



SOAR2040
Strategic Opportunities Advancing Republic



COMPREHENSIVE

PLAN

REPUBLIC

RESOLUTION NO.

**A RESOLUTION OF THE PLANNING AND ZONING COMMISSION OF THE CITY OF
REPUBLIC, MISSOURI, ADOPTING AND RECOMMENDING TO THE CITY COUNCIL
THE ADOPTION OF THE COMPREHENSIVE PLAN FOR THE CITY OF REPUBLIC,
MISSOURI**

WHEREAS, the City of Republic, Missouri, (herein called "City" or "Republic") is a municipal corporation and Charter City located in Greene County, Missouri, being duly created, organized, and existing under the laws of the State of Missouri; and

WHEREAS, the Planning and Zoning Commission (herein called "Commission") has the authority under State Statute to develop and adopt a comprehensive plan for the City; and

WHEREAS, the City's last comprehensive plan was adopted in December of 1988; and

WHEREAS, as required under law, proper notice of a public hearing on this matter was given, and a public hearing was held on this matter; and

WHEREAS, the comprehensive plan is used as a tool to guide the development of the City through the implementation of ordinances and resolutions passed by the City Council.

NOW, THEREFORE, BE IT RESOLVED BY THE PLANNING AND ZONING COMMISSION OF THE CITY OF REPUBLIC, MISSOURI, AS FOLLOWS:

Section 1. The comprehensive plan, including the accompanying maps, plats, charts, and descriptive and explanatory matter, attached hereto as Attachment A, and incorporated herein, is adopted by the Commission as the comprehensive plan for the City.

Section 2. The Commission hereby certifies the adopted comprehensive plan to the City Council for their consideration with the recommendation for adoption; Copies of the adopted comprehensive plan are available for public inspection.

Section 3. The whereas clauses are hereby specifically incorporated herein by reference.


Section 4. This Resolution shall take effect after passage as provided by law.

PASSED AND APPROVED at a regular meeting of the Planning and Zoning Commission of the City of Republic, Missouri, this 10th day of May 2021.


Ransont A. Ellis, III

Attest:


Secretary

Approved as to Form:  _____, Scott Ison, City Attorney

Digitally signed by Scott Ison
Date: 2021.05.10 10:59:02
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In mid-2020, the City of Republic partnered with the Southwest Missouri Council of Governments (SMCOG) in order to update its comprehensive plan. This plan is a guideline of future change within the community that will inform decisions by elected officials and provide justifications for actions on behalf of city staff. The plan will be carried out by city staff, the Planning and Zoning Commission, the City Council, public and private partners, as well as the residents and citizens of Republic. It will be used to assist decision-makers and inform opportunities for continued growth in the coming years within Republic.

Planning Process

The plan was developed using a multi-step process to ensure the final product is an accurate representation of feedback from residents and stakeholders, while providing clear goals and objectives. Throughout the 8-month planning process, SMCOG and the City of Republic worked collaboratively

to develop goals and objectives. The planning process involved the creation of Comprehensive Planning Committee (CPC) comprised of stakeholders from the community, as well as city staff. The CPC met four times, with each meeting building upon the information shared in previous meetings.

Committee members included:

- **David Burton** | MU Extension Greene County, County Engagement Specialist
- **Blake Cantrell** | City Resident/Real Estate Development
- **Kevin Haun** | Republic Planning and Zoning Commission
- **Jason Iles** | Destiny Church, Executive Pastor
- **Josey McPhail** | Republic School District, Director of Communications
- **Frank Miller** | MoDOT Southwest District, District Planning Manager
- **Jennifer Mitchell** | Republic City Council

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- **Andy Thomason** | Ozarks Transportation Organization, Senior Planner
- **Todd Wojciechowski** | Republic School Board, President
- **Garrett Brickner** | City of Republic, City Engineer
- **Jason Davis** | City of Republic, Operations Manager
- **Karen Haynes** | City of Republic, Planning Manager
- **Lynn Hollandworth** | City of Republic, Deputy Fire Chief
- **Andrew Nelson** | City of Republic, Director of BUILDS Department
- **Chris Tabor** | City of Republic, Principal Planner

Community Engagement

Republic hosted a community survey for residents that ran from September 21 - October 15, 2020. The purpose of the survey was to collect input from residents on a variety of topics to understand the needs and desires for

future growth. 352 responses were received from the public.

The questions in the survey covered a variety of topics that are directly and indirectly influenced by a comprehensive plan including

THE PLANNING PROCESS

01 INFORMATION GATHERING

Data Collection

- Land Use and housing inventories
- Past plans and maps
- Audit of previous plan

Community Engagement

- Citizen needs surveys
- Visioning
- Committee formation

04 IMPLEMENTATION

Goals & Objectives Execution

- Prioritize and fund specific objectives
- Pursue funding opportunities
- Conduct annual check-ins on progress

Policy Making

- Revise development regulations
- Adjust personnel levels
- Enact policies to support implementation

02 STUDIES & ANALYSIS

Community Profile

- Population projections
- Commuting patterns
- Workforce and economics

Land Use Trends

- Environmental assets/constraints
- Development pressures
- Density analysis
- Existing and planned infrastructure

03 DOCUMENT PREPARATION

Plan Development

- Identify goals and objectives
- Recognize supporting strategies
- Prepare draft narratives/maps

Document Review

- Complete review with staff and Committee
- Hold open houses to inform residents

Plan Adoption

- Present for adoption at P&Z Commission
- Resolution of support from Council/Board

| SMOG STEPS

| COMMUNITY STEPS

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OUR TIMELINE

- **August 12, 2020**
Orientation meeting with city staff
- **September 16, 2020**
Orientation meeting with CPC
- **September 25, 2020**
Community survey goes live
- **October 22, 2020**
CPC meeting reviewing survey results SWOT
- **November 10, 2020**
CPC meeting regarding land use plan goals & objectives
- **January 27, 2021**
CPC meeting regarding land use plan goals & objectives
- **May 10, 2021**
P&Z Adoption

Infill Development
is when small pockets of land already inside the city, such as an empty lot around town, is built upon.

New Development
is when land that was previously vacant or farmland at the edge of the city is converted, typically through annexation, into a new use, either residential, commercial, or industrial

Redevelopment
occurs when an underutilized property, such as vacant structures or continually empty parking lots, are demolished and/or converted to another use.

- Housing Stock and Development
- Commercial Development
- Transportation
- Infrastructure
- Support for Growth Trend

An overwhelming amount (91%) of the residents responded that they lived in single-family homes, with a general satisfaction to the quality of existing structures. 171 respondents felt that future growth in Republic should be **infill development**, while 132 responded that growth should be **new development**. The two most desired housing types for future development was large-lot rural style housing and small-lot urban style housing. Commercially, residents wanted to see entertainment and sit-down restaurants in Republic the most, with a smaller amount also requesting hotels and bars/nightlife in the community. US Hwy 60 and Main St. in the historic downtown had the greatest support for new commercial development.

In terms of transportation improvements, the biggest concern was improving traffic flows along US Hwy 60 and at

the intersection of Hwy 174 and Main St. Pedestrian network improvements were most needed along E Hines St., Hwy 174, and improvements for crossing US Hwy 60.

Overall, residents wanted to see Republic retain its small-town atmosphere and maintain the city's school system and parks, which both had high levels of satisfaction. In terms of growth, residents want to see support for businesses, higher-quality housing options with increased amenities, an improved downtown, and neighborhood support and improvement.

Past Plans and Studies

2005 Land Use Plan

Adopted in 2005, the purpose of this document was to set forth recommendations and criteria that would guide future development in Republic. The need for this plan arose out of rapid population growth in the early 2000s along with related development issues, which had increased demand on city services and facilities. Visioning meetings in 2003 and 2004 allowed the community to comment and provide input on the draft of the plan. The biggest issues brought up were the need for new restaurants and businesses, including entertainment, as

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||||| **171** RESPONDENTS FELT THAT FUTURE GROWTH IN REPUBLIC SHOULD BE INFILL DEVELOPMENT,
||||| **132** RESPONDED THAT GROWTH SHOULD BE NEW DEVELOPMENT.

Most of all, residents wanted to see Republic retain its *small-town atmosphere.*

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well as street repairs. While many of the recommendations have been achieved since the adoption of the plan, some are no longer relevant or aligned with the direction established by the City. Specific recommendations included:

- Developing a policy to use city annexation to gain land along the Hwy 60 corridor for commercial development;
- Ensuring active and educated city officials during the rezoning process for commercial and mixed-use development;
- Creating relationships with local businesses and supporting mixed-use neighborhoods;
- Improving maintenance of existing commercial areas;
- Promoting residential design/architectural standards;
- Beautifying of public spaces;
- Extending infrastructure and public services to meet future needs; and
- Preserving natural beauty and historical areas.

2009 Parks and Recreation Master Plan

Adopted in 2009, the planning process arose out of surveys that ran from 2003 – 2008 to identify needs and desires of residents related to parks and recreation. Many responses reflected both a lack of entertainment and recreational opportunities, which led to the development of this plan. The selected goals were to:

- Evaluate existing parks and programs
- Rate the standards of Republic's parks
- Create short- and long-term plans for the parks and facilities, and
- Evaluate future funding opportunities.

They also wanted to retain the identity of Republic as a "small town" atmosphere with safe parks, pedestrian-friendly neighborhoods, and nearby outdoor activities.

2020 Water Master Plan

Adopted in 2019, the City of Republic's

Water Master Plan details the city's current distribution system and projections to accommodate a growing population. Planned improvements to the water distribution system should be aligned to this plan, as the population of Republic is expected to double in the next 20 years. The plan addresses short-term needs for Republic's water system but also ensures adequate provision to meet long-term demands. Estimations were also calculated to determine the demand for both a five- and 20-year horizon, which will allow the City to determine necessary upgrades as development occurs. The plan identifies specific improvements that will be necessary for various regions that are currently unserved or underserved, as well as necessary improvements for the operational efficiency of the entire system.

2020 Wastewater Master Plan

The City of Republic worked with an engineering firm to develop a sanitary



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sewer system model to analyze existing capacity of the wastewater system and to create a plan that coordinates public infrastructure investments over a five- and 20-year horizon. The plan addressed the following topics, based on modeling and projections identified by the contracted engineering firm:

- Existing Conditions
- Inflow & Infiltration (I&I) Reduction Strategy
- Population Growth
- Capital Improvement Projects
- Opinion of Probable Costs

US 60/MO 413 Corridor Safety and Planning Study: Economic & Market Analysis

Completed in 2020 as part of a larger and ongoing planning process for the US Hwy 60 corridor, this economic and market analysis provided insight into the corridor's "long-term market potential and development opportunities". Based on market trends and projections, the plan provided conservative and

optimistic forecasts for additional retail, office, industrial, and residential development along the corridor. The document also identifies six major nodes that could be developed, along with beneficial uses, to accommodate forecasted needs.

Major opportunities for sites along the corridor center primarily on:

- The transportation network and geographic location within the Springfield Metropolitan Statistical Area,
- Large, undeveloped tracts of land,
- Improved municipal relations with the business community and development processes,
- A large retail trade area, and
- High quality of life.

Major constraints for future development of the corridor, which must be addressed to ensure development occurs, include:

- Environmental constraints, including sinkholes and floodplains,

- Peak-hour traffic congestion,
- Lack of new home construction,
- Lack of speculative small industrial and office markets,
- Expectations of big-box retailers, and
- Undesirable uses including power plants, lift stations, and a fuel distribution center within or near the project site that may hinder development.

2020 Industrial Market Analysis

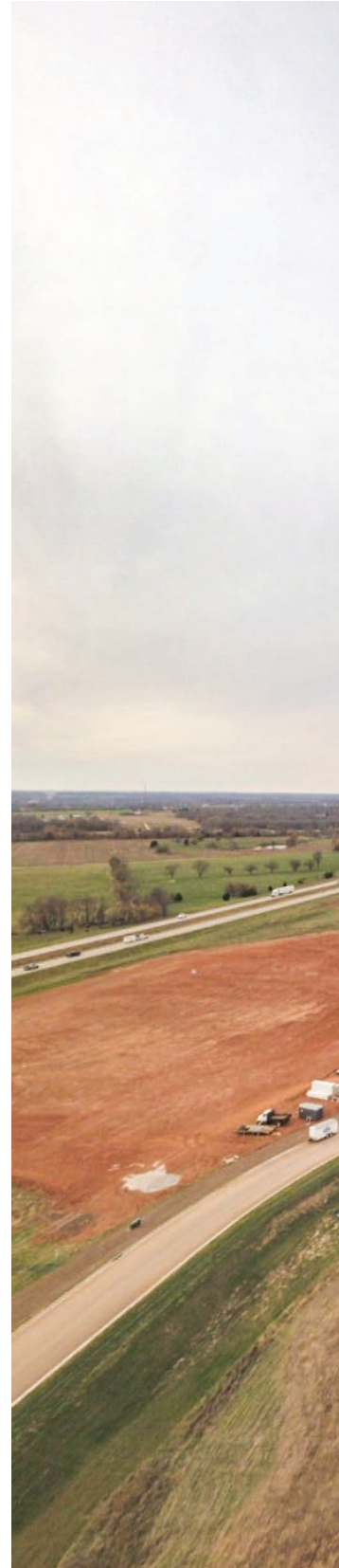
Conducted as a part of this planning process, the Industrial Market Analysis summarizes the city's existing economic base, analyzed economic trends at a local and regional level, conducted an inventory of existing industrial space, and reviewed real estate market conditions. After collecting this data, the analysis identified the potential for industrial development by square footage and tenant type. Finally, the study provides a set of recommendations to support industrial

growth which addressed:

- Ensuring competitive locations are developed with real estate products that can fulfill the needs of warehousing/distribution, light manufacturing, and maintenance/repair facilities;
- Attracting development through marketing a streamlined review process; and
- Supporting a skilled labor force in partnership with OTC and other regional partners to increase skills

2020 Commercial Market Analysis

Conducted as a part of this planning process, the Commercial Market Analysis compiled data and trends related to the market area's demographics, economy, and labor force, completed a commercial land use inventory, and evaluated this against expected growth in the residential sector. The study provided analysis of potential retail leakage in the existing



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market and projections for commercial supply requirements for the future.

