

## Q & A About Apartment Developments in Mission

**Q: Why is there such a demand for apartments right now? It seems like they are everywhere.**

**A:** *Yes, the past decade has seen a boom in apartment construction. This has been driven primarily by a growing segment in the housing market of those that chose to rent over owning a home, or “renters-by-choice.” Choosing to rent over homeownership is a personal choice based on individual factors.*

*One of the more common factors, especially today with the rising cost of single-family homes, is affordability. The average price for a home in Johnson County is over \$400,000. Many people simply cannot afford a monthly mortgage payment or do not have enough in savings for a 5% down payment.*

*Another factor is lifestyle. Many people prefer to rent rather than own a home because they do not want to deal with the care and maintenance that comes with a home such as yard work, painting, or expensive repairs. Others like the security that comes with renting, being able to lock the door and go away for an extended period.*

*Yet another factor is a subtle shift in demographics. “Baby Boomers,” those born between 1946 and 1964, represent the largest single age group in American history, representing nearly 52% of the overall population at one time. This age group typified the American family with two parents and two to three children living in a suburban home. However, things are changing today. Studies indicate that while there will be 4.4 million more households with children by 2040, the biggest growth in households (81%) will be those without children. Households with more than one adult will comprise 42% of this growth while single-person households will comprise nearly 39% of this growth. This emerging shift in demographics is one of the underlying components of a growing market demand for apartments as opposed to homeownership.*

*While the demand for multi-family housing is starting to level off in some of the major cities around the United States, the demand in the Kansas City region remains high. Emerging trends in economics, lifestyle choices, and work options are proving to be some of the underlying drivers for this continued demand. Many people are finding that the cost of living is much more reasonable in the Mid-west compared to cities such as Austin, Dallas, or Denver. Additionally, people are discovering that they have flexibility when choosing where they live due to remote work options. For many of these reasons, Kansas City has become a community of choice for a lot of people.*

**Q: How many apartment buildings are currently in Mission?**

**A:** *Mission has 19 apartment buildings. These includes large apartment complexes such as Silverwood and the Bridges at Foxridge on the north end of the city and smaller apartment buildings such as At Home and Maple Hill apartments in the center of the city. Most of these apartments were constructed in the 1970s. Until The Locale, which opened in 2020, the last apartment complex to be constructed in Mission was Silverwood Apartments (5100 Foxridge) in 1986.*

**Q: Why are so many apartments being proposed in Mission?**

**A:** *“Location, Location, Location” is the often-quoted maxim of real estate, and Mission is ideally located. Mission is just a few minutes away from the Country Club Plaza and downtown Kansas City, as well as business and shopping/entertainment centers in Johnson County.*

*Mission also offers something that a lot of suburban communities do not have – an active, vibrant, walkable downtown that studies have shown renters desire. Mission is also relatively small, which makes it accessible by foot from almost anywhere. Renters (and many homebuyers, too!) purposely seek out locations where they can walk or bike to restaurants, bars, stores and services that are right down the street or a block or two away. The “urban” downtown with its vitality and active lifestyle has become the hip, cool place to be for not only millennials, but the baby boomers, too. And developers are responding to this desire by seeking out properties within existing downtowns.*

**Q: Why does the City incentivize these types of development?**

*A: The Locale, Mission Bowl, Gateway, and the Block Reality Services project have all requested incentives from the City in the form of Tax Increment Financing (TIF). TIF allows the developer to receive the property taxes derived from the additional assessed value (the increment) on the property once the project is completed. The City still receives revenue from the property that it received before the property was improved, but the developer will receive a break on the property value that is assessed after the improvement. The additional property tax on the value of the improvement helps offset cost for the purchase of the land; site work such as demolition, grading, and infrastructure; and parking – including structured parking. With each of these applications for TIF, the City has entered into a redevelopment agreement with the developer that stipulates the terms for the use of TIF including duration, eligible costs to be reimbursed by TIF, and specific benefits that the City will receive such as public parking, set aside of a certain percentage of units for affordable housing, or sustainability requirements. The City evaluates each request for incentives on its own merits and decides what makes the best sense for the community and the developer.*

