3.2 STRONG NEIGHBORHOODS & HOUSING CHOICE

Goal 3.2.A. Maintain thriving, quality neighborhoods that connect a diversity of residents throughout the community.

Increase overall property values by neighborhood.

Lee's Summit is a fast-growing, auto-centric suburb of Kansas City with a population of 100,300. Located both in Jackson County and Cass County it is often named as one of the best places to live in Missouri. Living in Lee's Summit offers residents a variety of neighborhoods with mostly single family detached housing ranging in square feet, lot size and value.

In 2020, Lee's Summit's leadership used foresight to develop some new single-family neighborhoods and to meet the evolving needs and marketing for a variety of single-family detached homes.

Technological advances will improve the quality and efficiency of homes. Smart homes equipped with several devices that automate tasks normally handled by humans are becoming the norm. Lighting, climate, entertainment systems, appliances and security systems can already be run from a phone app. Energy and resource efficient homes will be designed to keep utility costs reasonable.

Technological advances in building materials and construction practices will improve the quality and efficiency at a more attainable cost.

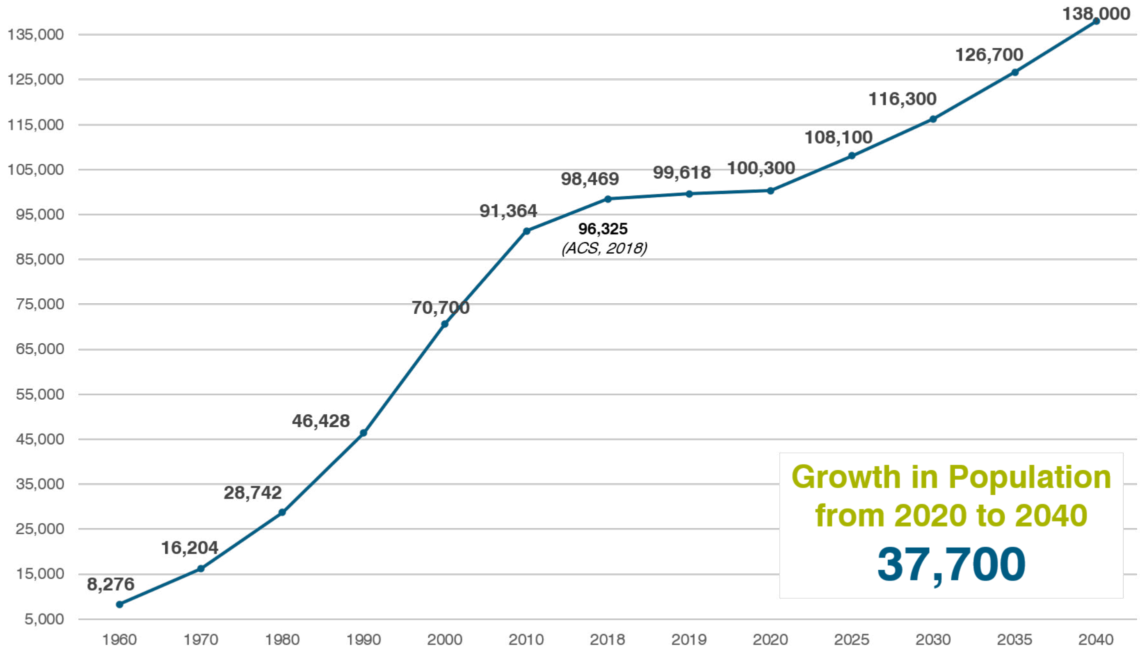
Filling sidewalk gaps and making trail and sidewalk connections from neighborhoods to places people want to go will enhance the value of Lee's Summit's quality neighborhoods.

Some new neighborhoods will be built with a grid-street network so community can grow in a financially sustainable way. Less land will be consumed for infrastructure allowing for more open space, amenities and single-family homes within the neighborhood. Designing neighborhoods to use less infrastructure but provide the same level of quality services means:

- Less cost up front to build infrastructure keeping the cost of building a new home more attainable.
- Lower cost to maintain infrastructure in the long run for homeowners.
- Narrower streets in a grid pattern will not only save homeowners money, they will slow traffic on residential streets and give drivers more ability to slow or stop their vehicles over a short distance to avoid collision.
- Shared open space to enhance the neighborhood.

Vision for Strong Neighborhoods:

- Neighborhoods are clean and safe.
- Properties, roads and infrastructure are well-maintained.
- Street trees provide much needed shade as weather patterns change.
- Streetlights illuminate sidewalks and streets to improve safe travel.
- Shared open space provides places for people to gather for neighborhood activities and events.
- Neighborhoods do not experience road overtopping by rainwater. Homes do not experience flood damage. Stormwater infrastructure is installed to manage rainstorm runoff.
- Homes are within walking or biking distance from parks.
- Well-maintained sidewalks connect children to schools.
- Off-road trails and a complete sidewalk system connect neighborhoods to commercial areas and public places.



Insight

Population Projection

Historical data and projections from Mid-America Regional Council and the State of Missouri were used to develop the population growth expected. This growth is a target set to measure the implementation of the Comprehensive Plan. More growth or less growth than the target population over the next 20 years means the City will need to adjust the Comprehensive Plan to accommodate the actual population change.

By 2040, Increase population by 37,700 (38%).

	2020	2025	2030	2035	2040	Population Growth
Total Population Estimate	100,300	108,100	116,300	126,700	138,000	37,700

Projected Population Growth	2020-2025	2025-2030	2030-2035	2035-2040	2020-2040	% CHANGE
Net Additional Population	7,800	8,200	10,400	11,300	37,700	38%
% Change in Population	8%	8%	9%	9%	38%	

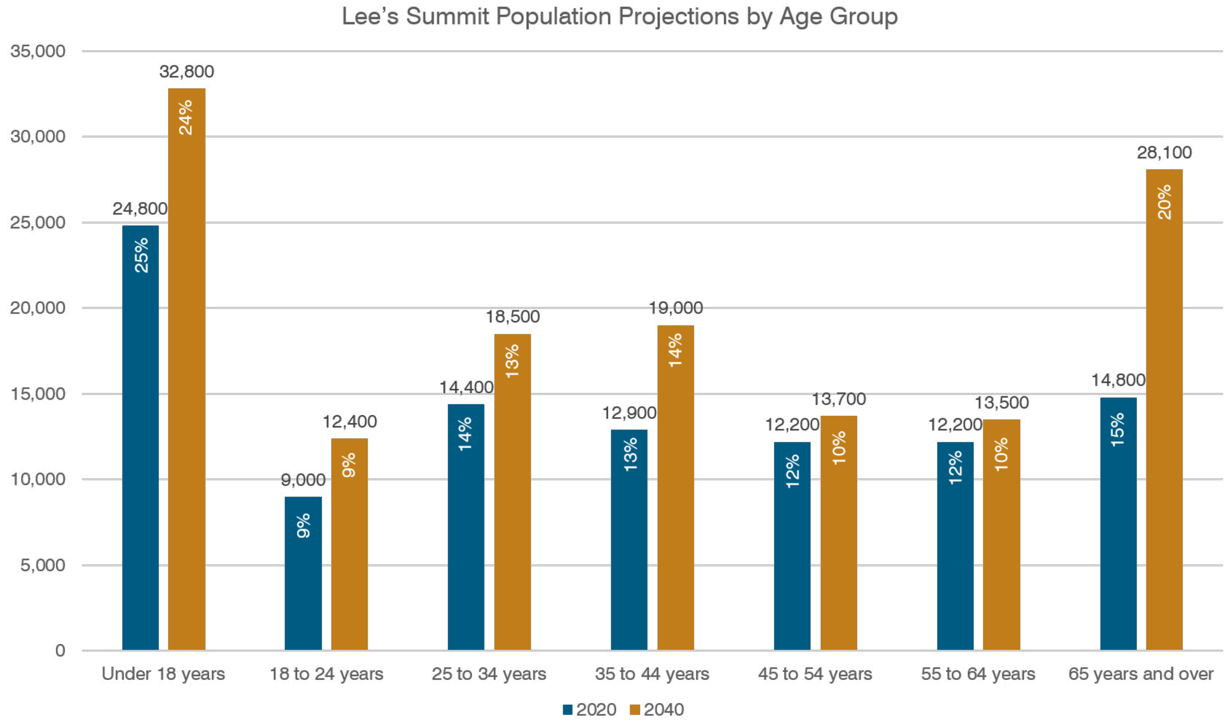
Population Projection by Age Group

Families with school-aged children will continue to locate in Lee's Summit but the largest increase by population group is 65 and over. Those under 18 years of age will remain the largest population group with 32,800 people projected by 2040 (a 32% increase). Age 65+ will increase from 14,800 currently to 28,100 projected (a 90% increase). These numbers reflect the large generation, the Baby Boomers, aging into the 65 years and older category.

