COMMISSION SPECIAL MEETING AGENDA
MONDAY, SEPTEMBER 26TH, 2022
5:30 P.M.

A. CALL TO ORDER – Mayor Ann Marie Vannoster

B. ROLL CALL

C. NEW BUSINESS
1. Moderate Income Housing Grant Application

D. ADJOURN

Coffeyville KANSAS	**CITY OF COFFEYVILLE** **BOARD OF COMMISSIONERS AGENDA ITEM**

MEETING DATE	September 26, 2022	
RESOLUTION OR ORDINANCE NUMBER	R-22-69	
AGENDA TITLE	Moderate Income Housing Grant Application	
REQUESTING DEPARTMENT	Housing and Community Development	
PRESENTER	Charla Brown	
FISCAL INFORMATION	Cost as recommended:	No matching fund obligation
	Budget Line Item:	n/a
	Balance Available	n/a at this time
	New Appropriation Required:	[x] Yes [ ] No
PURPOSE	For the Commission's consideration in approving Coffeyville Industries' Moderate Income Housing Grant Application.	
BACKGROUND	In their Moderate Income Housing Grant application, Coffeyville Industries has proposed new construction on 14 homes commencing March 1, 2023, with a projection end-date of June 30, 2026. Each Grant is limited to $650,000.00 per grantee, and Coffeyville Industries is requesting an estimated $425,000.00 from KHRC to cover infrastructure/site work and construction costs, pending final quotes obtained for site prep, along with building costs of the construction contractors and subcontractors, once they're secured. The KHRC grant funds are pass through funds. The City of Coffeyville has no matching fund obligation. Coffeyville Industries estimates the total development costs to be $3,557,000.00. The appraised cost of each moderate-income-based home is estimated at $235,000.00, financed with a down-payment of $23,500.00. Coffeyville Industries will also be submitting a $308,000.00 request for funds through the Kansas Housing Investor Tax Credit application process, which they will submit themselves to KHRC by Friday, October 28, 2022.	
SPECIAL NOTES	The Moderate Income Housing Grant Application is due on September 30, 2022, by 5:00 p.m., to the Kansas Housing	

	Resources Corporation. This Grant has been modified from a *once-a-year* application process, to now being open quarterly for submissions.
ANALYSIS	The Application was made available on-line from KHRC on July 8, 2022. Coffeyville Industries submitted their final application to the City of Coffeyville on September 23, 2022. They've attached letters of support from the community for their MIH Grant Application.
PUBLIC INFORMATION PROCESS	Mike Ewy will address the Commission for Public Information.
BOARD OR COMMISSION RECOMMENDATION	
STAFF RECOMMENDATION	Upon the Commission's consideration of their oversight-obligation of being the Applicant to, and Grantee of , KHRC, Staff recommends approval of the Resolution to submit Coffeyville Industries' Moderate Income Housing Grant Application.
REFERENCE DOCUMENTS ATTACHED	Resolution MIH Grant Application Housing Needs Analysis Certificate of Compliance Capacity Statement

RESOLUTION NO. R-22-69

A RESOLUTION AUTHORIZING THE SUBMISSION OF A 2022 KANSAS MODERATE INCOME HOUSING GRANT APPLICATION TO THE KANSAS HOUSING RESOURCES CORPORATION.

WHEREAS, the City of Coffeyville is an eligible applicant for the Moderate-Income Housing grant program, as administered by the Kansas Housing Resources Corporation; and

WHEREAS, it is determined by the Board of Commissioners of the City of Coffeyville, Kansas, that there is public support for the City to accept the Moderate Income Housing grant application, as prepared and presented by Coffeyville Industries, which if approved by KHRC will provide up to $650,000 for housing development for moderate-income families in the City; and

WHEREAS, the City of Coffeyville, if awarded the 2022 Moderate Income Housing Grant, will oversee and administer the grant funds.

NOW, THEREFORE, BE IT RESOLVED by the Board of Commissioners of the City of Coffeyville, Kansas, that City staff is authorized and directed to submit a grant application, as prepared and presented by Coffeyville Industries.

BE IT FURTHER RESOLVED that the Mayor, City Manager, City Clerk, and/or Housing Director be and are hereby authorized and directed to sign all documents pertaining to the grant on behalf of the organization.

Adopted this 26th day of September, 2022.

____
Ann Marie Vannoster, Mayor

ATTEST:

____
Melissa Carter, City Clerk

Approved:

____
Paul Kritz, City Attorney

Table of Contents

9. Housing Assessment/Market Study
10. Energy and Accessibility Certification
    10.1 Certificate of Compliance
11. Rural Housing Incentive District
    11.1 Not applicable
12. Capacity Statement
    12.1 Resolution from the Coffeyville City Commission
13. Community Support
    13.1 Supporting Documentation
        13.1.1 USD 445 Coffeyville Public Schools
        13.1.2 Coffeyville Community College
        13.1.3 Windsor Place at Home Care, LLC
        13.1.4 Coffeyville Regional Medical Center
        13.1.5 John Deere Coffeyville Works
        13.1.6 Community Health Clinic Southeast Kansas
        13.1.7 ACME Foundry
        13.1.8 CVR Energy
        13.1.9 Community National Bank & Trust
        13.1.10 Commercial Bank
        13.1.11 SEKTAM Coffeyville
14. Kansas Housing Investor Tax Credit Certification
    14.1 KHITC Certification

Instructions for the 2022 Moderate Income Housing (MIH) Application **:** *Kansas Housing Resources Corporation (KHRC) requires this application to be submitted electronically to better facilitate importing data into a database for application evaluations.* ***To submit:*** *Please complete this application in Excel and save as "MIH22-NameofApplicant-Application" and send as an email attachment to MIH@kshousingcorp.org. Example 1: Anytown, USA would submit the application as "MIH22-Anytown-Application." Accompanying documents must be sent electronically as PDF documents. If the applicant has difficultly or cannot submit the application electronically, please email MIH@kshousingcorp.org.*

I. Applicant Information:

Name(s): ______

Address: ______ City: ______ State: KS

County: ______ Zip: ______ Population: ______

Telephone: ______

Primary Contact: ______ Email: ______

The primary contact person should be someone that is familiar with the development and application and can answer questions that arise during the application review.

Kansas Senate District: ______ Kansas House District: ______ US Congressional District: ______

Have you previously applied for MIH funding? No *If no, skip to Section II.*

What years did you apply? ______

Did you receive funding? ______ If yes, please list amount of funding allocated: ______

II. Type of Development:

How many total units are in your development? 14 Total MIH units? 7

What is the type of the development? *Please select all that apply and indicate the # of units of each.*

Single Family Homeownership: 14 Infrastructure: Yes

Multi-Family Rental: ______ Single Family Rental: ______

Duplexes: ______ Other (specify): ______

What is the anticipated start date of the development? 1-Mar-23

What is the anticipated completion date of the development? 30-Jun-26

III. Funding Information:

What is the amount of funding being requested? $ 425,000.00

How will the funds be used? *Please select all that apply and indicate the $ amount of each.*

Infrastructure/Site Work: $134,000 New Construction: $257,000

Down Payment Assistance: ______ Acquisition & Rehab.: ______

Historic Rehabilitation: ______ Rehabilitation: ______

If other, please describe: Land/Lot Purchase - $34,000

Has the applicant applied or been approved for a Rural Housing Incentive District (RHID)? No

If yes, at what stage of the approval process is the applicant? ______

IV. Partnership Information

Name: Coffeyville Industries, Inc — Federal ID Number: 48-6106493

Identify the ownership structure if it is rental housing.

General Partner/Managing Member/or Principal(s) Involved:

Name	Phone	Ownership Percentage
Coffeyville Industries, Inc	(620) 251-1313	100.00%

V. Development Team Information

Provide the following information if applicable and attach a resume for each team member listed.

Developer: Coffeyville Industries, Inc
Email: mike@ourlocalbank.com — Phone: (620) 251-1313

Principal: Mike Ewy
Email: mike@ourlocalbank.com — Phone: (620) 251-1313

Contractor:
Email: — Phone:

Management Company:
Email: — Phone:

Consultant: Heartland Housing Partners, LLC
Email: ross@rossvogel.com — Phone: (816) 686-6600

Architect:
Email: — Phone:

Have any members of the development team previously received MIH funding? Yes

If yes, please list the name of member, year, and community funded. Heartland Housing Partners 2012 - 2015; 2017 - 2022

***Disclosure of Relationship** : Applicants must disclose any current or former KHRC employees acting as a consultant or interested party. Current KHRC employees cannot receive a financial gain from the funding of a project received through KHRC for a period of two years after his/her employment ends.*

Are any of the above parties or additional interested parties a current or former employee of KHRC? No

If yes, who?

If yes, please describe their involvement in the project:

By completing this application, the applicant is agreeing to KHRC's Disclosure of Relationship clause and must comply by verifying the project does not create financial gain for the current KHRC employee. The applicant should submit the proper information when requesting disbursement of funds to show compliance.

VI. Additional Development Information:

Project Type: *Please select all that apply and indicate # of units where appropriate.*

Rowhouse/Townhouse:		Detached Single Family:	14	Stories:		Full Basement:	
Apartments:		Detached Multi-Family:		Elevator:		Partial Basement:	
				Crawl Space:		Slab on Grade:	14

If other, please describe:

Total Development Costs: $ 3,557,000.00 *Prefilled from Total Development Costs in Section XI.*

Is the site properly zoned for the proposed development? Yes

Are all the utilities presently available to the site? Yes, Electrical to be constructed

The following information must be included with application. Answer "Yes" if attached. Not applicable for down payment assistance.

Proof of Site Control: Yes
Proper Zoning or Application for Proper Zoning: Yes
Sketch Plan: Yes
Legal Description of Site: Yes

Will the development provide a ERI rating of 75 or less? Yes
Will the development exceed 2018 IECC? Yes

VII. Source of Funds (Construction & Permanent Financing):

Construction: List individually the source of construction financing.

Please attach proof of funding source with the application.

Source of Funds: Moderate Income Housing Grant | Amount of Funds: $ 425,000.00
Contact Name: Kansas Housing Resources Corporation | *Prefilled from Section III.*
Email: MIH@kshousingcorp.org | Phone: 785-217-2001

Source of Funds: Owner Equity | Amount of Funds: $ 150,000.00
Contact Name: Mike Ewy | Phone: (620) 251-1313
Email: mike@ourlocalbank.com

Source of Funds: Debt | Amount of Funds: $ 2,674,000.00
Contact Name: Mike Ewy | Phone: (620) 251-1313
Email: mike@ourlocalbank.com

Source of Funds: Kansas Housing Investor Tax Credit | Amount of Funds: $ 308,000.00
Contact Name: | Phone:
Email:

Source of Funds: | Amount of Funds:
Contact Name: | Phone:
Email:

Source of Funds: | Amount of Funds:
Contact Name: | Phone:
Email:

Total Construction Financing: $ 3,557,000.00

In the box below, detail other items used to leverage the proposal. This could include sources such as in-kind labor and services, reduced fees and taxes, and city contributed work. KHRC recognizes that calculating leveraged funds is complicated and nuanced. KHRC will consider the sources listed below, but outside of the leveraged funds calculation.

Neighborhood Revitlization Program, donated lots - Mike Ewy, reduced lot cost Coffeyville Industries & City of Coffeyville, Preferred bank lending, Con

Permanent Financing: List total source of funds for the development at closing. Do not include construction finance.

Please attach proof of funding source with the application.

Name of Lender or Source of Funds:	Amount of Funds:	Annual Debt Service:	Interest Rate of Loan Period:	Amortization Period:	Term of Loan:
Moderate Income Housing Grant	$ 425,000.00				
Owner Equity	$ 150,000.00				
Community State Bank	$ 2,674,000.00	$ 12,000.00	5.50%	42 month	42 month
Kansas Housing Investor Tax Credit	$ 308,000.00				

Total Permanent Funds: **$ 3,557,000.00**

Permanent Funds Must Equal Total Development Costs: **$ 3,557,000.00**

Total Annual Debt Service: **$ 12,000.00**

Prefilled from Section XI.

In the box below, detail other items used to leverage the proposal. This could include sources such as in-kind labor and services, reduced fees and taxes, and city contributed work. KHRC recognizes that calculating leveraged funds is complicated and nuanced. KHRC will consider the sources listed below, but outside of the leveraged funds calculation.

Neighborhood Revitalization Program, Donated lots - Mike Ewy, reduced lot costs Coffeyville Industries & City of Coffeyville, Community donation of e

VIII. Annual Rental Operating Income:

If you do not plan to incorporate rental units in your project, please skip this section.

Unit Type:	# Units	Monthly Rent Per Unit:	Total Tenant Paid Rent:	Square Feet Per Unit:
BR			$ -	
BR			$ -	
BR			$ -	
BR			$ -	
Total:	**0**	**$ -**	**$ -**	

Total # of Units:		**Total Monthly Rental Income:**	$ -
Other Income Type:		Plus Other Monthly Income Amount:	
Vacancy Allowance:	0.00%	Less Monthly Vacancy Allowance:	-
		Total Monthly Operating Income:	**$ -**

Total Annualized Operating Income:	**$ -**

IX. Annual Rental Operating Expense:

If you do not plan to incorporate rental units in your project, please skip this section.

Administrative		**Operating**		**Maintenance**	
Advertising		Elevator		Decorating	
Management		Fuel (Heating & Water)		Repairs	
Legal/Partnership		Lighting & Misc. Power		Exterminating	
Accounting/Audit		Gas		Ground Expense	
Other		Trash Removal		Other	
Other		Payroll, include. taxes		Other	
Other		Insurance		Other	
Total Administrative Cost:	**$ -**	**Total Operating Cost:**	$ -	**Total Maintenance Cost:**	**$ -**

Total Real Estate Taxes:	$ -
Annual Replacement Reserve for Units:	$ -
Total Annual Operating Expense:	**$ -**

X. Homeownership:

If you do not plan to incorporate homeownership units in your project, please skip this section.

Down Payment Cost:	$ 23,500
Estimated Sale Price:	$ 235,000

Mortgage:	$ 1,189
Utilities:	$ 200
Interest, Taxes & Insurance:	$ 550
Total Monthly Housing Cost:	$ 1,939

XI. Development Budget:

List Total Development Costs. Not applicable for Down Payment only proposals.

Itemized Cost	Development Cost	MIH Eligible Expenses
To Purchase Land and Buildings:		
Land	$ 34,000.00	$ 34,000.00
Existing Structures	$ -	$ -
Demolition	$ -	$ -
Other (specify)	$ -	$ -
Subtotal	**$ 34,000.00**	**$ 34,000.00**
For Site Work:		
Site Work	$ 134,000.00	$ 134,000.00
Off-Site Improvement	$ -	$ -
Subtotal	**$ 134,000.00**	**$ 134,000.00**
For Rehabilitation & New Construction:		
New Building	$ 2,940,000.00	$ 2,940,000.00
Rehabilitation	$ -	$ -
Accessory Building	$ -	$ -
General Requirements	$ 40,000.00	$ 40,000.00
Contractor Overhead	$ 42,000.00	$ 42,000.00
Contractor Profit	$ 210,000.00	$ 210,000.00
Building Permit Fee	$ -	$ -
Subtotal	**$ 3,232,000.00**	**$ 3,232,000.00**
For Contingency:		
Construction Contingency	$ 70,000.00	$ 70,000.00
Other (specify)	$ -	$ -
Subtotal	**$ 70,000.00**	**$ 70,000.00**
For Architectural & Engineering Fees:		
Architect Fee - Design	$ -	$ -
Architect Fee - Supervision	$ -	$ -
Real Estate Attorney	$ -	$ -
Consultant or Processing Agent	$ -	$ -
Property/Survey Fee	$ -	$ -
Engineering Fees	$ 5,000.00	$ 5,000.00
LOMA - FEMA	$ 1,000.00	$ 1,000.00
Other (specify)	$ -	$ -
Subtotal	**$ 6,000.00**	**$ 6,000.00**
For Interim Costs:		
Construction Insurance	$ 7,000.00	$ 7,000.00
Construction Interest	$ 42,000.00	$ 42,000.00
Construction Loan Origination Fee	$ -	$ -
Construction Loan Credit Enhancement	$ -	$ -
Taxes	$ -	$ -
Subtotal	**$ 49,000.00**	**$ 49,000.00**
For Financing Fees and Expenses:		
Bond Premium	$ -	$ -
Credit Report	$ -	$ -
Permanent Loan Origination Fee	$ -	$ -
Permanent Loan Credit Enhancement	$ -	$ -
Cost of Issuance/Underwriter Discount	$ -	$ -
Title and Recording	$ -	$ -
Counsel's Fee	$ -	$ -
Cost Certification Fee	$ -	$ -
Other (specify)	$ -	$ -
Subtotal	**$ -**	**$ -**
For Soft Costs:		
Property Appraisal (Feasibility) Market Study	$ -	$ -
Environmental Report	$ -	$ -
Rent-Up Consultants Other	$ -	$ -
Subtotal	**$ -**	**$ -**

Itemized Cost	Development Cost	MIH Eligible Expenses
For Developer's Fees:		
Developer's Overhead	$ -	$ -
Developer's Fees	$ 32,000.00	$ 32,000.00
Other (specify)	$ -	$ -
Subtotal	**$ 32,000.00**	**$ 32,000.00**
For Development Reserves:		
Rent-Up Reserve Operating Reserve Other	$ -	$ -
Other (specify)	$ -	$ -
Subtotal	**$ -**	**$ -**
Total	**$ 3,557,000.00**	**$ 3,557,000.00**

XII. Job Creation and Economic Development

Please provide a narrative explaining job creation and economic development in your community, including major employers with the number of their employees, open positions, and unemployment rate. This narrative should include relevant job and economic development numbers from the applicant's housing study. Submit documentation to support each answer (i.e. letters from employers).

Who are the employers in the area?

Employer Name:	CVR Energy	Number of employees:	522	*Open positions (Yes or No)*	Yes
Employer Name:	USD 445	Number of employees:	397	*Open positions (Yes or No)*	Yes
Employer Name:	ACME Foundry	Number of employees:	356	*Open positions (Yes or No)*	Yes
Employer Name:	Coffeyville Reg Medical Center	Number of employees:	292	*Open positions (Yes or No)*	Yes
Employer Name:	John Deere Coffeyville Works	Number of employees:	287	*Open positions (Yes or No)*	Yes
Employer Name:	Windsor Place at Home Care, LLC	Number of employees:	250	*Open positions (Yes or No)*	Yes
Employer Name:	Coffeyville Community College	Number of employees:	146	*Open positions (Yes or No)*	Yes

Please provide a brief narrative on open positions and projected employment opportunities.

All employers contacted reported open positions. Some said they offered jobs to applicants but were turned down due to no homes.

Current Unemployment Rate: 5%

Data collected and community definition:

Please provide a brief narrative on how the proposal provides a solution to the immediate workforce needs in the community.

More available homes for workers will help businesses fill their open positions.

XIII. Applicant Agreement

The applicant hereby makes application to Kansas Housing Resources Corporation for the Moderate Income Housing in the amount of:	$ 425,000.00

Prefilled from Section III.

The Applicant agrees that KHRC shall not be held responsible or liable for representations made to the undersigned, or its investors, relating to the KHRC MIH. Therefore, the undersigned Applicant assumes all the risk of damages, losses, costs, and expenses related thereto, and further agrees to indemnify and hold harmless KHRC against any and all claims, suits, losses, damages, costs, and expenses of any kind and of any nature, that KHRC may hereinafter suffer, incur or pay arising out of the use of the information concerning the MIH on the above referenced development.

City of Coffeyville
Applicant Name (Print)

X

Date

OTHER ITEMS USED TO LEVERAGE THE PROPOSAL

All proposed lots in the grant application are within the Neighborhood Revitalization Program area #3. This reduction in ad valorem taxes will be an incentive for both the builder and the buyer.

Community State Bank is donating 1 residential lot and Leslie & Mike Ewy are donating 2 residential building lots to the project.

Community State Bank will offer preferred lending to qualified builders and assist with buyer financing.

The remaining lots involved in this project were purchased at below market value.

2.1. Grow Coffeyville Narrative

2.1.1 Description of the Project

Grow Coffeyville Moderate Income Housing (MIH) Grant application is an exciting collaboration between the City of Coffeyville, Coffeyville Industries, and Community State Bank. The parties have come together to activate the market rate housing in Coffeyville. The project will construct 14 new single-family homes - mostly three-bed, two or two-and-half bath, two car garage homes. Coffeyville Industries is acting as the project developer, the City is the MIH Grant applicant and Community State Bank is the project lender.

OBJECTIVE:

The objectives of the Project are to; assist in activating a dormant housing market; create long-term commitment from builders to build in Coffeyville by exhibiting that building in Coffeyville can be profitable; and to build homes that target the appropriate price point given the economics of the community. This MIH grant will be used to create new home construction in Coffeyville by providing financial incentives to builders to induce them to build homes. The additional homes will act as an economic development tool by allowing our existing employers to attract workers to our community as well as increase revenue to the City of Coffeyville and spread the tax burden across a wider assessment base.

THE HOUSING SITUATION IN COFFEYVILLE:

- The City of Coffeyville reports **5 housing starts in the last 10 years**. Three of those were on Gibson Street. 2 homes were sold in 2021, 1 is a custom home under construction and the other 2 were in 2013 when the city contracted for 2 homes using remaining housing rehabilitation grant money.
- The City of Coffeyville's population **has declined by 1,469 in the last 10 years**.
- There are currently only 11 houses for sale in Coffeyville for $99,000 and above. Only 2 of the 11 homes were constructed after 1980.
- Per the most recent housing study, we are up to **over 2,000 employees of Coffeyville businesses that do not live in Coffeyville**.
- The last 3 housing analysis performed over the last 20 years for Coffeyville have had the same conclusion. Coffeyville has to do something different to get different results when it comes to the lack of new home construction.

PROJECT AREA & HOME CONSTRUCTION:

The proposed homes will be 3 bedrooms, 2 baths, 2 car garage homes on slabs. The square footage will range from 1,250 to 1,900 and the floor plans will be modern plans similar to the homes recently built near the Grow Coffeyville site. The total project cost at completion will be $3,557,000.

The project area consists of 14 lots in Northwest Coffeyville. The lots are lots 1, 15 & 19 Block 9, lots 13, 14, 15 & 16 Block 10, and lots 18 to 24 Block 6. All in the Cline's Westwood Addition to Coffeyville. Please see the attached maps.

The lots will be deeded to the builder as house plans are approved, permitted and financing is documented. The deeds will contain reversionary clauses reverting the ownership back to the current owner should construction not begin by an agreed upon date.

PROJECT DEVELOPER & BUILDER:

Coffeyville Industries, Inc. which owns 7 of the 14 lots will be designated the developer of the Grow Coffeyville Project. Mike & Leslie Ewy and Community State Bank will donate 3 residential lots to the project (Mike Ewy is the CEO of Community State Bank). The balance of lots will be purchased from Coffeyville Industries and the City at well below market rate cost.

