Boone County and the City of Columbia Housing Study

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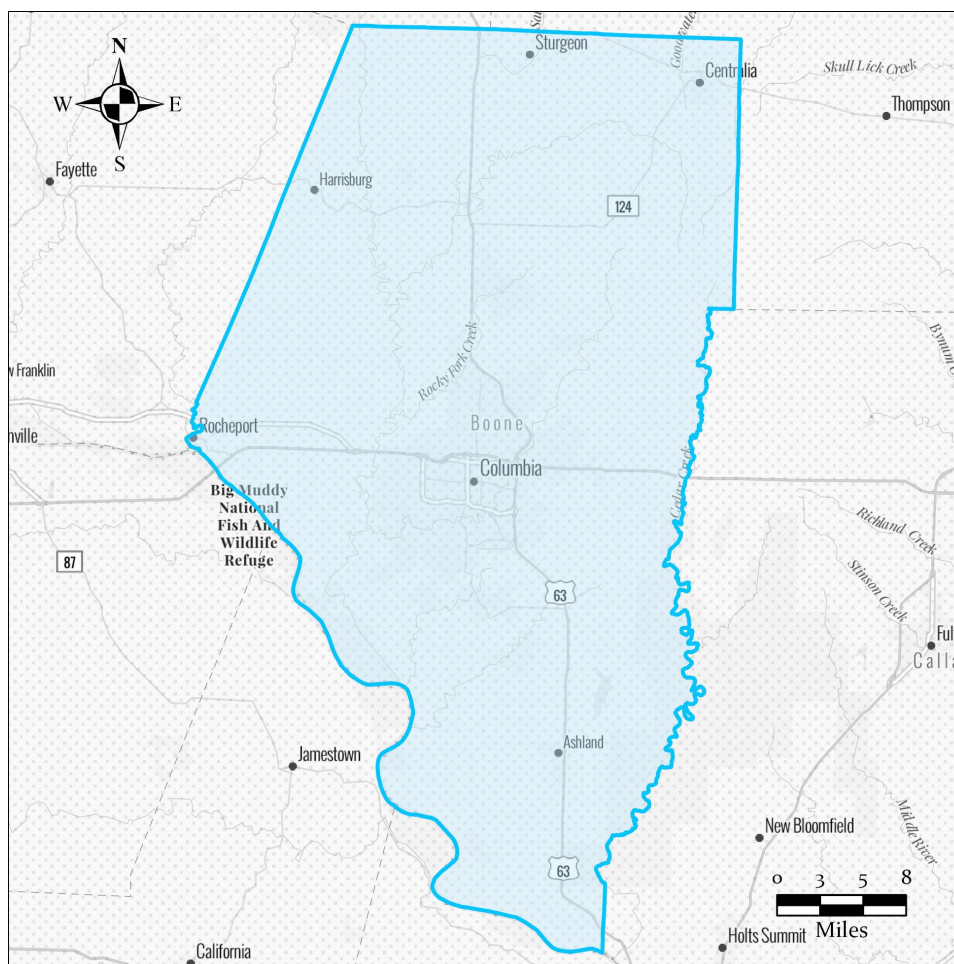
COUNTY OF BOONE
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Executive Summary

This housing study was conducted to provide a comprehensive understanding of housing market conditions, community housing needs, and the gaps between housing supply and demand that should be addressed to strengthen the local economy and improve peoples' lives in Boone County, Missouri and the City of Columbia.

The study area includes the entirety of Boone County with results sometimes displayed against the State of Missouri and comparable counties, or split into smaller regions, such as the City of Columbia, for analytical and policy making purposes.

Figure 1: Study area map

Source: Amarach Planning Services, 2024; Boone County, Missouri

Summary of key findings

Key findings of the study are divided into those focused on the housing needs that exist throughout the City of Columbia and the rest of Boone County, and those focused on the most prevalent challenges to addressing those housing needs. More detail for some findings can be found in the Key Findings section of the study.