2020 Housing Market Analysis

Conducted as a part of this planning process, the Housing Market Analysis examined the conditions of the residential real estate market with regard to new and resale housing through an evaluation of demographic and economic data relating to the primary and secondary market areas, an inventory of the mix and conditions of the existing housing supply, and in-house projections of housing demand out to 2040. Through this study, a gap analysis was produced to offer guidance as to the degree of need for various housing types. Certain recommendations are included that were designed to meet the following goals:

- Promoting the education of the public in various elements of housing and the City's role as a facilitator.
- Providing resources for all levels of the development community to increase efficiency for all parties.

SOAR 2040 Mission and Vision

Republic's vision through SOAR 2040 is "To grow together by always doing the right thing at the right time for the right reason". This will be achieved through the mission carried out by the City, in which "We will be aggressively progressive through processes, relationships, and trust".

SOAR2040

OUR VISION

TO GROW TOGETHER
BY ALWAYS DOING
THE RIGHT THING AT
THE RIGHT TIME FOR
THE RIGHT REASON

Our Values

The values of Republic will define the city and allow it to accomplish its mission and vision.

These values include:

- *Regional*
 - *Ethical*
 - *Professional*
 - *Urgent*
 - *Bold*
 - *Leaders*
 - *Insightful*
 - *Caring*
-

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History

Republic is an incorporated city of both Greene and Christian Counties, with a majority of the jurisdiction in Greene County. The city is classified by the US Bureau of the Census as part of the Springfield Metropolitan Statistical Area (MSA) indicating that Springfield and Republic have a high degree of economic and social integration. Republic is the second-largest city in Greene County in terms of population, with an estimated count of 16,247 according to 2019 ACS estimates. Currently, the city has a total area of 15.4 square miles.

The nearby historical Brookline area was of great importance to the founding of Republic. A village known as Little York was established in what is now Republic North and formerly Brookline. The residents established this area because the Atlantic and Pacific Railroad ran through this section of land, and they realized the importance of being connected to the transportation system. Later, settlers

began to settle southwest of Brookline, and after a stop was built in this area, it was established as its own city. It was later named Republic by William O' Neal "on account of his patriotic zeal", according to a 1930s research report by Robert Lee Meyers on historical names in Missouri (History of Republic).

The population continued to increase as Republic experienced significant commercial growth, while the Brookline area remained mainly industrial and agricultural. In 2005, both the City of Republic and the Village of Brookline agreed to a voluntary annexation of the Village into the City of Republic. This annexation resulted in an increase in population and a significant increase of land within the incorporated boundaries. The area occupied by the former Brookline village and its vicinity are located at the intersections of several major transportation corridors, which has already and will continue to have significant impacts on the community's growth trends.



SOAR2040

The city is strategically located along major economic corridors in the Springfield Metropolitan area, including US Hwy 60, James River Freeway, MO Hwy 174, and Interstate 44. The community is bisected by the BNSF Highway, a primary driver of early commercial development.

Demographics

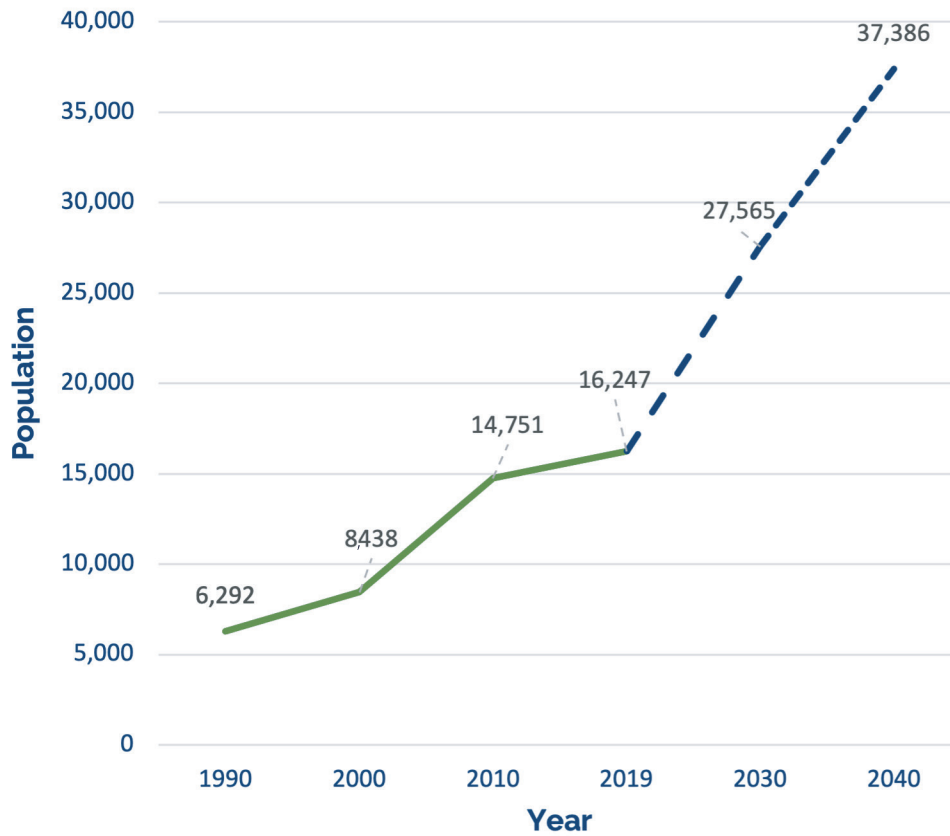
Population Trends

Republic continues to grow in population as it has done steadily since the 1950s. From 1990 to 2000, the population grew by about 34%. From 2000 to 2010, the population nearly doubled from 8,438 to 16,247.

Within the last decade, the population has grown by approximately 10%. The population is expected to continue growing, reaching an anticipated 27,000 by 2030 and 37,000 by 2040.

A stable population pyramid is one that resembles the traditional pyramid shape; a large base that tapers off

POPULATION GROWTH



towards the top. This pattern indicates that there is still a growing youth population in the city (the bottom), ensuring that the population still has the potential to grow. A growing population is healthy for a city because it indicates that the city will continue to thrive and prosper economically and culturally. It also means that the city will need to adapt by growing the city, along with the population, through the introduction

Go anywhere from everywhere
«
The city is strategically located along major economic corridors in the Springfield MSA.

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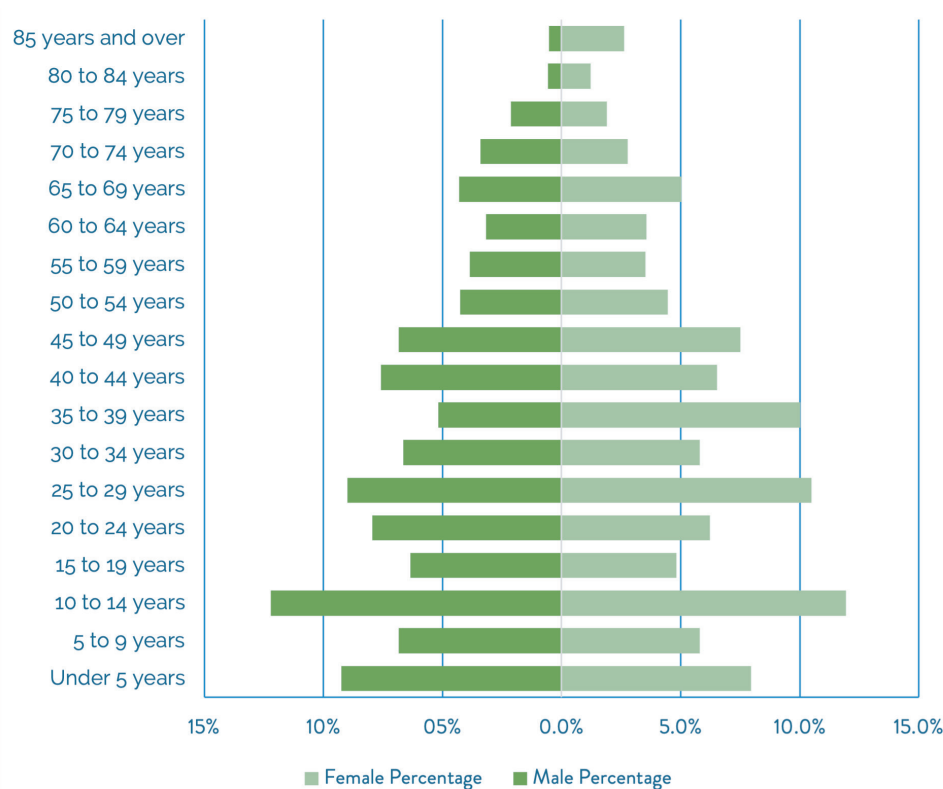
of new variety of housing, an expansion of infrastructure, and commercial and industrial development to provide jobs and activities. The 2019 population (As shown below) of Republic somewhat reflects this, with an overall larger base than the top.

Economics and Employment

The median household income in Republic in 2010 was \$50,975, which rose to \$55,964 in 2019. This is higher

than both the county and state averages, which in 2019 were \$46,086 and \$55,461, respectively. The median income in Republic is significantly higher than in Springfield, where the median income is \$35,677. This indicates that many residents will have a higher disposable income that can be used to support businesses within the community; higher-income residents may also have greater expectations and demands for services, such as parks and education.

POPULATION PYRAMID



Considering the economic integration of Springfield and Republic, employment data was analyzed for all of Greene County. Data available from the US Bureau of the Census's Quarterly Workforce Indicators provides data as recent as June 2019. The top three sectors based on number employed are:

- **Service** with 130,267 employed
- **Trade, Transportation, and Utilities** with 39,487 employed

- **Education and Health** with 35,029 employed

Of these top employment sectors, only the Education and Health sector provides an average weekly wage above the average across all sectors. This indicates that the county has a disproportionately higher number of citizens employed in sectors with below-average wages. Trade, Transportation, and Utilities have continued to see annual gains in employment even through the COVID-19 pandemic, indicating the relative strength of this sector. According to the U.S. Economic Development Administration's StatsAmerica tool, Greene County has demonstrated significant job gains across all employment sectors in recent years until the first quarter of 2020, during which the county lost 6,696 jobs. This downturn is at least partially attributable to the COVID-19 pandemic and is not likely to be a long-term trend.

The largest private employers in Republic are the Walmart Supercenter, Lowe's Home Improvement, Central Bank, Price Cutter, Herrman Lumber, and Heart of America Beverage.

According to the Missouri Department Revenue's of public information reports for 2020 taxable sales by jurisdiction, the top five sectors generating sales revenue in the City of Republic were:

1. **Retail Trade**, with \$31,616,949.43 in annual sales;
2. **Accommodation and Food Services**, with \$17,201,150.75 in annual sales;
3. **Wholesale Trade**, with \$3,570,306.64 in annual sales;
4. **Information**, with \$1,695,007.86 in annual sales; and
5. **Other Services**, with \$1,591,838.98 in annual sales. This means that these industries brought in the most revenue to Republic in 2020.

Republic's Top Employers (2020)

Republic School District

834 local employees

McLane Company

470 local employees

Walmart Supercenter

300 local employees

Red Monkey Foods

290 local employees

Heart of America Beverage

225 local employees

City of Republic

147 local employees

Watson Metal Masters

130 local employees

Lowe's

115 local employees

Mercy ROI

100 local employees

Republic Nursing & Rehabilitation

98 local employees

Lew's Strike King

85 local employees

Herrman Lumber Co.

55 local employees

Everything Kitchens

50 local employees

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Commuting patterns reflect those expected for a community within an MSA, with 3,191 people who are not residents of the city commuting in for employment, 496 residents living and working in the city, and 5,788 residents whose place of employment is outside of the city. These commuting patterns indicate a strong regional market with employers relying on regional draw for employees to satisfy demand. Republic may be able to internalize some employment that requires commuting out of the city as the commercial and industrial base continues to grow.

