City of Topeka	3.9%	8.2%	8.6%	7.5%	9.5%
Topeka TWP	2.4%	4.1%	8.2%	9.4%	11.3%
Williamsport TWP	1.0%	60.2%	6.8%	6.9%	8.2%
Shawnee County	3.8%	8.7%	7.6%	6.6%	8.3%

Source: US Census Bureau

Figure 5.10: Occupancy and Tenure Summary

ALL SHAWNEE COUNTY								
	2000		2010		CHANGE 2000-2010	2015		CHANGE 2000-2015
	NUMBER	PERCENT	NUMBER	PERCENT		NUMBER	PERCENT	
Total Occupied	68,920	93.4%	72,600	91.7%	3,680	71,368	89.9%	2,448
<i>Owner-Occupied</i>	46,483	67.4%	47,715	65.7%	1,232	45,873	64.3%	-610
<i>Renter-Occupied</i>	22,437	32.6%	24,885	34.3%	2,448	25,495	35.7%	3,058
Total Vacant	4,848	6.6%	6,540	8.3%	1,692	8,057	10.1%	3,209
Total Units	73,768	100.0%	79,140	100.0%	5,372	79,425	100.0%	5,657

CITY OF TOPEKA								
	2000		2010		CHANGE 2000-2010	2015		CHANGE 2000-2015
	NUMBER	PERCENT	NUMBER	PERCENT		NUMBER	PERCENT	
Total Occupied	52,190	92.5%	53,943	90.5%	1,753	52,711	88.4%	521
<i>Owner-Occupied</i>	31,685	60.7%	31,430	58.3%	-255	29,713	56.4%	-1,972
<i>Renter-Occupied</i>	20,505	39.3%	22,513	41.7%	2,008	22,998	43.6%	2,493
Total Vacant	4,245	7.5%	5,639	9.5%	1,394	6,885	11.6%	2,640
Total Units	56,435	100.0%	59,582	100.0%	3,147	59,596	100.0%	3,161

REMAINDER OF SHAWNEE COUNTY								
	2000		2010		CHANGE 2000-2010	2015		CHANGE 2000-2015
	NUMBER	PERCENT	NUMBER	PERCENT		NUMBER	PERCENT	
Total Occupied	16,730	96.5%	18,657	95.4%	+1,927	18,657	94.1%	+1,927
<i>Owner-Occupied</i>	14,798	88.5%	16,285	87.3%	+1,487	16,160	86.6%	+1,362
<i>Renter-Occupied</i>	1,932	11.5%	2,372	12.7%	+440	2,497	13.4%	+565
Total Vacant	603	3.5%	901	4.6%	+298	1,172	5.9%	+569
Total Units	17,333	100.0%	19,558	100.0%	+2,225	19,829	100.0%	+2,496

Source: US Census Bureau

TENURE

While slightly more owner-occupied units have been constructed since the 1970's, the proportion of owner- to renter-occupied units has remained near a 2:1 ratio, meaning that around one third of units are renter-occupied (Figure 5.11). However, the proportion of rental units increased from 2000 to 2010, a trend estimated to continue through 2015 (Figure 5.10). While the market has remained relatively balanced between owner and renter units, Figure 5.10 does not illustrate disparities in price-points, addressed in the housing affordability section.

The percentage of owner and renter-occupied units is roughly balanced across the county, but rates vary significantly. The City of Topeka and Williamsport Township have the highest rates of renter occupancy, both exceeding the county average. Secondary areas for rentals include Townships with Cities, including Silver Lake, Rossville, and Auburn. From 1970 to 2010, eleven townships saw the proportion of renter-occupied households decline. This was counteracted by Topeka generating new rental units, moving from 37 percent renter-occupied in 1970 to 42 percent in 2010. As a result, Topeka was the driving force behind maintaining the 2:1 ratio because it comprises a majority of the County's housing stock.

Strong neighborhoods and communities include a variety of housing types that allow residents to transition from entry-level housing, through their family homes, and to their downsizing phase without needing to leave their neighborhood or community at any step of the process. This requires available housing stock as shown by vacancy, in addition to an adequate number of both renter and ownership opportunities.