Median Age

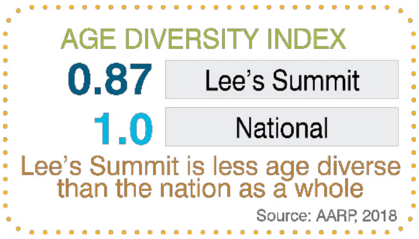
Lee's Summit	38.5
Kansas City, MO KC Metro Area	37.3
Missouri	38.5

Source: ACS, 2018



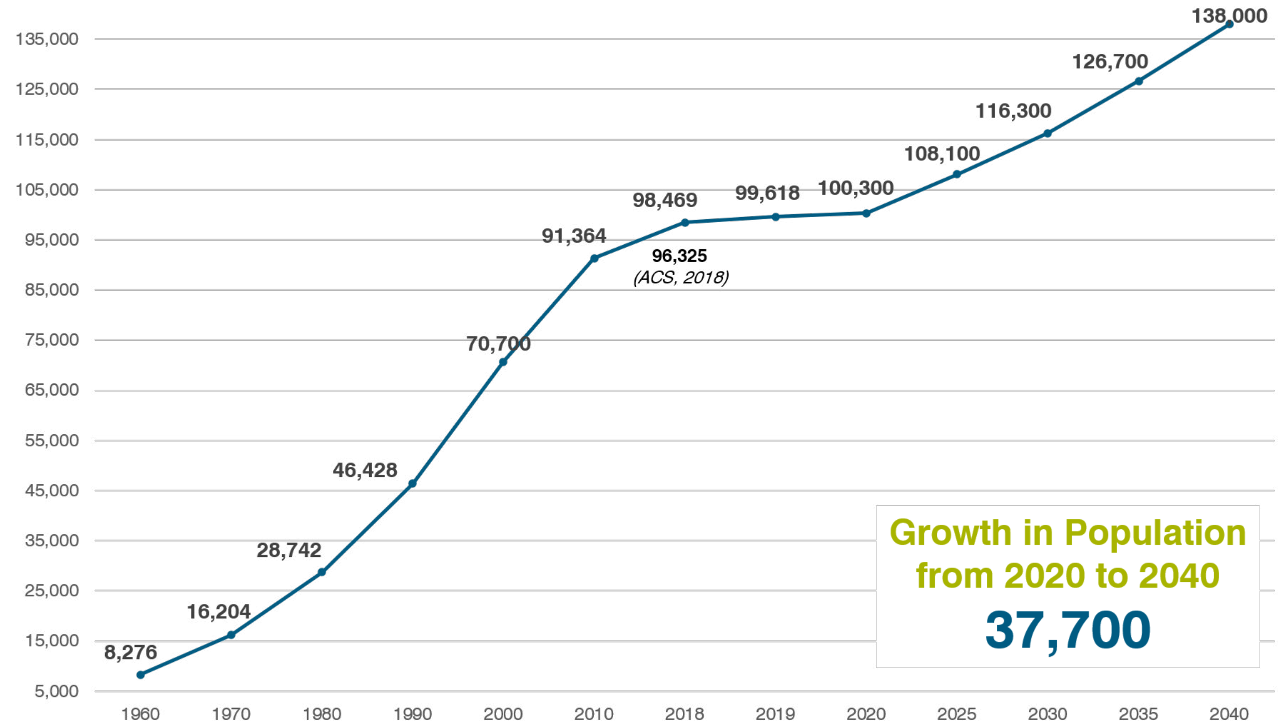
As the Baby Boomer generation grows, so will housing needs for this population. Many aging adults are seeking aging in place opportunities where they can remain in their community and close to family, friends, and activities. To age in place, older community members will need affordable, low to minimal maintenance homes and access to necessities such as healthcare services and groceries. This will require walkable neighborhoods and options for alternative transportation as senior residents age out of driving or owning personal vehicles.

According to the 2020 student demographic projections shown to the R-7 School Board in November 2020, an 1,800-student increase is possible over the next ten years. This growth in the school district indicates the potential for more younger family housing needs. Based on the Fall 2020 Demographic and Enrollment Update Report for R-7 School District, the housing inventory of the District is expected to reach about 52,400 units by 2030/2031 which is an increase of more than 26%.



Note the R-7 School District is located inside and outside of Lee's Summit's boundaries. There are also several other school districts within Lee's Summit's boundaries. But the R-7 Schools enrollment projection provides a good information for planning housing in Lee's Summit.

For the period 2020-2040, Lee's Summit is expected to experience a 38 percent increase in the city population for an estimated total population of 138,000. Based on this growth projection, an estimated 17,455 new housing units will be needed in the city.



By 2040, Housing Units by 17,455 (42%).

Housing Market Demand in Lee's Summit Will Continue to be Strong

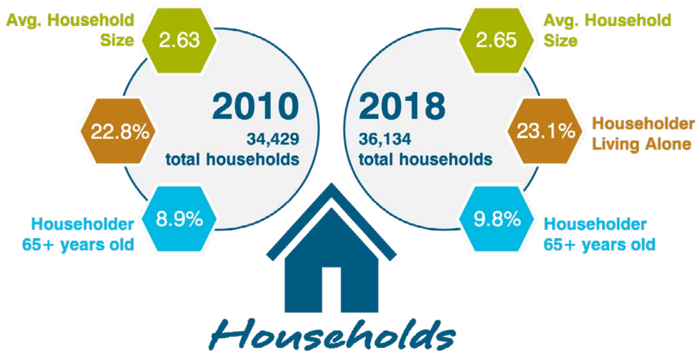
As a city of 100,300 residents (2020 population estimate) Lee's Summit has added nearly 30,000 residents since 2000. There are 41,825 housing units with a housing vacancy rate of five percent (identical to 2010 statistics). The housing market in Lee's Summit will continue to be strong in Lee's Summit due to the quality of housing, good schools, and quality public services. Families will continue to be drawn to Lee's Summit.

Fewer People Per Household Will Live in New Units Built

Families	2010 ACS	2018 ACS
Average family size	3.11	3.13
TOTAL FAMILIES	25,126	26,425

Source: ACS, 2010 and 2018

Dramatic growth projected in 65+ age group, changing home preferences, and the cost of housing will drive down the number of people per household in the future. This reflects a growing national trend—in recent decades, most regions of the U.S. have reported decreases in household size. Generational numbers and preferences will drive housing market demand. The number of people per household will decline because more people will be single and married without children. Nationally, 80% of net new households in the next 20 years will be singles and couples without children under 18. In the near term, 69% of net new households in the next 8 years will be singles and married couples without children under 18. In our region, the number of people per household has declined over the past 10 years. This trend will continue and is projected to be down from 2.76 to 1.73 people per housing. This means that while the population will grow at a similar rate than the last 20 years, the number of households needed will be more because the number of people per household will decline overall from 2.67 to 2.46. Currently, Lee's Summit's people per household is 2.40. In 2040, it is projected to be 2.33 people per household. New housing being built between in the next 10 to 20 years will average 1.73 people per household. Smaller households mean Lee's Summit needs more Missing Middle housing as well as medium to large lot single-family detached homes and apartments.

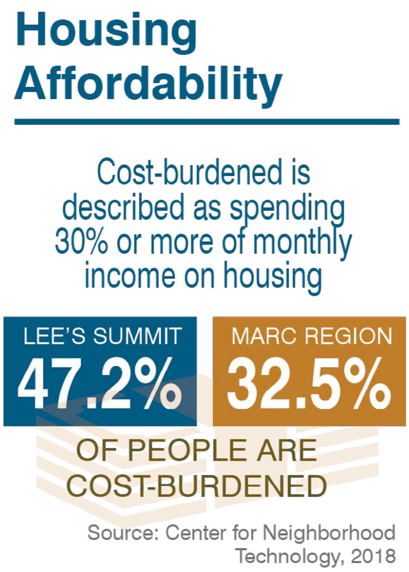


Population Per Housing Unit	2018 Average Household Size	2018 Householder Living Alone	2018 Householder 65+	2020	2025	2030	2035	2040	Total Change 2020-2040
Kansas City MSA	2.53	29%	10%	2.56	2.54	2.52	2.51	2.50	(0.06)
Total City - Lee's Summit, Mo.	2.65	23%	10%	2.40	2.32	2.28	2.22	2.33	(0.07)
Population Per Additional Housing Unit Added					2.32	1.80	1.73	1.73	

Increase the mix of affordable housing.