*While the City has not actively sought out residential development, it has not actively discouraged it either. The City made a considerable investment in the downtown Johnson Drive corridor a few years ago with new sidewalks, planter boxes, landscaping, and streetlights. This was done to make the downtown an attractive place for visitors and to encourage shopping and dining activities. However, the key ingredient to a successful downtown is people that live and play right in the downtown. When we have residents that live downtown and within walking distance of businesses, we are creating a base of customers that will support those business for years to come.*

**Q: How will the City ensure that these new apartment developments are maintained?**

*A: Sometimes a developer will sell an apartment development project once it is completed. They sell the apartment development to a company that can maintain and operate the apartment as part of a portfolio of other apartment buildings. If the project utilized an incentive such as TIF, the redevelopment agreement will require that the City approve any sale or assignment of the development. However, this approval cannot be unreasonably withheld. Beyond that, the City does not really have the power to dictate whether a property can be sold or not.*

*The City does have a rental property licensing program. Those that rent property, whether it is an apartment or single-family home, are required to get an annual license from the City. Apartment buildings are required to have at least 5% of their units inspected annually as part of this program. This ensures that the property is being well maintained and there are no code violations. This program has helped to keep rental properties, especially older properties, in good condition.*

**Q: How many new apartment buildings are being proposed for Mission right now?**

**A:** *Presently there are six multi-family residential development projects that are at some point in the development process.*

*Mission Bowl – 5399 Martway – began construction in Spring 2022 and is expected to be completed by 2024. When completed it will be five stories and have 172 units; a majority studio and one-bedrooms.*

*A preliminary development plan for Mission Preserve at 51<sup>st</sup> and Riggs was approved in Winter 2022. This will be a 132-unit apartment complex for individuals 55 years of age or older that are still active and independent. Final development plans are expected to be submitted Summer 2022 and construction is expected to start next spring.*

*The Gateway – 4801 Johnson Drive – was initially approved for 168 units in 2017. Work began on the residential component of the project in 2019 but was stalled due to financing difficulties that the developer was experiencing. The developer is now proposing to complete the original residential component as well as a second residential component that would bring the total number of units to 371. Approval for the additional residential component has not been approved at this time.*

*Block Reality Services has purchased the property at 5665 Foxridge that was at one time a call center for the credit division of the JC Penney department store. They are proposing to construct a five-story apartment building with approximately 300 units, and amenities that are typically found in luxury apartment buildings. The Preliminary Development Plan will be heard by the Planning Commission in July 2022.*

*58 Nall is a three-story, 77-unit apartment building proposed for the southwest corner of 58<sup>th</sup> Street and Nall Avenue. This project was approved by the Planning Commission and City Council in May 2022. The Final Development Plan is expected to come before the Planning Commission in September 2022.*

*Mission Vale – W. 58<sup>th</sup> Terrace – consists of 17, two-story townhome units proposed to be built at the southeast corner of W. 58<sup>th</sup> Terrace and Nall Avenue. The project will be presented to the Planning Commission in August 2022.*

**Additional Sources of Information:**

Books:

Retrofitting Suburbia (2008); Ellen Dunham--Jones and June Williamson

The Rise of the Creative Class – 10<sup>th</sup> Anniversary Edition (2012); Richard Florida

Suburban Remix – Creating the Nex Generation of Urban Places (2018); Jason Beske and David Dixon

Virginia Chapter of American Planning Association Lynchburg Symposium on the Surburban Remix- [Suburban Remix: Creating the Next Generation of Urban Places](#)



Missing Middle Housing – Thinking Big and Building Small to Respond to Today’s Housing Crisis (2020); Daniel Parolek

Mission Middle Housing Web Page <https://missingmiddlehousing.com>

Articles:

*Smart Growth and Economic Success: Benefits for Real Estate Developers, Investors, Businesses and Local Governments (2012); Environmental Protection Agency*

*KC apartments almost full: Occupancy at 94 percent (2013); Rob Roberts, Kansas City Business Journal*

*New lease on luxury: High-end apartments give homes a run for the money (2013); Kansas City Business Journal*

Reports:

*First Suburbs Coalition Regional Housing Report (2019) - National League of Cities and Mid-America Regional Council.*

*2021 Johnson County Housing Study – United Community Services of Johnson County*