Housing needs:

- **Affordability:** The most pressing issue is the lack of affordable housing across all income levels, particularly for low-income families, young adults, and first-time homebuyers. An overall shortage of homes is significantly contributing to the affordability deficit.

- **Displacement:** The lack of affordable workforce housing options and the displacement of middle-income families due to rising costs were emphasized by many of the people who provided information and input for this study.

- **Student housing and University impact:** Interviewees pointed out a mismatch between the housing stock and workforce needs, noting that student housing construction is trying to keep up with demand, but we are lacking options for both lower-income and upper-income permanent resident households. There is a desire that the University take a more proactive role in addressing student housing needs.

- **Lack of skilled labor:** Recent employment growth in manufacturing and construction has hit some roadblocks due to a lack of skilled labor in Boone County. This, in turn, hurts local purchasing power and housing production potential.

- **Need for gentle density:** There is a perceived market supply gap in terms of available housing types between single-family homes and multifamily rental apartments (townhomes, duplexes, triplexes, quads, and condos). While there is actually an oversupply of gentle density homes, the perceived need is because gentle density homes are not built in the desired context as a transitional use between single-family neighborhoods and more intensive multifamily or commercial uses. Instead, gentle density homes are being built on secluded subdivisions in the same way that single-family homes are typically built as a way to lower construction costs.

- **Starter homes and down payment assistance:** There's a shortage of starter homes, single-family homes, and affordable rental units. First-time homebuyers need more affordable options and support with down payments.

- **Unique considerations by area:** People living in urban, suburban, and rural areas throughout Boone County reported different housing needs for each of the three urban typologies found in the county.

  o Urban areas: Concerns about sewer and wastewater capacity, NIMBYism, zoning laws, and the ability to do high density infill development.

  o Suburban areas: Need for a balance between development and neighborhood character. Infrastructure capacity is an issue. More density in centers.

  o Rural areas: Limited development options due to infrastructure construction and maintenance costs. Northern Boone County specifically needs more housing options.

- **Homes in poor condition:** There is poor maintenance of some mobile homes, homes in older neighborhoods, and other older homes that are providing a significant portion of the affordable housing stock in Boone County.

- **Coordination:** Better coordination and collaboration are needed between stakeholders involved in housing development. The importance of collaboration between the City, County, developers, nonprofits, and residents to address housing challenges was continuously emphasized, along with the need for more public-private partnerships and leadership in spearheading housing initiatives.

- **Universal design:** Accessible housing for people with disabilities is lacking, particularly outside Columbia.

- **Variety of housing types:** Residents expressed a desire for a variety of housing options, including new homes, rentals, and existing properties in good condition across urban, suburban, and rural areas. A mix of single-family homes, townhomes, duplexes, triplexes, quadruplexes, small apartments (including studios and one-bedroom units), family apartments, manufactured housing, condos, and senior living options are needed to serve different income levels and the diverse needs of the community.

- **Mobility:** People need greater mobility in terms of walkable neighborhoods, safe bicycle routes, trails, and reliable public transportation between neighborhoods and employment that is dependable, accessible, and affordable.

Challenges:

- **Development costs:** High costs of land and labor and rising and constantly changing material costs make it difficult to develop affordable housing, particularly in the City of Columbia.

- **Funding:** Local funding sources for affordable housing development are scarce. Existing programs may not be well-funded or utilized, and there is a need for local funding options for affordable housing development beyond federal and state programs.

- **Outmigration:** A net loss of young families (30-34 age group) and empty nesters (50s age group) leaving the county as their housing size needs change was concerning. Both of these age groups are in a stage of life when many would start to look for small homes, because young families are looking for starter homes and empty nesters are looking to downsize.

- **Regulations:** Zoning regulations, permitting processes, and high development costs are seen as making it difficult to build affordable housing. Complex zoning codes and lengthy permitting processes can hinder development, particularly for higher density housing options. The risk involved in discretionary hearing processes causes many developers to pursue what is easy instead of what is needed, thereby pushing more developers to build market rate housing on undeveloped greenfield (never previously developed) sites instead of affordable housing on infill or redevelopment sites.