Coffeyville Industries is a Board of Director led community economic development and investment organization, see the organization bio in Section 3. Coffeyville Industries has made housing its top priority due to the importance of housing in realizing the benefits of other economic development efforts. Mike Ewy, Coffeyville Industries President, will direct the Grow Coffeyville Project. Mike has been a champion of housing and the need for housing in Coffeyville for over 20 years. Mike & Leslie Ewy donated 2 lots and Community State Bank funded the construction of 2 homes built and sold in 2021 near the Grow Coffeyville Project area.

Mike has been involved in the Kansas Bankers Association (KBA) for many years most recently serving as the statewide Chairman for 2021 – 2022. Mike brought his passion for housing and his insight into the housing issue to his KBA Chairmanship term. While he was Chairman, he made rural housing a top priority for the KBA. During the 2022 Kansas Legislative session KBA's executive and government affairs teams were one of the most important advocates for the expansion of the MIH program and HB 2237.

Home builders will be aggressively recruited as most of the local builders have not had favorable experiences with building in Coffeyville – like most other rural communities in Kansas. However, based on the Coffeyville Area Chamber led housing project in 2004 when Mike Ewy was the Chamber chairman, once builders see another builder having success in selling houses, they usually get interested. The proposed builder incentive should also attract additional area builders. Local home builder Cameron Edwards of Blair Edwards Construction has expressed interest in building homes for this project. Cameron has 5 homes under construction outside the city limits of Coffeyville at this time.

USE OF GRANT FUNDS:

The MIH grant funds will be used to fund new construction, purchase existing lots, finish the construction of electrical infrastructure, and pay for engineering and development fees. The lots will be sold to builders by Coffeyville Industries at $0 cost. The builders will construct the homes which will be financed by Community State Bank, although other banks are welcome to finance builders. The builder incentives will be paid to the builder once a certificate of occupancy is received to ensure timely completion of the homes. The anticipated absorption is three to six homes per year. The lots will be open to qualified builders or any buyer who has contracted with a qualified builder to construct a home for them. The home buyers will be eligible for the Coffeyville Neighborhood Revitalization Program. Grow Coffeyville will be applying for Housing Investor Tax Credits in addition to MIH.

2.1.2 ADMINISTRATION OF THE PROJECT

The City of Coffeyville and its professional staff have vast experience in administration of grants and government programs. Coffeyville Industries, Community State Bank and Mike Ewy are experienced business leaders, construction lenders and housing investors.

2.1.3 CAPACITY OF THE APPLICANT

Community State Bank is 100% committed to funding any qualified builder and housing project. Coffeyville Industries and President Mike Ewy have made getting these 14 homes constructed a top community priority.

2.1.4 COMMUNITY COLLABORATION

Grow Coffeyville is community collaboration of multiple organizations. We are proud of that collaboration and anticipate others (including other lenders) will join the collaborative effort if the application is approved. The Coffeyville community was recently awarded a grant to establish the USDA Self Help Housing program. This program includes no down payments, no payments until the applicant moves in and a low interest loan with longer than market terms to assist qualified applicants with home ownership.

Brief History of Coffeyville Industries, Inc.

Coffeyville Industries, Inc. was formed in the early 60s with the purpose of furthering the economic development of Coffeyville and its trade area, with authority to promote and assist the growth and development of small business and industrial concerns in that area: to own, lease, repair, buy, mortgage or sell real and personal property and to rent the same; to engage in a general brokerage business; to purchase or otherwise acquire and sell, assign or transfer stocks, bonds, or other evidences of indebtedness, and while the owner thereof, to exercise all the rights and privileges of ownership, including the right to vote thereon; to build, construct, repair and maintain buildings or other structures; to transact and carry on all or any other business which may be necessary, incidental or proper to the exercise of any or all of the above said purposes of the corporation.

The governance of Coffeyville Industries, Inc. is vested in a board of directors. The current board of directors consist of President Mike Ewy. Mike is the CEO of Community State Bank, Coffeyville and has been on the board since the early 2000s. John Schmid is Vice President. John is the owner of Perl Auto Center and has been on the board since the 1990s. Jason Redden is the Treasurer of Coffeyville Industries. Jason owns WRA, LLC an accounting service located in Coffeyville. The remaining board consists of Ric Voss and Ryan Thompson. Ric works at Acme Foundry, Inc. and Ric has been on the board since 2020. Ryan is in sales at his family owned business Thompson Brothers Welding & Industrial Supply. Ryan has been on the board since 2020.

Brief bio on Mike Ewy

The developer on this project is Coffeyville Industries, Inc. and the President Mike Ewy. Mike is the CEO of Community State Bank, Coffeyville and has been on the Coffeyville Industries, Inc. board since the early 2000s.

Mike through his role as CEO of Community State Bank recently completed an 18 acre development on bank owned real estate outside the Coffeyville city limits consisting of 6 lots. Mike worked with Montgomery County officials to approve the development and plat. He also worked with the City of Coffeyville to install the electric services as well as the Rural Water District to install water lines and fire hydrants. 2 lots in the Cedar Brook development have been sold and one home has been completed. There has been good interest in the remaining lots but the lack of area builders for the buyers to work with has slowed the process.

Personally, Mike and his wife purchased 10 platted but undeveloped lots in the city limits of Coffeyville. Mike recruited a builder from the Tulsa area to build 2 spec houses in 2020. The Ewys donated the lots to the builder and Community State Bank provided the construction financing on favorable terms. Both of these homes sold before they were finished. A 3rd home in this development is now under construction as a custom home.

Our History Fuels Our Future
102 WEST 7TH STREET * COFFEYVILLE, KS * 67337
www.coffeyville.com

September 16, 2022

ALISSA ICE; JASON FIZELL; ABIGAIL PHILLIPS
KANSAS HOUSING RESOURCE CORPORATION (KHRC)
MODERATE INCOME HOUSING RFP
611 S. KANSAS AVE., SUITE 300
TOPEKA, KS 66603

RE: City of Coffeyville MIH Application, September 30, 2022 submission
4.1 *Proof of Site Control*

Dear Alissa, Jason & Abigail;

The housing development site, submitted for your consideration for MIH funding, consists of 14 lots with 4 different land owners in its current state. The development team will be executing purchase contracts with the 2 land owners, receiving the discounted market value for their lots; and, the other 2 land owners have provided letters stating they will donate their lots to the home builder once the builder, and their home project, are approved.

I am submitting this letter to confirm that the development team has adequately demonstrated proof of site control to the City of Coffeyville through provision of these documents. Please feel free to contact me at tosborn@coffeyville.com, or by phone at (620) 252-6131, to request these documents if needed.

Sincerely,

Thomas Osborn

Engineering

Director of Engineering Services
tosborn@coffeyville.com
(620)252-6131
102 W 7th, Coffeyville, KS 67337

Our History Fuels Our Future
102 WEST 7TH STREET * COFFEYVILLE, KS * 67337
www.coffeyville.com

September 16, 2022

ALISSA ICE; JASON FIZELL; ABIGAIL PHILLIPS
KANSAS HOUSING RESOURCE CORPORATION (KHRC)
MODERATE INCOME HOUSING RFP
611 S. KANSAS AVE., SUITE 300
TOPEKA, KS 66603

RE: City of Coffeyville MIH Application, September 30, 2022 submission
4.2 *Proof of Proper Zoning*

Dear Alissa, Jason & Abigail;

The housing development site, submitted for your consideration for MIH funding, consists of 14 lots. Each of these lots are currently zoned as Residential, which permits the construction of single-family, detached homes as proposed by the developer for this project. The sketch site plan also complies with minimum requirements for lot size. The zoning classification is appropriate for the proposed development project.

Please feel free to contact me at tosborn@coffeyville.com, or by phone at (620) 252-6131, to request these documents if needed.

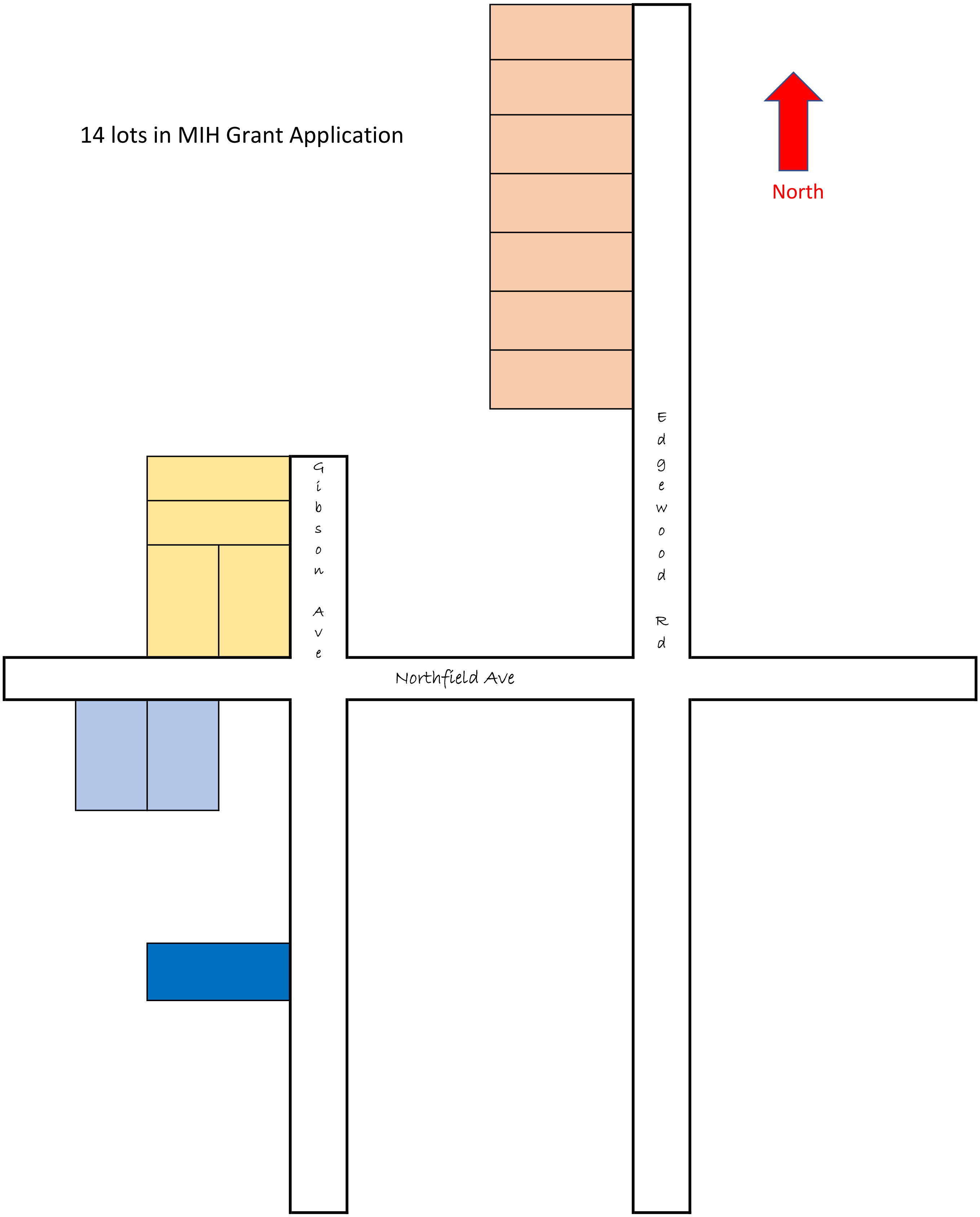
Sincerely,

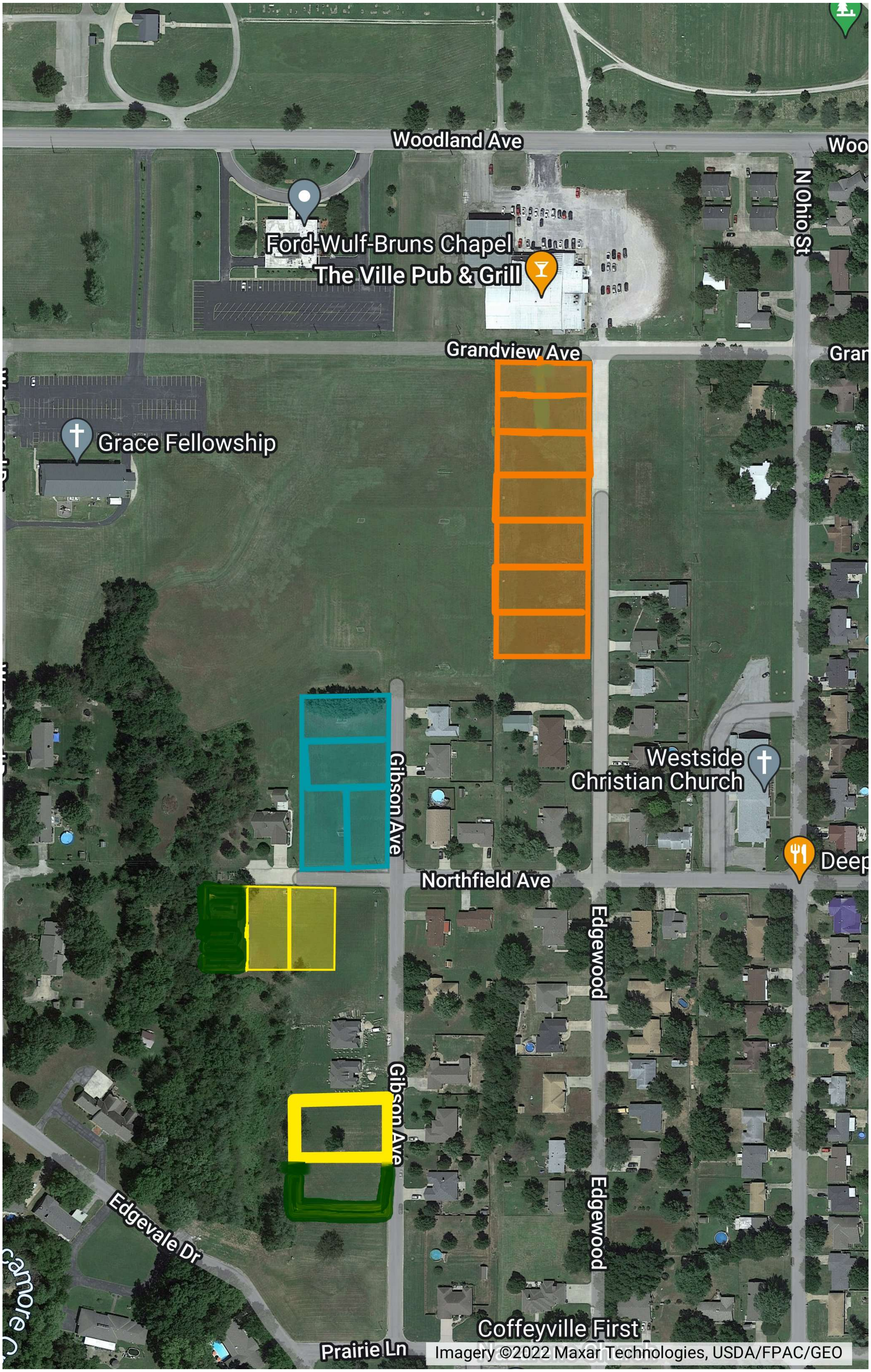
Thomas Osborn

Engineering

Director of Engineering Services
tosborn@coffeyville.com
(620)252-6131
102 W 7th, Coffeyville, KS 67337

14 lots in MIH Grant Application




Woodland Ave
Ford-Wulf-Bruns Chapel
The Ville Pub & Grill
N Ohio St
Grandview Ave
Grace Fellowship
Westside Christian Church
Gibson Ave
Northfield Ave
Edgewood
Edgevale Dr
Coffeyville First
Prairie Ln
Imagery ©2022 Maxar Technologies, USDA/FPAC/GEO

Legal Description of Grow Coffeyville lots included in the MIH22 grant project:

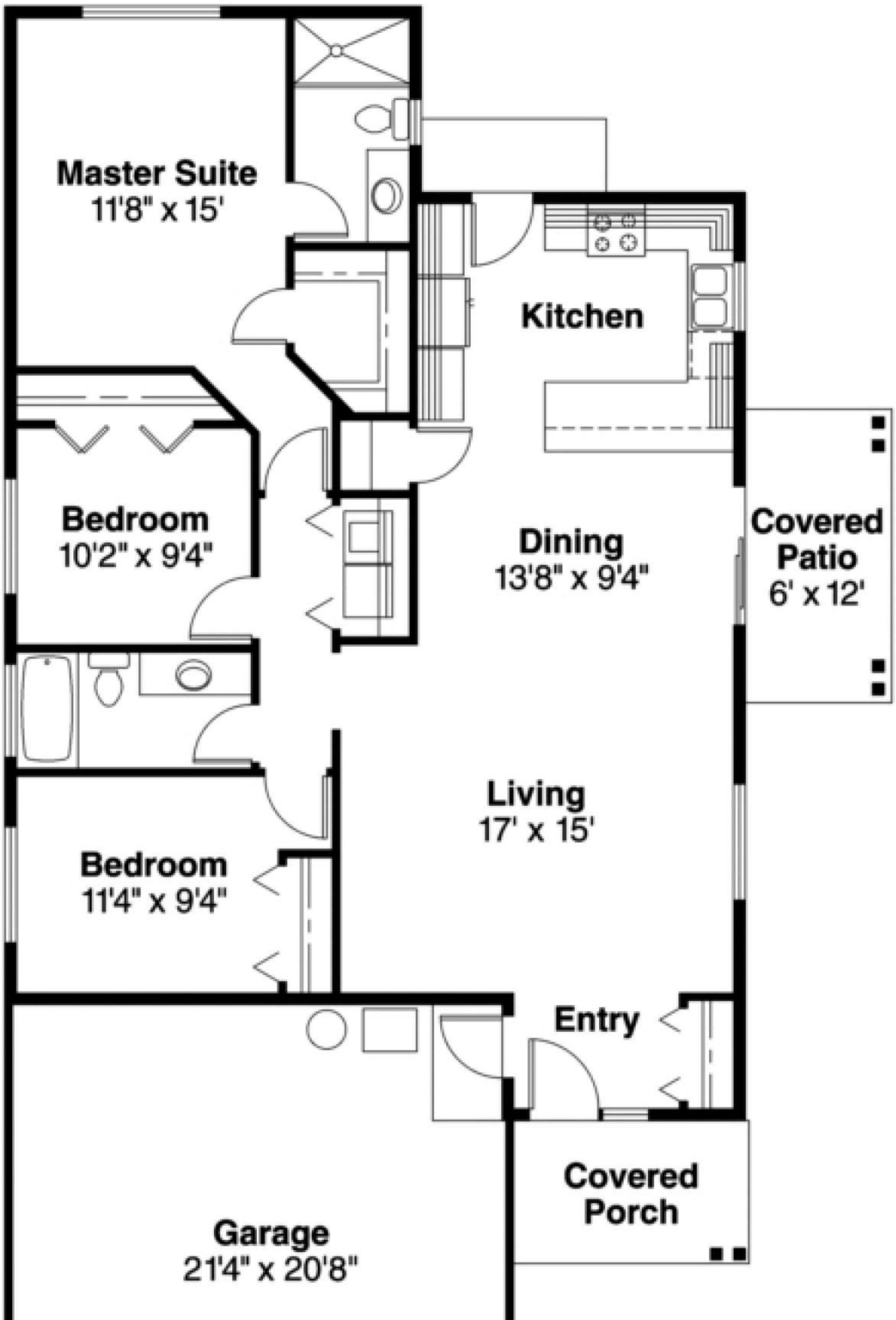
Lots 1, 15 & 19 Block 9, Cline’s Westwood Addition

Lots 13, 14, 15 & 16 Block 10, Cline’s Westwood Addition

Lots 18 to 24 Block 6, Cline’s Westwood Addition

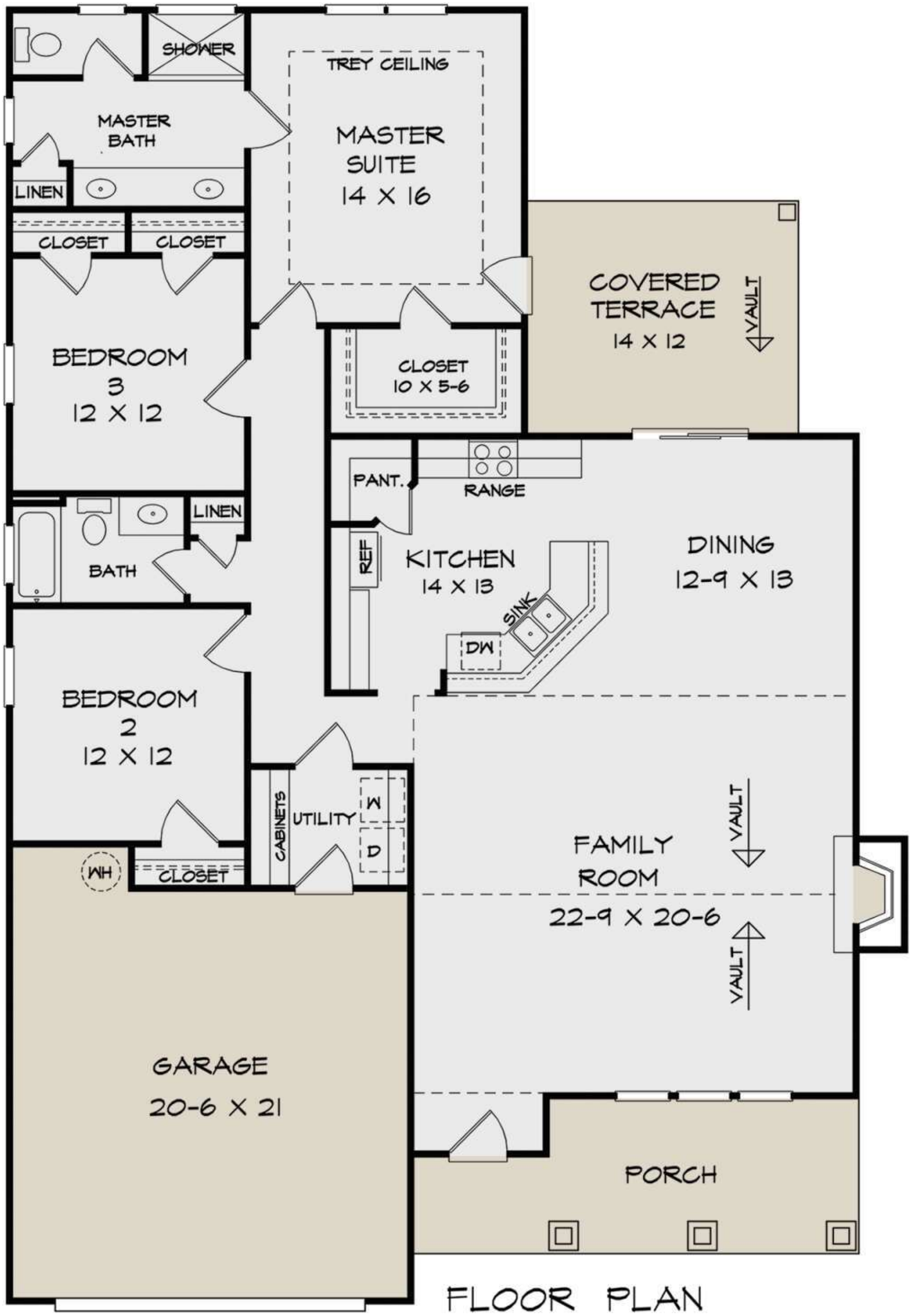

U.S. MAIL


304
U.S. MAIL



1,317 Square Foot Floor Plan Example

1,887 Square foot floor plan example



FLOOR PLAN

Community
STATE BANK

September 15, 2022

Alissa Ice/Jason Fizell/Abigail Phillips
Kansas Housing Resource Corporation (KHRC)
Moderate Income Housing RFP
611 S. Kansas Ave., Suite 300
Topeka, KS 66603

Dear Alissa, Jason & Abigail:

Community State Bank is proud to have called Coffeyville home for the last 55 years and considers it a privilege to have the opportunity to do whatever it can to increase the amount of affordable quality housing in Coffeyville.