Industry employment trends are expected to shift significantly within the City of Republic towards transportation and logistics as Republic continues to grow its share of regional growth within these economic sectors, especially in the Republic North area. These changing trends will require development of skillsets to ensure that qualified workers are available, both within the City of

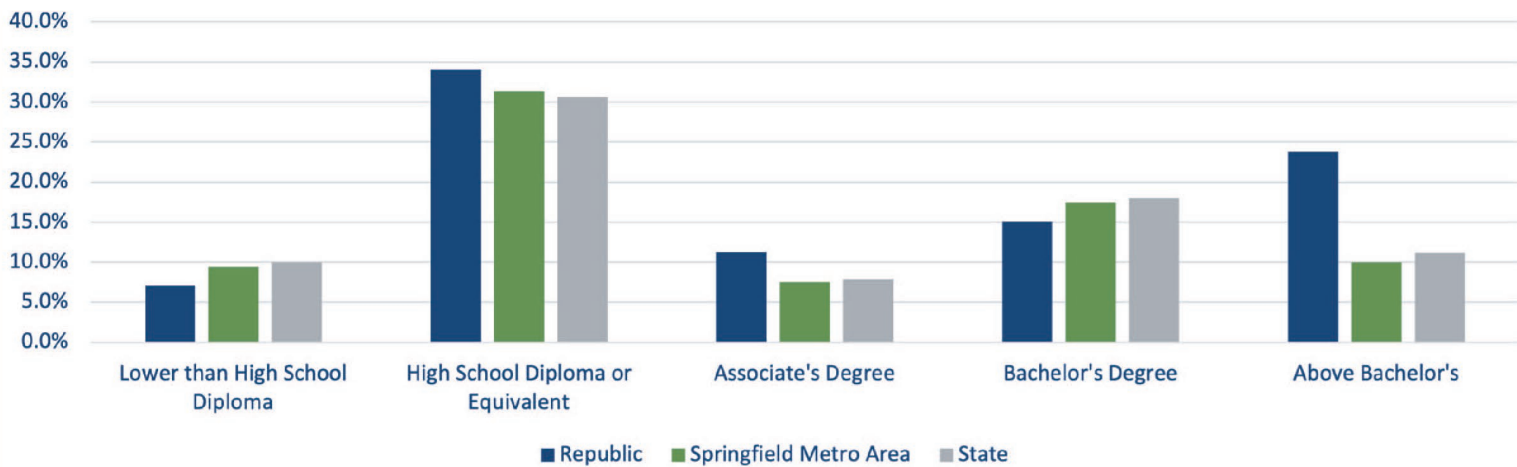
Republic and within the region, to meet employer demands – several regional education partners offer existing programs to support development of a skilled workforce.

Education

Educational attainment in a community is often directly related to other factors, such as median income or types of jobs desired by residents, and indirectly, such as demand for parks and recreation or types of housing development driven by market demand. Therefore, an understanding of the educational attainment of residents is crucial to understand pressures on private development and city services.

There are strong institutions that provide educational services from pre-kindergarten to higher education, within both the City of Republic and the metropolitan area. The Republic School District includes 5 elementary schools in the area, as well as the Republic Early Child-

EDUCATIONAL ATTAINMENT IN REPUBLIC, MO



hood Center, Republic Middle School, and Republic High School. The school district, Republic R-III, services 5,063 students and employs 460 teachers.

Republic High School has a specific department for Agriculture and Industrial Technology and offers classes and programs in these subjects. These include, but are not limited to, Ag. Science, Civil Engineering, Ag. Communications and Economics, Greenhouse Management, and Wildlife and Conservation classes. These types of programs are beneficial for ensuring students are afforded an opportunity to develop skills that align with career goals and meet the present

and future needs of employers.

In 2020, Ozarks Technical Community College opened a satellite campus in Republic, providing the opportunity to pursue higher education within the city. The campus offers multiple Associate degree programs, including Criminal Justice, English, Behavioral Science, Social Work, Biological Clinical Science, and a general transfer Associate's degree for a four-year track. Along with this, the Republic OTC Campus can be used as a satellite campus to connect to programs not offered locally.

A Great Place to Call Home

The Republic School District includes 5 elementary schools, the Republic Early Childhood Center, the Republic Middle School, and the Republic High School.

*The school district, Republic R-III, services **5,063 students** and employs **460 teachers**.*

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Household Characteristics

Understanding market pressures and characteristics of households is essential to support private development of housing that meets the needs of current and future residents. The U.S. Census Bureau provides data related to homeownership and cost-burdened status of households, as well as age and types of units available within the community. These metrics, while not holistic, can provide basic insight into the residential market to understand where market deficiencies may exist that require public support to meet the needs of residents.

Homeownership

Homeownership statistics provide a valuable baseline indicator of the relative stability of a community's population. Many residents desired to see increased rates of homeownership within the city, which can be supported by activity in the private sector providing a variety of housing types to allow any individual to achieve homeownership status. The

American Community Survey's 2019 Estimates indicate that 63.3% of households are owner-occupied in Republic, which is comparable to the 61.9% ownership rate for the Springfield MSA. Total unit occupancy in Republic is 98.1%, compared to the Springfield MSA rate of 92.5%, indicating that additional housing is necessary to support current and future residents.

Types of Housing

The housing market in Republic is predominantly low-density, with nearly 82% of structuring containing two or less units – meaning that most households are single-family or duplexes. This rate is comparable to the Springfield MSA rate of 78%. 62% of residential structures were built after 1990, indicating a relatively young housing stock, with 14% being constructed in the last ten years. This is much higher than the Springfield MSA rate of 44.6% of housing being constructed since 1990 – meaning that Republic has captured a disproportion-

ately large amount of regional residential growth.

Housing Costs

Data indicates that Republic has an unusually large market share of mid-range value housing between \$100,000 and \$200,000 as compared to the Springfield MSA. The average gross monthly rent for Republic is \$853, slightly higher than \$762 for the Springfield MSA. Despite these higher costs, households report a lower *cost-burdened* status than the Springfield MSA for both owners and renters. Based on the relatively higher incomes of Republic residents, there is likely demand for additional housing options above \$200,000 that could be captured from the regional market as well as rental options with higher monthly rents, in alignment with desires expressed in the survey for higher-quality housing options.

Environment

The natural environment is a significant factor that contributes to the form

OWNER-OCCUPIED VALUATION

Price Point	Republic	Springfield MSA
Less than \$100,000	18.6	25.1
\$100,000-\$200,000	64.1	44.6
\$200,000-\$500,000	16.6	27.1
More than \$500,000	0.7	3.2

and location of development as a city expands. Environmental features can present constraints to development by creating hazards and/or heightened regulatory requirements. A primary example of an environmental constraint would be the 100-year floodplain; any development within this delineated area is required to comply with stringent development regulations that may render development projects financially infeasible. The environment can also present assets that may improve the value of property if developed in harmony with existing features.

Cost-burdened:
those who pay more than 30 percent of their income for housing and may have difficulty affording necessities



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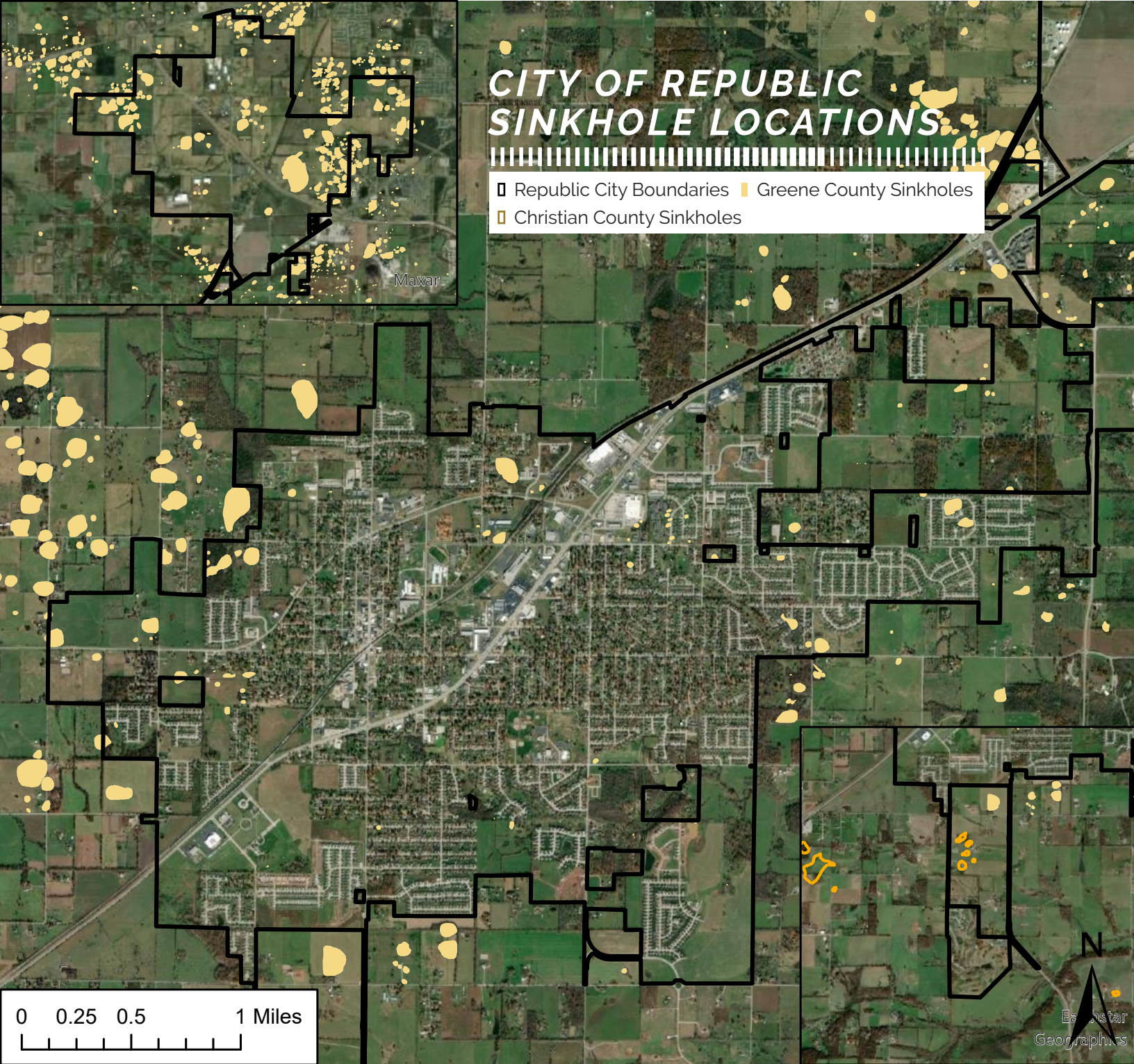
Sinkholes may limit the opportunity for development on the property without due diligence to analyze soil characteristics and modify site design as necessary.



REPUBLIC IS MORE THAN JUST A PLACE.

CITY OF REPUBLIC SINKHOLE LOCATIONS

- Republic City Boundaries
- Greene County Sinkholes
- Christian County Sinkholes



Data provided by the City of Republic

Prepared by
4/29/2021



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Floodplains

The 100-year floodplain is a delineation identified by the Federal Emergency Management Agency that indicates a 1% chance for an area to flood in any given year. The City evaluates floodplain coverage using the 2010 FEMA Floodplain Maps, which have been adopted by ordinance. FEMA is

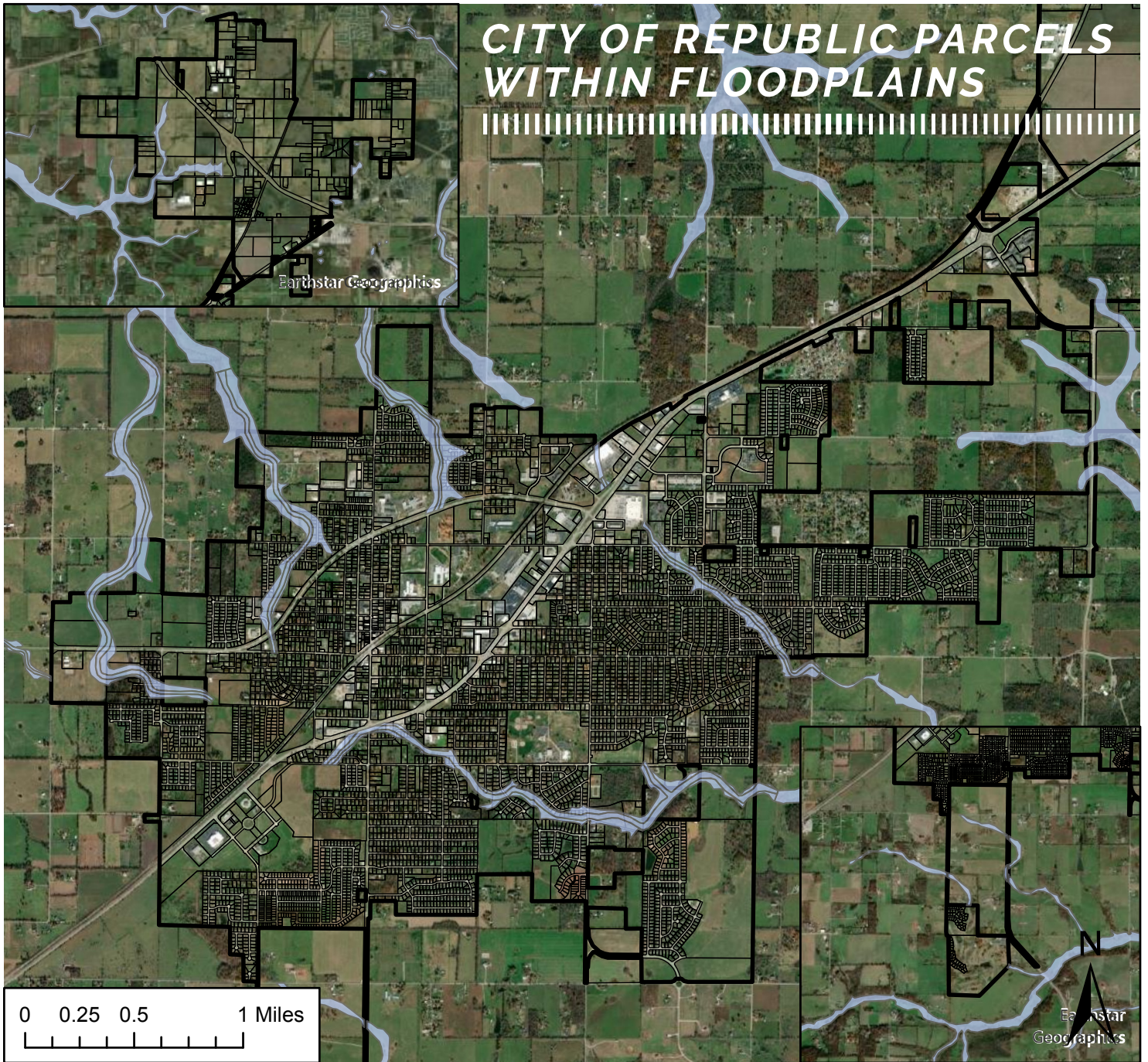
currently in the process of updating floodplain maps, which may change how coverage affects areas of the City. Once those maps have been finalized the City will begin the process of adoption.



