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Firm: Downtown needs housing

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The Wichita Eagle

Wichita's downtown has the market to support 1,000 new households over the next five to seven years.

That's one piece of information that consultants will provide Wednesday night during a public meeting at the Wichita Scottish Rite Masonic Center, 332 E. First St. Goody Clancy, a Boston-based consulting firm hired by the city, will draw from four months of interviews and studies in presenting its market findings.

In addition to housing, consultants will also tell what they learned with regard to retail and other commercial markets, such as office space. Results of last month's "walk-shops" will also be discussed.

Local panelists will initiate discussion after each presentation, but the audience will have a chance to ask questions.

Laurie Volk, the consultant who is handling the research on the housing market, said Wichita's downtown can handle another 1,000 units over the next five to seven years. She said half of those would be rentals, 35 percent condominiums and the remaining 15 percent would be units such as townhouses.

Regardless of the mix, housing has to be there first to make revitalization work, the consultants said.

"Housing leads downtown markets these days," said David Dixon, a principal partner with Goody Clancy.

Before services?

"It's a chicken-and-egg thing," Dixon said. "In this case, the chicken comes first, then the services."

He said there are enough things downtown to attract residents.

"You have a job base, Old Town, the river," Dixon said. "All the downtown rental housing has a waiting list. There's not enough housing now to meet demand."

Volk, who runs her own New Jersey-based consulting firm, said that if the housing is there at the right price, there's a large pool of people who would be attracted to living downtown.

Nationally, 59 percent of households have one or two residents. Volk said research shows that in Wichita, 62.8 percent of households fit that category.

Downtown residential units typically are set up for two or fewer people.

Beyond that, Volk said her research shows 70 percent of Wichita's downtown housing market would be for those 35 and younger. That age group also makes up the second-largest in the country, she said.

She said those 35 and younger are also more inclined to live downtown.

"They prefer a neighborhood with more activity than a suburban neighborhood that's quiet at night," Volk said.

Considering those factors and others, Volk said, "It's clear there's a pretty good unpacked market for downtown."

The challenge for providing additional downtown housing is financing. With the recession, developers are finding bankers to be tight with loans.

"That's all cyclical," Dixon said. "A recession is temporary. Housing markets are being underbuilt."

To plan for the future based on what's happening now would be a mistake, he said.

"We've had real estate recessions every seven to 10 years," Dixon said. "They all look dire. And after every single one, the recovery has been faster than expected because of the need to catch up."

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