We look forward to working with builders and home buyers on the Grow Coffeyville project and strongly support their application to the KHRC for a Moderate Income Housing Grant.

Community State Bank encourages the Kansas Housing Resource Corporation to approve funding for the Moderate Income Housing (MIH) program, so that the project development work may begin as soon as possible.

We are familiar with the home builder who has expressed interest in the project and we stand at the ready to assist with their and any other qualified builder's lending needs.

If you have any questions, please give me a call.

Sincerely,

Michael V Ewy
CEO
NMLS# 775674

Michael & Leslie Ewy

2952 Northbrook, Coffeyville, KS 67337, PHONE: 620-988-0200
EMAIL: mike@ourlocalbank.com

September 16, 2022

Coffeyville Industries, Inc.
PO Box 669
Coffeyville, KS 67337

To whom it may concern:

Leslie and I consider it an honor to live in the Coffeyville community for the last 22 years.

The community has made us feel welcome and our adult kids speak highly of their educational and social experiences of growing up as Golden Tornado and Red Ravens.

We are pleased to agree to donate lots 1 & 19 block 9 in the Cline's Westwood Addition to Coffeyville for the Grow Coffeyville Project as part of the Moderate Income Housing Grant.

Sincerely,

Michael V. Ewy

Community
STATE BANK

September 15, 2022

Coffeyville Industries, Inc.
PO Box 669
Coffeyville, KS 67337

To whom it may concern:

Community State Bank is proud to have called Coffeyville home for the last 55 years and considers it a privilege to have the opportunity to do whatever it can to increase the amount of affordable quality housing in Coffeyville.

We hereby agree to donate lot 15 block 9 in the Cline's Westwood Addition to a builder or individual that has been approved to participate in the Grow Coffeyville Project associated with the Moderate Income Housing Grant.

If you have any questions, please give me a call.

Sincerely,

Michael V Ewy
CEO

1414 W. 11th ♦ P O Box 219 ♦ Coffeyville, KS 67337 ♦ Telephone 620-251-1313 ♦ Fax 620-251-7440 ♦ Toll Free 888-224-1313

Coffeyville Industries, Inc.
P O Box 669
Coffeyville, KS 67337

September 16, 2022

ALISSA ICE; JASON FIZELL; ABIGAIL PHILLIPS
KANSAS HOUSING RESOURCE CORPORATION (KHRC)
MODERATE INCOME HOUSING RFP
611 S. KANSAS AVE., SUITE 300
TOPEKA, KS 66603

RE: City of Coffeyville MIH Application, September 30, 2022 submission

Dear Alissa, Jason & Abigail:

Please accept this letter as an agreement that Coffeyville Industries, Inc. will sell lots 18 – 24 block 6 of Cline's Westwood Addition at the discounted price of $3,000 per lot or a total of $21,000 subject to the approval of the Moderate Income Housing Grant Application being approved and funded.

Coffeyville Industries was founded to support Economic Development in the Coffeyville area and we feel the Grow Coffeyville Project is very important and we ask that you approve the City of Coffeyville's MIH application.

Sincerely,

Michael V Ewy
President
Coffeyville Industries, Inc.

7.1 Narrative

Coffeyville has been successful in generating new jobs in the area, but have not capitalized on those jobs due to a lack of affordable, adequate housing. According to the U.S. Census Bureau in 2020, Coffeyville supported 3,667 jobs, of which less than 35 percent were residents of the city. Nonresidents working in Coffeyville that leave the city limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Developers and Investors will be profitable in any housing segment they choose.

Since 2005 the unemployment rate in Coffeyville, Kansas has ranged from 13.8% in July 2009, to 3.5% in September 2019. The current unemployment rate for Coffeyville is 4.7% in August of 2022.

The call for more quality affordable housing in our community has been heard loud and clear from business owners, citizens and prospective residents. With only a dozen or less homes on the market at any time, per the local MLS, our chances of job growth hinges on new housing starts and thus new housing starts in Coffeyville is critical to our economic success.

7.1.1 Unmet Housing Needs

Coffeyville's unemployment rate is very low and business owners are consistently telling stories of their difficulties of filling open positions. Often the businesses are faced with the unintended consequence when posting jobs that they end up poaching employees from other Coffeyville businesses. While these 14 homes in the Grow Coffeyville project will meet the entire housing needs of Coffeyville, we fill the project will bring builders and once those builders are here the many citizens who held off on building a new home will build. That activity will make the homes of those citizens available for new employees and the compounding effect will definitely help.

7.1.2 Expanded Housing Needs

Every time Coffeyville has an opportunity to recruit a new business, one of the first questions the new business asks is whether we have the workers to fill their workforce needs. We have to be very creative in describing how we will have the workforce they need. With over 2,000 individuals working in Coffeyville that live outside the Coffeyville zip code, we feel the need for expanded housing is significant.

EXECUTIVE SUMMARY OF HOUSING ASSESSMENT

The City of Coffeyville has prepared a Housing Assessment Analysis that evaluates the City of Coffeyville's current for-sale and rental housing, quantifies near-term housing demand, and identifies housing opportunities to capture and support new housing construction. The Assessment's major findings are summarized in the text below.

Economic and Demographic Overview

The City of Coffeyville is a rural community located in Montgomery County in southeast Kansas. A community's population size, growth, household types, age composition, educational attainment and income levels play significant roles in the demand for housing.

A community's population growth patterns play significant roles in the demand for housing and supportable property values. Over the past six decades, Coffeyville experienced steady population loss, declining by 49.22 percent from 17,382 residents in 1960, to 8,826 residents by 2020. Coffeyville's current population can be compared to Coffeyville's population between 1900 to 1910.

Over the past decade, the composition of households in Coffeyville shifted slightly with single female and non-family householder comprising larger market shares. The number of female householder families with no husband present 1,454. The number of married-couple households stands at 1,267. The number of married-couple households with children under 18 years is 459. Shifts in the types of households in Coffeyville have likely had an impact on the composition of housing demand and new home construction.

The number of householders 65 years and older account for 17.4 percent of all households in Coffeyville. In the coming years, senior households are expected to have a growing impact on the Coffeyville housing market and the demand for independent and assisted living facilities. Senior independent and assisted living facilities are in short supply and provide developer and investor opportunity.

Coffeyville residents on average are less educated than the norms for both Kansas and the United States. Approximately 28.4 percent of Coffeyville residents 25 years and over have attained associate, bachelors and/or advanced degrees. By comparison, 35.7 percent of Kansas residents, and 39.1 percent of U.S. residents, possess an Associate, Bachelors and/or advanced degree. Coffeyville's below average educational levels place constraints on attainable incomes, housing values and homeownership levels; however, the large Coffeyville workforce living outside Coffeyville increases the educational attainment level drastically.

The U.S. Census Bureau estimated the 2020 median household income for Kansas of $61,091 and the United States of $67,521. The 2020 median household income of $34,727 for the City of Coffeyville is well below the national and statewide averages. According to U.S. Census, during 2020 an estimated 34.8 percent of households in Coffeyville earned less than $25,000 annually. These households tend to be perpetual renters, but given the low cost of existing single-family housing in Coffeyville, can support the purchase of rehabilitated housing. During 2020, an estimated 17.9 percent of households earned $75,000 or more, fueling a definite demand for move-up and luxury housing.

According to the US Census data, the poverty rate in Coffeyville is 29.26%. One out of every 3.4 residents of Coffeyville live in poverty. 2,582 of the 8,826 Coffeyville residents reported income levels below the poverty line in 2020. Nearly 40 percent of the 2,582 Coffeyville residents living below the poverty line are children under the age of 18 years. **Source 2020 US Census**

Poverty income households tend to be perpetual renters; therefore, there will always be a definite need for low-income rental property. Developers and investors involved with Federal tax credit programs will find ample opportunity in Coffeyville.

Coffeyville has been successful in generating new jobs in the area, but have not capitalized on those jobs due to a lack of affordable, adequate housing. According to the U.S. Census Bureau in 2020, Coffeyville supported 3,667 jobs, of which less than 35 percent were residents of the city. Nonresidents working in Coffeyville that leave the city limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Developers and Investors will be profitable in any housing segment they choose.

Since 2005 the unemployment rate in Coffeyville, Kansas has ranged from 13.8% in July 2009, to 3.5% in September 2019. The current unemployment rate for Coffeyville is 4.7% in August of 2022.

For-Sale Housing Market

The 2010 Census inventoried 5,021 housing units in Coffeyville, Kansas, down 9.5 percent from 5,550 housing units reported by the 2000 Census. The 2020 Census inventoried 4,956 housing units in Coffeyville, Kansas, down 1.3 percent from 5,021 housing units reported by the 2010 Census. A reported 459 homes were damaged by the 2007 flood, representing approximately 10 percent of Coffeyville's housing stock. Most of the damaged homes were demolished, accounting for decline in the City's housing stock from 2000 to 2010. As of 2020, an additional 366 homes have been demolished due to blighted or unsafe conditions. At the time of this assessment, a total of 825 homes have been removed from Coffeyville's housing stock. It is estimated that over 700 homes are still substandard. The overall occupancy rate for existing housing in Coffeyville was reported by the 2020 Census at 80.6 percent, with 3,995 housing units occupied.

Coffeyville's housing stock is relatively old with over two-thirds of the existing inventory built prior to 1960 (compared to 36.9% for Kansas). Newer housing built since 1990 represents just over 10 percent of Coffeyville's total inventory. According to the U.S. Census Bureau from 2000 to 2020, just 111 new housing units were built in Coffeyville. Although the 1990 through 2020 new housing unit construction represents a 10% increase, the 2007 flood removed over 10% of the existing housing stock.
Due to Coffeyville's lack of new construction, past historical information must be utilized to show potential. From 2005 through 2013, a total of 1,130 homes sold in Coffeyville. After peaking at 192 home sales in 2006, single family housing sales in Coffeyville declined steadily to a low of 97 sales in 2011. Home sales experienced the largest drop in 2009, declining by 38.1 percent over 2008. The trend in declining home sales was attributed to a weakening national and local economy, national housing slump, and more restrictive lending practices. During 2012, home sales in Coffeyville rebounded, up 40.2 percent to a reported 136 homes sold. Home sales declined 12.5 percent in 2013, to 119 sales as interest rates escalated and the inventory of homes on the market declined throughout the year.

Home sale prices in Coffeyville peaked in 2008 at an average price of $71,412. In 2013, the average home sales price dropped 9.1 percent to $64,927. Through 2020, due to a weakening economy, the 2007 flood, and declining home sales velocity, the average sale price declined by another 18.2 percent to $53,100. Over the past two years during the pandemic, housing demand has accelerated the average sales price, but for the purpose of this assessment, the 2020 average sales price of $53,100 will be utilized.

Given the limited new home construction since 2000, new home sales in Coffeyville accounted for a very small market share of total home sales. From 2000 through 2010, the MLS reported a total of just 111 new home sales in Coffeyville. From 2010 through 2020, no new home sales have occurred. In 2021, two new homes were built and sold before completion.

Based on home sales data published by the Southeast Kansas MLS prior to the pandemic, it appears that while Coffeyville supports a diverse for-sale housing market, it is heavily skewed to homes priced under $100,000. Older, smaller homes are very affordable and are suitably priced for first time buyers and empty nesters seeking to down-size prior to the pandemic. Newer housing located primarily in the western portion of the city is suitable for move-up buyers and people relocating from outside the area. Primary complaints of area realtors are the lack of quality move-up housing product, and the limited supply of newer, modern homes built over the past 20 years. These market deficiencies have limited the ability of Coffeyville to attract new hires to the community, as evident by the fact that more than 65 percent of people employed live outside Coffeyville. People employed locally are desperate for any type of housing, and condition sometimes does not matter in the effort to be closer to work. There is an opportunity in Coffeyville to construct new housing targeting the first-time, move-up and upscale market segments.

Interviews were conducted with several realtors in an effort to gain a deeper understanding of Coffeyville's for-sale housing market. The comments received are summarized below.

- A lot of Oklahoma residents work in Coffeyville, providing for an untapped housing market opportunity.

- There is a demand in Coffeyville for luxury housing priced above $200,000. Northbrook is the only custom home subdivision developed over the past 20 years. Many newly hired executives buy homes in Bartlesville or Tulsa, Oklahoma. In the past two years, several doctors have moved to Coffeyville and generated demand for luxury for-sale and rental housing. The Big Hill area of Coffeyville is an excellent location for the construction of luxury housing.

- The construction of new luxury housing in Coffeyville will trigger a domino effect, allowing first-time homebuyers to purchase move-up housing vacated by families moving into luxury homes.

- Pent-up demand in Coffeyville exists for new housing targeting young families, priced from $120,000 to $160,000.

- There has been very little new home construction over the past 25 years. The lack of newer, modern housing hampers the Coffeyville housing market and results in many homebuyers to purchase homes outside of the city.

- The presence of deteriorated homes in Coffeyville and poor condition of some residential neighborhoods are issues for prospective homebuyers.

- The west and north portions of Coffeyville represent the most desirable residential areas, and support the highest demand for for-sale housing.

Rental Housing Market

Rental housing accounts for 42 percent of Coffeyville's occupied housing stock, totaling 1,679 dwelling units. An estimated one-third of the rental housing stock is owned by absentee landlords. The existing stock of rental housing is old with the median year built reported at 1956, compared to 1968 for the state of Kansas. Very little if any attached rental housing has been constructed in Coffeyville over the past 25 years. As a result, much of the rental housing is old and poorly maintained.

The median monthly rents in Coffeyville is $642. No bedroom rent ranges from $300 to $1,500. For 1-bedroom, rent ranges from $300 to $1,500 or more. For 2-bedroom, rent ranges from $500 to $1,500. For 3 or more bedrooms, rent from $750 to $1,500 or more. High-end rental housing, of which there is little, generally commands a monthly rent of $1,200 to $1,500. The median rental rate in Coffeyville is $642 per month. Quality rental properties in Coffeyville generally rent quickly. Realtors interviewed indicated rental housing in Coffeyville is currently operating at an average vacancy rate of just 5.9 percent.

Ten larger rental apartment properties were surveyed in Coffeyville, totaling 404 dwelling units. Given the demographics of the Coffeyville population, highlighted by low income levels and a large elderly population, all ten properties operate as tax credit or income-based rental apartment communities. Four properties totaling 162 dwelling units are available to singles and families with six properties totaling 242 dwelling units catering exclusively to seniors. No exclusively market-rate apartment properties were identified in Coffeyville. Developers and investors will find opportunity by constructing luxury apartments because there are no market-rate apartments in Coffeyville. Also, nonresidents working in Coffeyville that leave the city limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a great potential for market-rate apartments.

Over one-third of Coffeyville households earn less than $25,000 per year which creates considerable demand for income-based and affordable housing. The 2020 Census reported that people aged 65+ accounted for 18.3 percent of Coffeyville's total population, or 1,622 residents. The state-wide average for residents 65+ years is 13.2 percent, indicating Coffeyville supports an above average senior population. Estimates indicate that by 2030 the city's senior population will increase by 220 residents, generating increased need for senior housing.

The modest inventory of affordable rental apartments and current population demographics suggest Coffeyville can support additional income-based rental units.

The primary barrier for prospective renters in Coffeyville is the limited availability of quality rental units in the form of single-family homes and apartment properties. The absence of quality rental properties in Coffeyville results in higher income households seeking housing to look elsewhere, outside the City of Coffeyville. A quality rental housing stock is an important component of fostering a healthy for sale housing market, by offering prospective residents the opportunity to live in the community before buying a home.

Assessment Conclusions

Findings and recommendations provided by the Housing Demand Market Analysis prepared for the City of Coffeyville, Kansas include:

- Quantify 5-year housing absorption for the City of Coffeyville and

- Identify housing market opportunities in Coffeyville, including market segmentation, housing product types (i.e., for-sale, rental and senior housing) and location.

Forecast Housing Demand

Through population growth and the modest capture of non-residents working locally new housing demand from 2020 through 2030 in Coffeyville is estimated at 238 to 357 dwelling units. According to the 2020 Census Coffeyville's mix of occupied housing units was 57.9 percent owner-occupied and 42.1 percent renter-occupied. This report estimates that through 2030, owner-occupied housing will account for 60 percent of all new housing units, with renter-occupied housing accounting for the remaining 40 percent. Therefore, through 2030, the mix of new housing demand is estimated at 142 to 214 owner-occupied units, and 95 to 142 rental units.

Household income levels directly influence housing affordability. From 2020 to 2030, a 13.7 percent increase is forecasted for the average household income of Coffeyville, making it $39,484 annually. By 2030, an estimated 17.9 percent of households will earn $75,000 or more. Coffeyville's large concentration of low-income households and small percentage of high-income households suggests a strong need for affordable housing and restricts the size of the luxury housing market.

Income levels suggest considerable new demand for affordable rental housing will materialize in Coffeyville through the year 2030. An estimated 34.8 percent of households in Coffeyville earn less than $25,000 annually. These households tend to be perpetual renters. Through 2030, rental housing at rents of less than $500 in the City of Coffeyville is forecast to account for 21.9 percent of total new rental housing absorption, or 20 to 31 dwelling units. An estimated 59.6 percent of new rental housing absorption, or 56 to 84 dwelling units, will originate at rents of $500 to $999 per month. An estimated 9.1 percent of new rental housing absorption, or 9 to 13 dwelling units, will originate at rents of $1,000 to $1,500 or more per month.

Housing Market Opportunities

Coffeyville has successfully attracted a large employment base, including such notable companies as John Deere and Acme; however, despite supporting approximately 3,667 jobs, only 35 percent of workers reside in the community. A primary hurdle in attracting new residents is the limited availability of quality for-sale and rental housing. Several area employers indicated a difficulty in filling available positions due primarily to the shortage of quality housing in Coffeyville. Many new employees at local firms relocating to the area must seek housing in such places as Bartlesville, Oklahoma, and Tulsa, Oklahoma to commute to work. For Coffeyville to successfully retain and attract jobs, as well as lure new residents, it must offer prospective employers and their employees a more diverse mix of quality housing that includes both new for sale, and new rental product.

Single-family housing in Coffeyville is very affordable. In 2020, the average sales price was just $53,100 for resale homes, but the housing stock only appears to be in fair condition. There are housing units (particularly in the older parts of town) suffering from deferred maintenance and disinvestment. Therefore, the current housing market is limited to hourly workers, office staff and management. However, what is needed is a greater mix and stock of quality new for-sale housing priced from $130,000 to $179,999, aimed at entry-level and first-time move-up buyers; and $220,000+, targeting upper management, professionals and physicians. Considering 2,384 non-residents working in Coffeyville leave the city limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction.

Coffeyville's west side is the preferred location for new home construction targeting entry-level and first-time move-up buyers, while boasting schools, shopping, recreation, health services and employment. New semi-custom and custom housing priced at $220,000 and above will require a unique and prestigious location. The Big Hill area in northwest Coffeyville, highlighted by excellent view corridors and the presence of two golf courses, and the Northbrook custom home subdivision are ideal locations for the development of a premier single-family home community.

The primary barrier for prospective renters in Coffeyville is the limited availability of quality rental units in the form of single-family homes, duplexes and apartment properties. The absence of quality rental properties in Coffeyville results in higher income households seeking housing to look elsewhere, outside Coffeyville. Considering 2,384 non-residents working in Coffeyville leave the city limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. A quality rental housing stock is an important component of fostering a healthy for-sale housing market by offering prospective residents the opportunity to live in the community before buying a home.

An estimated 31.53 percent, or 1,264 households, in Coffeyville earn $35,000 to $74,999 per year, of which some are prospective renters of market-rate housing. By 2030, households earning $35,000 to $74,999 are expected to increase dramatically, suggesting a strong growth in the demand for market-rate rental housing. Considering 2,384 non-residents working in Coffeyville leave the city limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Large-scale market-rate apartment development targeting move-up renters is best suited on the west side of Coffeyville. In addition, the construction of market-rate duplexes for rent is appropriate infill development.

With nearly 34.8 percent of households in Coffeyville earning less than $25,000, there is projected to be a continued need for affordable rental housing. In addition, Coffeyville's senior population is large and growing, generating a growing demand for affordable rental housing geared specifically to low-income and seniors. Only six income-based senior apartment properties, totaling just 242 dwelling units, currently operate in Coffeyville, suggesting a supply-demand imbalance.

Based on Coffeyville's income and age demographics, as well as current supply of affordable rental housing, over the next ten-years additional construction of income-based rental properties for singles, families and seniors will be required. Appropriate location for the development of future affordable rental housing is within the portion of Coffeyville located south of 11th Street.

the Chamber
Coffeyville Area Chamber of Commerce

September 16, 2022

Alissa Ice/Jason Fizell/Abigail Phillips
Kansas Housing Resource Corporation (KHRC)
Moderate Income Housing RFP
611 S. Kansas Ave., Suite 300
Topeka, KS 66603

I am the President of the Coffeyville Area Chamber of Commerce and on behalf of the board of directors would like to express support for the City of Coffeyville application for funding through the Kansas Housing Resources Corporation's Moderate Income Housing (MIH) program.

This project will provide an important element to help our community and area businesses. New, high quality attainable housing is essential to attract and retain individuals and families and is critical to the community's long-term sustainability.

There is certainly an urgent need for moderate level income housing. Our business community has been challenged to recruit and retain a quality workforce in large part due to a housing shortage. Housing also impacts our community's quality of life, vital to businesses. With a decreasing population, we know having access to moderate income housing will be key to long term economic and social integration.