REPUBLIC IS BIGGER THAN OUR BOUNDARIES



CITY OF REPUBLIC PARCELS WITHIN FLOODPLAINS



Data provided by the City of Republic

Prepared by
4/29/2021



FEMA Floodplain - Adopted 2010 Map

 1% Flooding Chance w/o BFE

 1% Flooding Chance w/ BFE

 City Limits

 Republic Parcels



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Farmland and Forestland

Prime farmland is designated by the Department of Agriculture as healthy land that is of top quality to be used for farming. A majority of the prime farmland within and immediately surrounding the city that is not developed and is located in and around Republic North. Forest coverage is similar to prime farmland, with significantly less area identified by the United States Geological Service's National Land Cover Dataset. An overwhelming majority of the land coverage qualifying as forestland is primarily deciduous, with some small pockets of evergreen.

While preservation of these natural resources is not critical nor required by development standards in many cases, some developers have utilized a technique known as clustered subdivisions to preserve a portion of natural assets on a parcel. Clustered subdivisions provides for the same number of units to be located on a parcel but allow the

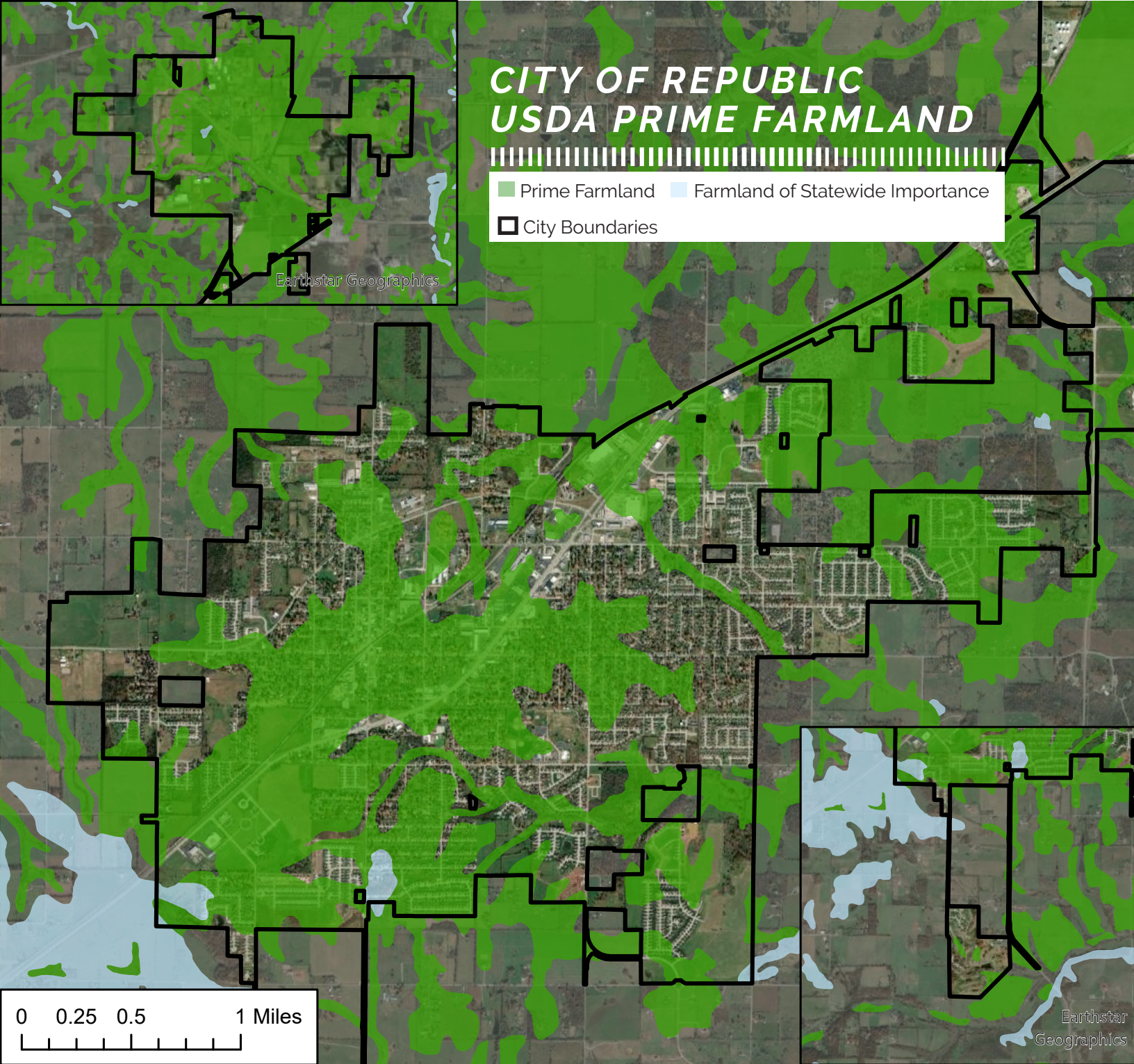
developer to reduce minimum lot sizes so that a percentage of the parcel with existing natural assets is preserved. These areas may include some public or semi-private amenities, including nature trails through preserved forestland or community garden in prime farmland. Such development requires flexibility in land use and would be possible under a Planned Development District.

According to the USDA, prime farmland is “land that has the best combination of physical and chemical characteristics for food production”. While prime farmland designation is one of many factors in land use decisions, communities should be aware of the impacts resulting from the loss of prime farmland when development occurs.

CITY OF REPUBLIC USDA PRIME FARMLAND

Prime Farmland
 Farmland of Statewide Importance

City Boundaries



Prepared by
4/21/2021



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Land use is primarily driven by decisions of the private market. Factors such as socioeconomic characteristics of residents, market demands for commercial and industrial development, environmental assets and constraints, as well as availability of infrastructure, all impact the development potential of a property. Public sector activity has the ability to support private development through targeted public investments in infrastructure and services that may reduce the cost of development and make a project financially feasible.

local ordinances, allow city officials to encourage or prohibit development based on its impacts to those factors listed above. The goals and objectives outlined on the following pages were identified based on extensive public input and at the direction of the Comprehensive Planning Committee. It is important to note that a comprehensive plan is typically a 10–20-year plan, so not all of the goals and objectives may be achieved in the near term. As market demands, community desires, and available resources change, some of these goals may take on a different shape or may no longer be relevant. Stakeholders can use these goals and objectives to evaluate land-use decisions as they arise to make the most informed choices possible. Goals are typically high-level aspirations for a community that may be difficult to quantitatively measure but are apparent when achieved. Objectives break down goals into actions or recommendations that stakeholders can pur-

IT IS IMPORTANT THAT CITY OFFICIALS AND STAFF EVALUATE ANY SUPPORT FOR PRIVATE DEVELOPMENT FOR ALIGNMENT WITH PLANNING EFFORTS AND COMMUNITY DESIRES.

Communities most often regulate land use through zoning and subdivision regulations. These regulatory powers, established under state statutes and

sue to achieve the overall goal. Goals and objectives are organized into three sections, each with a specific focus:

1. **Community Development** – this section identifies goals and objectives to support market conditions for development of new and rehabilitation of existing residential and commercial structures;
2. **Coordination with Infrastructure** – this section identifies goals and objectives that ensure development is aligned with existing and anticipated infrastructure capacity, as well as planning efforts; and
3. **Community Support** – this section identifies goals and objectives aligning all stakeholders to achieve outcomes desired by the community and focuses specifically on how residents and partner agencies can be involved to achieve outcomes.

Existing Land Use

Existing land use patterns within the City of Republic are typical for communities located along major transportation corridors within a large metro area. Higher intensity uses, including commercial and dense residential, are primarily focused along US Hwy 60, as the main thoroughfare, with less intense uses branching outward. An existing land use analysis was conducted using a combination of aerial photography, Geographic Information System, and field visits to determine the current use of each property within the city.

Existing land use designations were generally identified as one of the following classifications:

- **Residential** – any property for which the primary use was housing
- **Commercial** – any property upon which a commercial business was operating, or a commercial structure existed on-site
- **Industrial** – any property upon which

What's the Difference?

Land Use

- Indicates how the property is currently being used
- Can change over time

Zoning

- Regulations that determine how a property may legally be used
- Can only change through a regulatory approval

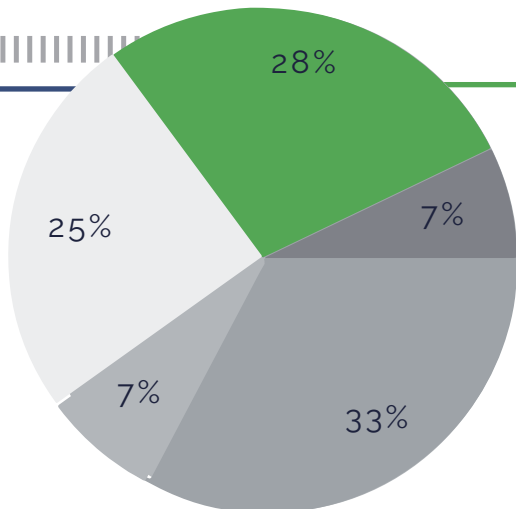


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a manufacturing or freight-related use existed

- **Institutional** – any property that is publicly-owned (excluding parks) such as utilities infrastructure or public service buildings (such as education or fire), and churches
- **Agricultural** – any property which appeared to be actively cultivating crop or containing livestock
- **Open Space** – any property that is used for parks and recreation or stormwater management
- **Vacant** – any property that did not appear to have any structures nor an active use



CURRENT LAND USE IN REPUBLIC

By Acre

25% of land is used for agriculture

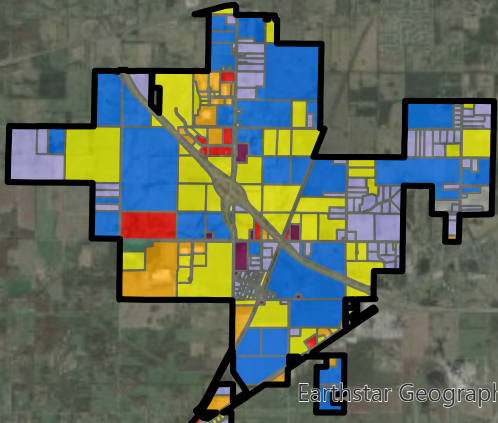
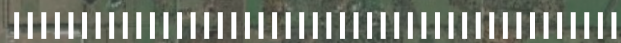
28% of land is vacant