FIGURE 5.11: Percentage of Renter-Occupied Homes, 1970-2010

	1970	1980	1990	2000	2010
Auburn TWP	13.3%	11.7%	11.4%	8.5%	16.0%
Dover TWP	22.3%	12.1%	9.4%	8.7%	8.3%
Grove TWP	20.7%	20.0%	6.6%	8.0%	3.9%
Menoken TWP	21.5%	17.7%	14.7%	10.0%	9.1%
Mission TWP	11.3%	7.0%	10.0%	6.7%	11.2%
Monmouth TWP	19.3%	9.9%	7.2%	5.0%	3.9%
Rossville TWP	23.6%	18.9%	22.2%	19.8%	23.0%
Silver Lake TWP	36.2%	23.4%	25.3%	25.4%	26.7%
Soldier TWP	11.8%	10.5%	5.9%	5.8%	8.9%
Tecumseh TWP	11.2%	5.4%	4.4%	7.9%	4.7%
City of Topeka	37.1%	37.8%	39.2%	39.3%	41.7%
Topeka TWP	28.0%	14.6%	21.1%	14.8%	15.1%
Williamsport TWP	81.4%	43.8%	45.1%	46.6%	44.5%
Shawnee County	35.7%	32.4%	33.4%	32.6%	34.3%

Source: US Census Bureau

Housing Affordability

Many factors contribute to the overall affordability of a housing market including whether supply and demand are in balance, whether new units adjust values throughout the market, and whether there is sufficient vacancy to allow owners and renters to move within the market while also allowing the lowest quality units to be removed from the market. In addition, housing filtration, that is the movement of housing stock from higher to lower values as the property ages and deteriorates, can also create affordable housing. Some changes in housing value from filtering can also be attributed to neighborhood factors, including crime, and some housing stock never filters to become more affordable. Each of these principles requires time to allow the market to react before it balances at an equilibrium.

For example, if an additional 50 rental units were constructed at a much-needed price-point, it may take several years for the full impact of these units to balance into the market; first, those units would fill-up leaving the lower quality units at a similar price-point under-occupied, eventually forcing the lowest quality units to be removed from the market, be upgraded, or rents adjusted to be in line with their quality and condition.

The following sections explore dimensions of housing affordability relative to peer communities: major affordability metrics, home age and value, and the percent of households who face a financial burden because of their rent and utilities or mortgage costs. The section concludes with an analysis that pairs households with affordable price-points to understand gaps in the housing market.

VALUE TO INCOME RATIO AND RENT COST

A traditional metric to evaluating whether a home is affordable to a homebuyer is by comparing their household income to the value of the home. This metric can be adapted to evaluate the affordability of housing markets in different cities. An affordable, self-sustaining housing market, with adequate value and revenues to support market-rate new construction, typically exhibits a value to income ratio between 2.0 to 3.0. Ratios above 3.0 present significant affordability issues while ratios below 2.0 are significantly undervalued relative to income.

Shawnee County, including Topeka, has a median household income at \$50,378, while its median home value is \$122,200. This results in a value to income ratio of 2.43 as seen in Figure 5.12. Based on this indicator, Shawnee County’s housing market is healthy and self-sustaining but is lower than peer communities. Producing some higher cost units may alleviate affordability issues in the market by allowing more filtering in the housing market.

Compared to other more urbanized communities, Shawnee County has a middle-of the road income. However, if college students were taken out of Riley and Douglas Counties, this likely would not hold. Comparing home values, Shawnee County tends to be slightly lower. As a result, it is more affordable generally. However, its median rents also tend to be lower with the exception of Sedgwick County, which has a similar median contract rent.

The value to income ratio indicates that the housing market is not significantly out of sync with the population but may still present availability issues in certain segments of the population. It is important to note that rising debt due to student loan and other living expenses is stretching the traditional definitions of affordability and while lower interest rates have allowed buyers to finance more, debt burden is a counter balance.