Please feel free to call upon the resources of the Coffeyville Area Chamber of Commerce at any time. The Coffeyville Area Chamber of Commerce fully supports this application and would like to thank the Kansas Housing Resources Corporation for its consideration of this proposal.

Sincerely yours,

Candi Westbrook

Candi Westbrook
President/CEO Coffeyville Chamber

Coffeyville Chamber of Commerce
P.O. Box 457
Coffeyville, KS 67337

COMMUNITY NATIONAL BANK & TRUST

September 16, 2022

Alissa Ice/Jason Fizell/Abigail Phillips
Kansas Housing Resource Corporation (KHRC)
Moderate Income Housing RFP
611 S. Kansas Ave., Suite 300
Topeka, KS 66603

Dear Alissa, Jason & Abigail:

Community National Bank & Trust is in full support of the City of Coffeyville's application for funding through the Kansas Housing Resources Corporation's Moderate Income Housing (MIH) program.

CNB&T are long term stake holders in the community and we support efforts to improve the quality and attainability of housing in the Coffeyville.

This project will provide assistance to our employers, churches and schools. New, high quality affordable housing is essential to attract and retain individuals and families, and is critical to the community's long-term sustainability.

CNB&T would appreciate consideration from the Kansas Housing Resources Corporation for this proposal.

Respectfully,

Larry Semmel, President

Larry D. Semmel

Digitally signed by: Larry D. Semmel
DN: CN = Larry D. Semmel email = larry.semmel@communitynational.net C = US O = Community National Bank & Trust
Date: 2022.09.16 15:48:23 -06'00'

Windsor Place At-Home Care, L.L.C

P.O. Box 1209 Coffeyville, KS 67337 (620) 251-6545

16 September, 2022

Alissa Ice/Jason Fizell/Abigail Phillips
Kansas Housing Resource Corporation (KHRC)
Moderate Income Housing RFP
611 S. Kansas Ave., Suite 300
Topeka, KS 66603

Dear Alissa, Jason and Abigail:

I am the Executive Director of Health Management of Kansas, Inc and on behalf of the board of directors would like to express support for the City of Coffeyville application for funding through the Kansas Housing Resources Corporation's Moderate Income Housing (MIH) program.

Our organization is experiencing substantial growth along with the need for the right people at all levels of our organizational structure. Currently, our organization provides daily in-home caregiver services and telehealth services to over 300 persons in the Coffeyville area. We are in need of additional caregivers and nurses to expand in order to serve the demand in front of us in this service area.

This project will provide an important element to help our community and area businesses. New, high quality affordable housing is essential to attract and retain individuals and families and is critical to the community's long-term sustainability.

Our community certainly has an urgent need for moderate level income housing. We have 10 open positions presently in our community. Candidates are not being able to find a suitable home in our community. Health Management of Kansas, Inc. fully supports this application and would like to thank the Kansas Housing Resources Corporation for its consideration of this proposal.

Sincerely yours,

Monte Coffman
Executive Director
Health Management of Kansas, Inc.

KANSAS HOUSING

KANSAS HOUSING INVESTOR TAX CREDIT CERTIFICATION

Does the applicant intend to apply for Kansas Housing Investor Tax Credits on or before the October 28 application due date? The applications for investor credits will only be available to those applicants submitting MIH applications on September 30.

☑ Yes, we intend to apply.

☐ No, we do not intend to apply.

Coffeyville Industries, Inc. Coffeyville, Montgomery — 9-30-22

Applicant (City/County) — Date

[signature] — Michael V Ewy, President

Applicant Signature — Print Name & Role

Housing Needs Analysis
City of Coffeyville, Kansas
August 2022

T A B L E O F C O N T E N T S

SUMMARY OF MAJOR FINDINGS

The City of Coffeyville has prepared a Housing Assessment Analysis that evaluates the City of Coffeyville's current for-sale and rental housing, quantifies near-term housing demand, and identifies housing opportunities to capture and support new housing construction. The Assessment's major findings are summarized in the text below.

Economic and Demographic Overview

The City of Coffeyville is a rural community located in Montgomery County in southeast Kansas. A community's population size, growth, household types, age composition, educational attainment and income levels play significant roles in the demand for housing.

A community's population growth patterns play significant roles in the demand for housing and supportable property values. Over the past six decades, Coffeyville experienced steady population loss, declining by 49.22 percent from 17,382 residents in 1960, to 8,826 residents by 2020. Coffeyville's current population can be compared to Coffeyville's population between 1900 to 1910.

Over the past decade, the composition of households in Coffeyville shifted slightly with single female and non-family householder comprising larger market shares. The number of female householder families with no husband present 1,454. The number of married-couple households stands at 1,267. The number of married-couple households with children under 18 years is 459. Shifts in the types of households in Coffeyville have likely had an impact on the composition of housing demand and new home construction.

The number of householders 65 years and older account for 17.4 percent of all households in Coffeyville. In the coming years, senior households are expected to have a growing impact on the Coffeyville housing market and the demand for independent and assisted living facilities. Senior independent and assisted living facilities are in short supply and provide developer and investor opportunity.

Coffeyville residents on average are less educated than the norms for both Kansas and the United States. Approximately 28.4 percent of Coffeyville residents 25 years and over have attained associate, bachelors and/or advanced degrees. By comparison, 35.7 percent of Kansas residents, and 39.1 percent of U.S. residents, possess an Associate, Bachelors and/or advanced degree. Coffeyville's below average educational levels place constraints on attainable incomes, housing values and homeownership levels; however, the large Coffeyville workforce living outside Coffeyville increases the educational attainment level drastically.

The U.S. Census Bureau estimated the 2020 median household income for Kansas of $61,091 and the United States of $67,521. The 2020 median household income of $34,727 for the City of Coffeyville is well below the national and statewide averages. According to U.S. Census, during 2020 an estimated 34.8 percent of households in Coffeyville earned less than $25,000 annually. These households tend to be perpetual renters, but given the low cost of existing single-family housing in Coffeyville, can support the purchase of rehabilitated housing. During 2020, an estimated 17.9 percent of households earned $75,000 or more, fueling a definite demand for move-up and luxury housing.

According to the US Census data, the poverty rate in Coffeyville is 29.26%. One out of every 3.4 residents of Coffeyville lives in poverty. 2,582 of the 8,826 Coffeyville residents reported income levels below the poverty line in 2020. Nearly 40 percent of the 2,582 Coffeyville residents living below the poverty line are children under the age of 18 years. **Source 2020 US Census**

Poverty income households tend to be perpetual renters; therefore, there will always be a definite need for low-income rental property. Developers and investors involved with Federal tax credit programs will find ample opportunity in Coffeyville.

Coffeyville has been successful in generating new jobs in the area, but have not capitalized on those jobs due to a lack of affordable, adequate housing. According to the U.S. Census Bureau in 2020, Coffeyville supported 3,667 jobs, of which less than 35 percent were residents of the City. Nonresidents working in Coffeyville that leave the City limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Developers and Investors will be profitable in any housing segment they choose.

Since 2005 the unemployment rate in Coffeyville, Kansas has ranged from 13.8% in July 2009, to 3.5% in September 2019. The current unemployment rate for Coffeyville is 4.7% in August of 2022.

For-Sale Housing Market

The 2010 Census inventoried 5,021 housing units in Coffeyville, Kansas, down 9.5 percent from 5,550 housing units reported by the 2000 Census. The 2020 Census inventoried 4,956 housing units in Coffeyville, Kansas, down 1.3 percent from 5,021 housing units reported by the 2010 Census. A reported 459 homes were damaged by the 2007 flood, representing approximately 10 percent of Coffeyville's housing stock. Most of the damaged homes were demolished, accounting for decline in the City's housing stock from 2000 to 2010. As of 2020, an additional 366 homes have been demolished due to blighted or unsafe conditions. At the time of this assessment, a total of 825 homes have been removed from Coffeyville's housing stock. It is estimated that over 700 homes are still substandard. The overall occupancy rate for existing housing in Coffeyville was reported by the 2020 Census at 80.6 percent, with 3,995 housing units occupied.

Coffeyville's housing stock is relatively old with over two-thirds of the existing inventory built prior to 1960 (compared to 36.9% for Kansas). Newer housing built since 1990 represents just over 10 percent of Coffeyville's total inventory. According to the U.S. Census Bureau from 2000 to 2020, just 111 new housing units were built in Coffeyville. Although the 1990 through 2020 new housing unit construction represents a 10% increase, the 2007 flood removed over 10% of the existing housing stock.

Due to Coffeyville's lack of new construction, past historical information must be utilized to show potential. From 2005 through 2013, a total of 1,130 homes sold in Coffeyville. After peaking at 192 home sales in 2006, single family housing sales in Coffeyville declined steadily to a low of 97 sales in 2011. Home sales experienced the largest drop in 2009, declining by 38.1 percent over 2008. The trend in declining home sales was attributed to a weakening national and local economy, national housing slump, and more restrictive lending practices. During 2012, home sales in Coffeyville rebounded, up 40.2 percent to a reported 136 homes sold. Home sales declined 12.5 percent in 2013, to 119 sales as interest rates escalated and the inventory of homes on the market declined throughout the year.

Home sale prices in Coffeyville peaked in 2008 at an average price of $71,412. In 2013, the average home sales price dropped 9.1 percent to $64,927. Through 2020, due to a weakening economy, the 2007 flood, and declining home sales velocity, the average sale price declined by another 18.2 percent to $53,100. Over the past two years during the pandemic, housing demand has accelerated the average sales price, but for the purpose of this assessment, the 2020 average sales price of $53,100 will be utilized.

Given the limited new home construction since 2000, new home sales in Coffeyville accounted for a very small market share of total home sales. From 2000 through 2010, the MLS reported a total of just 111 new home sales in Coffeyville. From 2010 through 2020, no new home sales have occurred. In 2021, two new homes were built and sold before completion.

Based on home sales data published by the Southeast Kansas MLS prior to the pandemic, it appears that while Coffeyville supports a diverse for-sale housing market, it is heavily skewed to homes priced under $100,000. Older, smaller homes are very affordable and are suitably priced for first time buyers and empty nesters seeking to down-size prior to the pandemic. Newer housing located primarily in the western portion of the city is suitable for move-up buyers and people relocating from outside the area. Primary complaints of area realtors are the lack of quality move-up housing product, and the limited supply of newer, modern homes built over the past 20 years. These market deficiencies have limited the ability of Coffeyville to attract new hires to the community, as evident by the fact that more than 65 percent of people employed live outside Coffeyville. People employed locally are desperate for any type of housing, and condition sometimes does not matter in the effort to be closer to work. There is an opportunity in Coffeyville to construct new housing targeting the first-time, move-up and upscale market segments.

Interviews were conducted with several realtors in an effort to gain a deeper understanding of Coffeyville's for-sale housing market. The comments received are summarized below.

- A lot of Oklahoma residents work in Coffeyville, providing for an untapped housing market opportunity.

- There is a demand in Coffeyville for luxury housing priced above $200,000. Northbrook is the only custom home subdivision developed over the past 20 years. Many newly hired executives buy homes in Bartlesville or Tulsa, Oklahoma. In the past two years, several doctors have moved to Coffeyville and generated demand for luxury for-sale and rental housing. The Big Hill area of Coffeyville is an excellent location for the construction of luxury housing.

- The construction of new luxury housing in Coffeyville will trigger a domino effect, allowing first-time homebuyers to purchase move-up housing vacated by families moving into luxury homes.

- Pent-up demand in Coffeyville exists for new housing targeting young families, priced from $120,000 to $160,000.

- There has been very little new home construction over the past 25 years. The lack of newer, modern housing hampers the Coffeyville housing market and results in many homebuyers to purchase homes outside of the city.

- The presence of deteriorated homes in Coffeyville and poor condition of some residential neighborhoods are issues for prospective homebuyers.

- The west and north portions of Coffeyville represent the most desirable residential areas, and support the highest demand for for-sale housing.

Rental Housing Market

Rental housing accounts for 42 percent of Coffeyville's occupied housing stock, totaling 1,679 dwelling units. An estimated one-third of the rental housing stock is owned by absentee landlords. The existing stock of rental housing is old with the median year built reported at 1956, compared to 1968 for the state of Kansas. Very little if any attached rental housing has been constructed in Coffeyville over the past 25 years. As a result, much of the rental housing is old and poorly maintained.

The median monthly rents in Coffeyville is $642. No bedroom rent ranges from $300 to $1,500. For 1-bedroom, rent ranges from $300 to $1,500 or more. For 2-bedroom, rent ranges from $500 to $1,500. For 3 or more bedrooms, rent from $750 to $1,500 or more. High-end rental housing, of which there is little, generally commands a monthly rent of $1,200 to $1,500. The median rental rate in Coffeyville is $642 per month. Quality rental properties in Coffeyville generally rent quickly. Realtors interviewed indicated rental housing in Coffeyville is currently operating at an average vacancy rate of just 5.9 percent.

Ten larger rental apartment properties were surveyed in Coffeyville, totaling 404 dwelling units. Given the demographics of the Coffeyville population, highlighted by low income levels and a large elderly population, all ten properties operate as tax credit or income-based rental apartment communities. Four properties totaling 162 dwelling units are available to singles and families with six properties totaling 242 dwelling units catering exclusively to seniors. No exclusively market-rate apartment properties were identified in Coffeyville. Developers and investors will find opportunity by constructing luxury apartments because there are no market-rate apartments in Coffeyville. Also, nonresidents working in Coffeyville that leave the City limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a great potential for market-rate apartments.

Over one-third of Coffeyville households earn less than $25,000 per year which creates considerable demand for income-based and affordable housing. The 2020 Census reported that people aged 65+ accounted for 18.3 percent of Coffeyville's total population, or 1,622 residents. The state-wide average for residents 65+ years is 13.2 percent, indicating Coffeyville supports an above average senior population. Estimates indicate that by 2030 the city's senior population will increase by 220 residents, generating increased need for senior housing.

The modest inventory of affordable rental apartments and current population demographics suggest Coffeyville can support additional income-based rental units.

The primary barrier for prospective renters in Coffeyville is the limited availability of quality rental units in the form of single-family homes and apartment properties. The absence of quality rental properties in Coffeyville results in higher income households seeking housing to look elsewhere, outside the City of Coffeyville. A quality rental housing stock is an important component of fostering a healthy for sale housing market, by offering prospective residents the opportunity to live in the community before buying a home.

Assessment Conclusions

Findings and recommendations provided by the Housing Demand Market Analysis prepared for the City of Coffeyville, Kansas include:

- Quantify 5-year housing absorption for the City of Coffeyville and
- Identify housing market opportunities in Coffeyville, including market segmentation, housing product types (i.e., for-sale, rental and senior housing) and location.

Forecast Housing Demand

Through population growth and the modest capture of non-residents working locally new housing demand from 2020 through 2030 in Coffeyville is estimated at 238 to 357 dwelling units. According to the 2020 Census Coffeyville's mix of occupied housing units was 57.9 percent owner-occupied and 42.1 percent renter-occupied. This report estimates that through 2030, owner-occupied housing will account for 60 percent of all new housing units, with renter-occupied housing accounting for the remaining 40 percent. Therefore, through 2030, the mix of new housing demand is estimated at 142 to 214 owner-occupied units, and 95 to 142 rental units.

Household income levels directly influence housing affordability. From 2020 to 2030, a 13.7 percent increase is forecasted for the average household income of Coffeyville, making it $39,484 annually. By 2030, an estimated 17.9 percent of households will earn $75,000 or more. Coffeyville's large concentration of low-income households and small percentage of high-income households suggests a strong need for affordable housing and restricts the size of the luxury housing market.

Income levels suggest considerable new demand for affordable rental housing will materialize in Coffeyville through the year 2030. An estimated 34.8 percent of households in Coffeyville earn less than $25,000 annually. These households tend to be perpetual renters. Through 2030, rental housing at rents of less than $500 in the City of Coffeyville is forecast to account for 21.9 percent of total new rental housing absorption, or 20 to 31 dwelling units. An estimated 59.6 percent of new rental housing absorption, or 56 to 84 dwelling units, will originate at rents of $500 to $999 per month. An estimated 9.1 percent of new rental housing absorption, or 9 to 13 dwelling units, will originate at rents of $1,000 to $1,500 or more per month.

Housing Market Opportunities

Coffeyville has successfully attracted a large employment base, including such notable companies as John Deere and Acme; however, despite supporting approximately 3,667 jobs, only 35 percent of workers reside in the community. A primary hurdle in attracting new residents is the limited availability of quality for-sale and rental housing. Several area employers indicated a difficulty in filling available positions due primarily to the shortage of quality housing in Coffeyville. Many new employees at local firms relocating to the area must seek housing in such places as Bartlesville, Oklahoma, and Tulsa, Oklahoma to commute to work. For Coffeyville to successfully retain and attract jobs, as well as lure new residents, it must offer prospective employers and their employees a more diverse mix of quality housing that includes both new for sale, and new rental product.

Single-family housing in Coffeyville is very affordable. In 2020, the average sales price was just $53,100 for resale homes, but the housing stock only appears to be in fair condition. There are housing units (particularly in the older parts of town) suffering from deferred maintenance and disinvestment. Therefore, the current housing market is limited to hourly workers, office staff and management. However, what is needed is a greater mix and stock of quality new for-sale housing priced from $130,000 to $179,999, aimed at entry-level and first-time move-up buyers; and $220,000+, targeting upper management, professionals and physicians. Considering 2,384 non-residents working in Coffeyville leave the City limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction.

Coffeyville's west side is the preferred location for new home construction targeting entry-level and first-time move-up buyers, while boasting schools, shopping, recreation, health services and employment. New semi-custom and custom housing priced at $220,000 and above will require a unique and prestigious location. The Big Hill area in northwest Coffeyville, highlighted by excellent view corridors and the presence of two golf courses, and the

Northbrooke custom home subdivision are ideal locations for the development of a premier single-family home community.

The primary barrier for prospective renters in Coffeyville is the limited availability of quality rental units in the form of single-family homes, duplexes and apartment properties. The absence of quality rental properties in Coffeyville results in higher income households seeking housing to look elsewhere, outside Coffeyville. Considering 2,384 non-residents working in Coffeyville leave the City limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. A quality rental housing stock is an important component of fostering a healthy for-sale housing market by offering prospective residents the opportunity to live in the community before buying a home.

An estimated 31.53 percent, or 1,264 households, in Coffeyville earn $35,000 to $74,999 per year, of which some are prospective renters of market-rate housing. By 2030, households earning $35,000 to $74,999 are expected to increase dramatically, suggesting a strong growth in the demand for market-rate rental housing. Considering 2,384 non-residents working in Coffeyville leave the City limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Large-scale market-rate apartment development targeting move-up renters is best suited on the west side of Coffeyville. In addition, the construction of market-rate duplexes for rent is appropriate infill development.

With nearly 34.8 percent of households in Coffeyville earning less than $25,000, there is projected to be a continued need for affordable rental housing. In addition, Coffeyville's senior population is large and growing, generating a growing demand for affordable rental housing geared specifically to low-income and seniors. Only six income-based senior apartment properties, totaling just 242 dwelling units, currently operate in Coffeyville, suggesting a supply-demand imbalance.

Based on Coffeyville's income and age demographics, as well as current supply of affordable rental housing, over the next ten-years additional construction of income-based rental properties for singles, families and seniors will be required. Appropriate location for the development of future affordable rental housing is within the portion of Coffeyville located south of 11th Street.

Housing Needs Analysis
City of Coffeyville, Kansas
August 2022

HOUSING NEEDS ANALYSIS
CITY OF COFFEYVILLE, KANSAS

August 2022

INTRODUCTION

The City of Coffeyville has prepared a Housing Assessment that evaluates the City of Coffeyville's current housing segments and quantifies housing demand. Based on the assessment findings, housing market opportunities for the City of Coffeyville are identified. The Housing Assessment also offers insight to the Coffeyville housing market for Developer and Investor purposes.

The Housing Assessment is segmented into five sections, including: 1) a community-wide demographic and economic assessment; 2) existing housing characteristics; 3) for-sale housing analysis; 4) rental housing assessment, and 5) housing demand projections.

The Demographic and Economic Assessment section identifies the housing area, population and household growth trends, household types, household incomes, educational attainment and historical employment growth trends. This section of the assessment provides the baseline data necessary in forecasting future demand for-sale and rental housing in Coffeyville, Kansas. The demographic profile of a community affects housing demand and the types of housing that are needed. The housing life-cycle stages are: entry-level households, first-time homebuyers and move-up renters, move-up homebuyers, empty-nesters, younger independent seniors and older seniors.

The Housing Stock Characteristics Assessment section of the report identifies the inventory, age and composition of Coffeyville's existing housing stock, housing tenure and occupancies, inventory of for-sale and rental housing, and the lack of new home construction. The goal is to identify current and future opportunities to support new housing stock in Coffeyville.

The For-Sale Housing Assessment section addresses recent trends in the sale of existing single-family homes, historical inventory of homes actively on the market, and an assessment of active residential subdivisions.

The Rental Housing Market Assessment section of the report assesses market-rate, income-based and senior housing communities in Coffeyville in an effort to gauge the inventory, quality and occupancies of the current rental housing stock. The section clearly identifies the need for rental housing stock of all types.

The Housing Demand section of the report provides housing demand forecasts by product type for the City of Coffeyville. Demand for additional housing in the City of Coffeyville will primarily come from household growth and the large workforce living outside Coffeyville. The lack of quality rental housing can also be a source of future housing demand.

Based on the assessment findings housing demand forecasts by product type were quantified for the City of Coffeyville and opportunities to support new housing construction will be identified; including appropriate market segmentation, housing product, and location.

DEMOGRAPHIC AND ECONOMIC ASSESSMENT

This section of the assessment examines economic and demographic factors impacting the City of Coffeyville, including: population and household growth trends; age distribution; educational attainment; household income, and employment trends. Quantifying these demographic and economic characteristics will assist in projecting the future demand for housing in Coffeyville.

Population and Households

A community's population growth patterns play significant roles in the demand for housing and supportable property values. Over the past six decades, Coffeyville experienced steady population loss, declining by 49.22 percent from 17,382 residents in 1960 to 8,826 residents by 2020. Coffeyville's current population can be compared to Coffeyville's population between 1900 to 1910.

Year	Population
2020	8,826
2010	10,295
2000	11,021
1990	12,917
1980	15,185
1970	15,116
1960	17,382
1950	17,113
1940	17,355
1930	16,198
1920	13,452
1910	12,687
1900	4,953

Source 2020 US Census

The U.S. Census Bureau reported annual population estimates for Coffeyville from 1990 to 2020. During this 30-year timeframe, the Coffeyville population declined by 31.6 percent, a loss 4,091 residents.

The Wichita State University Center for Economic Development and Business Research projects the Coffeyville population will continue to decline through 2030, dropping to 7,500, a loss of 1,326 residents from the 2020 Census. This projected 15.02 percent decline from 2020 to 2030 in population, if realized, would have a detrimental impact on the local housing market in the form of declining future demand and trends in housing values.