Housing Affordability

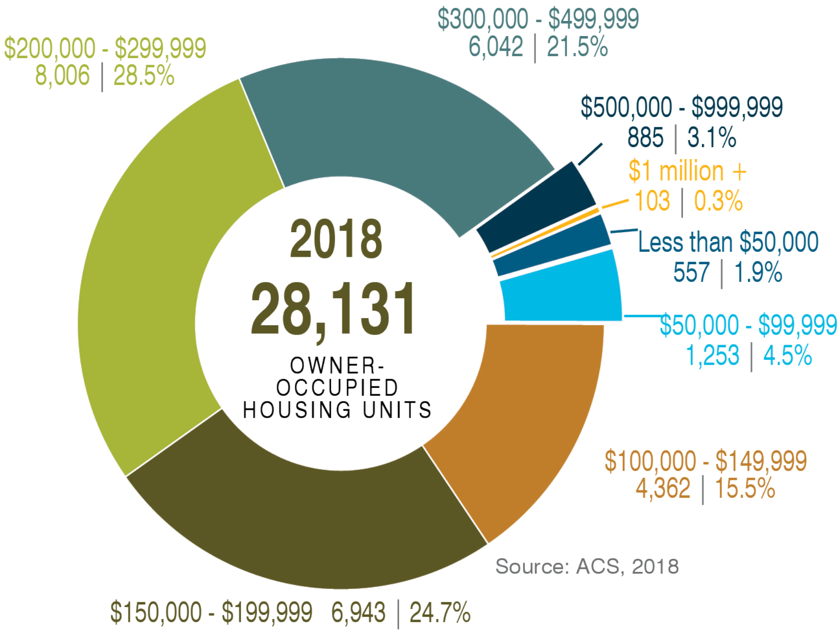
Nationally, housing affordability impacts a growing number of people. Wage stagnation and increasing cost of living means more people are spending 30 percent or more of their incomes on housing and 15 percent or more on transportation. The cost of living in Lee's Summit closely compares to the national average with housing being slightly higher.



Median housing value over the past years has grown from $185,500 to $210,400 from 2010 to 2018. Since 2018, prices have continued to climb.

About 47 percent of people in Lee's Summit are housing cost-burdened which means they spend 30 percent or more of their incomes on housing. Notably, median housing values are 21 percent higher, on average, than in the greater metropolitan area. Fifty percent of Lee's Summit homes recently sold for more than $300,000. The average cost of a new home in Lee's Summit is approximately $370,000.

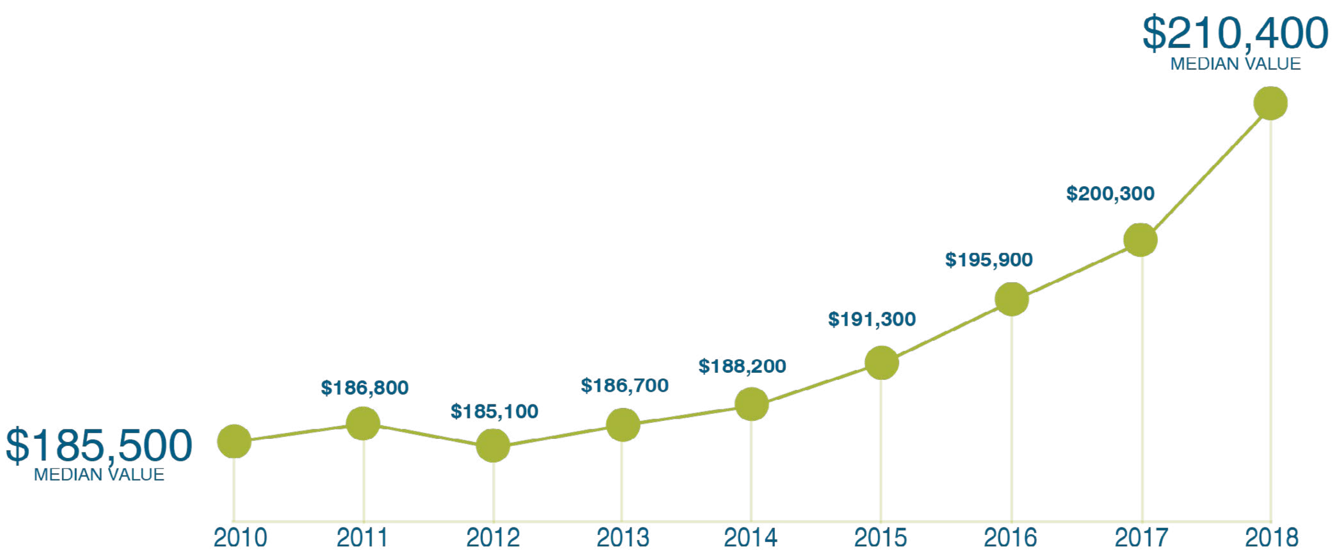
Housing Values



Source: ACS, 2018

Almost 25 percent of the housing stock would be considered as more affordable housing units for most families. These range from $150,000 to $199,000. Well-kept houses at this price point are rarely on the market and go quickly when they are listed. Most housing is valued in the $200,000 to $299,999 range.

Median Home Value in Lee's Summit



Source: ACS, 2018

Cost of Living

IF **100** IS U.S. AVERAGE COST OF LIVING

THEN LEE'S SUMMIT COST OF LIVING OVERALL

OVERALL	HOUSING	GROCERY	UTILITIES	HEALTH	TRANSPORTATION	MISCELLANEOUS*
↓ 99.7	↑ 106.1	↑ 100.6	↓ 99.9	↓ 94.5	↓ 90.4	↑ 101.0

* Cost of goods and services not included in the other cost of living categories including clothing, restaurants, repair, entertainment and other services.

Source: BestPlaces.net

	LEE'S SUMMIT	JACKSON COUNTY	KANSAS CITY METRO	MISSOURI	UNITED STATES
MEDIAN LIST PRICE	$357,250	$188,500	$265,000	$185,950	$282,000
MEDIAN APPRAISED VALUE	$257,239	$156,063	$205,552	$164,799	$247,084

Source: Zillow, 2020

AVERAGE COST OF NEW HOME IN LEE'S SUMMIT

$370,000 (138 active listings)

MEDIAN SALE PRICE IN LEE'S SUMMIT

$304,113

Source: Heartland MLS, May 2020

2010 ACS		Housing Values	% Change by Category	2018 ACS	
# of Units	% of Units			# of Units	% of Units
319	**1.3%**	Less than $50,000	↑ 74.6%	**557**	**2.0%**
1,403	**5.5%**	$50,000 to $99,999	↓ -10.70%	**1,253**	**4.5%**
5,385	**21.3%**	$100,000 to $149,999	↓ -19.00%	**4,362**	**15.5%**
7,102	**28.1%**	$150,000 to $199,999	↓ -2.24%	**6,943**	**24.7%**
6,930	**27.4%**	$200,000 to $299,000	↑ 15.53%	**8,006**	**28.5%**
3,499	**13.8%**	$300,000 to $499,999	↑ 72.7%	**6,042**	**21.5%**
597	**2.4%**	$500,000 to $999,999	↑ 48.2%	**885**	**3.1%**
49	**0.2%**	$1,000,000 or more	↑ 110.2%	**103**	**0.4%**
25,284	**100%**	Total Owner-Occupied Units	↑ 11.26%	**28,131**	**100%**

Source: ACS, 2010 and 2018

The amount of housing units valued at $50,000 to $199,999 declined from 2010 to 2018. Many of these units were torn down due to the condition of the property. Homes in the $200,000 to $999,999 grew with the $300,000 to $499,999 growing the most at 73%. The number of $1,000,000+ homes doubled.

Lee's Summit prepared a housing assessment in 2017 to identify housing needs. https://hacls.org/wp-content/uploads/2018/08/Lees-Summit-Housing-Lees-Summit-Housing-Needs-Study.pdf

Attainable Housing vs. Affordable Housing

Attainable housing refers to market rate housing for-sale that is unsubsidized, profitable and meet the needs of those with incomes between 80% and 120% of the Area Median Income. The price points for attainable housing vary by metro area depending on the Area Median Income, with FHA Loan Limits typically hovering around 115% of Area Median Income. Attainable housing is not the same as affordable housing or subsidized housing. Attainable Housing is sometimes called workforce housing because it is important to have teachers, firefighters, police officers and others who make up the workforce living in the community. The chart below describes what is considered attainable in Lee's Summit. While this may not seem affordable to many, this is seen by most banks as attainable. The amount that is considered affordable is also listed for the same income levels for comparison. While the goal is to keep housing costs at 30% of Median Household Income, the "H+T Index" or cost of housing and transportation should not go above 45% of income. Anything more is a cost burden.