FIGURE 5.12: Value to Income Ratio and Rent Cost

County City	MEDIAN HH INCOME	MEDIAN HOUSE VALUE	VALUE / INCOME RATIO	MEDIAN CONTRACT RENT	MEDIAN RENT / MEDIAN INCOME
All Shawnee County	\$50,378	\$122,200	2.43	\$565	13.5%
Topeka	\$42,250	\$96,500	2.28	\$543	15.4%
All Riley County	\$44,437	\$181,200	4.08	\$748	20.2%
Manhattan	\$43,104	\$187,200	4.34	\$729	20.3%
All Douglas County	\$50,939	\$179,800	3.53	\$695	16.4%
Lawrence	\$46,406	\$176,300	3.80	\$696	18.0%
All Sedgwick County	\$50,657	\$126,500	2.50	\$561	13.3%
Wichita	\$45,947	\$119,700	2.61	\$547	14.3%
State of Kansas	\$52,205	\$132,000	2.53	\$579	13.3%

Source: US Census Bureau

HOME AGE AND VALUE

As discussed in the previous section, many of those seeking housing in Shawnee County compare home values and rent costs to regional or similar communities. While it is rational to look to nearby communities to establish an idea of fair market value, it is also important to factor in variables such as: are the homes the same size, same age, or do they have similar amenities? Compared to peer communities (Figure 5.13), Shawnee County has lower rents and values, but it also has older homes. Note that value includes all owner-occupied units including single family homes and multi-family owner-occupied properties, while rents include all rental units, including apartments, single-family homes converted into multiple units, and single-family homes rented out to tenants.

Figure 5.13: Rent and House Value vs. Median Year Built

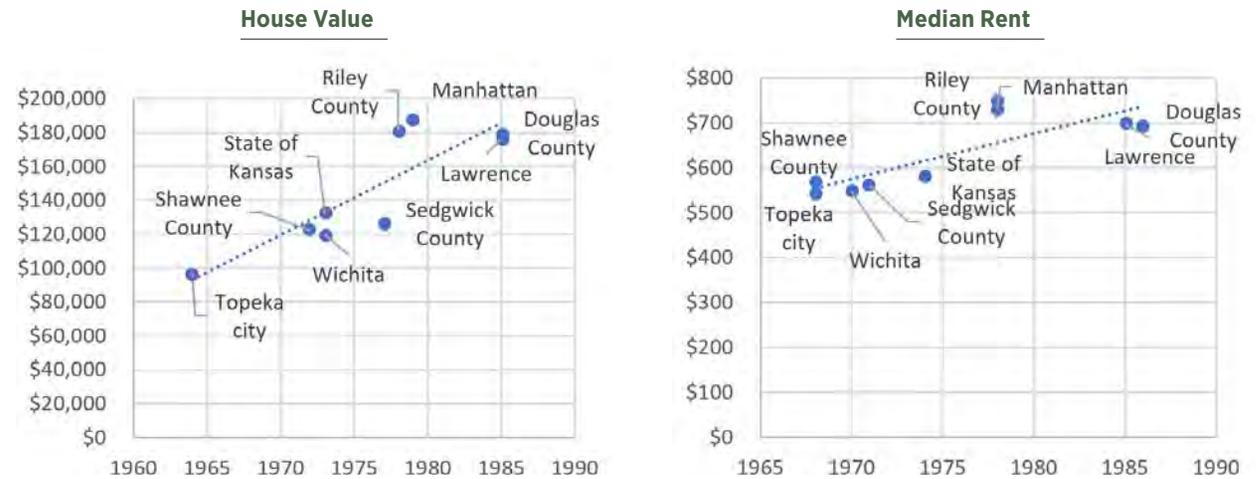


FIGURE 5.14: Home Age and Value

County City	MEDIAN YEAR BUILT OWNER	MEDIAN VALUE	MEDIAN YEAR BUILT RENTER	MEDIAN RENT
All Shawnee County	1972	\$122,200	1968	\$565
Topeka	1964	\$96,500	1968	\$543
All Riley County	1978	\$181,200	1978	\$748
Manhattan	1979	\$187,200	1978	\$729
All Douglas County	1985	\$179,800	1986	\$695
Lawrence	1985	\$176,300	1985	\$696
All Sedgwick County	1977	\$126,500	1971	\$561
Wichita	1973	\$119,700	1970	\$547
State of Kansas	1973	\$132,000	1974	\$579

Source: US Census Bureau

HOUSING COST-BURDENED RESIDENTS

Another important metric in housing affordability is the percent of income that residents spend on their housing needs. According to the U.S. Department of Housing and Urban Development, “families who pay more than 30% of their income for housing are considered cost burdened and may have difficulty affording necessities such as food, clothing, transportation, and medical care.” Housing costs include mortgage, taxes, rent, insurance, and utilities. Figure 5.15 illustrates the percent of owners and renters who spend more than 30% of their income on housing costs.