The 2020 Census showed the median age in Coffeyville is 37.1 and is expected to rise to 38 years in the future. The population aged 65+ is projected to increase by 8.7 percent by 2030, while children ages 0 to 18 will decline by 6.0 percent. The population of residents in their prime working years, aged 25 to 54 years, is projected to decline by 4.4 percent from 2020 to 2030. These expected declines in population and shifts in age demographics will result in shifts in housing needs, unless corrected.

Over the past decade, the composition of households in Coffeyville shifted slightly with single female and non-family householder comprising larger market shares. The number of female householder families with no husband present 1,454. The number of married-couple households stands at 1,267. The number of married-couple households with children under 18 years is 459. Shifts in the types of households in Coffeyville have likely had an impact on the composition of housing demand and new home construction.

City of Coffeyville Household Types

Total Households	**3,995**
Average Household Size	2.22
Households with one or more people under 18 years	26.4%
Households with one or more people 60 years and over	40.8%
Householder living alone	43.4%
Householder 65 years and over	17.4%
Total Families	**2,082**
Average Family Size	3.07

Source 2020 US Census

The number of householders 65 years and older account for 17.4 percent of all households in Coffeyville. In the coming years, senior households are expected to have a growing impact on the Coffeyville housing market and the demand for independent and assisted living facilities. Senior independent and assisted living facilities are in short supply, and provide developer and investor opportunity.

Population Age Distribution

The age composition of a community's population plays a significant role in the demand for housing. As a person ages, their housing needs change. The following Population By Age information summarizes the primary age groups according Coffeyville's population, including adolescent (0-19 years); college-age adults (20 to 24 years); young adults (25 to 34 years); family/working adults (35-44 years); empty nesters (45-54 years and 55-64 years); and elderly (65+ years). Each of these age groups possess distinctively different consumer and housing needs, but present opportunities for both developers and investors.

Population by Age

Adolescent (0-19 years)	2,481
College age adults (20 to 24 years)	495
Young adults (25 to 34 years)	1,245
Family/working adults (35-44 years)	894
Empty nesters (45-54 years and 55-64 years)	2,088
Elderly (65+ years)	1,621

Source 2020 US Census

Educational Attainment

Because income increases with advancing educational attainment, communities with high education levels generally support higher levels of homeownership and housing values. The U.S. Census Bureau provided 2020 educational attainment levels for the population age 25 years and over for the City of Coffeyville, Kansas.

Educational Attainment Levels – Coffeyville, KS For Residents 25 Year and Over

Less than 9th Grade	217	3.5%
9th to 12th grade, no diploma	704	11.4%
High School graduate (plus equivalency)	1,815	29.3%
Some College, no degree	1,701	27.5%
Associate's degree	641	10.4%
Bachelor's degree	866	14.0%
Graduate or professional degree	248	4.0%

Source 2020 US Census

Coffeyville residents on average are less educated than the norms for both Kansas and the United States. Approximately 28.4 percent of Coffeyville residents 25 years and over have attained Associate, Bachelors and/or advanced degrees. By comparison, 35.7 percent of Kansas residents and 39.1 percent of U.S. residents possess an Associate, Bachelors and/or advanced degree. Coffeyville's below average educational levels place constraints on attainable incomes, housing values and homeownership levels, but the large Coffeyville workforce living outside Coffeyville increases the educational attainment level drastically.

Household Income

Generally, as incomes rise higher housing costs are supported. The 2020 Household Income In Past 12 Months (in 2020 inflation-adjusted) information summarizes the 2020 Household Income In Past 12 Months (in 2020 inflation-adjusted).

2020 Household Income in Past 12 Months (in 2020 inflation-adjusted)

Total Household	3,995	100%
Less than $15,000	886	22.1%
$15,000 - $24,999	509	12.7%
$25,000 - $34,999	613	15.3%
$35,000 - $49,999	630	15.7%
$50,000 - $74,999	634	15.8%
$75,000 - $99,999	176	4.4%
$100,000 - $149,999	327	8.1%
$150,000 - $199,000	89	2.2%
$200,000 or more	131	3.2%

Source 2020 US Census

The U.S. Census Bureau estimated the 2020 median household income for Kansas of $61,091, and the United States of $67,521. The 2020 median household income of $34,727 for the City of Coffeyville is well below the national and statewide averages. According to U.S. Census during 2020, an estimated 34.8 percent of households in Coffeyville earned less than $25,000 annually. These households tend to be perpetual renters, but given the low cost of existing single-family housing in Coffeyville, can support the purchase of rehabilitated housing. During 2020, an estimated 17.9 percent of households earned $75,000 or more, fueling a definite demand for move-up and luxury housing.

Approximately half of the city's households are estimated to earn less than $35,000 annually in 2020. Household income of $35, 000 to $49,999 have a budgeted home purchase ranging from $70,400 - $82,100 depending on interest rates, credit score and debt ratio. In 2020, 17.9 percent of all Coffeyville households possess median incomes of $75,000 or more. Depending upon interest rates, credit score and debt ratio, 17.9 percent of all Coffeyville households could afford a budgeted house purchase of $151,600 to $557,700. Due to the definite shortage of new home construction, developers and investors have a large household income segment for new home and rental property construction. These household income trends suggest over the next 10 + years a continued strong need in Coffeyville for affordable housing, and a strong growth in the need for move-up and luxury housing. Source **2020 US Census**

Coffeyville Poverty

According to the US Census data, the poverty rate in Coffeyville is 29.26%. One out of every 3.4 residents of Coffeyville lives in poverty. 2,582 of the 8,826 Coffeyville residents reported income levels below the poverty line in 2020. Nearly 40 percent of the 2,582 Coffeyville residents living below the poverty line are children under the age of 18 years. **Source 2020 US Census**

The Poverty Rate across the state of Kansas is 11.4%, meaning Coffeyville has a dramatically higher than the average percentage of residents below the poverty line when compared to the rest of Kansas. The largest demographic living in poverty are Males 18 - 24, followed by Females 25 – 34, and then Females 18 - 24. **Source 2020 US Census**

Poverty income households tend to be perpetual renters; therefore, there will always be a definite need for low-income rental property. Developers and investors involved with Federal tax credit programs will find ample opportunity in Coffeyville.

Employment Trends

Since gains in employment generally fuels population, income and housing market growth, employment trends are a reliable indicator of general economic conditions and housing demand. Typically, households prefer to live near work for convenience.

According to the U.S. Census Bureau, as of the 2020 Census, the leading employment sector in Coffeyville included management, business, science and arts occupations (906 jobs); sales and office occupations (889 jobs); production, transportation and material moving occupations (749 jobs); and natural resources, construction, and maintenance occupations (276 jobs). When compared to statewide averages, Coffeyville supports above-average concentrations of jobs in manufacturing; transportation, warehousing and utilities; and education and health care services.

The composition of an area's employment base helps to dictate income levels and the composition of housing demand. High levels of such white collar occupations as professional and technical services; financial, insurance and real estate; and administrative generate demand for professional office space, while health and social services jobs create demand for owner-occupied housing.

The information below provides a comparison of civilian employment levels by occupation for Coffeyville, as published in the 2020 Census.

Coffeyville Occupation Employed 16 Years And Over

Civilian employed population 16 years and over:	3,667
Management, business, science, and arts occupations:	906
Management, business, and financial occupations:	299
Management occupations	236
Business and financial operations occupations	63
Computer, engineering, and science occupations:	81
Computer and mathematical occupations	19
Architecture and engineering occupations	28
Life, physical, and social science occupations	34
Education, legal, community service, arts, and media occupations:	297
Community and social service occupations	34
Legal occupations	0
Educational instruction, and library occupations	248
Arts, design, entertainment, sports, and media occupations	15
Healthcare practitioners and technical occupations:	229
Health diagnosing and treating practitioners and other technical occupations	137
Health technologists and technicians	92
Service occupations:	**847**
Healthcare support occupations	290

Protective service occupations:	152
Firefighting and prevention, and other protective service workers including supervisors	96
Law enforcement workers including supervisors	56
Food preparation and serving related occupations	165
cleaning and maintenance occupations	165
Personal care and service occupations	75
Sales and office occupations:	**889**
Sales and related occupations	493
Office and administrative support occupations	396
Natural resources, construction, and maintenance occupations:	276
Farming, fishing, and forestry occupations	50
Construction and extraction occupations	87
Installation, maintenance, and repair occupations	139
Production, transportation, and material moving occupations:	**749**
Production occupations	511
Transportation occupations	130
Material moving occupations	108

Source 2020 US Census

Coffeyville has been successful in generating new jobs in the area, but have not capitalized on those jobs due to a lack of affordable, adequate housing. According to the U.S. Census Bureau in 2020, Coffeyville supported 3,667 jobs, of which less than 35 percent were residents of the City. Nonresidents working in Coffeyville that leave the City limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Developers and Investors will be profitable in any housing segment they choose.

Unemployment Trends

Since 2005 the unemployment rate in Coffeyville, Kansas has ranged from 13.8% in July 2009, to 3.5% in September 2019. The current unemployment rate for Coffeyville is 4.7% , as of August 2022.

Business Location Factors

Interviews conducted with the Coffeyville Community College, United School District 445, Chamber of Commerce, City Staff, business owners and several local real estate agents identified assets/opportunities and constraints/limitations of Coffeyville, Kansas as a business location. The bullet points below summarize the content of those interviews.

Assets / Opportunities

- Coffeyville offers a low cost of labor;
- Low housing costs for owner-occupied, but quality is in question;
- The City of Coffeyville supports a large employment base, but employees live somewhere other than Coffeyville;
- The City of Coffeyville operates an electric utility with the opportunity to offer prospective businesses low electricity rates and sufficient capacity;
- The City of Coffeyville can provide prospective businesses adequate domestic water and sanitary sewer service capacity;
- Coffeyville offers good highway access that affords convenient overnight trucking to a large geographic area and major metropolitan areas. Highway 169 through Coffeyville is the shortest route between Kansas City and Tulsa;
- Coffeyville offers excellent short-line and regional rail service as well as close proximity to the Port of Catoosa;
- City-owned industrial park provides a large inventory of fully serviced land for prospective businesses as well as the opportunity to offer economic incentives in the form of discounted land acquisition costs;
- Coffeyville supports a strong existing industrial base highlighted by such major companies as John Deere;
- The presence of Coffeyville Community College assists in providing an educated and skilled workforce;
- The City of Coffeyville’s commercial real property tax levy compares favorably to similar sized cities in Southeast Kansas;
- The City of Coffeyville has in the past offered economic incentives to prospective businesses; and
- Presence of medical services at the Coffeyville Regional Medical Center.

Constraints / Limitations

- Coffeyville's declining population and labor pool places limitations on attracting major retailers and employers, plus employees have no place to live;
- Coffeyville's real property mill levy is high because of the population loss;
- The City of Coffeyville has suffered from steady population decline over the past several decades and no one is building anything;
- Despite supporting a large employment base, most workers employed in Coffeyville live outside Coffeyville;
- Coffeyville suffers from an old housing stock with a limited inventory of quality for sale and rental housing;
- Given its small population base Coffeyville supports low community amenities such as retail, entertainment, personal services and recreation;
- Coffeyville will never experience growth, given the shortage of all types of housing;
- Simply put, Coffeyville needs housing of all types; and
- Coffeyville suffers from an inferiority complex.

Coffeyville possesses ample advantages for attracting businesses, jobs and development activity. The large manufacturing base and presence of such major companies as Coffeyville Resources, Acme, and John Deere are favorable assets for attracting additional industry. Other community assets include city-owned electric service, adequate public utilities, availability of economic incentives and presence of Coffeyville Community College and Coffeyville Regional Medical Center. Challenges facing future economic development of Coffeyville include a limited stock of quality housing, community amenities, declining population and labor force.

Conclusions

The City of Coffeyville is a rural community located in Montgomery County in southeast Kansas. A community's population size, growth, household types, age composition, educational attainment and income levels play significant roles in the demand for housing.

A community's population growth patterns play significant roles in the demand for housing and supportable property values. Over the past six decades, Coffeyville experienced steady population loss, declining by 49.22 percent from 17,382 residents in 1960 to 8,826 residents by 2020. Coffeyville's current population can be compared to Coffeyville's population between 1900 to 1910. The Wichita State University Center for Economic Development and Business Research projects Coffeyville's population will continue to decline through 2030, dropping to 7,500, a loss of 1,326 residents from the 2020 Census. This projected population loss, if realized, would have a significant detrimental impact on the future demand for housing and value appreciation in Coffeyville.

A reported 459 homes were damaged by the 2007 flood, representing approximately 10 percent of Coffeyville's housing stock at that time. Most of the damaged homes were demolished; accounting for decline in the City's housing stock from 2000 to 2010. As of 2020, an additional 366 homes have been demolished due to blighted or unsafe conditions. At the time of this report, a total of 825 homes have been removed from Coffeyville's housing stock, which represents an additional 8 percent removed from Coffeyville's housing stock. It is estimated that over 700 homes and rentals are still substandard in Coffeyville.

Over the past decade the composition of households in Coffeyville shifted slightly with the number of female householder families with no husband present rising by 2.0 percent and number of married-couple families with children under 18 years old declining by 22.8 percent. These shifts in the types of households in Coffeyville have likely had an impact on the composition of housing demand.

The age composition of a community's population plays a significant role in the demand for housing. Housing demand and expenditures change as individuals grow older. Over the decade the number of family/working adult residents has greatly declined, while the number of elderly (65+ years) declined by 7.0 percent and children ages 0 to 18 years declined by 5.0 percent. Absolute population gains were the largest for empty nesters ages 55 to 64 years, suggesting a future growing demand for senior housing in the form of independent living and assisted living facilities. The population aged 65+ is projected to increase by 8.7 percent by 2030 while children ages 0 to 18 will decline by 6.0 percent.

Education levels figure into a community's socio-economic status. Income increases with advancing educational attainment; therefore, communities with high education levels generally support higher levels of homeownership and housing values. Coffeyville residents on average are less educated than the norms for both Kansas and the United States. Approximately 28.4 percent of Coffeyville residents 25 years and over have attained associate, bachelors and advanced degrees. By comparison, 35.7 percent of Kansas residents and 39.1 percent of U.S. residents possess an associate, bachelors or advanced degree. Coffeyville's below average educational levels place constraints on attainable incomes, housing values and homeownership levels, but the large Coffeyville workforce living outside Coffeyville increases the educational attainment level drastically.

Supportable residential housing values and the mix of housing are a function of resident income levels. Generally, as income rises higher, home ownership levels and housing costs are supported. An estimated 38.8 percent of households in Coffeyville earn less than $25,000 annually. These households tend to be perpetual renters, but given the low cost of existing single-family housing in Coffeyville, they can support the purchase of rehabilitated housing.

Meanwhile, an estimated 17.9 percent of households earn $75,000 or more, fueling demand for move-up and luxury housing.

Approximately half of the city's households are estimated to earn less than $35,000 annually by 2020. By 2020, 17.9 percent of all Coffeyville households are estimated to possess median incomes of $75,000 or more, a total of 723 households. These household income trends suggest over the next ten years a continued strong need in Coffeyville for affordable housing, and a strong growth in the need for move-up and luxury housing.

Coffeyville and Montgomery County have been successful in generating new jobs in the area, but have not fully capitalized on those jobs due to a lack of affordable, adequate housing. According to the U.S. Census Bureau, in 2020 Coffeyville supported 3,667 jobs, of which less than 35 percent were residents of the City. Nonresidents working in Coffeyville represent an untapped housing market of all types.

HOUSING STOCK CHARACTERISTICS ASSESSMENT

This section of the assessment analyzes the City of Coffeyville's existing housing stock by identifying the inventory, occupancies, age and type of the existing housing inventory as well as recent trends in new home construction activity. The goal is to identify current and future opportunities to support new housing stock in Coffeyville.

Housing Stock Inventory and Occupancies

The 2020 Census inventoried 4,956 housing units in Coffeyville, Kansas, down 10.7 percent from 5,550 housing units reported by the 2000 Census. A reported 459 homes were damaged by the 2007 flood, representing approximately 10 percent of Coffeyville's housing stock. Most of the damaged homes were demolished accounting for decline in the City's housing stock from 2000 to 2010. The overall occupancy rate for existing housing in Coffeyville was reported by the 2020 Census at 80.6 percent with 3,995 housing units occupied. The information below identifies 2020 Census inventory and occupancy data for Coffeyville's housing stock.

Coffeyville, Kansas Housing Stock and Occupancies; 2020 Census

Total housing units	4,956	4,956
Occupied housing units	3,995	80.6%
Owner occupied:	2,316	57.9%
Renter occupied:	1,679	42.1%
Vacant housing units	961	19.4%
Homeowner vacancy rate	3.5	
Rental vacancy rate	5.9	

Source 2020 US Census

The 2000 Census reported that 4,691 housing units were occupied in Coffeyville, including 3,047 owner-occupied units and 1,644 renter-occupied units. By the 2020 Census, the occupied inventory had declined to 3,995 housing units. From 2000 to 2020, the number of owner-occupied housing units in Coffeyville decreased by 15.4 percent to 2,316 units by 2020. Meanwhile, over the decade Coffeyville's inventory of renter-occupied housing units increased slightly from 1,644 housing units in 2000 to 1,679 housing units by 2020. The overall occupancy rate declined from 84.5 percent in 2000 to 80.6 percent by 2020.

Age of Housing Stock

The information below compares the age of Coffeyville's housing stock with that of the State of Kansas, as reported by the 2020 American Community Survey published by the U.S. Census Bureau. Coffeyville's housing stock is relatively old with over two-thirds of the existing inventory built prior to 1960 (compared to 36.9% for Kansas). Newer housing built since 1990 represents just over 10 percent of Coffeyville's total inventory, compared to 25.5 percent for Kansas. New home construction from 2000 to 2010 decreased by nearly 72 percent over the 394 housing units built during the 1990's. According to the City of Coffeyville Building Inspection Department permitting from 2010 to 2020, no new housing was added to Coffeyville. In 2021, two new houses were built ranging in price from $220,000 to 250,000, both sold prior to completion. The age of Coffeyville's housing stock is the primary reason why quality housing that meets buyer's needs is in short supply.

Coffeyville, Kansas Housing Stock by Year Built

2010 to 2020	**0**
2000 to 2009	**111**
1990 to 1999	**394**
1980 to1989	**327**
1970 to 1979	**428**
1960 to 1969	**423**
1940 to 1959	**1,571**
1939 or Earlier	**1,730**

Source 2020 US Census

Housing Stock by Structure Type

The information below identifies Coffeyville's housing stock by unit type as reported by the 2020 American Community Survey.

Coffeyville, Kansas Housing Stock by Type 2020

Total housing units	4,956	4,956
1-unit, detached	3,885	78.4%
1-unit, attached	32	0.6%
2 units	138	2.8%
3 or 4 units	196	4.0%
5 to 9 units	207	4.2%
10 to 19 units	33	0.7%
20 or more units	315	6.4%
Mobile home	150	3.0%
Boat, RV, van, etc.	0	0.0%

2020 US Census

Coffeyville's housing stock is dominated by detached single-family homes that account for 78.4 percent of the total inventory. This preference for detached housing is more common in outlying and rural areas. To illustrate, detached single-Family housing accounts for 72.6 percent of Kansas' housing units.

Another common characteristic of outlying and rural area's housing mix is a modest inventory of multi-family housing units. However, in Coffeyville multi-family structures with 20 or more dwelling units account for 6.4 percent of the total housing stock, compared to 4.6 percent for all of Kansas. The above average rate for multi-family housing may be due to the city's large percentage of lower income households and the corresponding large inventory income-based apartment properties. The housing stock of 2 to 4 unit structures accounts for 6.8 percent of Coffeyville's housing units but just 5.6 percent of Kansas'. **2020 US Census**

Coffeyville's current demographics and mix of housing suggests that the city must address all segments of housing with emphasis on affordable multi-family rental and for-sale housing to foster a more diverse housing market that meets the needs of a wider range of household types.

For 2020, the U.S. Census Bureau estimated that 2,316 owner-occupied housing units in Coffeyville were occupied. Detached single-family homes accounted for 78.4 percent of all occupied owner-occupied housing units. Meanwhile, an estimated 1,679 rental housing units were occupied. Renters were much less likely to occupy detached single-family homes accounting for just 42 percent of all occupied rental units.

The dominance of 10+ unit apartment properties stems from a large inventory of income-based rental housing and preference for 2 to 4 unit properties might originate from Coffeyville's small town character and the dominance of detached single-family housing.

Housing Conditions

Housing is one of the most visible and tangible characteristics of a community's desirability as a place to live, and the vitality of a community often centers on the quality of its housing stock. Thus, it is important that the City of Coffeyville's housing stock remains in good condition, but that appears not to be the norm.

Upon inspection it was concluded that the City of Coffeyville's housing stock appears to be in fair condition, but there are housing units (particularly in the older parts of town) suffering from deferred maintenance and disinvestment. There are an estimated 961 vacant housing units throughout Coffeyville with the City identifying approximately 366 housing units that that have been demolished since 2007, and an estimated 150 more that require demolition due to poor and unsafe conditions. The City of Coffeyville recently approved the demolition of 20 housing units, with another 130 housing units earmarked for future demolition. It is estimated that over 700 homes are still substandard. Also, with few exceptions, the stock of multi-family rental property is old and substandard. It must be noted that there is definite opportunity for quality, upper-scale rental property.

With over two-thirds of Coffeyville's existing housing stock built prior to 1960, many homes might not be energy efficient, or there may be issues with heating, electrical or plumbing systems simply because of their age. Other homes built in the 1960's and 1970's may be in good condition but in need of updating to make them more appealing to current buyer preferences. Newer housing built since 1990 represents just 10 percent of Coffeyville's total inventory and is located primarily in the west and northwest portions of the city. Single-family housing built in the past 30 years appears to be in good condition and offers modern design and features. The most upscale new housing in Coffeyville is within the Northbrook subdivision located on Overlook Drive north of Woodland Avenue. It must be noted that Coffeyville's newer housing built since the 1990's represents 10% of Coffeyville's housing stock, the 2007 flood removed over 10% of Coffeyville's housing stock.

FOR-SALE HOUSING MARKET ANALYSIS

This section of the report evaluates the City of Coffeyville's for-sale housing market by identifying: 1) new and existing home sale trends; 2) current supply of for-sale homes on the market; and 3) active residential subdivisions. Stakeholder interviews were also conducted with the purpose of identifying future for-sale opportunities in Coffeyville. The goal was to determine the Coffeyville for-sale housing market's ability to support near-term new housing construction. Note: Due to the lack of new home construction over the past ten years; the 2007 flood; and the volatile pandemic for-sale housing market, historical data must be utilized.