United States Department of Housing and Urban Development (HUD) defines affordability as paying no more than 30% of median household income for housing. This affordability standard is not an underwriting standard, and it does not say that households are unable to pay more than that amount, but it is a useful rule-of-thumb. Households may choose to pay more to get the housing they need or want but, according to HUD standards, they should have access to decent, safe housing for no more than 30% of their household income. Many Lee's Summit upper income level households spend more than 30% of their income on their homes. The average household spends $13,334 per year or $1,111 per month on transportation.

PER CAPITA INCOME	
LEE'S SUMMIT	$39,568
JACKSON COUNTY	$30,237
CASS COUNTY	$31,675
KC METRO	$34,444
MISSOURI	$29,537

Source: ACS, 2018

MEDIAN HOUSEHOLD INCOME	
LEE'S SUMMIT	$85,183
JACKSON COUNTY	$55,929
CASS COUNTY	$71,114
KC METRO	$64,020
MISSOURI	$54,478

Source: ACS, 2018

MEDIAN FAMILY INCOME	
LEE'S SUMMIT	$104,198
JACKSON COUNTY	$71,506
CASS COUNTY	$81,615
KC METRO	$80,648
MISSOURI	$69,188

Source: ACS, 2018

To learn whether there is an adequate supply of affordable housing, the number of households within the various income categories must first be determined:

The average Lee's Summit household currently spends:

Household Type	Monthly Average Spent on Housing
Owner-Occupied	$1,636
Renter	$1,015

The average Lee's Summit household spends $1,111 on transportation in addition to housing. Households with incomes under $50,000 per year are likely cost burdened.

Households in Lee's Summit spend

$13,344

on **TRANSPORTATION COSTS** every year

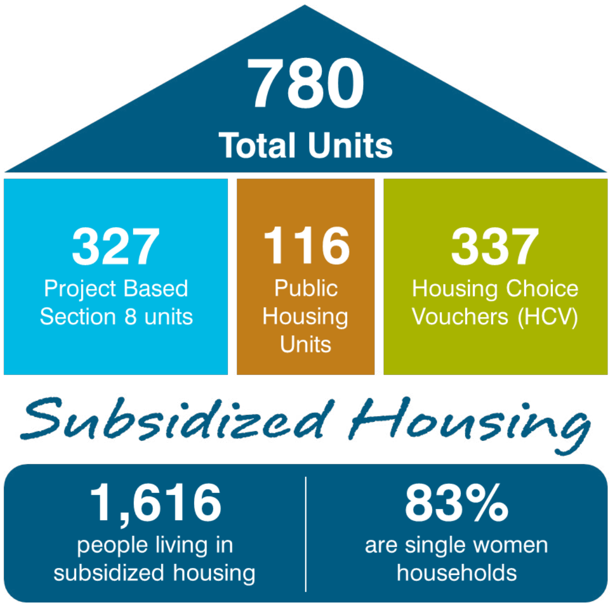
Source: Center for Neighborhood Technology

$1,111/month or $0.88 per mile (same prices as an uber)

INCOME AND BENEFITS (IN 2018 INFLATION-ADJUSTED DOLLARS)	Income & Benefits	Number of Households	Percent of Total Households	Affordable Monthly Housing Costs 30% of Household Income	Affordable Monthly Transportation Costs 15% of Household Income	Total Affordable Monthly Housing + Transportation Costs by Income 45% of Household Income
Lee's Summit, MO		36,134	36,134			
AFFORDABLE HOUSING + TRANSPORATION EXPENDITURE BY INCOME LEVEL						
Less than $10,000	$ 10,000	872	2.40%	$250	$125	$375
$10,000 to $14,999	$ 15,000	1,083	3.00%	$375	$188	$563
$15,000 to $24,999	$ 25,000	2,113	5.80%	$625	$313	$938
$25,000 to $34,999	$ 35,000	1,760	4.90%	$875	$438	$1,313
$35,000 to $49,999	$ 50,000	3,514	9.70%	$1,250	$625	$1,875
$50,000 to $74,999	$ 75,000	6,142	0%	$1,875	$938	$2,813
$75,000 to $99,999	$ 100,000	5,955	16.50%	$2,500	$1,250	$3,750
$100,000 to $149,999	$ 150,000	7,567	20.90%	$3,750	$1,875	$5,625
$150,000 to $199,999	$ 200,000	3,563	9.90%	$5,000	$2,500	$7,500
$200,000 or more		3,565	9.90%			
Area Median household income (dollars)	$ 85,325		(X)	$2,133	$1,067	$3,200
Mean household income (dollars)	$ 103,841		(X)	$2,596	$1,298	$3,894
ATTAINABLE HOUSING & TRANSPORATION TARGET – housing that meets the needs of those with incomes between 80% and 120% of the Area Median Income						
80% of Area Median Income(dollars)	$ 68,260		(X)	$1,707	$853	$2,560
120% of Area Median Income (dollars)	$ 102,390		(X)	$2,560	$1,280	$3,840

Subsidized & Special-Needs Housing

Subsidized housing is subsidized by the federal government or built with federal assistance and owned by the local housing authority or private entities. In other cases, the subsidy is distributed to the household who pays the rent for a privately owned unit. In Lee's Summit, 15 percent of the rental stock is subsidized. The largest share of the assisted units are in low-income housing tax credit (LIHTC) developments, with 500 units in 5 developments subsidized through this program. Property available below 100% Average Median Income as shown in the table above could potentially qualify for federal housing subsidy. The U.S. Department of Housing and Urban Development (HUD) for Consolidated Plans also looks at the median income for a community and determine how many units are available to various low- and moderate-income households.



Lee's Summit 2020

Many federal and state housing funding programs are tied to the 30%, 50%, and 80% of the median income for households of different sizes.	
Subsidized Housing Thresholds (2018 American Community Survey data)	**Income Level**
Area Median Income (dollars)	$85,600
Extremely low-income households are those with incomes below 30% of the area median household income.	$25,598
Very low-income households with an income between 30% and 50% of the area median household income.	$42,663
Low-income households are those with incomes between 50% and 80% of the area median household income.	$68,260
Moderate-income households have incomes between 80% and 95% of the area median household income.	$81,059

About 10% of the population is considered extremely low-income with 15% each of the other categories. Approximately 45% of the households are considered high-income when compared to the Area Median Income.

Owner Occupied and Rental Units

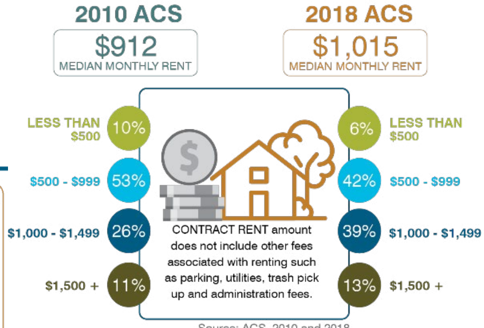
About 75 percent of all homes are owner-occupied so there is very little opportunity to move to Lee's Summit without the wealth to own a home. Vacancy rates tells a great deal about the health of a housing market. If the vacancy rates are too low, the market is not providing enough housing. If the vacancy rates are too high, the market is providing more than is needed. In a healthy market, the rental vacancy rate is usually between 5.0 and 7.0 percent. In the market for owner-occupied housing, the vacancy rate is usually between 1.75 and 2.0 percent. Increasing demand, low vacancy rates and low supply means increasing costs to purchase and to rent.