33% of land in Republic is residential buildings

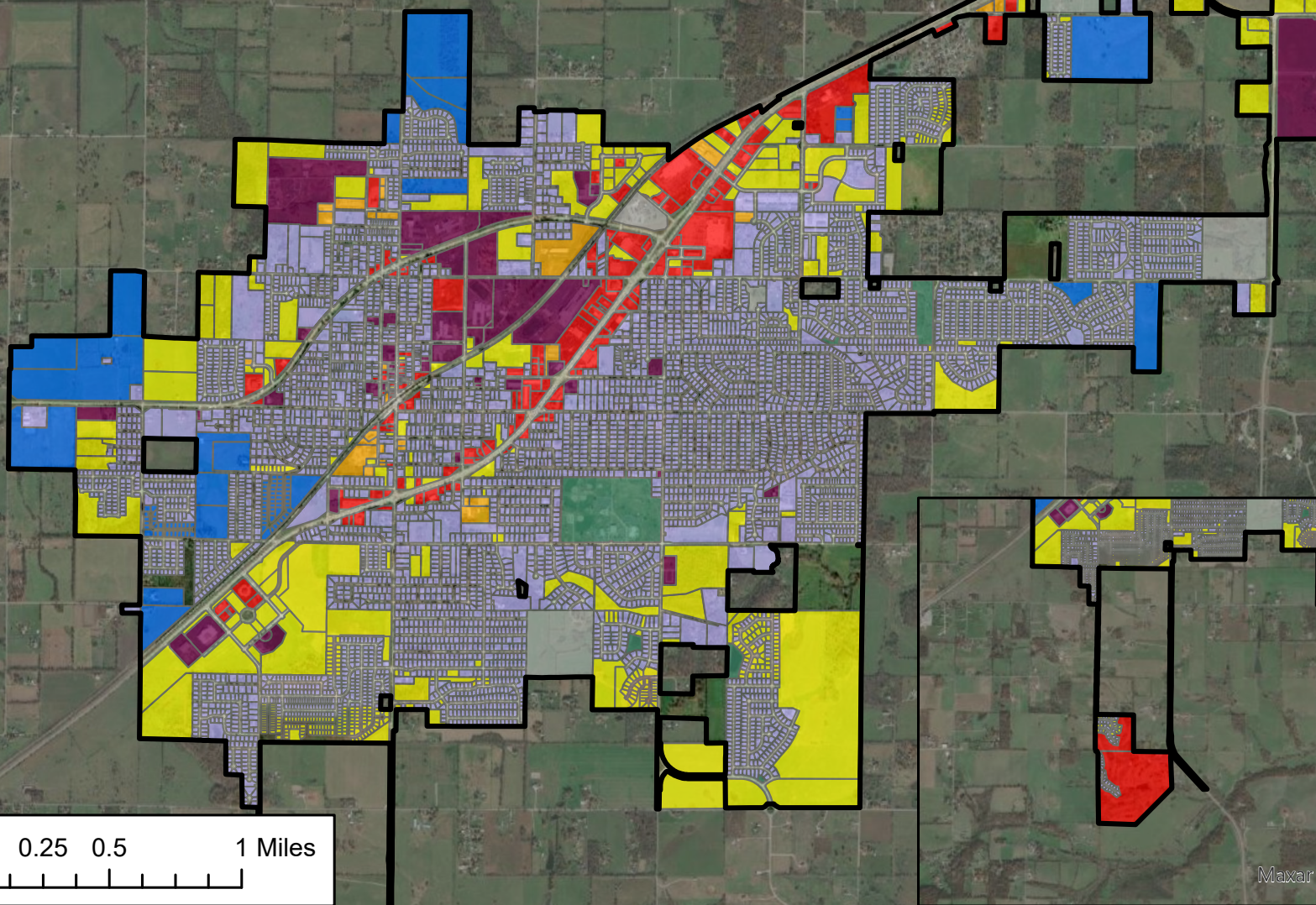
7% of land is used for commercial buildings

7% other uses

CITY OF REPUBLIC CURRENT LAND USE



Earthstar Geographics



Maxar



- Commercial
- Institutional
- Residential
- Vacant
- Industrial
- Open Space
- Agricultural
- Unsure
- City Boundaries

Prepared by
4/21/2021



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Community Development

Existing Conditions

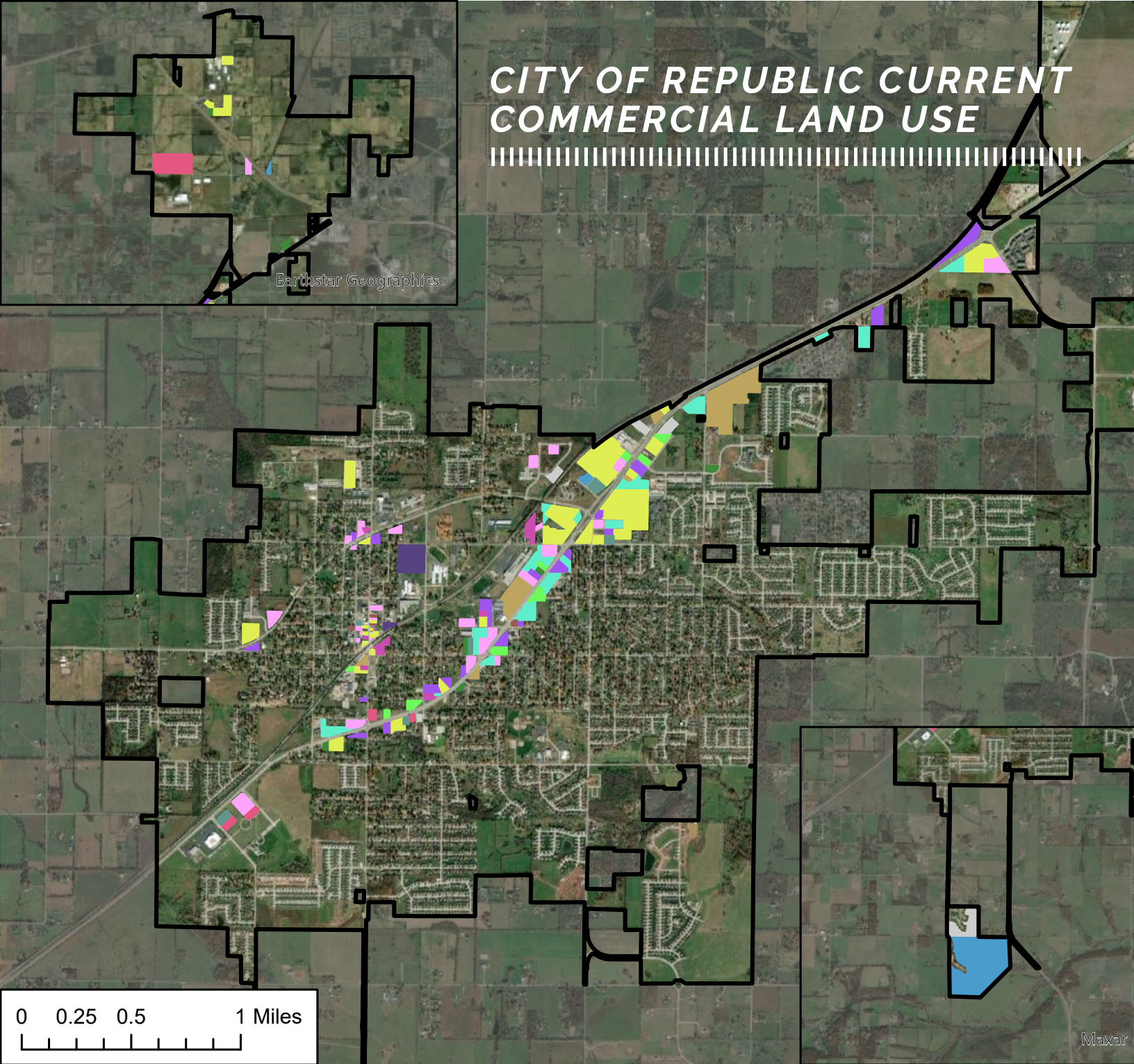
Community development focuses on supporting the creation of new and rehabilitation of existing residential and commercial developments. Quality housing development that provides a variety of types of housing (including single-family homes, plexes, townhomes, and apartments) is essential to any successful city, especially one with a growing population such as Republic. Local governments operate with very constrained fiscal resources and typically cannot be involved in developing properties or rehabilitating private structures. They can, however, support private activity to develop those types of products that are desired by residents and are supported by market demands.

The most successful communities also provide for a mixture of uses, both throughout the community and within specific developments. Mixing uses allows for more **fiscally sustainable** development than might otherwise occur.

Republic has a highly diversified commercial base meaning that it has a healthy mix of retail, office, food service, and personal services. A diverse local economy is healthier and more resilient to economic downturns, ensuring a stable market in the future.

Fiscally Sustainable:
Development that generates sufficient tax revenue to pay for the cost of infrastructure maintenance and delivery of municipal services, for example fire and parks.

CITY OF REPUBLIC CURRENT COMMERCIAL LAND USE



Commercial Parcels

- | | | |
|----------------------|-------------------|-----------------|
| Auto Sales | Non-profit | Unsure |
| Auto Services | Office | City Boundaries |
| Entertainment | Parking Lot | |
| Fast Food Restaurant | Personal Services | |
| Health Care | Retail | |
| Mixed Use | Storage | |

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4/21/2021



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Community Development Goals and Objectives

- 1. Support market conditions to develop a greater variety of residential and commercial options***

Objective 1A: Consider revising existing and/or creating new residential zoning districts that allow for a greater flexibility of building forms.

Construction methods and materials evolve constantly. Such changes, when coupled with fluctuating trend-cycles for lot sizes, building setbacks, and other issues relating to lot configuration, necessitate a habitual review of adopted zoning districts. It will be important to review existing residential zoning districts, in partnership with the development community, to identify any barriers inherent in the code and to determine whether additional zoning districts may be necessary to allow for new types of residential development.

Objective 1B: Support a variety of housing developments and styles to ensure a range of options are available.

Supporting developers with innovative proposals for new residential development is just as crucial as creating legal mechanisms to allow for that type of development. Working with developers from concept through to subdivision would allow city staff and officials to encourage development patterns that align with current trends, citizen desires, and market pressures.

Objective 1C: Support opportunities to create new destination-style commercial developments.

In the community survey, many residents expressed that there was no commercial area in the City that felt “uniquely Republic”. While there are many factors that affect this sense of place, the City staff and officials

should consider supporting innovative commercial developments that provide greater amenities, including entertainment and restaurant venues, along with opportunities to create a sense of place such as public art or pedestrian-oriented development. This type of activity is occurring with recent mixed-use developments in Republic and could be encouraged as a model for other commercial developers.

2. *Encourage revitalization or redevelopment of older building stock in commercial and residential districts.*

Objective 2A: Promote a diverse, locally owned downtown business district.

There are significant constraints, environmentally and financially, that restrict the redevelopment of the historic downtown. These challenges include an existing Superfund site, inadequate infrastructure to service increases in usage,

and disinvested structures. Encouraging an active business community in this area that can act as champions for redevelopment will be crucial to any revitalization efforts. The local chamber of commerce and other civic organizations may consider engaging with property owners to make small-scale improvements and host community events to bring residents and businesses into the downtown area.

Objective 2B: Support private and local efforts to revitalize downtown residential development as well as the development of a variety of housing styles.

Due to the extreme constraints to the revitalization of downtown, it will be necessary to afford developers maximum flexibility for any reuse of existing or construction of new structures to occur. Within that flexibility, prioritizing a pedestrian-friendly environment with opportunities to live, work, and play will complement



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activities by civic organizations and the chamber of commerce to create a vibrant downtown experience, identified as the top priority in the community survey.

Coordination with Infrastructure

Existing Conditions

The City of Republic operates with highly constrained fiscal resources. As such, it will be important to ensure that any development may be serviced by existing infrastructure capacity or is aligned with planned infrastructure investments. These investments should contribute to a fiscally sustainable government to ensure that future needs are not constrained by present demands on infrastructure and services. Land use decisions should ensure that development is integrated into community planning efforts, promote infill development and reuse of land that is already serviced, and support development efforts of Republic North.

The City of Republic conducts a thorough evaluation of all proposed changes in land use affecting the municipality. City staff utilizes a process that takes into account the capacity and availability of infrastructure, environmental constraints, and also the goals and objectives of Republic's adopted plans.

Water and wastewater utilities are evaluated on a site-by-site basis. When necessary, system changes in the form of main expansions, resizings, and use increases may be modeled to better understand project impacts. Traffic Impact Studies (TIS) and intensity mapping based on regional norms for development build-outs provide guidance for the appropriateness of current road and intersection conditions. The environmental conditions of the site are evaluated with respect to sinkholes and floodplain coverage to ensure that staff reports reflect the challenges associated with the land including

possible interaction between these elements and related Municipal Codes.

The proposed change and analyses are then considered in relation to the goals and objectives of the City's adopted plans to ensure that staff's recommendation is supported by the policy direction set by the City Council.

Coordination with Infrastructure

Goals and Objectives

- 1. Support new development that is well-connected to the existing community.***

Objective 1A: encourage new development that preserves, improves, and expands upon the established transportation network, including streets, sidewalks, and trails, to create more efficient transportation patterns, in alignment with long range transportation planning efforts

An efficient and effective transportation network is an essential component of land use planning, which should complement local and regional transportation planning efforts. Existing regulations require developers to dedicate and sometimes construct any major thoroughfares that have been mapped in the transportation plan. These regulations ensure that development does not preclude an effective and efficient transportation system. Decisions concerning land use should also ensure the City of Republic is well-connected to the regional greenways and trails system, as was desired by residents in the community survey. Subdivision regulations may be amended to require these improvements in a similar fashion to the street network, where appropriate.

Objective 1B: Promote development aligning with current adopted plans of the City. The intensity of uses should match the capacity of infrastructure to serve.

The Intensity Map should serve as the basis for determining the City's ability to accommodate development proposals.

A copy of the Intensity Map is not included in this document as it is continually updated as development occurs

see more at republic.maps.arcgis.com



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In alignment with the infrastructure Intensity Map developed by the City and its adopted water and wastewater master plans, city staff and officials can provide up-to-date information for prospective developers so that they may make educated investment decisions. Understanding where infrastructure is anticipated to be extended over the next 20 years can provide developers reasonable assurance of a return on their investment. It also allows city staff and officials to ensure that development is contributing to the full system build-out without full reliance on public funds to achieve; it also ensures that infrastructure is installed that will meet anticipated future demands without requiring upsizing or replacement.

2. Recognize potential infill sites as opportunities for development, while mitigating impacts to adjacent, established properties.

Objective 2A: Support the development of vacant parcels as

opportunities for densification that is harmonious with surrounding development.

Vacant properties within the City create the largest net losses in terms of the City's return on investment for providing and maintaining infrastructure and services. The City must maintain the roads, water, wastewater, and other infrastructure that service the lot while receiving minimal property tax revenues in return. These lots represent a substantial opportunity to improve the fiscal sustainability of the City by encouraging higher intensity uses, such as dense residential or commercial development based upon site context. Infill development does present some perceived and real risk of financial and quality of life impacts to surrounding properties, so developments should include adequate buffering and impact mitigating designs where appropriate.