In all of Shawnee County, approximately 22 percent of homeowners with a mortgage and 11 percent of those without a mortgage spend more than 30% of their household’s annual income on their house. This is the lowest of comparable counties and communities. This is driven up by the City of Topeka which has higher percentages of cost-burdened individuals. While not an acute issue in Shawnee County, this share of the population is burdened by their home and is therefore less financially resilient to other changes that may occur including job loss, rising fuel costs or large car repairs, and medical expenses.

Approximately half of renters in Shawnee County spend more than 30% of their household’s annual income on their rent plus utilities. Often these households are single-income, working in the service industry jobs. The affordability of the rental housing market is important for people new to the community. Higher rental vacancy rates should make the housing market more affordable, but most large Kansas cities also struggle with the affordability of rentals.

FIGURE 5.15: Percent Paying More than 30% on Housing Costs

County City	OWNER - MORTGAGE	OWNER - NO MORTGAGE	RENTER	OVERALL
All Shawnee County	21.5%	11.1%	49.2%	28.6%
Topeka	23.1%	12.7%	49.7%	32.1%
All Riley County	24.1%	12.7%	54.9%	39.2%
Manhattan	22.7%	10.3%	54.8%	40.0%
All Douglas County	25.9%	12.3%	53.6%	36.7%
Lawrence	25.6%	10.1%	54.6%	39.0%
All Sedgwick County	23.9%	11.1%	45.7%	28.5%
Wichita	25.2%	11.4%	47.0%	30.6%
State of Kansas	23.8%	11.9%	44.8%	27.3%

Source: US Census Bureau

HOUSING AFFORDABILITY AND SUPPLY

By comparing the distribution of household incomes with housing costs, a general picture of supply and demand emerges across Shawnee County's housing market. Figure 5.16 illustrates these comparisons and should be read from left to right across household income ranges. Use the Income Range \$0-24,999 in Shawnee County for an example. Reading across the table left-to-right, there are 16,522 households in Shawnee County within this income range. An affordable home for purchase would cost a maximum of \$49,999 and there are 5,186 owner-occupied units in this value range. An affordable rental unit should cost no more than \$400 per month and there are 4,819 rental units in this price range. Combined, that means 10,005 total units should be affordable for households earning less than \$24,999 per year. By subtracting the supply of affordable units (10,005) from the number of households in this income range (16,522), one can see a shortfall of 6,517 affordable units.

The analysis reveals a shortage of homes for the lowest income households in Shawnee County. In fact, that number is 6,500 less than is necessary given the county's income characteristics. This is common because the private market cannot support the creation of new housing units within these price-points without incentives. The best source of affordable housing for this market are rental units, and often subsidized rental, rather than trying to produce new units. The analysis also reveals a surplus of housing for households with incomes between \$25,000 and \$74,999. For these households, affordable homes for purchase would go as high as \$149,999 and rental units would go as high as \$1,250. With a shortfall of housing for the income brackets above \$75,000, it appears that these upper income households are likely outcompeting lower income households for the same housing products. As a result, higher income individuals are often living in housing under what they could afford, often staying in rentals longer than

generations previously. It should be noted that this analysis does not account for age or quality; some residents choose other markets because housing does not meet their quality and amenity expectations.

Topeka seems to drive the high demand for lower income housing, but Shawnee County outside Topeka still shows deficits for those making less than \$50,000 or over \$100,000. However, the County's housing stock better matches the income of its residents. These characteristics suggest opportunity for the County to develop some affordable housing options near Topeka, likely in areas to be annexed, to better provide public services such as transit. Meanwhile, the county should also encourage the development of homes valued over \$200,000 to allow household movement and a filtration of the housing stock.