Housing Units

	2010 ACS	2018 ACS
OWNER OCCUPIED	73%	74%
	25,284	28,131
RENTER OCCUPIED	22%	21%
	7,770	8,003
VACANT	5%	5%
	1,859	1,939
HOMEOWNER VACANCY RATE	1.6	1.2
RENTAL VACANCY RATE	7.4	7.0

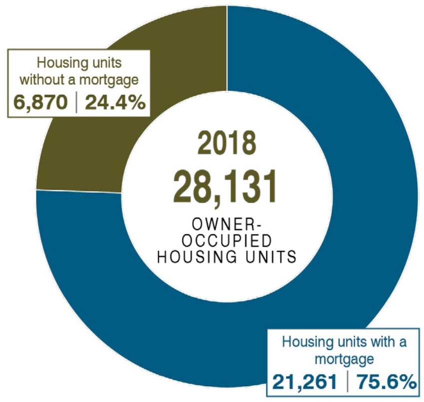
Source: ACS, 2010 and 2018

Gross Rent



Source: ACS, 2010 and 2018

Mortgage Status



Source: ACS, 2018

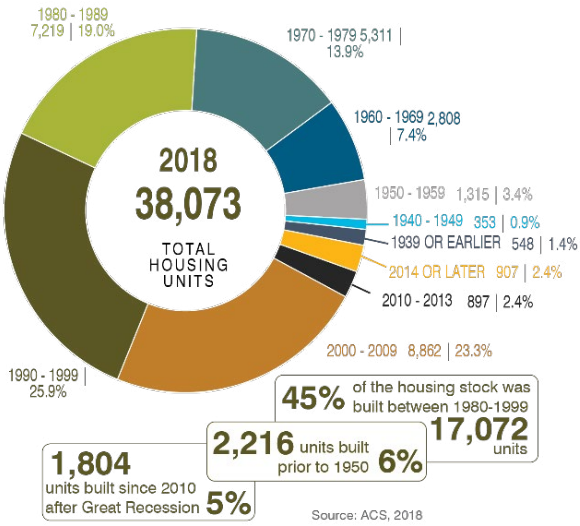
Preserve and protect existing housing stock.

Preserving Quality of Existing Homes

Most of the housing was constructed between 1980 to 2010. Most houses built pre-1980 (10,335 – 27%) generally have a smaller footprint and therefore may be more affordable to purchase and maintain.

But as homes age, the cost to maintain it increases. Housing needs system upgrades over time along with day-to-day maintenance. Updates to electrical, plumbing, HVAC, roofing, siding, etc. can be costly Incentives such as home repair programs ease the cost burdens of upgrading homes.

Age of Housing (year built)



Source: ACS, 2018

Continued infrastructure investment and improved connectivity to amenities and services can maintain the desirability and attractiveness of older neighborhoods. Public infrastructure investments in neighborhoods can also encourage property owners to make improvements.

Preservation of housing stock is important to conserve the character of neighborhoods and the history of a city. Housing is often a reflection of its time—architecture, function, size—so it connects future generations to the past. Housing can become obsolete, but most can be adapted for today's needs. Some homes are remodeled to meet current needs while others are torn down and new homes built in their place. Preserving existing housing is more cost-effective and easier than new construction. Rehabilitating an existing affordable apartment can cost one-third to one-half less than building a new apartment.

Thinking Outside of the Housing Box

Re-purposing obsolete commercial strip centers in the city is another approach to provide attainable, charming neighborhoods. Re-purposing obsolete strip center locations for added housing can effectively accommodate townhome type developments adjacent to corridors.

Well-served by utilities and transportation these locations may have outlived most of their commercial functions and can accommodate residential and mixed-use developments more cost-effectively undeveloped property.

Communities for All Ages

Many people want to live in a community throughout their lifespan. Different housing is needed at different stages of life.

Community for All Ages
A great place to live and age well.
Gold Level Recipient

Senior Living Facilities

2 RESIDENTIAL CARE & ASSISTED LIVING
SENIOR APARTMENTS
3 RETIREMENT COMMUNITY

Source: LS Annual Development Report, 2019

$4,050/mo.

Source: caring.com

CITIZEN SATISFACTION SURVEY

Lee's Summit offers quality senior housing facilities. Senior housing that offers a maintenance-free lifestyle and varying levels of care are not affordable to everyone. Some seniors would like to live in their home and community safely, independently, and comfortably, regardless of age, income, or ability. The American Planning Association refers to the concept as "aging in community," where "older adults can live as independently as possible in the community of their choice."

The City of Lee's Summit is an aging-friendly community with awareness, implementation and strategies that address changing demographics. Lee's Summit is recognized for its Community for All Ages Plan with Gold and Silver certifications.

Universal Design

Neighborhoods and housing that work for people with disabilities, older people and everyone is called universal design. As the population ages, market demand for universal design in housing and entire neighborhoods will grow.

Multi-generational Housing

Demand for multigenerational housing is increasing. We are seeing more people building on to their existing home or an accessory unit places for their parents or adult children to live. As our community becomes more diverse, many immigrant cultures prefer multiple generations living under one roof.

Co-housing

Roommates are not just for people in their 20's. Seniors are turning to cohousing to cut costs and loneliness. Cohousing is community designed to foster connection. Physical spaces allow neighbors to easily interact with others just outside private homes. Common areas including kitchen, dining space and gardens bring people together. Collaborative decision-making builds relationships.

Accessory Dwelling Units

An accessory dwelling unit (ADU) is a smaller, independent residential dwelling unit located on the same lot as a stand-alone (i.e., detached) single-family home. ADUs go by many different names throughout the U.S., including accessory apartments, secondary suites, and granny flats.

ADUs can be converted portions of existing homes (i.e., internal ADUs), additions to new or existing homes (i.e., attached ADUs), or new stand-alone accessory structures or converted portions of existing stand-alone accessory structures (i.e., detached ADUs).

Internal, attached, and detached ADUs all have the potential to increase housing affordability (both for homeowners and tenants), create a wider range of housing options within the community, enable seniors to stay near family as they age, and facilitate better use of the existing housing fabric in established neighborhoods. Homes associations can prohibit, but the City will allow in all Residential Category 1.

Impact of Technology on Housing

Technological advances will improve the quality and efficiency of homes. Smart homes equipped with several devices that automate tasks normally handled by humans are becoming the norm. Lighting, climate, entertainment systems, appliances and security systems can already be run from a phone app. In the future, energy and resource efficient homes will be designed to keep utility costs reasonable. Technological advances in building materials and construction practices will improve the quality and efficiency at a more attainable cost.

Changing Housing Market

Charming, friendly, inclusive and welcoming communities generally offer a variety of housing products with varying types and price points. Ideally, sidewalks, trails and open spaces connect homes within neighborhoods to the broader community.

Lee's Summit will continue to be known for the finest quality single-family neighborhoods well into 2040. The current and projected largest land use is single-family detached housing on medium and large lots.

Nationally and regionally, the suburban housing market is changing. The number of people per household will decline. Some baby boomers, Millennials (Gen Y), and Gen Z's American Dream are very different than their parents. Most Millennials will not own homes due to affordability issues but also preference. With a median income in the US of $33,883, Millennials are encountering an average rental price of $925 per month. This price point puts many homes outside the reach of Millennials and Gen Z. Smaller single-family homes on smaller lots are generally more affordable and less to maintain. As people age, many are looking for homes with a master on the first floor and smaller yards so they can stay in their homes.

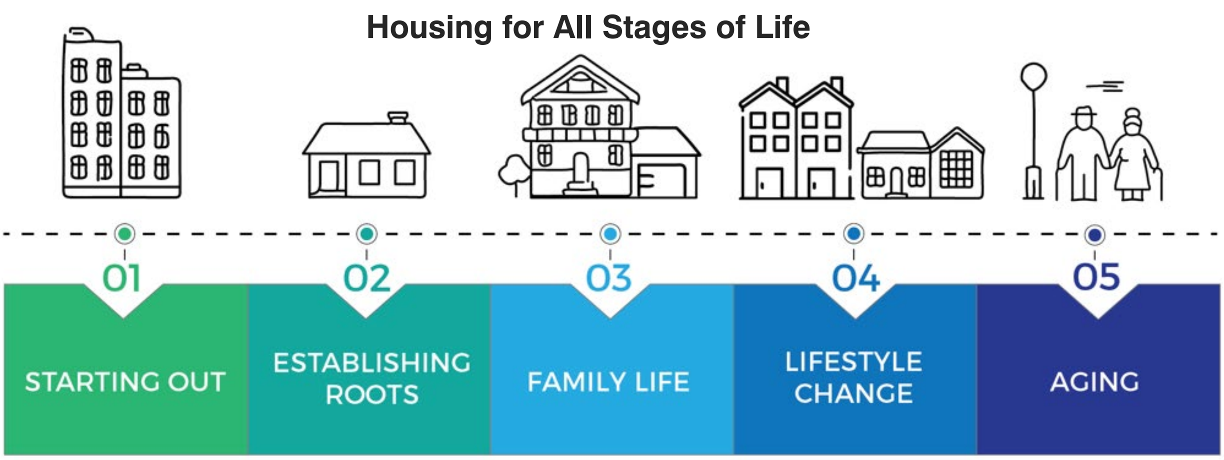
Kansas City's suburbs fueled population growth in the metro over the last 70 years. This growth will continue over the next 20 years and Millennials will drive that growth. Many high-income Millennials are choosing to live in the suburbs -- 84% of high-income Millennials in the Kansas City region live in the suburbs. Millennials and Baby Boomers are drawn to suburbs that are becoming denser taking on certain characteristics that seem urban-like. They are more diverse, have more mixed land use and more people commute to them as they become job centers. This is a gradual process that will change perception we have of the suburbs. People of all generations are seeking homes connected to vibrant activity centers with walkable areas where every day needs are nearby. People used to move where the jobs are located. Now and into the future, jobs will move to where people want to live.