Objective 2B: Allow for mixed-use at highly visible vacant properties

within the City and ensure impacts to adjacent properties are minimized.

The annexation of the Republic North and existing large, undeveloped parcels along US Hwy 60 represents prospects for large-scale development projects that can serve as the “façade” for the City. Development on these large properties should maximize frontage onto major thoroughfares and include a mix of uses to create a more tangible sense of community and identity as residents desired. City staff and officials should encourage private development to make bold, innovative investments in strategic locations to achieve this objective.

3. *Encourage the redevelopment and integration of the former Brookline area.*

Objective 3A: Connect the former Brookline area socially through rebranding as Republic North.

The former Village of Brookline is an essential part of the City of Republic yet has strong historical roots. It will be important for city staff and officials to ensure that this area, poised for significant investment, is developed in such a way to respect the historical roots of what remains of the former village site while still encouraging development. Fostering strong clear communication channels with existing residents will be crucial to ensure that Republic North residents begin to identify with the brand.

Objective 3B: Support the development of an industrial/commercial center where infrastructure and transportation exist.

The western half of Republic North is perfectly primed for industrial and commercial development. Bounded on the north by Interstate 44, to the west and south by James River Freeway, and to the east with over a mile of frontage



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onto the BNSF Cherokee Line, which operates as a relief route for the BNSF Southern Transcontinental route.

A strong transportation network, coupled with planned infrastructure investments and large expanses of largely undeveloped land, make this area primed for development as a regional employment center.

The industrial market study conducted as part of this plan identified this subarea of the City as particularly well-poised for attracting large- and mid-scale transportations and logistics centers. This also builds upon existing distribution center development, including Amazon, Convoy of Hope, and McLane Ozark, among others. These large-scale investments will likely also generate supportive industrial and commercial uses in the area, such as repair/maintenance facilities and food services.

Objective 3C: Allow for market conditions to establish a residential and commercial mixed-use development as the entrance to the community.

In alignment with Objective 2B, the area generally bound by State Hwy MM to the west, US Hwy 60 to the south, and James River Freeway to the northeast represents a prime area for the establishment of a central community location. With over 1 square mile of largely undeveloped land, it represents significant opportunity to serve as a gateway feature for visitors and residents and will be the first thing that residents see when entering the City. City staff and officials should encourage development that incorporates a mixture of intensities of both residential and commercial structures while capitalizing on frontage to several regional thoroughfares.

Community Support

Existing Conditions

An effective comprehensive plan must be derived from community input and stakeholders to be successful. Potential developers are more likely to invest in a city if there is proper demand and support for change in the community. The City of Republic recognizes the limited role it can serve due to its fiscal resources and the proper role of government in implementing land-use decisions. As such, the City fully intends to support any future development that abides by regulatory requirements and is supported by the community. This section identifies ways to support the desires of the community, the City, and private developers.

Community Support

Goals and Objectives

Where appropriate, pursue partnerships to support new development.

Objective 1A: Utilize public-private partnerships to support new development that places the City in a better position to serve residents.

Public-private partnerships (P3s) are one of the most effective ways to support private sector activity with limited public resources. P3s can occur in several different forms, but typically include a cost-sharing agreement, where one entity will front the cost of an improvement to be partially wholly repaid by the other. This may be especially applicable in those areas that are not currently serviced but where the City plans to extend infrastructure. P3s can also be successful in stimulating private sector activity where there would otherwise be market deficiencies to allow redevelopment to occur, such as the historic downtown. It is important to consider every development proposal that is requesting public assistance to understand how it serves the public,

Public-private partnerships (P3s) are one of the most effective ways to support private sector activity with limited public resources.



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whether the use of public funds is appropriate, and how it aligns with achieving planning efforts.

Objective 1B: Where appropriate, support infrastructure financing alternatives that reduce or eliminate the burden on existing municipal revenue streams.

Local governments are extremely restricted by state statutes in the types of revenues that they can collect, especially in the form of taxes, as discussed in the next chapter. Therefore, identifying alternative financing options for capital projects will be crucial to ensure the City can continue delivering on planning efforts. Oftentimes, these alternative financing mechanisms take the form of an additional tax, a special district, issuance of debt with creative repayment sources, or – most notably – grant opportunities. With a lean and efficient staff, it is especially important for the City to utilize its relationships

with partner agencies to pursue these funding options.

Objective 1C: Leverage current and planned infrastructure expansions and improvements.

Current and planned infrastructure investments are occurring, especially in Republic North, and can be used to draw in potential investors to those area. Development is aligned with current and future planned public infrastructure investments will ensure that development that occurs in a compact and coordinated fashion, reducing the potential for the City to be burdened with overbuilt infrastructure or be the sole financier for activities. Communication with the development community will be essential to ensure this type of development occurs.

Allow alternative funding mechanisms to promote infill development where appropriate.

Objective 2A: Work with regional partners to pursue grant opportunities that improve public spaces to attract private investment.

Support from a partner agency may be the best way for the City to explore and pursue nearly any grant opportunity. As participating members, the City can receive assistance from SMOG in pursuing grant opportunities and the subsequent administration. The organization maintains a list of available funding resources and can also provide research to identify funding opportunities for a specific project. Grants can support a variety of projects from wastewater expansion to park improvements, and allow local revenues to stretch even further through matching opportunities. Recognizing the limited staff capacity at the City, utilizing its partnership with SMOG will be crucial. Other partner agencies, such as the Ozarks Transportation Organization

and the Ozarks Area Community Action Corporation are resources for transportation and housing reinvestment projects, as well.

Objective 2B: Ensure public incentives provide adequate return on public investments.

When offering incentives, the goal is to reduce the cost of investment to make the development feasible when it otherwise would not be. In exchange for this reduction in barriers to development, our expectation is that there should be some benefit to the public besides just making the development feasible. Many communities recognize that, with extreme fiscal constraints, providing extra flexibility to developers means they may be able to ask more of developers in terms of amenities or design. The City should ensure that when incentives are used, the public is receiving a benefit for their worth. The City is known to be cooperative with developers in producing a result that benefits everyone.



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3. *Support redevelopment of areas along the US-60 corridor to accommodate commercial uses and improve functionality..*

Objective 3A: Improve visual attractiveness through public investment at key gateways into the City.

Gateway development is typically a large-scale private investment that occurs at a key entry point into a city. The area west of the intersection of US Hwy 60 and James River Freeway presents the unique opportunity for a large-scale development that is attractive and welcome residents and visitors into the City. Encouraging development that includes a mix of uses and establishes a pedestrian-oriented scale will ensure that this area becomes a thriving economic hub as it is built out.

Objective 3B: Encourage higher intensity uses of large, underdeveloped parcels fronting

onto or located near US Hwy 60.

US Highway 60 is one of the most important economic corridors for the City of Republic. Utilizing this corridor to its maximum potential is imperative to the success of Republic. The City hopes to encourage private development along the corridor at higher intensities to boost the local businesses in the area. This could take on the form of dense housing options, large-scale commercial uses, or a mixture of uses on a parcel as is already occurring in the market. These developments represent a higher and better use that maximize revenues to the City from properties that are already served by infrastructure and city services.

Objective 3C: Support higher density mixed-use developments south of US Hwy 60 at FR 103 to offset increased infrastructure costs.

A potential market for mixed-use development is currently being explored by private developers along US Hwy 60. Encouraging this type of use at contextually-appropriate locations throughout the City will be beneficial, but the area north of Republic High School between State Hwy M and FR 103 presents a unique opportunity for development with prime frontage on US Hwy 60. The location of nearby amenities will make this area especially attractive to developers as the ability to service with infrastructure improves. Encouraging this development to perpetuate the mixed-use model will create more stable and attractive development in this area and is responsive to market conditions.



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Jurisdiction Responsibilities

A local governments primary role is to work with citizens to provide the best community possible, which promotes a healthy and safe environment for everyone. The Planning and Zoning Commission along with the City Council have responsibility of establishing the right policy decisions to stimulate growth and development. This power is granted to cities in Chapter 89 of Missouri Statutes. MO Rev Stat 89.340. While most of the identified goals and objectives may require action on the part of City staff and officials, several other stakeholders influence the likelihood of success.

Elected Officials

Republic's City Council is the main legislative and policy-making body for the community. The Council has the power to pass, amend, and remove local ordinances. Some of these powers may result in changing policies relating to zoning and subdivision regulations, in accordance with recommendations from

the City's appointed officials. City Council should consider guidance provided by the comprehensive plan when making a variety of policy or land-use decisions for Republic.

Appointed Officials

The Planning and Zoning Commission's role is to review land use applications and make decisions based on the comprehensive plan. As an advisory board, the Planning and Zoning Commission makes land use and policy recommendations to the City Council.

Partner Agencies

Outside groups identified in the plan, including but not limited to SMCOG and the Ozarks Transportation Organization, as well as state and federal agencies, offer expertise in the planning field and provide funding opportunities. The relationship between these organizations and city staff should be close to achieving the best possible outcomes.

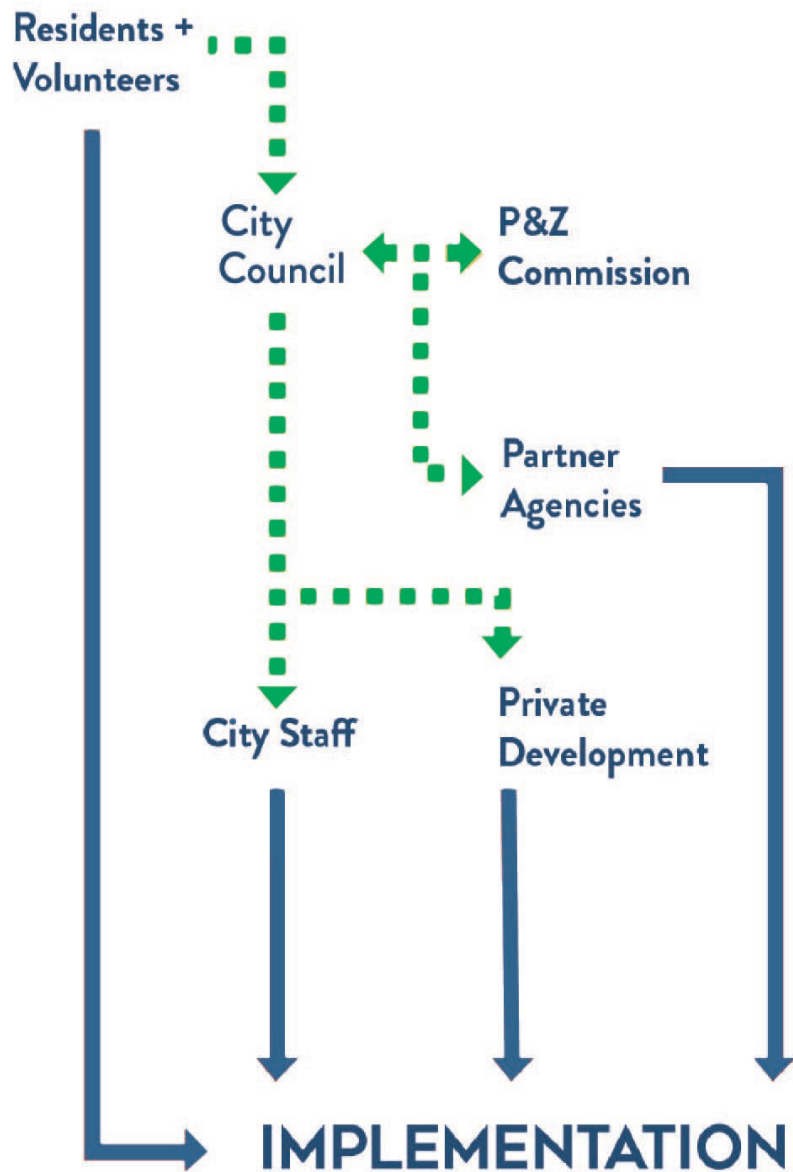


SOAR2040

Private Developers and Residents

The identified goals and objectives, and strategies in this plan rely on the private sector in order to be realized. Changes in land use, development proposals, and citizen education all require involvement and investment by developers, residents, and/or volunteers. These stakeholders are important in following through with the implementation of the comprehensive plan in the city of Republic. It will be crucial for the City to continue building trust with each of these stakeholder groups and provide them with the tools to successfully implement any planning efforts that are not within the capacity of City staff or officials.

IMPLEMENTATION DUTIES



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Implementation

The following provides a consolidated list of the goals and objectives discussed in previous sections, along with the identification of primary and secondary entities responsible for the implementation of each

Community Development

1. *Support market conditions to develop a greater variety of residential and commercial options.*

- Consider revising existing and/or creating new residential zoning districts that allow for a greater flexibility of building forms.

Primary: City Officials

Secondary: City Staff

- Support a variety of housing developments and styles to ensure a range of options are available

Primary: Private

Residents and Businesses

Secondary: City Staff, City Officials

- Support opportunities to create new destination-style commercial developments

Primary: Private

Residents and Businesses

Secondary: City Staff, City Officials

2. *Encourage revitalization or redevelopment of older building stock in commercial and residential districts*

- Promote a diverse, locally owned downtown business district.

Primary: Private Residents and Businesses

Secondary: Partner Agencies

- Support private and local efforts to revitalize downtown residential development and as well as the development of a variety of housing styles..