- **Corporate investors:** Corporate investors buying up and renting properties that were previously owner-occupied is further driving up housing prices and keeping many residents from being able to purchase their own homes.

- **Community resistance:** NIMBYism ("Not In My Back Yard") attitudes create resistance to new development, especially for affordable housing.

- **Discrimination:** While the Columbia Housing Authority has done a good job in establishing relationships with landlords throughout the City of Columbia and Boone County, discrimination against voucher holders further limits housing options for low-income residents.

- **Barriers to homeownership among low-income families:** Limited access to down payment assistance and financial literacy education hinder the path to homeownership for many.

- **Infrastructure costs:** Expanding housing opportunities can be hampered by high infrastructure upgrade costs, especially for water and sewer infrastructure.

- **Sewer capacity and barriers:** Conflict between the City and County regarding the sewer system, outdated sewer regulations, and related pre-annexation agreement complications were highlighted as roadblocks to development by community members. While no specific regulatory barriers related to sewer infrastructure were uncovered as a part of this study, those perceptions persist, and the sewer district should engage in proactive long-range planning paired with strategic investments in sewer infrastructure to facilitate increased density in urban areas. Sewer capacity is a major barrier to building ADUs (accessory dwelling units), gentle density increases (duplexes, triplexes, or quadruplexes in single-family neighborhoods), and in infill development proposals.

- **Limited public transportation:** Limited public transportation restricts housing choices for residents who rely on it to access jobs and amenities. Buses do not go where the jobs are, and 90-minute headways do not provide a practical alternative to driving for many people.

- **Distribution of affordable housing:** A strong consensus emerged that affordable housing options are not currently distributed evenly throughout Boone County.

Summary of recommendations

Considering the major findings of this study, the following recommendations are geared towards addressing the community's housing needs in a comprehensive way that ensures long-term affordability, sustainability, and economic well-being.

The recommendations are organized by strategic and by thematical categories. The four major strategic categories are described as (1) Development, (2) Preservation, (3) Empowerment, and (4) Sustainability. The Development recommendations are focused on facilitating the construction of new homes that address the housing needs of the community. The Preservation recommendations are geared towards ensuring that the existing affordable housing in the City of Columbia and throughout Boone County remains affordable and in good condition for generations to come. The Empowerment recommendations are centered around providing

everyone the opportunity to call Boone County home and put down roots. Finally, the Sustainability recommendations are strategies that secure progress towards achieving the community's housing goals for the long-term by ensuring that policies are written, homes are built, and opportunities are created in a way that facilitates lasting impacts.

The following table provides an overview of the study's recommendations, and more detailed explanations of each recommendation can be found in the Recommendations and Implementation Matrix sections of this study.

Table 1: List of recommendations

Recommendation
Development recommendations
1.1: Create predictable and streamlined review processes
1.2: Create a local housing trust fund
1.3: Develop a linkage fee policy
1.4: Establish an inclusionary zoning policy
1.5: Other zoning code and plan revisions
1.6: Tax increment financing (TIF) to facilitate infill development
1.7: Include universal design and accessibility features in new homes
1.8: Prioritize and incentivize this study's development targets
1.9: Apply for the PRO Housing Grant in Round 3
Preservation recommendations
2.1: Create a housing preservation inventory
2.2: Code enforcement prioritizes keeping housing well-maintained
2.3: Replicate the Home Rehab & Energy Efficiency Program
2.4: Participate in the MHDC HeRO Program
Empowerment recommendations
3.1: Establish rent-to-own programs
3.2: Expand homeowner education and financial literacy classes
3.3: Invest in skilled labor training
3.4: Utilize existing resources effectively
3.5: Improve and consolidate the transit system
3.6: Include transportation costs in manual underwriting
Sustainability recommendations
4.1: Expand the use of energy efficient mortgages (EEM)
4.2: Build more energy efficient homes
4.3: Create a land bank and bolster the land trust
4.4: Cost-benefit analysis for regulations impacting housing
4.5: Leverage public-private partnerships

Source: Amarach Planning Services, 2024