Home Sale Trends

Multiple Listing Service ("MLS") data provided by local realtors was consulted to ascertain recent single-family home sales trends for Coffeyville. From a peak of 192 home sales in 2006, total home sales declined gradually over the next five years to a low of 97 home sales in 2011. Reason for the dramatic shift can be attributed to the 2007 flood, which the Coffeyville housing stock has not recovered. Home sales experienced the largest drop in 2009, declining by 38.1 percent over 2008. The trend in declining home sales was attributed to a weakening national and local economy, national housing slump and more restrictive lending practices. Also, the insecurity of Coffeyville's future after the 2007 flood.

During 2012 home sales in Coffeyville rebounded, up 40.2 percent to a reported 136 homes sold. Home sales declined 12.5 percent in 2013 to 119 sales as interest rates escalated and the inventory of homes on the market declined throughout the year.

Monthly sales in Coffeyville ranged from a low of 4.33 sales in January to a high of 12.78 sales in August. Home sales seem to be most active during the hot summer months from May to September, and lowest during the winter months of January and February. Since 2013, an average of nearly 10.5 homes sold per month in Coffeyville. From 2009 to 2011 annual sales proceeds declined to a low of $5.2 million, a 54.1 percent drop from the peak in 2006.

Key indicators that are reflective of the health of a local for-sale housing market include annual sales velocity, average sales price, average days on the market ("DOM") and average sales price as a percentage of the average list price. Home sale prices in Coffeyville peaked in 2008 at an average price of $71,412. In 2013, the average home sales price dropped 9.1 percent to $64,927. Through 2020, due to a weakening economy and declining home sales velocity the average sale price declined by another 18.2 percent to $53,100. Over the past two years during the pandemic, housing demand has accelerated the average sales price, but for the purpose of this assessment, the 2020 average sales price of $53,100 will be utilized.

A healthy for-sale housing market generally operates at an average days on the market of 90 days or less. At the height of Coffeyville's housing market, the average days on the market were reported by the Southeast Kansas MLS at 71 days in 2006, and 58 days in 2008, indicative of a healthy supply and demand balance. As the national economy weakened and housing demand softened, the average days on the market rose to a high of 111 days by 2010. As demand has strengthened the average days on the market have moderated to 90 days; however, due to the pandemic, the average days on market has dropped considerably.

With the exception of red hot housing markets homes generally sell for less than the listing price. A healthy for-sale housing market generally garners a sale price of 95 percent or better of the listing price. At the peak of the market from 2006 to 2008 Coffeyville supported an average sales price equating to 92.9 percent to 95.1 percent of the average list price. The assessment of For-Sale housing market utilizes historical data to illustrate when Coffeyville's For-Sale housing market was relatively consistent. Over the past ten years the average sales price has declined to a low of 80.9 percent of the average list price. The pandemic has skewed the average sales price to and overvalued market.

The active listing market can also provide insight into the condition of a local for-sale housing market. The year-end number of active listings, average list price, month's supply and average days on the market from 2009 through 2013 for Coffeyville was consistent. The consistency of for-sale housing market remained through 2020, until the pandemic.

As Coffeyville's for-sale housing market softened over the years, both the number of active listings and months of supply dropped to blow market equilibrium levels declining a healthy level of six months. As a result, the average list price over the years has been on the decline, and the average days on the market on the rise, before the pandemic. Prior to the pandemic, a continued decline in the inventory of available listings should have placed upward pressure on list prices and reduce the months of supply and average days on the market, but that was not the case for Coffeyville.

Data published by the Southeast Kansas MLS illustrates the lack of new housing in Coffeyville. In 2021, two new homes were built with a listing price range from $220,000 to 250,000. Both new homes sold prior to completion. The age of Coffeyville's housing stock is the primary reason why quality housing that meets buyer's needs is in short supply.

Based on home sales data published by the Southeast Kansas MLS prior to the pandemic, it appears that while Coffeyville supports a diverse for-sale housing market, it is heavily skewed to homes priced under $100,000. Older, smaller homes are very affordable and are suitably priced for first-time buyers and empty nesters seeking to down-size prior to the pandemic. Newer housing located primarily in the western portion of the city is suitable for move-up buyers and people relocating from outside the area. Primary complaints of area realtors are the lack of quality move-up housing product and the limited supply of new, modern homes built over the past 20 years. These market deficiencies have limited the ability of Coffeyville to attract new hires to the community as evident by the fact that less than 35 percent of people employed locally live in Coffeyville. People employed locally are desperate for any type of housing and condition sometimes does not matter in the effort to be closer to work. There is an opportunity in Coffeyville to construct new housing targeting the first-time, move-up and upscale market segments.

Current Supply of Homes on the Market

Prior to the pandemic, substandard homes remained on the for-sale market while quality homes sold quickly. Potential homebuyers sought housing outside of Coffeyville and is evident by the 2/3rds of Coffeyville's workforce living outside of Coffeyville.

Past history shows that nearly 82 percent of the homes on the market were priced under $100,000. The active listings prior to the pandemic indicated that homes were on the market between 3 and 1,365 days, averaging 180 days on the market. The homes ranged in size from 800 to 4,515 square feet, averaging 1,795 square feet. The average asking pricing equates to $50.06 per square foot. The most expensive homes are located in the Northbrook subdivision with available homes priced from $230,000 to $499,900.

Active Residential Subdivisions

As mentioned earlier in the report, Coffeyville's housing is old with no new homes constructed since 2010 and only 111 homes built from 2000 to 2009. The last subdivision developed is located immediately south of the Brown Mansion on U.S. 169. Built by Pollet Construction, the subdivision is designed for both market-rate for-sale homes and subsidized rental housing. The subdivision has performed poorly given its location on the south side of the city and the blend of market-rate and subsidized rental housing. To date, just two new homes were built in 2021 since 2010 with a listing price range from $220,000 to 250,000. Both new homes sold prior to completion. Prior to the pandemic, some homes remained on the market for over 6-years.

Northbrook within the northwest quadrant of Coffeyville is the latest luxury home subdivision to be developed in Coffeyville and 14 homes have been constructed. Four homes were available for sale in Northbrook priced from $230,000 to $499,900.

Conclusions

The 2010 Census inventoried 5,021 housing units in Coffeyville, Kansas, down 9.5 percent from 5,550 housing units reported by the 2000 Census. The 2020 Census inventoried 4,956 housing units in

Coffeyville, Kansas, down 1.3 percent from 5,021 housing units reported by the 2010 Census. A reported 459 homes were damaged by the 2007 flood, representing approximately 10 percent of Coffeyville's housing stock. Most of the damaged homes were demolished; accounting for decline in the City's housing stock from 2000 to 2010. As of 2020, an additional 366 homes have been demolished due to blighted or unsafe conditions. At the time of this assessment, a total of 825 homes have been removed from Coffeyville's housing stock. It is estimated that over 700 homes are still substandard. The overall occupancy rate for existing housing in Coffeyville was reported by the 2020 Census at 80.6 percent with 3,995 housing units occupied.

Coffeyville's housing stock is relatively old with over two-thirds of the existing inventory built prior to 1960 (compared to 36.9% for Kansas). Newer housing built since 1990 represents just over 10 percent of Coffeyville's total inventory. According to the U.S. Census Bureau from 2000 to 2020, just 111 new housing units were built in Coffeyville. Although, the 1990 through 2020 new housing unit construction represents a 10% increase, the 2007 flood removed over 10% of the existing housing stock.

Not so similar to the national housing market, Coffeyville has suffered from declining sales velocity and property values. Due to the pandemic home sales velocity, average sales price and total sales proceeds improved considerably, suggesting Coffeyville's for-sale housing market is in recovery; however, the trend is forecasted to end in future years.

Due to Coffeyville's lack of new construction, past historical information must be utilized to show potential. From 2005 through 2013, a total of 1,130 homes sold in Coffeyville. After peaking at 192 home sales in 2006, single family housing sales in Coffeyville declined steadily to a low of 97 sales in 2011. Home sales experienced the largest drop in 2009, declining by 38.1 percent over 2008. The trend in declining home sales was attributed to a weakening national and local economy, national housing slump and more restrictive lending practices. During 2012, home sales in Coffeyville rebounded, up 40.2 percent to a reported 136 homes sold. Home sales declined 12.5 percent in 2013 to 119 sales as interest rates escalated and the inventory of homes on the market declined throughout the year.

Home sale prices in Coffeyville peaked in 2008 at an average price of $71,412. In 2013, the average home sales price dropped 9.1 percent to $64,927. Through 2020, due to a weakening economy, the 2007 flood, and declining home sales velocity, the average sale price declined by another 18.2 percent to $53,100. Over the past two years during the pandemic, housing demand has accelerated the average sales price, but for the purpose of this assessment, the 2020 average sales price of $53,100 will be utilized.

Given the limited new home construction since 2000, new home sales in Coffeyville accounted for a very small market share of total home sales. From 2000 through 2010 the MLS reported a total of just 111 new home sales in Coffeyville. From 2010 through 2020, no new home sales have occurred. In 2021, two new homes were built and sold before completion.

Based on home sales data published by the Southeast Kansas MLS prior to the pandemic, it appears that while Coffeyville supports a diverse for-sale housing market, it is heavily skewed to homes priced under $100,000. Older, smaller homes are very affordable and are suitably priced for first time buyers and empty nesters seeking to down-size prior to the pandemic. Newer housing located primarily in the western portion of the city is suitable for move-up buyers and people relocating from outside the area. Primary complaints of area realtors are the lack of quality move-up housing product, and the limited supply of newer, modern homes built over the past 20 years. These market deficiencies have limited the ability of Coffeyville to attract new hires to the community as evident by the fact that more than 65 percent of people employed live outside Coffeyville. People employed locally are desperate for any type of housing, and condition sometimes does not matter in the effort to be closer to work. There is an opportunity in Coffeyville to construct new housing targeting the first-time, move-up and upscale market segments.

Interviews were conducted with several realtors in an effort to gain a deeper understanding of Coffeyville's for-sale housing market. The comments received are summarized below.

- A lot of Oklahoma residents work in Coffeyville, providing for an untapped housing market opportunity.

- There is a demand in Coffeyville for luxury housing priced above $200,000. Northbrook is the only custom home subdivision developed over the past 20 years. Many newly hired executives buy homes in Bartlesville or Tulsa, Oklahoma. In the past two years, several doctors have moved to Coffeyville and generated demand for luxury for-sale and rental housing. The Big Hill area of Coffeyville is an excellent location for the construction of luxury housing.

- The construction of new luxury housing in Coffeyville will trigger a domino effect allowing first-time homebuyers to purchase move-up housing vacated by families moving into luxury homes.

- Pent-up demand in Coffeyville exists for new housing targeting young families, priced from $120,000 to $160,000.

- There has been very little new home construction over the past 25 years. The lack of newer, modern housing hampers the Coffeyville housing market and results in many homebuyers to purchase homes outside of the city.

- The presence of deteriorated homes in Coffeyville and poor condition of some residential neighborhoods are issues for prospective homebuyers.

- The west and north portions of Coffeyville represent the most desirable residential areas and support the highest demand for f or-sale housing.

RENTAL HOUSING MARKET ANALYSIS

This section of the report evaluates the City of Coffeyville's rental housing market. Three rental housing products were assessed, including: 1) market-rate housing; 2) income based apartments; and 3) senior housing.

Coffeyville Rental Market

According to the 2020 Census, the housing stock of Coffeyville totals 4,956 dwelling units, of which 17.9 percent, or 889 dwelling units, are in multi-unit structures. The homeownership rate for Coffeyville is 53.2 percent, compared to 68.2 percent for Kansas. Over the past three decades the housing stock of Coffeyville has declined by 20.1 percent, from 6,203 dwelling units in 1990 to 4,956 dwelling units in 2020. During this 30-year period, the population of Coffeyville declined by 30.1 percent. The loss of 1,247 housing units is attributed both to the demolition of substandard properties as well as the 2007 flood that impacted 459 dwelling units.

The City has addressed the deteriorated and dilapidated housing problem in recent years by dedicated funds for demolition and pursuing demolition of approximately 40 or more structures each year. As of 2020, an additional 366 homes have been demolished due to blighted or unsafe conditions. At the time of this assessment, a total of 825 homes have been removed from Coffeyville's housing stock. It is estimated that over 700 homes are still substandard. In addition, the City of Coffeyville has recently rated 150 residential properties within the city limits. Based on the findings of the rating system, the city is now in the process of entering into the eminent domain process on approximately 150+ homes for the purpose of demolition.

The City faces a continuing reduction in the inventory of available affordable housing units through deterioration, dilapidation and from the demolition of uninhabitable housing that resulted from the 2007 flood. Homes in the flood impacted area were renting at a reported $250 to $300 per month.

Rental housing accounts for 42 percent of Coffeyville's occupied housing stock, totaling 1,679 dwelling units. The existing stock of rental housing is old with the median year built reported at 1956, compared to 1968 for the state of Kansas. In addition, according to realtors interviewed, much of Coffeyville's stock of market-rate rental housing consists of single-family homes with approximately one-third of the inventory owned by absentee landlords. There is an extreme shortage of quality rental inventory.

The median monthly rents in Coffeyville is $642. There is no difference in rent between a single-family home rental and that of a multi-family apartment property. No bedroom rent ranges primarily from $300 to $1,500. For 1-bedroom, rent primarily ranges from $300 to $1,500 or more. For 2-bedroom, rent ranges from $500 to $1,500. For 3 or more bedrooms, from $750 to $1,500 or more. High-end rental housing, of which there is little, generally commands a monthly rent of $1,200 to $1,500. Quality rental properties in Coffeyville generally rent quickly. Realtors interviewed indicated rental housing in Coffeyville is currently operating at an average vacancy rate of just 5.9 percent.

Total:	1,679
No bedroom:	80
With cash rent:	80
Less than $300	44
$300 to $499	0
$500 to $749	0
$750 to $999	0
$1,000 to $1,499	0
$1,500 or more	36
1 bedroom:	403
With cash rent:	403
Less than $300	101
$300 to $499	121
$500 to $749	121
$750 to $999	0
$1,000 to $1,499	0
$1,500 or more	60
2 bedrooms:	744
With cash rent:	693
Less than $300	9
$300 to $499	64
$500 to $749	417
$750 to $999	186
$1,000 to $1,499	17
$1,500 or more	0
No cash rent	51
3 or more bedrooms:	452
With cash rent:	427
Less than $300	39
$300 to $499	34
$500 to $749	106
$750 to $999	172
$1,000 to $1,499	43
$1,500 or more	33
No cash rent	25

2020 US Census

Very little attached rental housing has been constructed in Coffeyville over the past 35 years. As a result, much of the rental housing is old and poorly maintained. Given the area's declining population and modest income levels, despite a healthy overall occupancy rate, existing rental housing garners modest rental rates.

According to the U.S. Census Bureau, Coffeyville's median household income of $31,878 is 40 percent below the national with nearly 39 percent of all households earning less than $25,000 annually. In addition, 18.1 percent of the Coffeyville population is aged 65 years and older. Based on the income levels and age distribution of Coffeyville residents, considerable demand exists for affordable rental and senior housing.

Rental Housing Assessment

In an effort to identify current rental housing market conditions in Coffeyville, Kansas a survey was conducted of larger rental properties. In addition, interviews were conducted with real estate agents and rental housing management firms. For purposes of the analysis, rental properties were classified into three groups, including: 1) market-rate housing; 2) income-based apartments; and 3) senior housing. Independent and assisted living senior communities were excluded from the survey. The property data was compiled via the Montgomery County parcel search and contacting property managers and leasing agents. Findings of the competitive apartment survey are summarized in the table on the following page.

Ten large-scale rental apartment properties were surveyed in Coffeyville totaling 404 dwelling units. Half of the assessed apartment properties are located in or near downtown Coffeyville. Given the demographics of the Coffeyville population highlighted by low income levels and a large elderly population all ten properties operate as tax credit or income-based rental apartment communities. Four properties totaling 162 dwelling units are available to singles and families with six properties totaling 242 dwelling units catering exclusively to seniors. No exclusively market-rate apartment properties were identified in Coffeyville. The assessed apartment communities offer limited amenities, the most common being laundry facilities and playground. The senior apartment properties generally operate a community room.

Survey of Coffeyville Large-Scale Apartment Properties

Income-Base Properties	**Year Built**	**# of Units**	**Tax Credit/ Section 8**
Cleveland Apartments			
*502 East 2nd Street	1981	24	Yes
*705 East 3rd Street	1983	24	Yes
Coffeyville Village Apartments			
*601-619 East 3rd Street	1969	42	Yes
Mill Supply Apartments			
713 Union Street	2010	32	Yes
Coffeyville Garden Apartments			
2516 West 10th Street	1969	40	Yes
Senior Housing	**Year Built**	**# of Units**	**Tax Credit/ Section 8**
Patterson Square Apartments			
401 Union Street	1982	24	Yes
Manor House			
101 East 5th Street	1981	51	Yes
Pickwick Place Apartments			
600 Maple Street	1977	60	Yes
Dale Apartments			
206 West 8th Street	1925	47	Yes
Bella Rose Villas			
1203 West 14th Street	1961	20	Yes
Sycamore Landing Apartments			
701 Lewark Street	1994	40	Yes

Montgomery County Parcel Search

The tax credit and income-based apartment communities assessed were newer built, or acquired and rehabbed, using tax credits; or, are operated as Section 8 low income housing. Conversations with managers and leasing agents indicated that demand for affordable rental housing is strong, marked by low vacancies. Investors and Developers utilizing Federal tax credits will find opportunity in Coffeyville.

Coffeyville's inventory of rental apartments is old, with an average year built of 1976. All but two of the apartment communities were built prior to 1984. The 32-unit Mill Supply Apartments located at 713 Union Street in downtown Coffeyville is the latest apartment property to be built, opening in 2010.

The modest inventory of affordable rental apartments and current population demographics suggest Coffeyville is in desperate need of additional tax credit and/or income-based rental units.

*Note – Coffeyville Resources demolished 3 income-based apartments in 2022, reducing the total # of apartments from 162 to currently only 72.

Market-Rate Housing

The housing assessment did not identify any large-scale, market-rate apartment properties in Coffeyville. Local realtors indicated single-family homes and 2 to 4 unit properties account for the bulk of market-rate rental housing in Coffeyville.

According to the 2020 American Community Survey published by the U.S. Census Bureau, detached single-family homes account for 37.1 percent of all occupied rental units. Properties with 2 to 4 dwelling units account for 21.3 percent of all renter-occupied units.

There is no difference in rent between a single-family home rental and that of a multi-family apartment property. Monthly rents for single-family homes generally range from $500 to $1,500 for 2-bedroom homes, and $750 to $1,500 for 3-bedroom/2 bath homes. High-end rental housing, of which there is very little, generally commands a monthly rent of $1,200 to $1,500 or more. The median rental rate in Coffeyville is $642 per month. Realtors estimated the current vacancy rate for single-family rental units at approximately 5.9 percent. Quality rental housing in Coffeyville rents quickly.

As of the date of this assessment, very little single-family homes were available for rent in Coffeyville, quoting an asking rental rate of $675 to $1,200 per month. Two bedroom homes are renting for $775 to $1,500 per month, with three bedroom homes renting for $850 to $1,500.

The absence of quality market-rate rental properties in Coffeyville results in higher income households seeking housing to look elsewhere. A quality rental housing stock is an important component of fostering a healthy for-sale housing market by offering prospective residents the opportunity to live in the community before buying a home.

Income-Based Apartments

Over one-third of Coffeyville households earn less than $25,000 per year which creates considerable demand for subsidized and affordable housing. In Coffeyville, affordable housing assistance takes the form of Section 42 Tax Credit Program and the Department of Housing and Urban Development ("HUD") provides subsidized housing through its Section 8 Housing Choice Voucher Program.

Eligibility for the Section 8 Choice Voucher Program is determined based on the total annual gross income and family size and is limited to U.S. citizens and specified categories of non-citizens who have eligible immigration status. All Section 8 programs use the very low-income or low-income standards of the median income for the county or metropolitan area in which the eligible household chooses to live. Based on Montgomery County's median household income of $45,288, for FY 2020 the maximum very low-income limit ranges from $22,800 annually for a one-person household to $43,000 annually for an 8-person household. The low-income limit (60% of County's median income) ranges from $27,360 annually for a one- person household to $51,600 annually for an 8-person household.

The Multifamily Tax-Subsidy Projects income limits are used to determine qualification levels, and to set rental rates for low-income housing tax-credit or tax-exempt bond projects. Eligibility for the Section 42 Tax Credit Program is determined based on maximum income limits set as a percentage of area median income adjusted for household size.

The City identified ten tax credit and income-based rental properties in Coffeyville with a total of 404 dwelling units. Monthly rents are based on 30 percent of adjusted gross income. Four of the assessed properties totaling 162 dwelling units rent to singles and families. The unit mix includes 52 one-bedroom, 48 two-bedroom/one bath, 20 two bedroom/two bath and 43 three bedroom/2 bath models. Three of the assessed properties were confirmed to be built or rehabilitated using tax credits, including the Cleveland Apartments, Coffeyville Garden Apartments and Mill Supply Apartments.

The 48-unit Cleveland Apartments occupy two locations at the northeast corner of 2nd and Cedar Streets and the southeast corner of 3rd and Linden Streets on the eastside of Coffeyville. The properties were rehabbed using tax credits and placed in service in 1997 and 1999.

The 40-unit Coffeyville Garden Apartments located at 2516 West 10th Street were rehabbed using tax credits. Monthly rents are inclusive of utilities.

The 32-unit Mill Supply Apartments located at 713 Union Street in downtown Coffeyville is the latest apartment property to be built, opening in 2010. The unit mix includes 10 one-bedroom, 2-two bedroom/1 bath and 20 two-bedroom/two bath units.

Senior Housing

Six senior apartment properties operate in Coffeyville totaling 242 dwelling units, all of which are tax credit and/or income-based. Because the properties cater to seniors the unit mix is dominated by one-bedroom models which account for 89.3 percent of the total senior apartment housing stock, or 216 dwelling units. Four of the properties were confirmed to be built or rehabilitated using tax credits, including the Patterson Square Apartments, Dale Apartments, Bella Rose Villas and Sycamore Landing Apartments.

The 40-unit Sycamore Landing Apartments located at 701 Lewark Street were built in 1994 using tax credits. The unit mix includes 38 one-bedroom models, and two 2-bedroom/1 bath models.

The 24-unit Patterson Square Apartments, located at 401 Union Street, were built in 1982 and rehabbed in 1997 using tax credits. All the apartment units are one-bedroom models.

The 20-unit Bella Rose Villas, located at 1203 West 14th Street, were built in 1961 and rehabbed in 2006 using tax credits. The property's unit mix includes 16 one-bedroom models, and four two-bedroom/ one bath models.