Primary: Private Residents and Businesses

Secondary: City Staff, City Officials

Coordination with Infrastructure

1. *Support new development that is well-connected to the existing community*

- Encourage new development that preserves, improves, and expands upon the established transportation network, including streets, sidewalks, and trails, to create more efficient transporta-

tion patterns, in alignment with long-range transportation planning efforts.

Primary: Private Residents and Businesses

Secondary: City Staff, City Officials, Partner Agencies

- Promote development aligning with current adopted plans of the City. The intensity of uses should match the capacity of infrastructure to serve.

Primary: City Officials

Secondary: City Staff

2. *Recognize potential infill sites as opportunities for development, while mitigating impacts to adjacent, established properties.*

- Support the development of vacant parcels as opportunities for densification that is harmonious with surrounding development.

Primary: Private Residents and



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Businesses

- Allow for mixed-use at highly visible vacant properties within the city and ensure impacts to adjacent properties are minimized.

Primary: City Officials

Secondary: City Staff, Private Residents and Businesses

3. *Support market conditions to develop a greater variety of residential and commercial options.*

- Connect the former Brookline area socially through rebranding as Republic North.

Primary: City Staff

Secondary: Private Residents and Businesses

- Support the development of an industrial/commercial center where infrastructure and transportation exist.

Primary: Private Residents and Businesses

Secondary: City Staff

- Allow for market conditions to establish a residential and commercial mixed-use development as the entrance to the community.

Primary: Private Residents and Businesses

Community Support

1. *Where appropriate, pursue partnerships to support new development.*

- Utilize public-private partnerships to support new development that places the City in a better position to serve residents.

Primary: City Staff

Secondary: Partner Agencies, Private Residents and Businesses

- Where appropriate, support infrastructure financing alternatives that reduce or eliminate the burden on existing municipal revenue streams.

Primary: City Officials

Secondary: Private Residents and Businesses

- Leverage current and planned infrastructure expansions and improvements.

Primary: City Officials

Secondary: City Staff

2. Allow alternative funding mechanisms to promote infill development where appropriate.

- Work with regional partners to pursue grant opportunities that improve public spaces to attract private investment.

Primary: Partner Agencies

Secondary: City Staff

- Ensure economic incentives provide adequate return on public investments.

Primary: City Staff

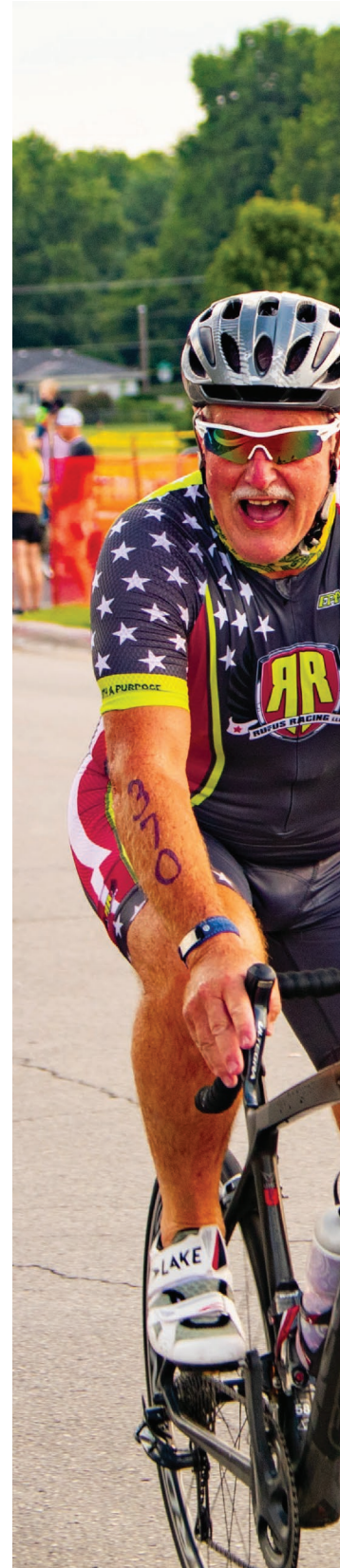
Secondary: City Officials

3. Support redevelopment of areas along the US-60 corridor to accommodate commercial uses and improve functionality.

- Improve visual attractiveness through public investment at key gateways into the city.

Primary: City Staff

Secondary: City Officials



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- Encourage higher intensity uses of large, underdeveloped parcels fronting onto or located near US Hwy 60.

Primary: City Officials

Secondary: Private Residents and Businesses

- Support higher density mixed-use developments south of US Hwy 60 at FR 103 to offset increased infrastructure costs.

Primary: City Officials

Secondary: Private Residents and Businesses

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Appendix A

Currently adopted plans and studies are available

at the city of Republic's website at www.RepublicMo.com.

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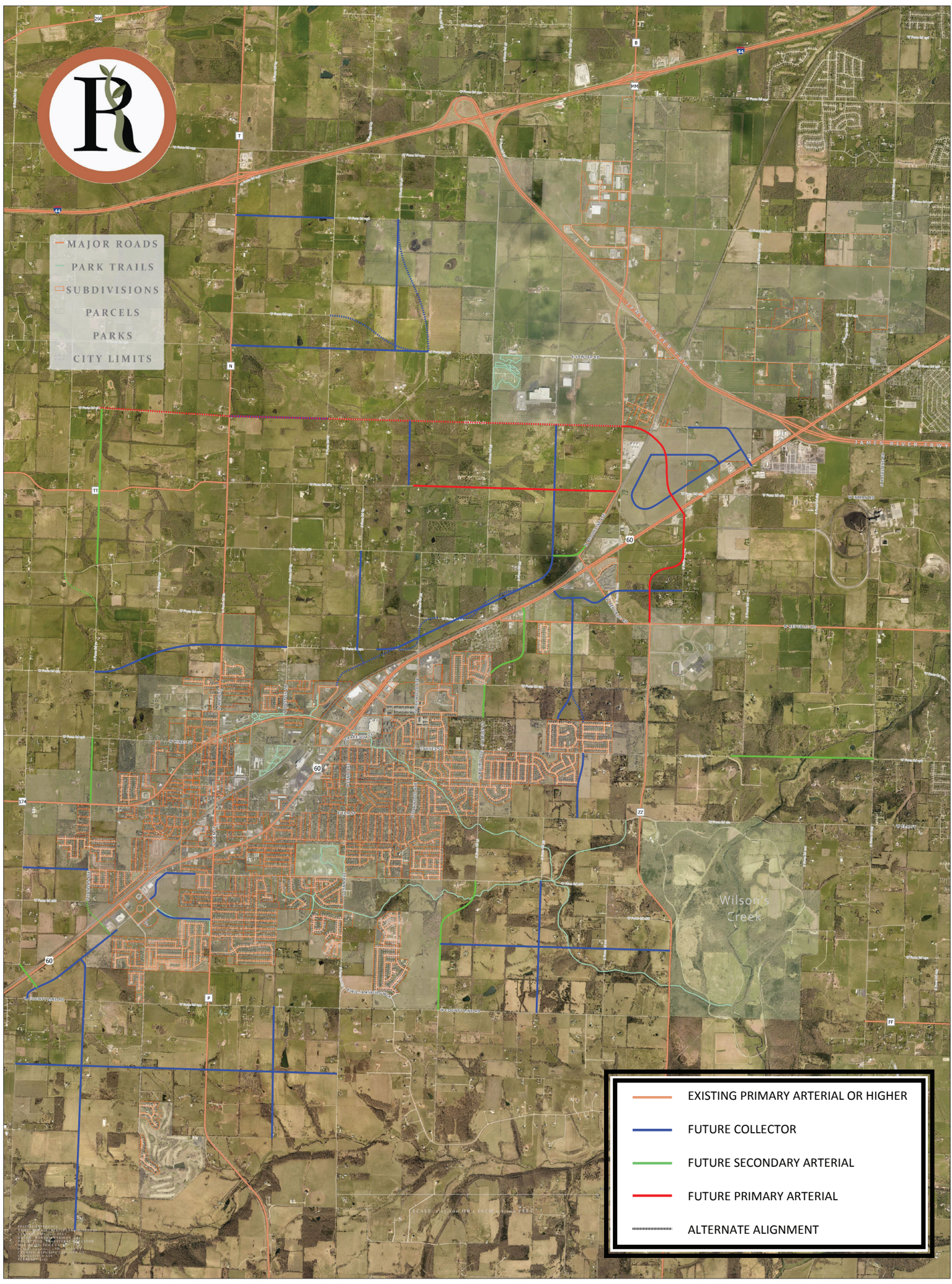
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APPENDICES AND REFERENCES

<input type="checkbox"/>	INTRODUCTION	United States Census Bureau. (n.d.). Republic, MO - ACS and Decennial Census
<input type="checkbox"/>	COMMUNITY PROFILE	Data. Retrieved March 31, 2021, from https://data.census.gov/cedsci/profile?g=1600000US2961238 \
<input type="checkbox"/>	LAND USE PLAN	United States Census Bureau. (n.d.). Work Area Profile Analysis. Retrieved March 31, 2021, from https://onthemap.ces.census.gov/
<input type="checkbox"/>	FUNDING	
<input type="checkbox"/>	IMPLEMENTATION	
<input checked="" type="checkbox"/>	APPENDICES AND REFERENCES	



- MAJOR ROADS
- PARK TRAILS
- SUBDIVISIONS
- PARCELS
- PARKS
- CITY LIMITS



- EXISTING PRIMARY ARTERIAL OR HIGHER
- FUTURE COLLECTOR
- FUTURE SECONDARY ARTERIAL
- FUTURE PRIMARY ARTERIAL
- ALTERNATE ALIGNMENT

SCALE: 1/4" = 100' OR 1" = 400'

Housing Market Study

City of Republic



SOAR2040
Strategic Opportunities Advancing Republic

Chris Tabor
Prepared April 2021
For City of Republic BUILDS Department

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I. Executive Summary

Market Area Delineation

- Primary Market area was determined based on the Republic City Limits, which covers more than 15 square miles.
- Secondary Market area consists of the Springfield Metropolitan Statistical Area.
 - 5 Counties (Greene, Christian, Dallas, Polk, and Webster).
 - Deemed appropriate due to the unique confluence of transportation networks present.

Population Demographics

- Population statistics were derived from estimates and projections made by the Census Bureau and ESRI. These figures are at odds with the staff's own estimates and projections derived from a physical survey of dwelling units.
 - Primary Market Area (Republic)
 - Population Figures (ESRI)
 - 2010: 14,972 with an average annual growth of 5.5%
 - 2020: 17,525 with an average annual growth of 1.7%
 - 2025: 18,576 with an average annual growth of 1.2%
 - Population Figures (City Staff)
 - 2020: 19,635 with an average annual growth of 3.1%
 - 2025: 22,110 with an average annual growth of 2.4%
 - 2040: 37,386 with an average annual growth of 4.6%
 - Secondary Market Area (Springfield MSA)
 - 2010: 436,712 with average annual growth of 1.9%
 - 2020: 476,490 with average annual growth of 0.9%
 - 2025: 498,699 with average annual growth of 0.5 %

Republic's growth outpaces that of the Springfield MSA in both datasets, but this difference is more prominent when using the City's own counts.

- The Republic population is currently experiencing ageing. This is a phenomenon where the population is growing older faster than it is being replaced.
- Republic Residents are:
 - Predominately identify as White Caucasian.
 - Have a 58% likelihood of being married (14 or older, only).
 - Are less likely to receive a college education than their Springfield MSA or Missouri counterparts.
 - Are slightly less likely be below the poverty level than residents of the Springfield MSA but slightly more likely than the average Missourian.

Household Demographics

- Total Households (ESRI)
 - The number of households is growing at a rate that is slightly lower than the general population.
 - 2020: 6,479 households with an average annual growth of 1.6%
 - 2025: 6,859 households with an average annual growth of 1.17%
 - The lower growth rate is due to an increasing average household size.
 - 2010: 2.65 members per household
 - 2020: 2.68 members per household

- 2025: 2.69 members
- Avg Household Size (ESRI)
 - Springfield MSA and Missouri Households are smaller.
 - Springfield MSA – 2.42 members per household (2020 & 2025)
 - Missouri – 2.44 members per household (2020 & 2025)
- Tenure (ESRI)
 - Households owning their home:
 - Republic: 67.8%
 - Springfield: 63.8%
 - Missouri: 67%
- Income (ESRI)
 - Republic households' median income (\$52,847) is 13% higher than Springfield MSA and 3% lower than Missouri.
 - Per capita income for Republic (\$25,022) is slightly lower than Springfield MSA(\$25,795)
 - This gap will close some by 2025 due to Republic's stronger growth rate (2.3%), which is more than a quarter of a percent higher than that of Springfield MSA.
- Housing Costs (ESRI)
 - Household spending on housing costs is higher for renters than for owners with 46% of Republic renters paying greater than 30% of their income for housing compared to less than 20% of owners.
 - Republic renters tend to pay higher rents than their Springfield MSA counterparts.
 - Especially true for rentals with more bedrooms where prices can be 20% higher.