Recently, homebuyers are becoming less interested in moving-up to larger and more expensive homes than previous generations (low mobility). Traditionally, the production of higher-end homes would sufficiently incentivize homeowners to move-up within the housing stock, thereby, opening lower cost housing for others to move-up into. While a degree of the traditional move-up model still exists, many established residents will remain in their current housing until they downsize or until significantly better opportunities become available including high quality amenities, but not necessarily square footage.

Figure 5.16 Note:

This figure compares the number households within an income-bracket with the number of housing units that would be affordable to that income range in 2015. A positive balance indicates a surplus of housing within the affordability range of each respective income group, while a negative balance indicates a shortage. This analysis is meant to illustrate larger trends and not exact demand in certain price ranges. It does not take into consideration housing quality or mortgage status.

Figure 5.16: Affordable Housing Analysis

ALL SHAWNEE COUNTY								
Income Range	# HH	% HH	AFFORDABLE OWNER RANGE	# OWNER UNITS	AFFORDABLE RENTAL RANGE	# RENTER UNITS	TOTAL AFFORDABLE UNITS	BALANCE
\$0-25K	16,522	23.2%	\$0-50K	5,186	\$0-400	4,819	10,005	-6,517
\$25K-49K	18,884	26.5%	\$50K -99K	12,679	\$400-800	16,194	28,873	+9,989
\$50K-74K	13,772	19.3%	\$100K-149K	11,056	\$800-1,250	3,044	14,100	+328
\$75K-99K	9,061	12.7%	\$150K-199K	7,978	\$1,250-1,500	411	8,389	-672
\$100K-150K	8,916	12.5%	\$200K-\$300K	6,173	\$1,500-2,000	518	6,691	-2,225
\$150K +	4,213	5.9%	\$300K+	2,801	\$2,000+	509	3,310	-903
	71,368	100.0%		45,873		25,495	71,368	0

CITY OF TOPEKA								
Income Range	# HH	% HH	AFFORDABLE OWNER RANGE	# OWNER UNITS	AFFORDABLE RENTAL RANGE	# RENTER UNITS	TOTAL AFFORDABLE UNITS	BALANCE
\$0-25K	14,826	28.1%	\$0-50K	4,639	\$0-400	4,568	9,207	-5,619
\$25K-49K	15,345	29.1%	\$50K -99K	10,952	\$400-800	14,792	25,744	+10,399
\$50K-74K	9,704	18.4%	\$100K-149K	6,788	\$800-1,250	2,602	9,390	-314
\$75K-99K	5,867	11.1%	\$150K-199K	3,675	\$1,250-1,500	307	3,982	-1,885
\$100K-150K	4,844	9.2%	\$200K-\$300K	2,584	\$1,500-2,000	302	2,886	-1,958
\$150K +	2,125	4.0%	\$300K+	1,075	\$2,000+	427	1,502	-623
	52,711	100.0%		29,713		22,998	52,711	0

REMAINDER OF SHAWNEE COUNTY								
Income Range	# HH	% HH	AFFORDABLE OWNER RANGE	# OWNER UNITS	AFFORDABLE RENTAL RANGE	# RENTER UNITS	TOTAL AFFORDABLE UNITS	BALANCE
\$0-25K	1,696	9.1%	\$0-50K	547	\$0-400	251	798	-898
\$25K-49K	3,539	19.0%	\$50K -99K	1,727	\$400-800	1,402	3,129	-410
\$50K-74K	4,068	21.8%	\$100K-149K	4,268	\$800-1,250	442	4,710	+642
\$75K-99K	3,194	17.1%	\$150K-199K	4,303	\$1,250-1,500	104	4,407	+1,213
\$100K-150K	4,072	21.8%	\$200K-\$300K	3,589	\$1,500-2,000	216	3,805	-267
\$150K +	2,088	11.2%	\$300K+	1,726	\$2,000+	82	1,808	-280
	18,657	100.0%		16,160		2,497	18,657	0

Source: US Census Bureau

FUTURE CONDITIONS

Shawnee County is expected to reach a population of more than 192,500 by 2040, an increase of 14,599 residents. This will require about 5,700 new units or about 240 units per year to accommodate this growth, slightly above the current rate of construction in Shawnee County. Figure 5.17 calculates the overall demand for housing from 2017-2040 by considering:

- Projected population
- Household population and size from the U.S. Census Bureau, decreasing at the conservative rate of Topeka over the past 20 years (Shawnee County's rate of decrease was higher)
- Household demand, generated by households today and by the new growth of households
- A vacancy rate that will decrease over time to a healthier rate that provides variety in the market, avoids over-pricing, and ensure a quality housing stock.
- An annual replacement need of approximately 17 units that are lost to demolition or elimination

The City of Topeka exercises extraterritorial planning jurisdiction, including land division and plat approval authority, within the 3-mile Extraterritorial Jurisdiction (ETJ). Area in the ETJ follows policy Topeka's 2040 Land Use & Growth Management Plan (LUGMP) which defines an Urban Growth Area (UGA) of "service tiers" where future growth is expected through 2040. The first tier is Topeka City limits. Service tiers 2 and 3 are outside current city limits, but are secondary to tier 1. The balance of its ETJ outside the UGA are the "non-urban growth area." For more discussion, see Chapter 4.

Topeka's LUGMP anticipates Topeka will grow by 11,000 people through infill development and redevelopment inside current city limits and through land annexations in the UGA (Figure 5.18 Guided Growth Scenario). If Topeka grows by 11,000 people, the rest of Shawnee County will grow by 3,600

people. This would translate into roughly 1,200 new dwelling units in Topeka at urban densities, 3,100 new units expected in the Urban Growth Area (UGA) at suburban densities, and the remaining 1,400 occurring in the rest of the county at a range of densities.

If unincorporated Shawnee County were to grow as it has over the past 50 years, there would be an additional 11,900 people in the unincorporated area (Figure 5.18 Past Trends). This would translate to approximately 4,700 new units in unincorporated Shawnee County and 130 new units would be built in the incorporated small towns, while only 920 new units would be constructed in Topeka. However, trends since 2010 suggest that a guided growth scenario is more accurate with more than 83 percent of recent growth occurring in Topeka city limits or the UGA.

For the most part, guided growth is used as the basis for land use decisions in this document. There are several clear advantages to using the guided growth approach, including less cost for providing public services, less consumption of agricultural land, issues associated with development are identified prior to land division, and the development of planned subdivisions allows for the consideration of desired neighborhood amenities and needed public improvements. In addition, working with Topeka within their ETJ promotes collaboration between the City and County instead of confrontation.

As a result, most development in unincorporated areas is expected to occur near Topeka where developments with more urban services are capable of being supported. This could be as high as 70 percent of the unincorporated development.

Neighborhoods can occur around focal points like schools, and commercial uses should be within reasonable distances. In the north, this includes areas around US-75 or near Seaman High School denser

development could be closer to amenities. Other comparable sites include near Washburn Rural High School, where new homes could blend with existing ones to create new neighborhoods.

Meanwhile, more exurban homes could be developed in areas no longer suited for agriculture, while other clusters of homes could be added to unincorporated communities. Finally, rural homesteads would be produced in areas to support the agricultural economy of Shawnee County. Developing in this way produces more regular expectations as to the densities, locations, and type of growth anticipated for areas of the county. It would also create reasonable predictability to infrastructure expansion and the availabilities of different levels of service. However, areas unsuitable for development should be preserved as open space.

Regardless, it is important for a variety of different types and price-points to be offered. As many factors can change over 20 years, the housing market should be studied for major changes on a regular basis.



Suburban Development in Unincorporated Shawnee County



Rural Development in Unincorporated Shawnee County

FIGURE 5.17: Projected Housing Development Demand – All Shawnee County

	2017-2020	2021-2030	2031-2040	TOTAL
Population*	182,945	187,703	192,533	
Household Population*	178,424	183,064	187,775	
Average People/Household	2.38	2.36	2.34	
Household Demand*	74,984	77,619	80,331	
Projected Vacancy Rate	7.9%	7.1%	6.0%	
Unit Needs*	81,404	83,580	85,459	
Replacement Need	73	170	170	413
Cumulative Need	1,110	2,466	2,169	5,745
Needed Ave. Annual Construction	278	247	217	239