Neighborhoods designed with smaller lots and smaller homes with more extensive shared indoor and outdoor common areas are growing in demand. Maintenance-provided housing is growing in demand that accommodates young professionals and empty nesters who want to lock up and leave to travel periodically. This type of housing appeals to young and old who do not want to personally maintain a property. Housing developers in Lee's Summit are already providing these types of homes. This trend will continue.

Housing for All

Housing demand is most often spurred by a change in lifestyle such as marriage, divorce, change in employment, birth of a child, children moving out, or retirement, any of which can result in a choice to simplify life with low-maintenance living and greater disposable income. The types of housing needed in a community to allow people to live there regardless of age or lifestyle include housing for people starting out, those establishing roots, families, those looking for a lifestyle change and those aging. It is important that a variety of housing be available at different price points and for different stages of life.

Housing types are broken into three categories based upon intensity for purposes of planning. Rather than focus on whether the housing product is single-family, multi-family, detached or attached, residential categories are based upon the intensity of each use. Intensity is described as how different uses relate to each other. Whether it be building scale, the amount of traffic generated, or operational impacts, types of residential development are grouped by the intensity of use.



Change overall housing mix to 65% Residential Category 1, 20% Residential Category 2, 15% Residential Category 3.

Category 1 – Lower intensity

- Traditional medium and large lot single-family detached housing (8,500+ square foot lots)

Category 2 – Medium intensity -- sometimes called Missing Middle Housing

- Small lot single-family detached housing (4,000 – 7,499 square foot lots)
- Duplex side-by-side or stacked
- Fourplex stacked
- Courtyard building
- Cottage court
- Townhome
- Multiplex Medium
- Triplex-Stacked
- Live-Work

Category 3 --Higher intensity

- Midrise Mixed Use
- Apartment Complexes

Fill the Missing Middle Housing Gap

Housing of all types are needed to meet future demand. The largest gap to fill is missing middle housing. Missing middle housing fills the gap between traditional detached single-family housing and larger multi-unit apartment buildings. Missing middle building types, such as duplexes, fourplexes, cottage courts, courtyard buildings, and townhomes provide diverse housing options and support locally serving retail and public transportation options. Missing middle housing is the same scale as the typical single-family home in Lee's Summit but has multiple units in walkable neighborhoods near employment and services. Increasing the number of housing units per acre and locating them near commercial services and transportation reduces the overall cost to live in that neighborhood.

Example of pocket neighborhood

Homebuilders, initially looking to target the emerging millennial demographic through reduced footage and lower price points, have discovered that other generations are also interested in smaller homes. Singles, couples, and small families of all ages and income levels are looking to maximize their disposable income and minimize their home maintenance commitment, hoping to prioritize experience and free time over possessions and a large home. The market for single-family detached homes is strong regardless of income level or age of occupants. The cost of land and construction materials for a traditional size Lee's Summit home can be prohibitive for many income groups. Smaller homes are not just becoming a necessity for affordability but are increasing in demand due to changes in personal preferences and lifestyles. Many builders define a home as "small" if it is less than 1,800 square feet. But those on the leading edge of this category are pushing the definition of a small home to less than 1,400 square feet. Detached cluster homes allow higher density than traditional single-family homes but create the traditional feel that many home-buyers are looking for. The design of pocket neighborhood, green cottage court, and alley loaded configurations yield densities with smaller house footprints are desirable, especially if there is maintenance provided.

Attainable housing yields similar margins to higher priced homes due to faster turnover and more rapid price appreciation. Attainable housing addresses pent-up demand in a segment that has limited supply, which creates greater price elasticity and more upside revenue potential than any other segment.

Housing Units by Structure

2010 ACS %	2010 ACS units		2018 ACS units	2018 ACS %
	TOTAL HOUSING UNITS - 34,913		TOTAL HOUSING UNITS - 38,073	
		Single-Family		
73.78%	25,760	Detached	28,474	74.79%
8.41%	2,937	Duplex or Townhome	3,664	9.62%
		Multi-Family		
3.14%	1,095	2 units	706	1.85%
3.73%	1,301	3 to 4 units	1,331	3.50%
2.94%	1,028	5 to 9 units	731	1.92%
3.59%	1,253	10 to 19 units	1,378	3.62%
4.23%	1,476	20+ units	1,722	4.52%
0.18%	63	Mobile Homes	50	0.13%
0.00%	0	Boat, RV, van, etc.	17	0.04%

Source: ACS, 2010 and 2018

The current mix of housing units is 72% Category 1; 13% Category 2; and 15% Category 3. To move closer to market demand and maintain the community character and high-quality provision of public services and infrastructure an increase in Missing Middle Housing Category 2 as a percent of the total is recommended.

Current Mix:
72%/13%/15%
To
Recommended Mix:
65%/20%/15%

The following table details future housing projections based upon the recommended mix of housing types.

Residential Development By Type	Current Dwelling Units	Current Dwelling Units/ Acre	% Current Dwelling Units	Total Future Dwelling Units	Total Future % Dwelling Units	Future Dwelling Units Per Acre	Change Total Dwelling Units	Current Residential Acres	Future Residential Acres
Category 1	30,049	2.54	72%	38,532	65%	3.04	8,483	11,830	12,675
Category 2	5,562	8.36	13%	11,856	20%	12	6,294	665	988
Category 3	6,214	14.75	15%	8,892	15%	36	2,678	421	247
TOTAL	41,825		100%	59,280	100%		17,455	12,917	13,910

Increase business activity by designing mutually supportive neighborhoods.

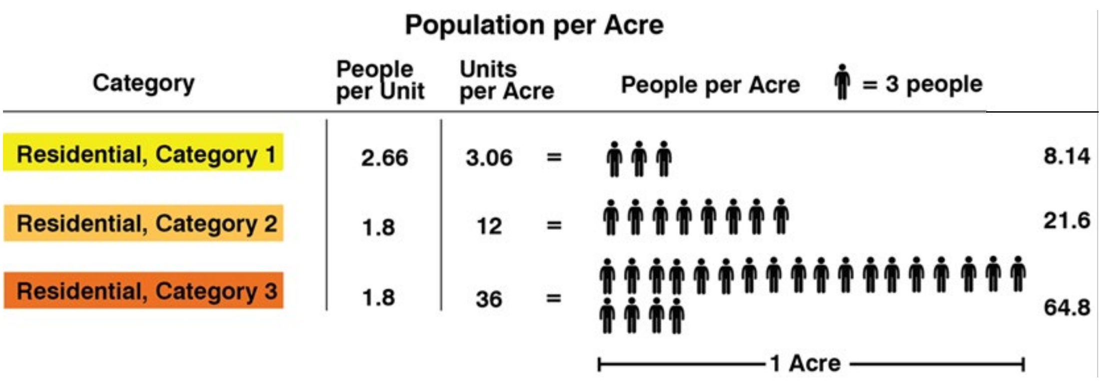
Housing located in close proximity to neighborhood commercial development increases the resiliency of both types of development. Activity Centers and Priority Corridors are locations where most of the new Category 2 and 3 housing units should be located. This approach follows the concept that it takes 2,000 people to be located within a 15-minute walk of one block of retail development for both to thrive.

The numbers in the table show the projected housing unit growth through 2040 both inside and outside activity centers. Most of the new units built will be inside the Activity Centers (56% or 9,800) but most of the housing new and old will be located outside of the Activity Centers (73% or 43,550) in 2040.

Lee's Summit will not be fully-built out in 2040 as more units are expected both inside and outside of the Activity Centers and Priority Corridors.

Projected Housing Demand	Existing Dwelling Units	New Dwelling Units	2040 Total Dwelling Units	% New Units Allocated	% Total Dwelling Units
Activity Centers	5,930	9,800	15,730	56%	27%
Outside Activity Centers	35,895	7,655	43,550	44%	73%
Total	41,825	17,455	59,280		

The numbers in the table above only include growth projected to 2040. More housing units are expected both inside and outside of the Activity Centers to full-build out.