The 47-unit Dale Apartments, located at 206 West 8th Street, were built in 1925 and rehabbed in 2008 using tax credits. The 6-story brick building is located in downtown Coffeyville and features ground floor commercial space. The property's unit mix includes 20 studios and 27 one-bedroom models. At the time of this assessment, the Dale Apartments have new ownership and intend to rehab the apartments using tax credits.

Coffeyville's current senior population 65+ years of age totals 1,622 residents. By 2030, the city's senior population is forecast to increase by 11.9 percent, or 220 residents, generating increased need for senior housing.

Conclusions

Rental housing accounts for 42 percent of Coffeyville's occupied housing stock, totaling 1,679 dwelling units. An estimated one-third of the rental housing stock is owned by absentee landlords. The existing stock of rental housing is old with the median year built reported at 1956, compared to 1968 for the state of Kansas. Very little, if any, attached rental housing has been constructed in Coffeyville over the past 25 years. As a result, much of the rental housing is old and poorly maintained.

The median monthly rents in Coffeyville is $642. No bedroom rent ranges from $300 to $1,500. For 1-bedroom, rent ranges from $300 to $1,500 or more. For 2-bedroom, rent ranges from $500 to $1,500. For 3 or more bedrooms, $750 to $1,500 or more. High-end rental housing, of which there is little, generally commands a monthly rent of $1,200 to $1,500. The median rental rate in Coffeyville is $642 per month. Quality rental properties in Coffeyville generally rent quickly. Realtors interviewed indicated rental housing in Coffeyville currently operates at an average vacancy rate of just 5.9 percent.

Ten larger rental apartment properties were surveyed in Coffeyville, totaling 404 dwelling units. Given the demographics of the Coffeyville population highlighted by low income levels and a large elderly population, all ten properties operate as tax credit or income-based rental apartment communities. Four properties totaling 162 dwelling units are available to singles and families with six properties totaling 242 dwelling units catering exclusively to seniors. No exclusively market-rate apartment properties were identified in Coffeyville. Developers and investors will find opportunity by constructing luxury apartments, because there is no market-rate apartments in Coffeyville. Also, nonresidents working in Coffeyville that leave the City limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a great potential for market-rate apartments.

Over one-third of Coffeyville households earn less than $25,000 per year which creates considerable demand for income-based and affordable housing. The 2020 Census reported that people aged 65+ accounted for 18.3 percent of Coffeyville's total population, or 1,622 residents. The state-wide average for residents 65+ years is 13.2 percent, indicating Coffeyville supports an above average senior population. Estimates indicate that by 2030 the city's senior population to increase by 220 residents, generating increased need for senior housing.

The modest inventory of affordable rental apartments and current population demographics suggest Coffeyville can support additional income-based rental units.

The primary barrier for prospective renters in Coffeyville is the limited availability of quality rental units in the form of single-family homes and apartment properties. The absence of quality rental properties in Coffeyville results in higher income households seeking housing to look elsewhere outside the City of Coffeyville. A quality rental housing stock is an important component of fostering a healthy for sale housing market by offering prospective residents the opportunity to live in the community before buying a home.

FORECAST HOUSING DEMAND

The previous sections of this assessment analyzed the existing housing supply and the growth and demographic characteristics of the population and households in Coffeyville, Kansas. This section of the assessment provides housing needs estimates for the City of Coffeyville Developers and Investors.

Demographic Profile and Housing Demand

The demographic profile of a community affects housing demand and the types of housing that is needed and supportable. The various housing life-cycle stages are defined in the text below.

Entry-Level Householders

- Often prefer to rent basic, inexpensive apartments
- Usually singles or couples without children in their early 20's
- Will often "double-up" with roommates in an apartment setting

First-Time Homebuyers and Move-Up Renters

- Often prefer to purchase modestly-priced, single-family homes; or, rent more upscale apartments
- Usually married or cohabitating couples, in their mid-20's or 30's, some with children, but most are without children

Move-up Homebuyers

- Typically prefer to purchase newer, larger, and therefore, more expensive single-family homes
- Typically, families with children where householders are in their late 30's to 40's

Empty-Nesters and Never-Nesters

- Empty-nesters are persons whose children have grown and left home while never-nesters are persons who never had children
- Prefer owning but will consider renting their housing
- Some will move to alternative lower-maintenance housing products such as patio homes, garden homes and condominiums
- Generally, couples in their 50's or 60's

Younger Independent Seniors

- Prefer owning but will consider renting their housing
- Will often move (at least part of the year) to retirement havens in the Sunbelt, and desire to reduce their responsibilities for upkeep and maintenance
- Generally, couples in their late 60's or 70's

Older Seniors

- May need to move out of their single family home due to physical and/or health constraints, or desire to reduce their responsibilities for upkeep and maintenance
- Generally single females (widows) in their mid-70's or older

Smaller communities and rural areas such as Coffeyville, Kansas tend to have higher proportions of younger households that own their housing than in larger centers or metropolitan areas. In addition, senior households tend to move to alternative housing at an older age. These conditions are a result of housing market dynamics, which typically provide more affordable single-family housing for young households and a scarcity of senior housing alternatives for older households. Therefore, the age categories for housing life cycles will be somewhat different in Coffeyville then in the nearby metropolitan areas of Wichita, Tulsa, and Kansas City.

Over the next ten-years, residents 35 to 64 years of age will have the biggest effect on the housing market in Coffeyville, with this age accounting for over one-third of the city's population. Some of those residents in their mid-30's and 40's will prefer more expensive, single-family homes, while others who become empty-nesters may prefer to downsize. Seniors will also have a significant impact on the local housing market as the number of residents 65+ years of age is estimated to increase over the coming decade. Some of these people will move out of their single-family homes into independent or assisted living communities. Finally, over the coming the next ten years, the young population in Coffeyville aged 20 to 24 years will be entering the housing market, placing increased demand on affordable housing.

Housing Demand Calculations

Residential housing absorption estimates for the City of Coffeyville, Kansas through the year 2030 were forecast based on an economic model of the new housing market. Key input to the model includes historical patterns in annual residential building permit activity; projected population growth; average household formation rates, and income levels. Demographic characteristics for the City of Coffeyville published by the U.S. Census influencing the demand and composition of housing are summarized in the following information.

Future demand for additional housing in Coffeyville, Kansas will primarily come from household growth, and the attraction of workers living outside of Coffeyville. Replacement need will also contribute to the demand for additional residential housing stock. Pent-up demand can also be a source of housing demand and generally occurs when the overall rental vacancy rate is below the 5 to 7 percent stabilized rate. While the 2020 Census reported the overall occupancy rate for rental housing in Coffeyville at 94.1 percent, great demand exists given the large stock of rental housing in poor condition. Only two large market-rate apartment properties have been built since 1990 in Coffeyville and our research indicates there is great demand for newer, contemporary product.

According to the Coffeyville Building Inspection Department from 2010 to 2020, no new residential housing units were constructed within the City of Coffeyville. Supportable residential housing absorption over the next 10-years will be a function of resident population growth and household size while income levels and age composition will dictate the type and mix of housing product.

Over the past six decades, Coffeyville experienced steady population loss, declining by 49.22 percent from 17,382 residents in 1960 to 8,826 residents by 2020. Coffeyville's current population can be compared to Coffeyville's population between 1900 to 1910. Coffeyville's population is projected to decline by 15.0 percent from 2020 to 2030, to 7,500 residents which is consistent with prior decade decline since 1960.

The rate of population loss continues and it appears the negative impact of the 2007 flood has never subsided. Based on these market factors, Coffeyville is forecasted to still decline through 2030. Consistent with national trends, the elderly and family/working adult populations are expected to continue increasing. The City of Coffeyville's average household size as published by the 2020 Census is 2.22 persons. Therefore, Coffeyville's forecast population decline through 2030 is 597households, unless new housing units are constructed.

Another potential source of future housing demand in Coffeyville is the capture of employees of local businesses that are non-residents. According to the U.S. Census Bureau in 2020, Coffeyville supported 3,667 jobs, of which less than 35 percent were residents of the City. Realtors cited the lack of quality housing as a principal reason why local employees live elsewhere. At modest capture, rates of 10 to 15 percent pent-up housing demand is estimated at 238 to 357 dwelling units.

Another factor in calculating demand for housing is an examination of replacement need. Replacement need is generated from the loss of housing, or the need to replace housing units that are physically or functionally obsolete. A review of the age of Coffeyville's housing stock from the U.S. Census Bureau revealed that 1,850 housing units, or 22.5 percent of the total housing stock, were built prior to 1940. As a means to address the issue of substandard and neglected properties the City of Coffeyville has rated each residential property in the city. Based on the findings of the rating system, the city is now in the process of entering into the eminent domain process on approximately 150 homes for the purpose of demolition. Given Coffeyville's large inventory of vacant substandard and neglected housing units, replacement need is anticipated to be negligible.

To conclude, through population growth and the modest capture of nonresidents working locally, new housing demand from 2020 through 2030 in Coffeyville is estimated at 238 to 357 dwelling units. According to the 2020 Census, Coffeyville's mix of occupied housing units was 57.9 percent owner-occupied, and 42.1 percent renter occupied. This report estimates that through 2030, owner-occupied housing will account for 60 percent of all new housing units, with renter-occupied housing accounting for the remaining 40 percent. Therefore, through 2030, the mix of new housing demand is estimated at 142 to 214 owner-occupied units, and 95 to 142 rental units.

According to the 2020 Census, an estimated 961 residential dwelling units were unoccupied in Coffeyville. Given the level of recent housing demolition activity, and large inventory of deteriorated and functionally obsolete housing in Coffeyville, this report assumes that the bulk of new housing demand forecast through 2030 will migrate to new housing.

Household income levels directly influence housing affordability. From 2020 to 2030, it is forecasted 13.7 percent increase in the average household income of Coffeyville to $39,484 annually. By 2030, an estimated 17.9 percent of households will earn $75,000 or more. Coffeyville's large concentration of low-income households and small percentage of high-income households suggests a strong need for affordable housing and restricts the size of the luxury housing market.

Future new housing demand in Coffeyville by price range was based on a $5,000 down payment, 30-year fixed loan, Interest rate of 4.5% and 6.5%, 700 credit score, and debt ratio of 33% of gross household income could purchase a new home in the following ranges:

630-Households $35,000-$49,999 home purchase amount **$70,400-$82,100**. **634**-Households $50,000-$74,999 home purchase amount **$122,000-$142,500**. **176**-Households $75,000-$99,999 home purchase amount **$151,600-$177,100**. **327**-Households $100,000-$149,999 home purchase amount **$240,100-$280,000**.

Approximately 15.7 percent (630) of Coffeyville households earn from $35,000 to $49,999 per year. Approximately 15.8 percent (634) of Coffeyville households earn $50,000 to $74,999. Approximately 4.4 percent (176) of Coffeyville households earn $75,000 to $99,999. Approximately 8.1 percent (327) of Coffeyville households earn from $100,000 to $149,999.

At a sale price of approximately $130.00 per square foot for new single-family construction, it is difficult to offer new homes priced under $130,000. Based on current and estimated future household income growth in Coffeyville, through the year 2030, new demand for housing priced under $130,000 is forecast to account for 15 percent of total owner-occupied housing absorption. Housing priced from $130,000 to $179,999 is forecasted to account for 30 percent of total owner-occupied housing absorption. Homes priced from $180,000 to $219,999 are estimated to account for 35 percent of new housing demand. Homes priced at $220,000 and over are anticipated to account for 20 percent of total for-sale housing absorption.

Income levels suggest considerable new demand for affordable rental housing will materialize in Coffeyville through the year 2030. An estimated 34.8 percent of households in Coffeyville earn less than $25,000 annually. These households tend to be perpetual renters. Through 2030, rental housing at rents of less than $500, in the City of Coffeyville, is forecasted to account for 21.9 percent of total new rental housing absorption, or 20 to 31 dwelling units. An estimated 59.6 percent of new rental housing absorption, or 56 to 84 dwelling units, will originate at rents of $500 to $999 per month. An estimated 9.1 percent of new rental housing absorption, or 9 to 13 dwelling units, will originate at rents of $1,000 to $1,500 or more per month.

ASSESSMENT CONCLUSIONS

Findings and recommendations provided by the Housing Assessment prepared for the City of Coffeyville, Kansas include:

- Quantify 10-year housing absorption for the City of Coffeyville and

- Identify opportunities for future new housing construction in Coffeyville, including market segmentation (i.e., prospective target markets and pricing), housing product types (i.e., for-sale, rental and senior housing) and location of development sites.

Forecast Housing Demand

Through population growth and the modest capture of non-residents working locally, new housing demand from 2020 through 2030 in Coffeyville is estimated at 238 to 357 dwelling units. According to the 2020 Census, Coffeyville's mix of occupied housing units was 57.9 percent owner-occupied and 42.1percent renter-occupied. This report estimates that through 2030, owner-occupied housing will account for 60 percent of all new housing units, with renter-occupied housing accounting for the remaining 40 percent. Therefore, through 2030, the mix of new housing demand is estimated at 142 to 214 owner-occupied units, and 95 to 142 rental units.

Household income levels directly influence housing affordability. From 2020 to 2030, there is a forecasted 13.7 percent increase in the average household income of Coffeyville to $39,484 annually. By 2030, an estimated 17.9 percent of households will earn $75,000 or more. Coffeyville's large concentration of low-income households and small percentage of high-income households suggests a strong need for affordable housing and restricts the size of the luxury housing market.

Based on current and estimated future household income growth in Coffeyville, through the year 2030 new demand for housing priced under $130,000 is forecast to account for 15 percent of total owner-occupied housing absorption. Housing priced from $130,000 to $179,999 is forecast to account for 30 percent of total owner-occupied housing absorption. Homes priced from $180,000 to $219,999 are estimated to account for 35 percent of new housing demand. Homes priced at $220,000 and over are anticipated to account for 20 percent of total for-sale housing absorption.

Income levels suggest considerable new demand for affordable rental housing will materialize in Coffeyville through the year 2030. An estimated 34.8 percent of households in Coffeyville earn less than $25,000 annually. These households tend to be perpetual renters. Through 2030, rental housing at rents of less than $500 in the City of Coffeyville is forecasted to account for 21.9 percent of total new rental housing absorption, or 20 to 31 dwelling units. An estimated 59.6 percent of new rental housing absorption, or 56 to 84 dwelling units, will originate at rents of $500 to $999 per month. An estimated 9.1 percent of new rental housing absorption, or 9 to 13 dwelling units, will originate at rents of $1,000 to $1,500 or more per month.

Housing Market Opportunities

Coffeyville has successfully attracted a large employment base, including such notable companies as John Deere and Acme; however, despite supporting approximately 3,667 jobs, only 35 percent of workers reside in the community. A primary hurdle in attracting new residents is the limited availability of quality for-sale and rental housing. Several area employers indicated a difficulty in filling available positions due primarily to the shortage of quality housing in Coffeyville. Many new employees at local firms relocating to the area must seek housing in such places as Bartlesville, Oklahoma and Tulsa, Oklahoma to commute to work. For Coffeyville to successfully retain and attract jobs, as well as lure new residents, it must offer prospective employers and their employees a more diverse mix of quality housing, including both new for sale and rental product.

Single-family housing in Coffeyville is very affordable. In 2020, the average sales price was just $53,100 for resale homes, but the housing stock only appears to be in fair condition. There are housing units (particularly in the older parts of town) suffering from deferred maintenance and disinvestment. Therefore, the current housing market is limited to hourly workers, office staff and management. However, what is needed is a greater mix and stock of quality new for-sale housing priced from $130,000 to $179,999, aimed at entry-level and first-time move-up buyers; and $220,000+, targeting upper management, professionals and physicians. Considering 2,384 non-residents working in Coffeyville leave the City limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction.

Coffeyville's west side is the preferred location for new home construction targeting entry-level and first-time move-up buyers, while boasting schools, shopping, recreation, health services and employment. New semi-custom and custom housing priced at $220,000 and above will require a unique and prestigious location. The Big Hill area in northwest Coffeyville, highlighted by excellent view corridors and the presence of two golf courses, and the Northbrook custom home subdivision, are ideal locations for the development of a premier single-family home community.

The primary barrier for prospective renters in Coffeyville is the limited availability of quality rental units in the form of single-family homes, duplexes and apartment properties. The absence of quality rental properties in Coffeyville results in higher income households seeking housing to look elsewhere outside Coffeyville. Considering 2,384 non-residents working in Coffeyville leave the City limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. A quality rental housing stock is an important component of fostering a healthy for-sale housing market by offering prospective residents the opportunity to live in the community before buying a home.

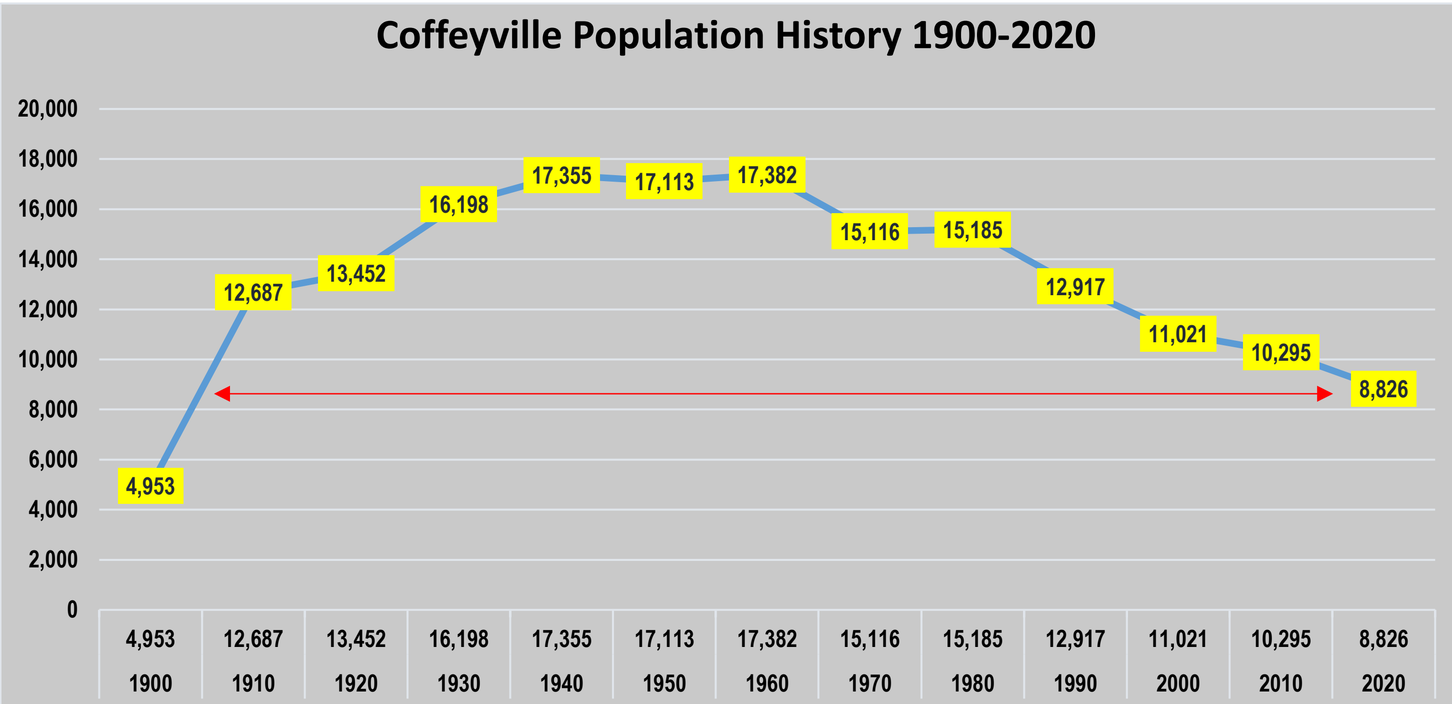
An estimated 31.53 percent, or 1,264 households, in Coffeyville earn $35,000 to $74,999 per year, of which some are prospective renters of market-rate housing. By 2030, households earning $35,000 to $74,999 are expected to increase dramatically, suggesting a strong growth in the demand for market-rate rental housing. Considering 2,384 non-residents working in Coffeyville leave the City limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Large-scale market-rate apartment development targeting move-up renters is best suited on the west side of Coffeyville. In addition, the construction of market-rate duplexes for rent is appropriate infill development.

With nearly 34.8 percent of households in Coffeyville earning less than $25,000, there is projected to be a continued need for affordable rental housing. In addition, Coffeyville's senior population is large and growing, generating a growing demand for affordable rental housing geared specifically to low-income and seniors. Only six income-based senior apartment properties totaling just 242 dwelling units currently operate in Coffeyville, suggesting a supply-demand imbalance.

Based on Coffeyville's income and age demographics, as well as current supply of affordable rental housing, over the next ten-years additional construction of income-based rental properties for singles, families and seniors will be required. Appropriate location for the development of future affordable rental housing is within the portion of Coffeyville located south of 11th Street.