* At the end of the period
Source: RDG Planning & Design

FIGURE 5.18: Projected Housing Development Demand – All Shawnee County

	PAST TRENDS		GUIDED GROWTH	
	PROJECTED POPULATION	PROJECTED UNITS	PROJECTED POPULATION	PROJECTED UNITS
Topeka	+2,332	+918	+11,000	+4,329
Small Towns	+341	+134	+240	+94
Unincorporated	+11,926	+4,693	+3,359	+1,322
Shawnee County	+14,599	+5,745	+14,599	+5,745

* At the end of the period
Source: RDG Planning & Design

DISCUSSION AND RECOMMENDATIONS

Since 1970, Shawnee County has added 27,200 new dwelling units. The rate of growth outpaced the growth rate of the population, signaling declining household sizes. Over the past 50 years, housing development outside of Topeka has occurred at a rate faster than occurred within Topeka, causing it to lose its share of the county's housing stock. Most housing development outside Topeka happened in Mission, Soldier, and Tecumseh Townships near Topeka. Since 2010, development has slowed, with most new homes being single family. Growth since 2010 has largely mirrored a guided growth scenario with most development occurring in the City of Topeka or the UGA.

Within the County, the ratio of owner-occupied to renter-occupied units has remained close to a 2:1 ratio since 1970, a healthy ratio. Since 2000, the percentage of rentals have increased. However, a disproportionate number of the county's rentals are in Topeka. Vacancy rates increased since 1970 with nearly 6,540 vacant homes as of 2010. Comparing 2010 vacancy rates, Topeka stands at 9.5 percent compared to the balance of the county at 4.6 percent, indicating a stronger market outside of Topeka.

Housing Market and Development

Shawnee County's housing market is generally appropriate given its income. Its median value to income ratio is lower than that of the State. Topeka's lower home values tend to drive down the ratio for the County. Given the county's income distribution, there is a deficit in affordable housing, though the county also lacks enough higher income units. These gaps are filled by a surplus of homes affordable to households making between \$25,000-50,000 which causes low income individuals to live in unaffordable housing and higher income individuals to compete

against middle income individuals for units. Outside of Topeka, the county has enough housing for households making \$50,000 to \$100,000, but is lacking homes above and below that. Generally, the following factors apply to different parts of the housing market:

- **Low Income Housing Demand.** The lowest income households should be served primarily by the rental market. Several state and federal programs exist to support the development of low income rental opportunities. Housing developers should be encouraged to enter this market and the city should coordinate with the developer on location and site design for the best outcome.
- **Low Income Ownership Demand.** Often the best source of affordable housing is the existing housing stock in older neighborhoods. Many higher income households compete for the same housing stock as lower income households. The low-income ownership market demand can be met, in part, by providing opportunities for moderate income households to move-up in the market.
- **Moderate Income Demand.** The private market should be able to achieve sufficient profits to support development in this market. However, it may be necessary to highlight the successes of projects serving this market. These types of projects may also require financial or logistical support from the County and its partners.
- **Market and High End.** The private market has been successful in producing market rate housing with a focus on high-end products. The development community should be encouraged to continue its work in market-rate housing development. These developments should be encouraged to employ innovative practices to create high-quality neighborhoods.

Shawnee County must produce additional housing options across all price-points to enable movement in the market. New units and neighborhoods must offer amenities commensurate with the asking price to entice residents to 'move-up' within the market. Further, additional variety should be provided across price-points to allow residents to transition through desirable housing options as they age. For example, households may begin with an affordable rental, move to an entry level home, then to a larger 'family home', and then to a down-size option that may be either a rental or owner-occupied residence.

In Shawnee County, this means focusing on affordable options while letting the market produce higher end homes. The following principles should also be applied as new housing is developed:

- Production should be guided to generate a gradual shift that incrementally overcomes the needs of the current market while seeking to meet the needs of Shawnee County over the next 20 years.
- The lowest income market often requires intervention from the public and not-for-profit sectors. Production of middle income housing may require support or leadership through a demonstration project. The highest income housing options should be guided through public policy related to street configurations, open space requirements, and public facilities and trail development.
- Production should create availability and movement in the housing market to enable residents to enter Shawnee County's housing market, move-up to appropriate options through their life-cycle, and then down-size when desired.