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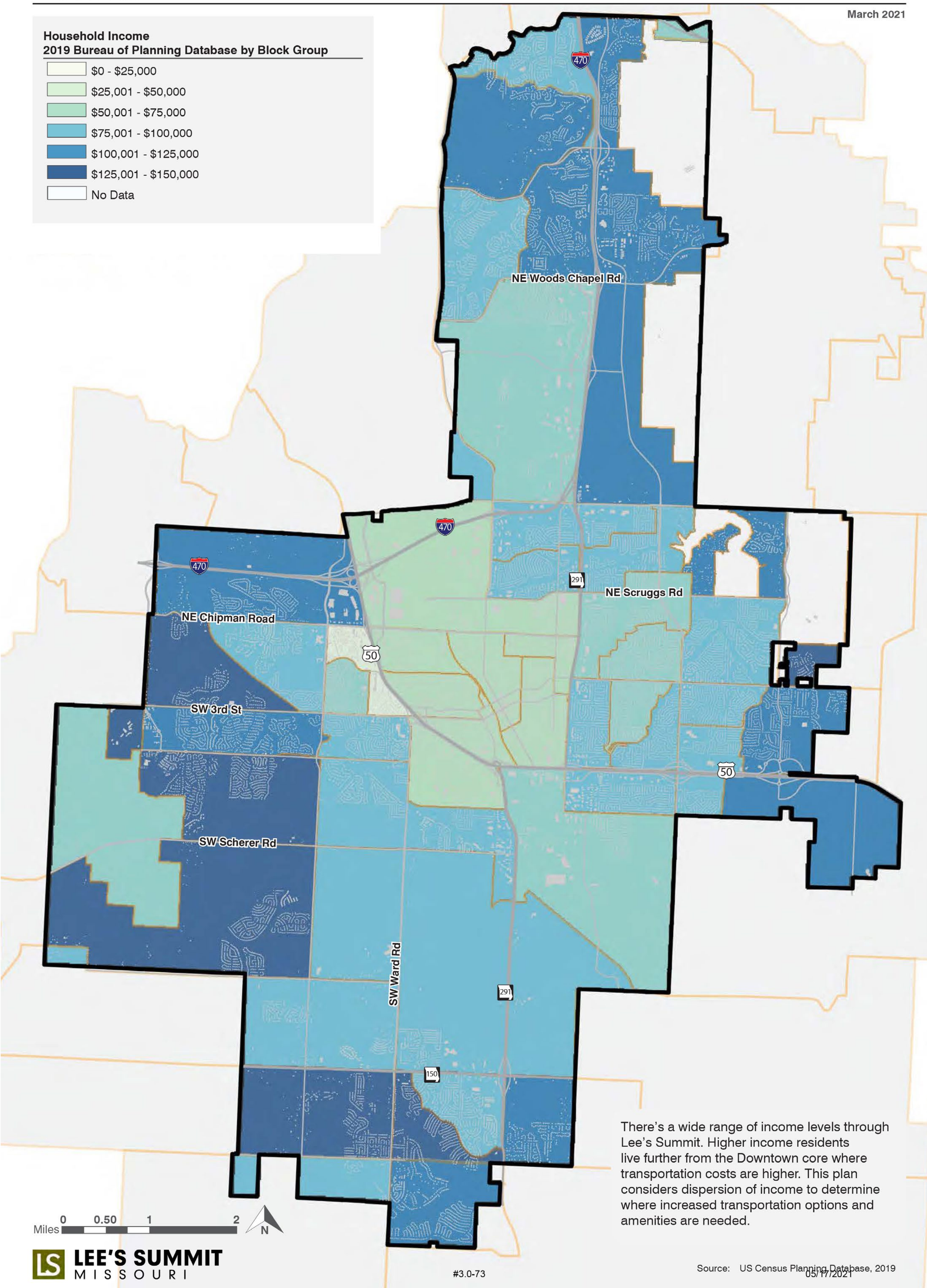
Median Household Income

March 2021



There's a wide range of income levels through Lee's Summit. Higher income residents live further from the Downtown core where transportation costs are higher. This plan considers dispersion of income to determine where increased transportation options and amenities are needed.

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#3.0-73

Source: US Census Planning Database, 2019

05/17/2021

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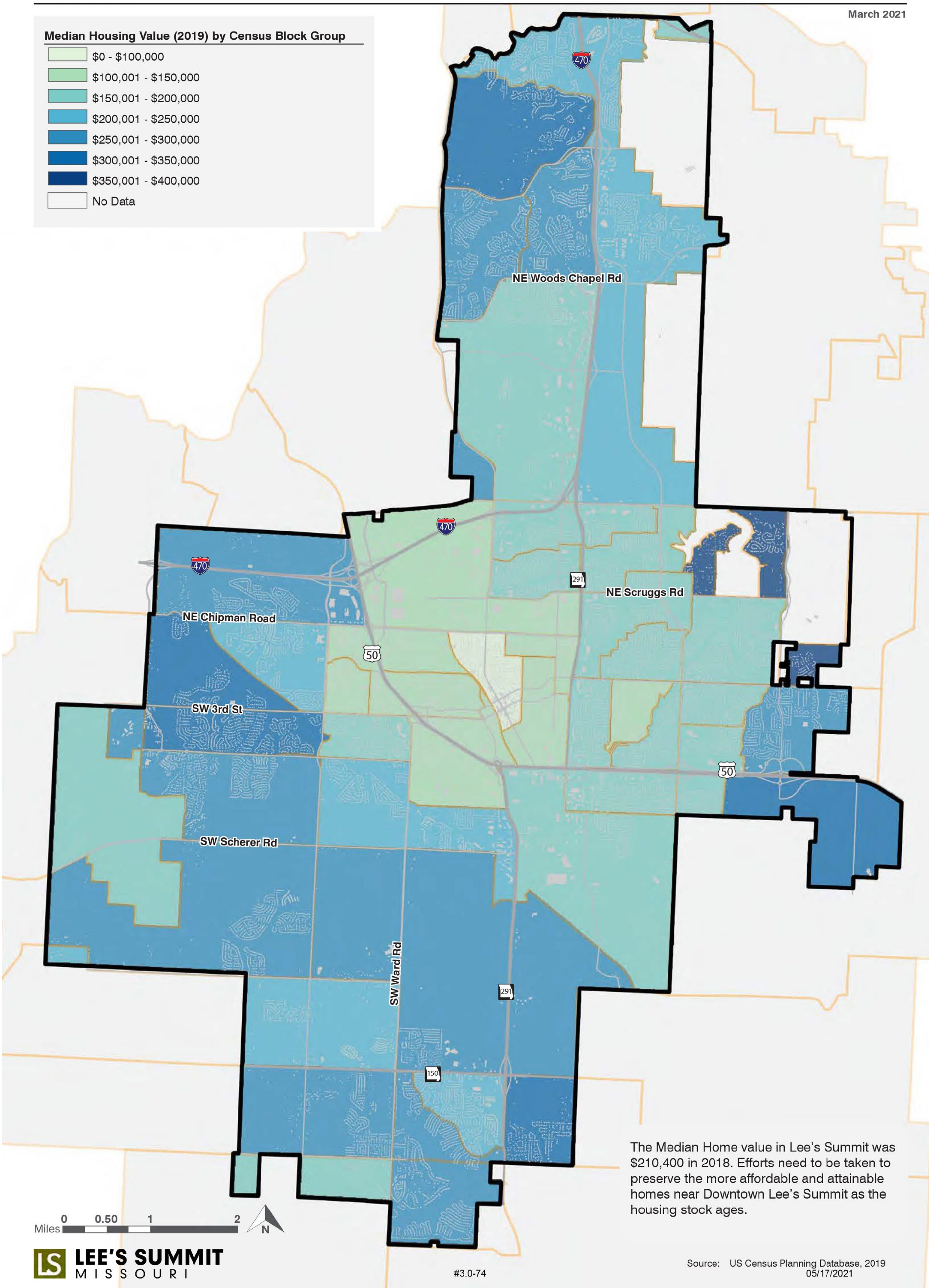
Median Housing Value

March 2021



The Median Home value in Lee's Summit was $210,400 in 2018. Efforts need to be taken to preserve the more affordable and attainable homes near Downtown Lee's Summit as the housing stock ages.