ATTACHMENTS

EXHIBIT A



Coffeyville Population History 1900-2020
20,000
18,000
16,000
14,000
12,000
10,000
8,000
6,000
4,000
2,000
0
4,953
12,687
13,452
16,198
17,355
17,113
17,382
15,116
15,185
12,917
11,021
10,295
8,826
1900
1910
1920
1930
1940
1950
1960
1970
1980
1990
2000
2010
2020

EXHIBIT B

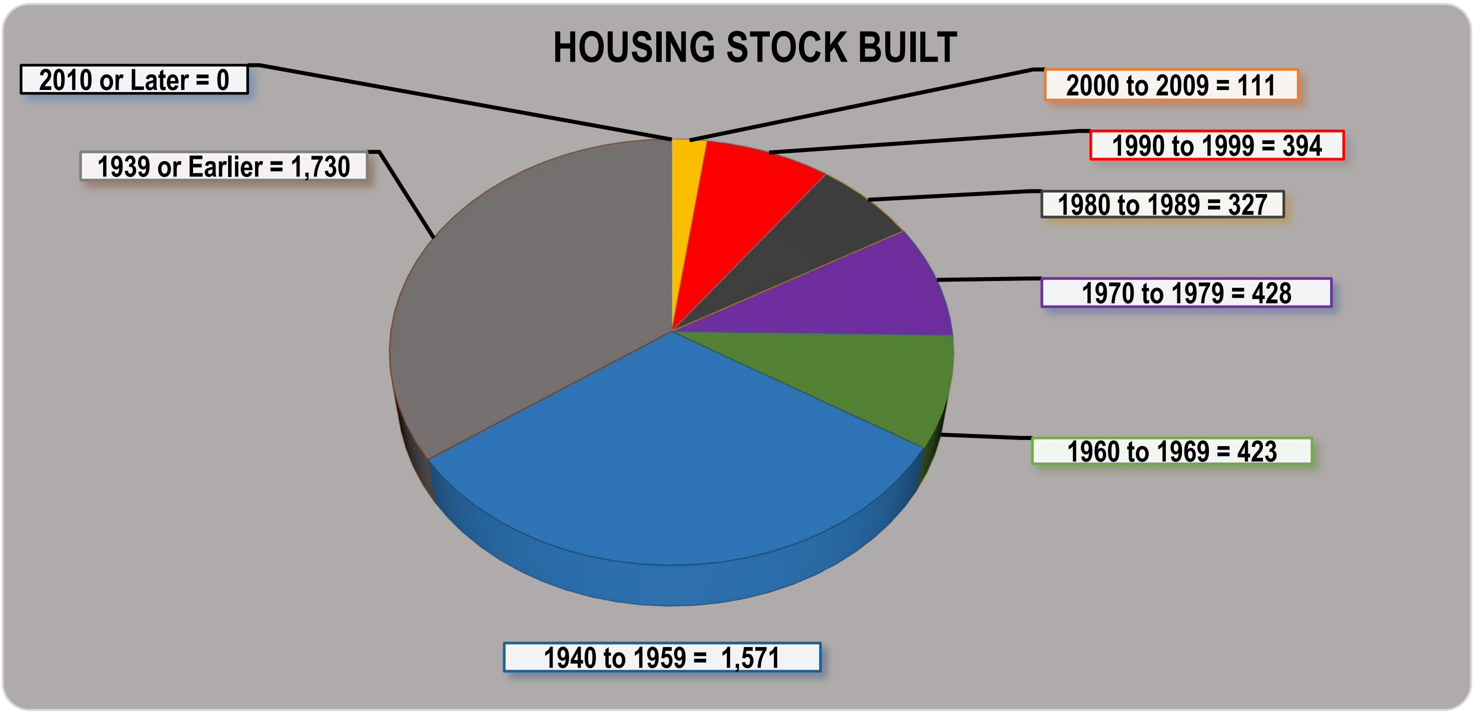

HOUSING STOCK BUILT
2010 or Later = 0
2000 to 2009 = 111
1990 to 1999 = 394
1980 to 1989 = 327
1970 to 1979 = 428
1960 to 1969 = 423
1940 to 1959 = 1,571
1939 or Earlier = 1,730

EXHIBIT C

Total Household Income Affordability Estimates									
Household Income	33% Housing Cost	Debts	Budget	Credit Score	Loan Type	Down Payment	Interest Rate	Loan Amount	P & I Mo. Payment
$35,000	$963	$570	$82,100	700	30yr fixed	$5,000	4.5%	$77,100	$391
$35,000	$963	$550	$70,400	700	30yr fixed	$5,000	6.5%	$65,400	$413
$35,000 - $49,999 **630** Households 15.70%									
Household Income	33% Housing Cost	Debts	Budget	Credit Score	Loan Type	Down Payment	Interest Rate	Loan Amount	P & I Mo. Payment
$50,000	$1,375	$675	$142,500	700	30yr fixed	$5,000	4.5%	$137,500	$697
$50,000	$1,375	$630	$122,200	700	30yr fixed	$5,000	6.5%	$117,200	$741
$50,000 - $74,999 **634** Households 15.80%									
Household Income	33% Housing Cost	Debts	Budget	Credit Score	Loan Type	Down Payment	Interest Rate	Loan Amount	P & I Mo. Payment
$75,000	$2,062	$1,190	$177,100	700	30yr fixed	$5,000	4.5%	$172,100	$872
$75,000	$2,062	$1,135	$151,600	700	30yr fixed	$5,000	6.5%	$146,600	$927
$75,000 - $99,999 **176** Households 4.40%									
Household Income	33% Housing Cost	Debts	Budget	Credit Score	Loan Type	Down Payment	Interest Rate	Loan Amount	P & I Mo. Payment
$100,000	$2,750	$1,350	$280,000	700	30yr fixed	$5,000	4.5%	$275,000	$1,393
$100,000	$2,750	$1,265	$240,100	700	30yr fixed	$5,000	6.5%	$235,100	$1,486
$100,000 - $149,999 **327** Households 8.10%									
Household Income	33% Housing Cost	Debts	Budget	Credit Score	Loan Type	Down Payment	Interest Rate	Loan Amount	P & I Mo. Payment
$150,000	$4,125	$2,025	$419,300	700	30yr fixed	$5,000	4.5%	$414,300	$2,099
$150,000	$4,125	$1,895	$358,000	700	30yr fixed	$5,000	6.5%	$353,000	$2,231
$150,000 - $199,000 **89** Households 2.20%									
Household Income	33% Housing Cost	Debts	Budget	Credit Score	Loan Type	Down Payment	Interest Rate	Loan Amount	P & I Mo. Payment
$200,000	$5,500	$2,700	$557,700	700	30yr fixed	$5,000	4.5%	$552,700	$2,800
$200,000	$5,500	$2,525	$476,000	700	30yr fixed	$5,000	6.5%	$471,000	$2,977
$200,000 or more **131** Households 3.20%									

EXHIBIT D

2007 COFFEYVILLE, KANSAS FLOOD

On July 2nd, 2007 Coffeyville, Kansas experienced flooding due to a levee breach primarily caused by prolonged record rain levels which affected the town of Coffeyville, Kansas. Residents were swamped with waters that rose more than 30 feet in some areas and the governor of Kansas declared 18 counties as disaster areas. An estimated 40,000 gallons of crude oil contaminated floodwaters. A year after a refinery oil spill into floodwaters blanketed a third of this southeast Kansas town, little remains in the area that was damaged.









A reported 459 homes were damaged by the 2007 flood, representing approximately 10 percent of Coffeyville's housing stock. Most of the damaged homes were demolished; accounting for decline in the City's housing stock from 2000 to 2010.

SUMMARY OF MAJOR FINDINGS

The City of Coffeyville has prepared a Housing Assessment Analysis that evaluates the City of Coffeyville's current for-sale and rental housing, quantifies near-term housing demand and identifies housing opportunities to capture and support new housing construction. The Assessment's major findings are summarized in the text below.

Economic and Demographic Overview

The City of Coffeyville is a rural community located in Montgomery County in southeast Kansas. A community's population size, growth, household types, age composition, educational attainment and income levels play significant roles in the demand for housing.

A community's population growth patterns play significant roles in the demand for housing and supportable property values. Over the past six decades, Coffeyville experienced steady population loss, declining by 49.22 percent from 17,382 residents in 1960 to 8,826 residents by 2020. Coffeyville's current population can be compared to Coffeyville's population between 1900 to 1910.

Over the past decade, the composition of households in Coffeyville shifted slightly with single female and non-family householder comprising larger market shares. The number of female householder families with no husband present 1,454. The number of married-couple households stands at 1,267. The number of married-couple households with children under 18 years is 459. Shifts in the types of households in Coffeyville have likely had an impact on the composition of housing demand and new home construction.

The number of householders 65 years and older account for 17.4 percent of all households in Coffeyville. In the coming years, senior households are expected to have a growing impact on the Coffeyville housing market and the demand for independent and assisted living facilities. Senior independent and assisted living facilities are in short supply and provide developer and investor opportunity.

Coffeyville residents on average are less educated than the norms for both Kansas and the United States. Approximately 28.4 percent of Coffeyville residents 25 years and over have attained associate, bachelors and/or advanced degrees. By comparison, 35.7 percent of Kansas residents and 39.1 percent of U.S. residents possess an associate, bachelors and/or advanced degree. Coffeyville's below average educational levels place constraints on attainable incomes, housing values and homeownership levels, but the large Coffeyville workforce living outside Coffeyville increases the educational attainment level drastically.

The U.S. Census Bureau estimated the 2020 median household income for Kansas of $61,091 and the United States of $67,521. The 2020 median household income of $34,727 for the City of Coffeyville is well below the national and statewide averages. According to U.S. Census, during 2020 an estimated 34.8 percent of households in Coffeyville earned less than $25,000 annually. These households tend to be perpetual renters but given the low cost of existing single-family housing in Coffeyville can support the purchase of rehabilitated housing. During 2020, an estimated 17.9 percent of households earned $75,000 or more, fueling a definite demand for move-up and luxury housing.

According to the US Census data, the poverty rate in Coffeyville is 29.26%. One out of every 3.4 residents of Coffeyville lives in poverty. 2,582 of the 8,826 Coffeyville residents reported income levels below the poverty line in 2020. Nearly 40 percent of the 2,582 Coffeyville residents living below the poverty line are children under the age of 18 years. **Source 2020 US Census**

Poverty income households tend to be perpetual renters; therefore, there will always be a definite need for low-income rental property. Developers and investors involved with Federal tax credit programs will find ample opportunity in Coffeyville.

Coffeyville has been successful in generating new jobs in the area, but have not capitalized on those jobs due to a lack of affordable, adequate housing. According to the U.S. Census Bureau, in 2020 Coffeyville supported 3,667 jobs, of which less than 35 percent were residents of the City. Non-residents working in Coffeyville that leave the City limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Developers and Investors will be profitable in any housing segment they choose.

Since 2005 the unemployment rate in Coffeyville, Kansas has ranged from 3.5% in September 2019 to 13.8% in July 2009. The current unemployment rate for Coffeyville is 4.7% in August of 2022.

For-Sale Housing Market

The 2010 Census inventoried 5,021 housing units in Coffeyville, Kansas, down 9.5 percent from 5,550 housing units reported by the 2000 Census. The 2020 Census inventoried 4,956 housing units in Coffeyville, Kansas, down 1.3 percent from 5,021 housing units reported by the 2010 Census. A reported 459 homes were damaged by the 2007 flood, representing approximately 10 percent of Coffeyville's housing stock. Most of the damaged homes were demolished; accounting for decline in the City's housing stock from 2000 to 2010. As of 2020, an additional 366 homes have been demolished due to blighted or unsafe conditions. At the time of this assessment, a total of 825 homes have been removed from Coffeyville's housing stock. It is estimated that over 700 homes are still substandard. The overall occupancy rate for existing housing in Coffeyville was reported by the 2020 Census at 80.6 percent with 3,995 housing units occupied.

Coffeyville's housing stock is relatively old with over two-thirds of the existing inventory built prior to 1960 (compared to 36.9% for Kansas). Newer housing built since 1990 represents just over 10 percent of Coffeyville's total inventory. According to the U.S. Census Bureau from 2000 to 2020, just 111 new housing units were built in Coffeyville. Although, the 1990 through 2020 new housing unit construction represents a 10% increase, the 2007 flood removed over 10% of the existing housing stock.

Due to Coffeyville's lack of new construction, past historical information must be utilized to show potential. From 2005 through 2013 a total of 1,130 homes sold in Coffeyville. After peaking at 192 home sales in 2006, single family housing sales in Coffeyville declined steadily to a low of 97 sales in 2011. Home sales experienced the largest drop in 2009, declining by 38.1 percent over 2008. The trend in declining home sales was attributed to a weakening national and local economy, national housing slump and more restrictive lending practices. During 2012 home sales in Coffeyville rebounded, up 40.2 percent to a reported 136 homes sold. Home sales declined 12.5 percent in 2013 to 119 sales as interest rates escalated and the inventory of homes on the market declined throughout the year.

Home sale prices in Coffeyville peaked in 2008 at an average price of $71,412. In 2013, the average home sales price dropped 9.1 percent to $64,927. Through 2020, due to a weakening economy, the 2007 flood and declining home sales velocity the average sale price declined by another 18.2 percent to $53,100. Over the past two years during the pandemic, housing demand has accelerated the average sales price, but for the purpose of this assessment, the 2020 average sales price of $53,100 will be utilized.

Given the limited new home construction since 2000, new home sales in Coffeyville accounted for a very small market share of total home sales. From 2000 through 2010 the MLS reported a total of just 111 new home sales in Coffeyville. From 2010through 2020, no new home sales have occurred. In 2021, two new home were built and sold before completion.

Based on home sales data published by the Southeast Kansas MLS prior to the pandemic, appears that while Coffeyville supports a diverse for-sale housing market, it is heavily skewed to homes priced under $100,000. Older, smaller homes are very affordable and are suitably priced for first time buyers and empty nesters seeking to down-size prior to the pandemic. Newer housing located primarily in the western portion of the city is suitable for move-up buyers and people relocating from outside the area. Primary complaints of area realtors are the lack of quality move-up housing product and the limited supply of newer, modern homes built over the past 20 years. These market deficiencies have limited the ability of Coffeyville to attract new hires to the community as evident by the fact that more than 65 percent of people employed live outside Coffeyville. People employed locally are desperate for any type of housing and condition sometimes does not matter in the effort to be closer to work. There is an opportunity in Coffeyville to construct new housing targeting the first-time, move-up and upscale market segments.

Interviews were conducted with several realtors in an effort to gain a deeper understanding of Coffeyville's for-sale housing market. The comments received are summarized below.

- A lot of Oklahoma residents work in Coffeyville, providing for an untapped housing market opportunity.

- There is a demand in Coffeyville for luxury housing priced above $200,000. Northbrook is the only custom home subdivision developed over the past 20 years. Many newly hired executives buy homes in Bartlesville or Tulsa, Oklahoma. In the past two years several doctors have moved to Coffeyville and generated demand for luxury for-sale and rental housing. The Big Hill area of Coffeyville is an excellent location for the construction of luxury housing.

- The construction of new luxury housing in Coffeyville will trigger a domino effect allowing first-time homebuyers to purchase move-up housing vacated by families moving into luxury homes.

- Pent-up demand in Coffeyville exists for new housing targeting young families priced from $120,000 to $160,000.

- There has been very little new home construction over the past 25 years. The lack of newer, modern housing hampers the Coffeyville housing market and results in many homebuyers to purchase homes outside of the city.

- The presence of deteriorated homes in Coffeyville and poor condition of some residential neighborhoods are issues for prospective homebuyers.

- The west and north portions of Coffeyville represent the most desirable residential areas and support the highest demand for for-sale housing.

Rental Housing Market

Rental housing accounts for 42 percent of Coffeyville's occupied housing stock, totaling 1,679 dwelling units. An estimated one-third of the rental housing stock is owned by absentee landlords. The existing stock of rental housing is old with the median year built reported at 1956, compared to 1968 for the state of Kansas. Very little if any attached rental housing has been constructed in Coffeyville over the past 25 years. As a result, much of the rental housing is old and poorly maintained.

The median monthly rent in Coffeyville is $642. No bedroom rent ranges from $300 to $1,500. For 1-bedroom, rent ranges from $300 to $1,500 or more. For 2-bedroom, rent ranges from $500 to $1,500. For 3 or more bedrooms, $750 to $1,500 or more. High-end rental housing, of which there is little, generally commands a monthly rent of $1,200 to $1,500. The median rental rate in Coffeyville is $642 per month. Quality rental properties in Coffeyville generally rent quickly. Realtors interviewed indicated rental housing in Coffeyville is current operating at an average vacancy rate of just 5.9 percent.

Ten larger rental apartment properties were surveyed in Coffeyville totaling 404 dwelling units. Given the demographics of the Coffeyville population, highlighted by low income levels and a large elderly population, all ten properties operate as tax credit or income-based rental apartment communities. Four properties totaling 162 dwelling units are available to singles and families with six properties totaling 242 dwelling units catering exclusively to seniors. No exclusively market-rate apartment properties were identified in Coffeyville. Developers and investors will find opportunity by constructing luxury apartments, because there is no market-rate apartments in Coffeyville. Also, nonresidents working in Coffeyville that leave the City limits to live totals 2,384. Nonresidents working in Coffeyville represent an untapped workforce housing market and a great potential for market-rate apartments.

Over one-third of Coffeyville households earn less than $25,000 per year which creates considerable demand for income-based and affordable housing. The 2020 Census reported that people aged 65+ accounted for 18.3 percent of Coffeyville's total population, or 1,622 residents. The state-wide average for residents 65+ years is 13.2 percent, indicating Coffeyville supports an above average senior population. Estimates indicate that by 2030 the city's senior population to increase by 220 residents, generating increased need for senior housing.

The modest inventory of affordable rental apartments and current population demographics suggest Coffeyville can support additional income-based rental units.

The primary barrier for prospective renters in Coffeyville is the limited availability of quality rental units in the form of single-family homes and apartment properties. The absence of quality rental properties in Coffeyville results in higher income households seeking housing to look elsewhere outside the City of Coffeyville. A quality rental housing stock is an important component of fostering a healthy for sale housing market by offering prospective residents the opportunity to live in the community before buying a home.

Study Conclusions

Findings and recommendations provided by the Housing Demand Market Analysis prepared for the City of Coffeyville, Kansas include:

- Quantify 5-year housing absorption for the City of Coffeyville and

- Identify housing market opportunities in Coffeyville, including market segmentation, housing product types (i.e., for-sale, rental and senior housing) and location.

Forecast Housing Demand

Through population growth and the modest capture of non-residents working locally new housing demand from 2020 through 2030 in Coffeyville is estimated at 238 to 357 dwelling units. According to the 2020 Census Coffeyville's mix of occupied housing units was 57.9 percent owner-occupied and 42.1percent renter occupied. This report estimates that through 2030, owner-occupied housing will account for 60 percent of all new housing units with renter-occupied housing accounting for the remaining 40 percent. Therefore, through 2030 the mix of new housing demand is estimated at 142 to 214 owner-occupied units and 95 to 142 rental units.

Household income levels directly influence housing affordability. From 2020 to 2030 it is forecasted 13.7 percent increase in the average household income of Coffeyville to $39,484 annually. By 2030, an estimated 17.9 percent of households will earn $75,000 or more. Coffeyville's large concentration of low-income households and small percentage of high-income households suggests a strong need for affordable housing and restricts the size of the luxury housing market.

Income levels suggest considerable new demand for affordable rental housing will materialize in Coffeyville through the year 2030. An estimated 34.8 percent of households in Coffeyville earn less than $25,000 annually. These households tend to be perpetual renters. Through 2030 rental housing at rents of less than $500 in the City of Coffeyville is forecast to account for 21.9 percent of total new rental housing absorption, or 20 to 31 dwelling units. An estimated 59.6 percent of new rental housing absorption, or 56 to 84 dwelling units, will originate at rents of $500 to $999 per month. An estimated 9.1 percent of new rental housing absorption, or 9 to 13 dwelling units, will originate at rents of $1,000 to $1,500 or more per month.

Housing Market Opportunities

Coffeyville has successfully attracted a large employment base including such notable companies as John Deere and Acme; however, despite supporting approximately 3,667 jobs, only 35 percent of workers reside in the community. A primary hurdle in attracting new residents is the limited availability of quality for-sale and rental housing. Several area employers indicated a difficulty in filling available positions due primarily to the shortage of quality housing in Coffeyville. Many new employees at local firms relocating to the area must seek housing in such places as Bartlesville, Oklahoma and Tulsa, Oklahoma to commute to work. For Coffeyville to successfully retain and attract jobs as well as lure new residents it must offer prospective employers and their employees a more diverse mix of quality housing, including both new for sale and rental product.

Single-family housing in Coffeyville is very affordable. In 2020, the average sales price was just $53,100 for resale homes, but the housing stock only appears to be in fair condition. There are housing units (particularly in the older parts of town) suffering from deferred maintenance and disinvestment. Therefore, the current housing market is limited to hourly workers, office staff and management. However, what is needed is a greater mix and stock of quality new for-sale housing priced from $130,000 to $179,999 aimed at entry-level and first-time move-up buyers and $220,000+ targeting upper management, professionals and physicians. Considering 2,384 non-residents working in Coffeyville leave the City limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction.

Coffeyville's west side is the preferred location for new home construction targeting entry-level and first-time move-up buyers, boasting schools, shopping, recreation, health services and employment. New semi-custom and custom housing priced at $220,000 and above will require a unique and prestigious location. The Big Hill area in northwest Coffeyville highlighted by excellent view corridors and the presence of two golf courses and the

Northbrook custom home subdivision is an ideal location for the development of a premier single-family home community.

The primary barrier for prospective renters in Coffeyville is the limited availability of quality rental units in the form of single-family homes, duplexes and apartment properties. The absence of quality rental properties in Coffeyville results in higher income households seeking housing to look elsewhere outside Coffeyville. Considering 2,384 non-residents working in Coffeyville leave the City limits to live, non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. A quality rental housing stock is an important component of fostering a healthy for-sale housing market by offering prospective residents the opportunity to live in the community before buying a home.

An estimated 31.53 percent, or 1,264 households, in Coffeyville earn $35,000 to $74,999 per year, of which some are prospective renters of market-rate housing. By 2030, households earning $35,000 to $74,999 are expected to increase dramatically, suggesting a strong growth in the demand for market-rate rental housing. Considering 2,384 non-residents working in Coffeyville leave the City limits to live. Non-residents working in Coffeyville represent an untapped workforce housing market and a potential for all segments of new housing unit construction. Large-scale market-rate apartment development targeting move-up renters is best suited on the west side of Coffeyville. In addition, the construction of market-rate duplexes for rent is appropriate infill development.

With nearly 34.8 percent of households in Coffeyville earning less than $25,000 there is projected to be a continued need for affordable rental housing. In addition, Coffeyville's senior population is large and growing. generating a growing demand for affordable rental housing geared specifically to low-income and seniors. Only six income-based senior apartment properties, totaling just 242 dwelling units, currently operate in Coffeyville, suggesting a supply-demand imbalance.

Based on Coffeyville's income and age demographics as well as current supply of affordable rental housing, over the next ten-years additional construction of income-based rental properties for singles, families and senior will be required. Appropriate location for the development of future affordable rental housing is within the portion of Coffeyville located south of 11th Street.

KANSAS HOUSING

CERTIFICATE OF COMPLIANCE WITH STATE AND FEDERAL REQUIREMENTS

In accordance with the requirements of the Kansas Housing Resources Corporation, the Applicant certifies that if awarded all Moderate Income Housing units will be designed and constructed to meet all applicable requirements for accessibility to persons with disabilities and energy efficiency, including the following (check as applicable):

- [ ] KSA Chapter 58-1401 et seq.
- [ ] Fair Housing Act Design Standards
- [ ] 2018 International Energy Conservation Code or Energy Star Program standards
- [ ] Any applicable local code provisions or requirements related to accessibility

____ ________________

Applicant (City/County) Date

________________________ ____________________________

Applicant Signature Print Name & Role

7.1 Organizational Capacity to Administer MIH Funding

The City of Coffeyville will utilize multiple city departments to oversee the housing development project and administer the MIH funds. The grant administrator, City Manager, City Clerk and Finance Director will oversee expenditures of grant funding, as well as any leveraging commitments. Coffeyville's city staff has a track record of success administering grants and loan funding through multiple state and federal programs. Our experience includes KDHE revolving loans, community development block grants, EPA grants and KDOT AIP grants. Our city manager has experience with MIH grants from his previous work in a different community.

Coffeyville's Director of Engineering services will coordinate the land use process with the help of the development team. The building inspector will oversee building permitting and inspections during the building construction phase of the project.

In total, the City of Coffeyville has a team of Directors from Engineering, Finance, Electrical, Code Enforcement, Sewer/Waste Water, Police, Fire and I.T. to facilitate all aspects of the housing project and grant administration.