Quality Neighborhoods

Neighborhoods offer quality amenities, places to build connections and community, while allowing residents to contribute to the fabric and character of the place in which they live. These are some of the same foundational elements that create strong communities.

Shawnee County should expect 5,700 new units by 2040. This requires 240 new homes per year. 75 percent of these homes are expected to be constructed in Topeka or within Topeka's growth area in cooperation with the City. This results in about 1,400 units for the remainder of the county. Most development is expected to occur near Topeka. Areas expected to support higher density development are those with access to better infrastructure, including in Soldier and Mission Townships. The rest of the development will include exurban, village, and rural development.

As new residential areas are constructed, it is important to understand how to build them with a sense of place that creates a high quality of life. Neighborhoods are geographically and socially connected communities with a definable sense of boundary. Each neighborhood has its own characteristics: demographic composition; location; density; street layout and connectivity; economic, social, and ethnic diversity; and functionality/mix of land uses.

Generally, several characteristics work together to create great neighborhoods. The American Planning Association notes the following:

1. Fulfilling a variety of functional attributes that contribute to a resident's day-to-day living;
2. Accommodating multi-modal transportation;
3. Possessing design and architectural features that are visually interesting;
4. Encouraging human contact and social activities;
5. Promoting community involvement and maintains a secure environment;
6. Encouraging sustainability; and
7. Having a memorable character.

These characteristics should be kept in mind to ensure the highest quality of life in Shawnee County as new development occurs. However, it must be applied differently to the distinct areas in Shawnee County, including suburban to exurban to rural neighborhoods. Randall Arendt's Rural by Design also largely follows the characteristics for great neighborhoods, making it an excellent resource for these kinds of places.

Goals and Recommendations

H-1: Encourage adequate development to allow for the growth of Shawnee County.

1. Work with developers to identify ways to streamline administrative process for development while maintaining adequate oversight of the development process by both Shawnee County and the City of Topeka.
2. Educate landowners about how their land can be used or developed and streamline processes to do so.
3. Promote the development of a variety of housing types, both in terms of tenure and in terms of price-point.

H-2: Ensure adequate methods of construction and development to protect the health, safety, and welfare of county residents.

1. Adopt a building code program with sufficient enforcement to protect the health, safety, and welfare of county residents.
2. Encourage a high standard of development through fire and other necessary inspections.

H-3: Guide development to areas suitable for that style of development with appropriate densities to support public services, including urban, suburban, exurban, rural, and village development types.

1. Update the zoning code to better reflect the current development pattern of the county and to guide urban, suburban, exurban, rural, and village development to appropriate locations.
2. Update the zoning code to preserve areas unsuitable for residential development, including prime farmland, floodplains, and other natural areas.
3. Set expectations for new residents to understand what service levels they may expect moving to different areas of the county.
4. Work with the City of Topeka to identify suitable areas within Topeka's ETJ that could still allow future development.

H-4: Develop a range of housing options, especially those that are affordable for low income and those that cater to higher income households.

1. Work with developers to identify barriers to housing development in price ranges that are currently lacking in the county and determine methods that can help overcome those barriers.
2. Identify grant or partnership opportunities for housing development that would help fill needs within Shawnee County.
3. Encourage the continued development of market rate units by private developers.
4. Explore how accessory dwelling units could fit into Shawnee County's broader housing market.

H-5: Create quality neighborhoods to facilitate a high standard of living for homes in urban, suburban, exurban, and rural areas, including unincorporated towns.

1. Try to facilitate the construction of neighborhoods through the development process. Update the development code (zoning and subdivision ordinances) to encourage neighborhood-oriented development.
2. Use existing focal points such as employment centers, schools, parks, or commercial areas to create neighborhoods with amenities that will promote a high quality of life.
3. Update the development code (zoning and subdivision ordinances) to encourage neighborhood-oriented development in suburban areas, possibly through density incentives to help offset those costs.

H-6: Identify and preserve areas for development of parks and open space.

1. Work with residential developers and the Shawnee County Parks and Recreation Department to create trails, parks and other amenities for the benefit of neighborhoods and the Shawnee County Public.
2. Preserve the rural landscapes by focusing development near existing development clusters. This should include clustering the development of rural unincorporated villages in a consistent manner.