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#3.0-74

Source: US Census Planning Database, 2019
05/17/2021

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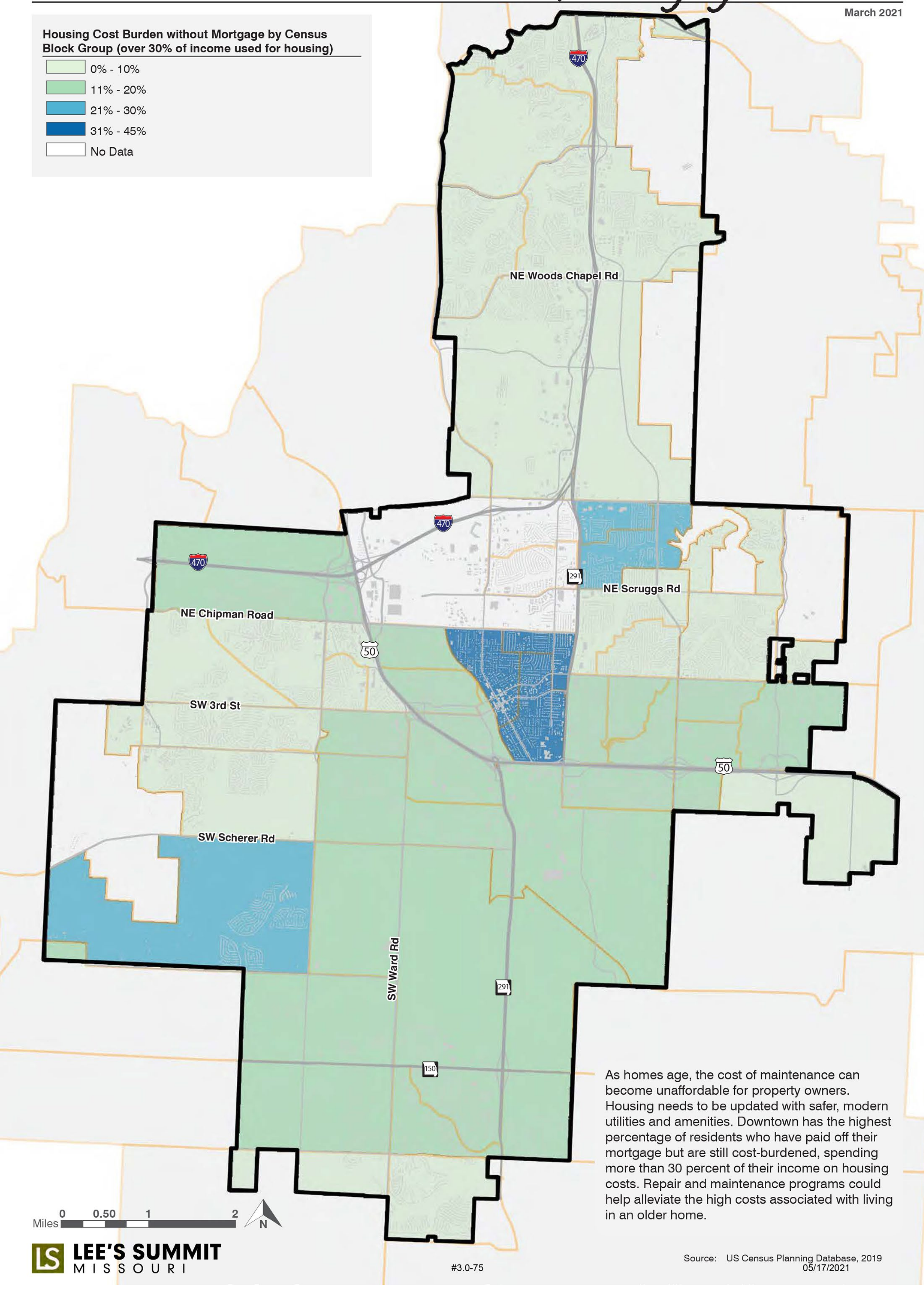
Homeowner Cost Burden without Mortgage

March 2021



As homes age, the cost of maintenance can become unaffordable for property owners. Housing needs to be updated with safer, modern utilities and amenities. Downtown has the highest percentage of residents who have paid off their mortgage but are still cost-burdened, spending more than 30 percent of their income on housing costs. Repair and maintenance programs could help alleviate the high costs associated with living in an older home.

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#3.0-75

Source: US Census Planning Database, 2019
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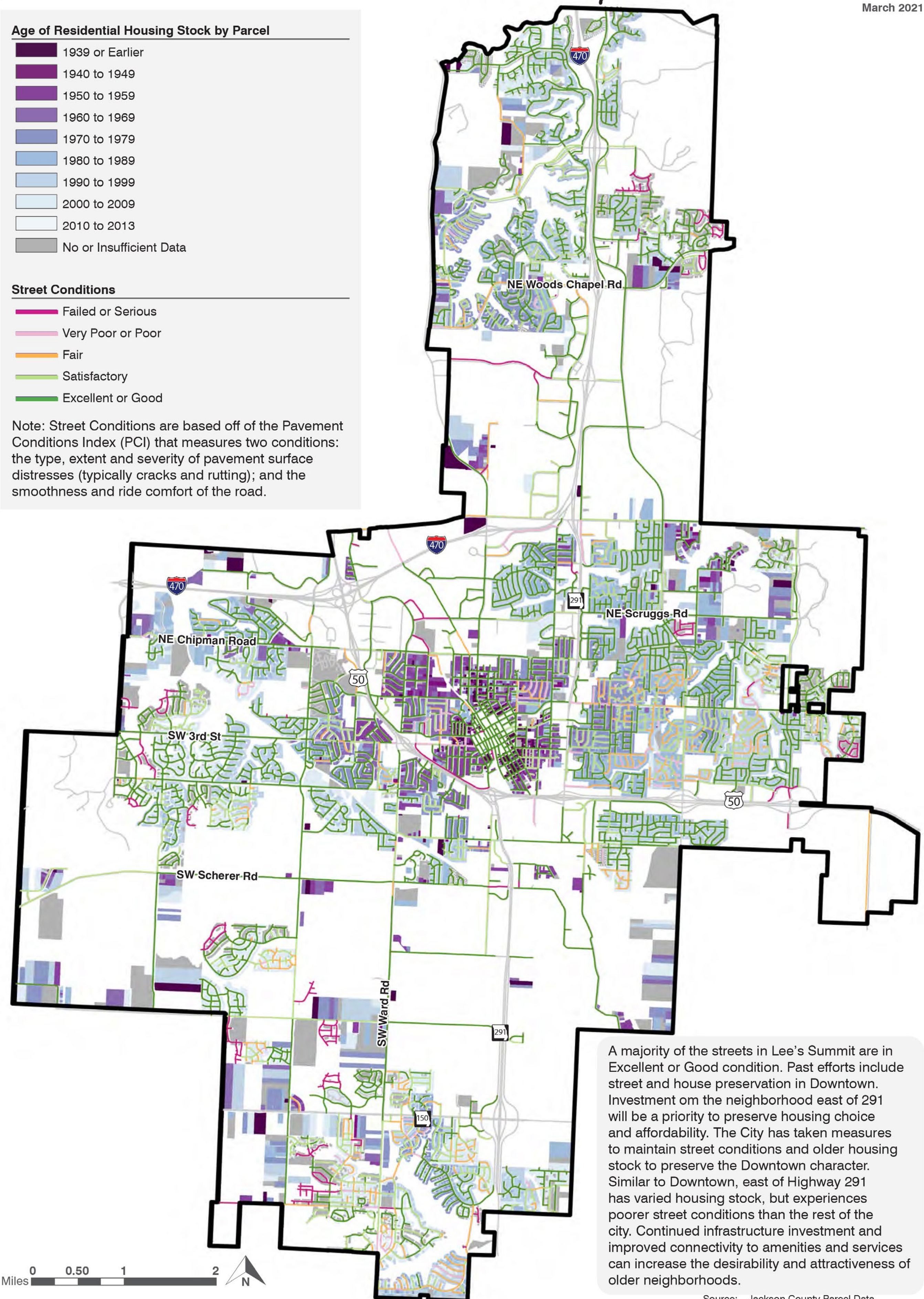
Neighborhood Condition Analysis

March 2021



A majority of the streets in Lee's Summit are in Excellent or Good condition. Past efforts include street and house preservation in Downtown. Investment om the neighborhood east of 291 will be a priority to preserve housing choice and affordability. The City has taken measures to maintain street conditions and older housing stock to preserve the Downtown character. Similar to Downtown, east of Highway 291 has varied housing stock, but experiences poorer street conditions than the rest of the city. Continued infrastructure investment and improved connectivity to amenities and services can increase the desirability and attractiveness of older neighborhoods.

Source: Jackson County Parcel Data Reference, 2018
Lee's Summit GIS, Received May 05/17/2021

LEE'S SUMMIT MISSOURI

#3.0-76