Downtown Housing

Preparing for the Big Senior Selloff

Brent A. Campbell, P.E.
President & CEO
WGM Group, Inc.
• Why Downtown Housing Matters
• The Future of Housing Demand
• Downtown Housing Types & Innovation
Why Downtown Housing Matters
Creating a Vibrant City Center

• Downtown Residential
  – Supports Retail & Services
  – 24 Hr. Pedestrian Activity
  – Lively Social Environment
  – Close to Entertainment
  – Walkable
The Future of Housing Demand
Reshaping Metropolitan America
Development Trends & Opportunities to 2030

Arthur C. Nelson, Ph.D., FAICP
Presidential Professor and Director
Metropolitan Research Center
University of Utah
People Turning 65 by Year

Source: National Academy Press, www.nap.edu, Figure 3-7, 3 Demographic Trends, Board of Trustees, Federal Old Aged and Survivors Insurance Trust
Buy-Sell Rates by Age

# Changing Households

<table>
<thead>
<tr>
<th>Household</th>
<th>1960</th>
<th>2000</th>
<th>2025</th>
</tr>
</thead>
<tbody>
<tr>
<td>With Children</td>
<td>48 %</td>
<td>33 %</td>
<td>28 %</td>
</tr>
<tr>
<td>Without Children</td>
<td>52 %</td>
<td>67 %</td>
<td>72 %</td>
</tr>
<tr>
<td>Single</td>
<td>13 %</td>
<td>26 %</td>
<td>28 %</td>
</tr>
</tbody>
</table>

### Relocation Choices of Seniors

<table>
<thead>
<tr>
<th>Housing Type</th>
<th>Before Move</th>
<th>After Move</th>
</tr>
</thead>
<tbody>
<tr>
<td>Attached</td>
<td>24 %</td>
<td>54 %</td>
</tr>
<tr>
<td>Renter</td>
<td>20 %</td>
<td>59 %</td>
</tr>
</tbody>
</table>

75% of all Seniors will Change Housing type between ages 65 and 80.

- Multifamily Share 2010: 30%
- Multifamily Share 2020: 36%
- MF Share of New Unit Demand 2010-2020: 50%

Arthur C. Nelson, Ph.D., Presidential Professor and Director, Metropolitan Research Center, University of Utah
The Great Senior Sell-Off

Active Adult (+55) Market Demand

- AA Features & Location: 25%
- AA Entry Level: 15%
- AA Elite: 12%
- Features & Location: 12%
- Simple Life: 4%
- Family Life: 7%
- Entry Level: 12%
- Elite: 18%

Projected For-Sale Housing Demand: 52%
Features & Location
Market Demand

- AA Features & Location: 25%
- Entry Level: 12%
- Elite: 18%
- AA Elite: 12%
- Simple Life: 4%
- Family Life: 7%

Projected For-Sale Housing Demand: 33%
Demand for Housing Type

Source: Smart Growth America, The Urban Land Institute Presentation
Arthur C. Nelson, Ph.D., Presidential Professor and Director, Metropolitan Research Center, University of Utah
Downtown Housing Types & Innovation
Market Components

Residential Housing

• Changing Demographics & Market Demand
• For Sale Housing
  – Small Lot
  – Condominiums
  – Townhomes
• For Rent Housing
Old Sawmill District
Riverfront Triangle
Townhomes
“Block M” Townhomes
Condominiums
Micro Housing
Container Housing
Container Housing
Implementation

Planning Tools

• Downtown Master Plans
  – Economic & Market Studies
  – Parking Studies
  – Traffic Studies
  – Capital Improvement Plans (CIP)

• Special Zoning Districts
  – Residential Overlay

• Historic Districts & Overlays

• Design Guidelines
Impediments

- High Land Costs – Rental Income Replacement
- Construction Costs of New Housing
- Hazardous Materials & Cleanup
- Existing Infrastructure - Aging
- Existing Regulatory Process (Zoning)
- Neighborhood Issues
- Historic Preservation
Recommendations

- Residential Overlays In Specific Areas
- Townhome, Condominium, Apartments
- Form Based Code (Build-To Rather than Setbacks)
- Build Public Parking
- Form Public Private Partnerships
- Increase Residential Density (1/1000 sf CBD?)
- Evaluate Infrastructure Readiness
- TIF Funding Critical – Levels Playing Field
Summary

Downtown Residential

- Will be in High Demand
- The Current Supply is Relatively Low
- For-Sale and Rental Product are in Demand
- Product Type Will Change – Active Adult Market
- Large Lot Suburban Housing in some markets will be in trouble.
- Parking is Key!
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Questions

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