Market Supply

- Current housing inventory breakdown (City of Republic)
 - 77% Single Family
 - 6% Duplexes
 - 15% Multifamily
 - 2% Group Homes
- The rate of permit issuance for new residential construction has increased by 14.4% annually since 2012.
- New Residential Permits Issued by Year (City of Republic)
 - 2018: 107
 - 2019: 163
 - 2020: 131
- Vacancy Rate (Census Bureau)
 - The vacancy rate of housing is low enough to constitute a risk to the market as prices will rise in response and prospective buyers will seek other markets.
 - 2016: 4.3%
 - 2017: 4.1%
 - 2018: 3.2%
 - 2019: 1.9%
 - Vacancy is so low for owner-occupied dwellings that the Census Bureau projected 0 vacant units for 2019.
- Age of Housing Stock (Greene County)
 - Average Build Year for Republic is 1996 suggesting the typical home is at the end of its 30-year lifespan.
- Multifamily (City of Republic)
 - 1,060 total dwelling units
 - 13.8% are Low Income Housing

Market Demand

- Demand determinations were made by setting the City's own population projections against the sum of existing and expected supply of dwelling units.
- By 2025
 - 1,132 total new dwelling units needed
 - 512 are expected or planned already
 - 620 additional units will be required to fill the gap
 - Single-family: 466
 - Two-family: 73
 - Multifamily: 54
- By 2040
 - 6,684 total new dwelling units needed
 - 2,167 are expected or planned already
 - 4,005 additional units will be required to fill the gap
 - Single-family: 3,763
 - Two-family: 173
 - Multifamily: -90
 - A surplus of 90 multifamily units beyond what are required is expected to be available by 2040. This does not necessarily indicate that a market does not exist for such housing, only that such a surplus goes beyond the composition of Republic's current housing mix where multifamily represents about 15% of all dwellings.

Recommendations

- Proposals outlined in this study are intended to improve the development process for both the applicant and city staff through practices centered on providing up-to-date information that is both clear and accurate.
 - Efforts centering on education of small-scale developers are intended to familiarize such individuals with the requirements for permit applications and inspections.
 - Proposals targeting larger-scale developers will focus on information provision, leveraging the City's information and resources to establish a clearinghouse where practicing and prospective developers are able to find up-to-date information on relevant topics.
 - Ideas that seek to create more effective decision-making processes for city staff will seek to capitalize on current growth trends.

II. Introduction

The purpose of this study is the presentation of information and general analysis of the Republic housing market. This work is intended for use by decisionmakers in the private and public spheres as the City continues to grow and change. While the focus of this study is not in making recommendations, per se, there is a highly selective set of ideas for staff implementation that have been included.

Market Area Delineation

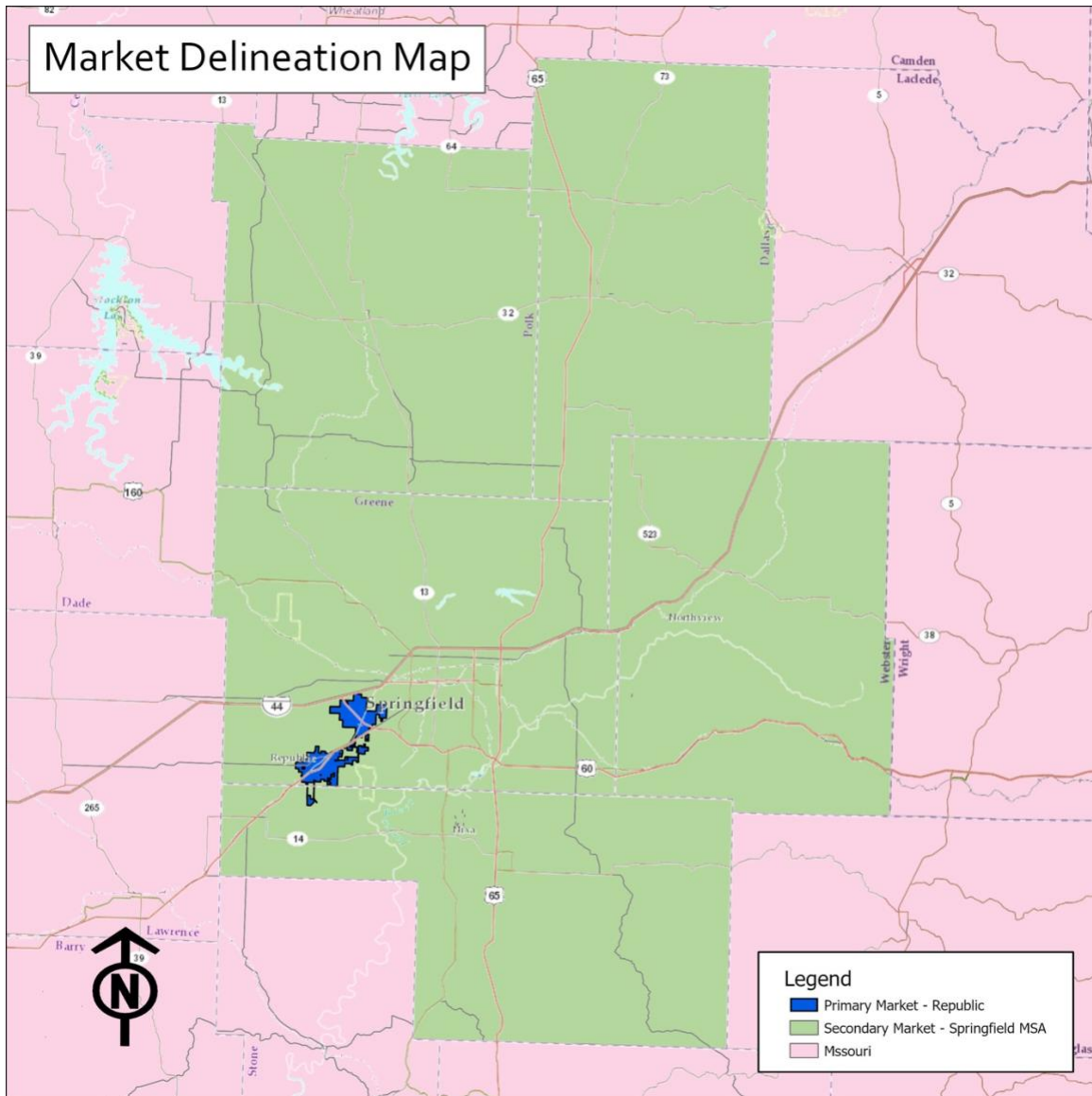
The market areas for this study were defined based on previously existing geographical boundaries that represented the existing populations.

Primary Market Area

The City of Republic municipal boundaries constitute the Primary Market Area for which information is collected and analyzed. Republic covers 15.43 square miles of land and 138.4 miles of City-maintained roads.

Secondary Market Area

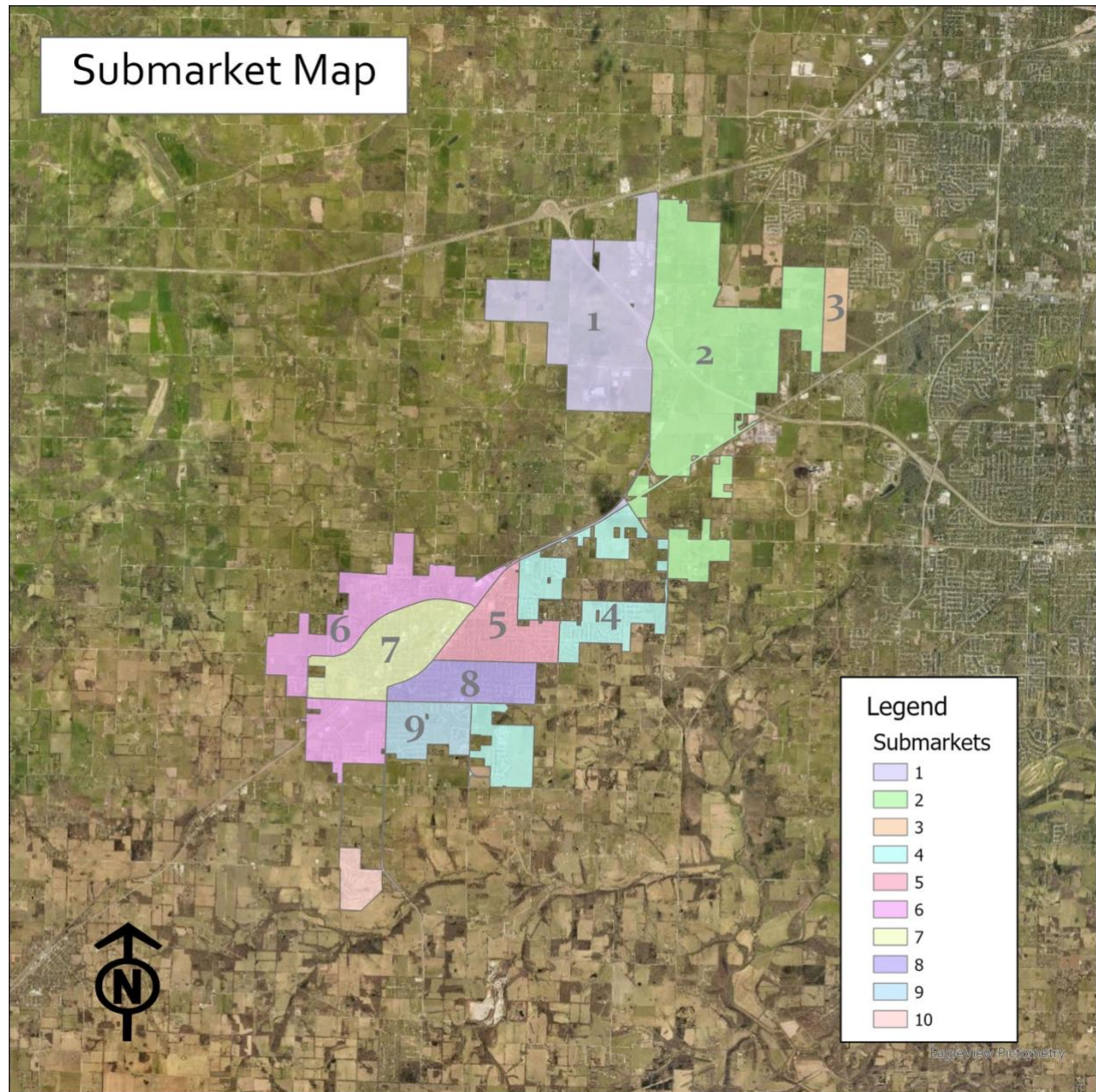
The Springfield Metropolitan Service Area (MSA) boundary creates the Secondary Market Area. This area provides an appropriate focus for comparison as it encapsulates the greater region of which Republic is a part. Furthermore, the confluence of transportation assets found in the City of Republic provide travel options to anywhere in this region making appropriate it's inclusion. The Springfield MSA consists of five counties (Greene, Christian, Polk, Webster, and Dallas counties) and several municipalities – eight of which have populations of greater than 5,000 (Springfield, Nixa, Ozark, Republic, Bolivar, Marshfield, Battlefield, and Willard).



Submarkets

The Primary Market Area has been broken down into 10 Submarkets based on Census geography to better explore the data. The City of Republic intersects with 4 Census tracts (2010) in Greene County and 1 Census tracts (2010) in Christian County. These Census tracts break down into Census block groups, 10 of which intersect with the City of Republic. The intersecting polygons created by the Census block groups and the City's municipal boundaries make up the 10 Submarkets examined. By using the Census geography as the source of the Submarket boundaries, more granular information becomes available.

The Submarkets have been numbered to assist in identification. Submarkets 1 – 3 make up the area of Republic North, formerly the Village of Brookline. Republic North is arrayed along State Highway MM. The remaining Submarkets 4 – 10 form the portion of the City referred herein as Republic Central.



Sourcing and Limitations of Study

This Study was conducted internally using the wide array of resources available to City Staff. These resources consist of data taken from the Decennial Census (2010), the American Community Survey (primarily the 5-year estimates based on 2013-2018), ESRI, and counts, estimates, and data derived from the work product of City Staff. Demographic sections rely on ESRI and Census Bureau data for population figures to ensure authenticity with other data points presented from this source (age cohorts, household figures, etc.).

The supply model depicted within this study is based on the existing and expected inventory of subdivision lots. Demand elements are derived from the City's own population projection and buildout modeling.

This Study does not include a real estate market component and should not be used in place of such an analysis.

COVID-19

It is important to note that the start of this study predates awareness of COVID-19 and it is therefore not represented by the dataset, which is likely to be impacted in ways unforeseen. First identified in Wuhan, China in December of 2019, cases of COVID-19 infection spiked as the disease quickly spread around the world. By March 11, 2020 the World Health Organization (WHO) had classified the outbreak as a pandemic. Economic implications for COVID-19 have yet to be fully realized and a great deal of research is currently being conducted to discern long-term consequences in housing market adjacent topics such as regional migration and remote work.

III. Demographics

Who Lives in Republic?

Population

The population for the City of Republic is an estimated 17,525 residents for 2020 (ESRI).

At the beginning of the millennium Republic experienced a surge of growth of 55.8% for the first decade (2000 – 2010), which is an annual growth rate of 4.54%. The Republic North area (Submarkets 1, 2, and 3) saw the number of residents balloon from 233 to 573 – a more than 145% increase. At the same time, Submarket 4 increased from 695 residents to 2,266, showing a 12.55% annual change. Submarket 7 was the only one to see a decline in population going from 2,026 in 2000 to 1,910 by 2010. During this same timeframe the Springfield MSA and state of Missouri grew at annual rates of 1.72% and 0.68%, respectively.

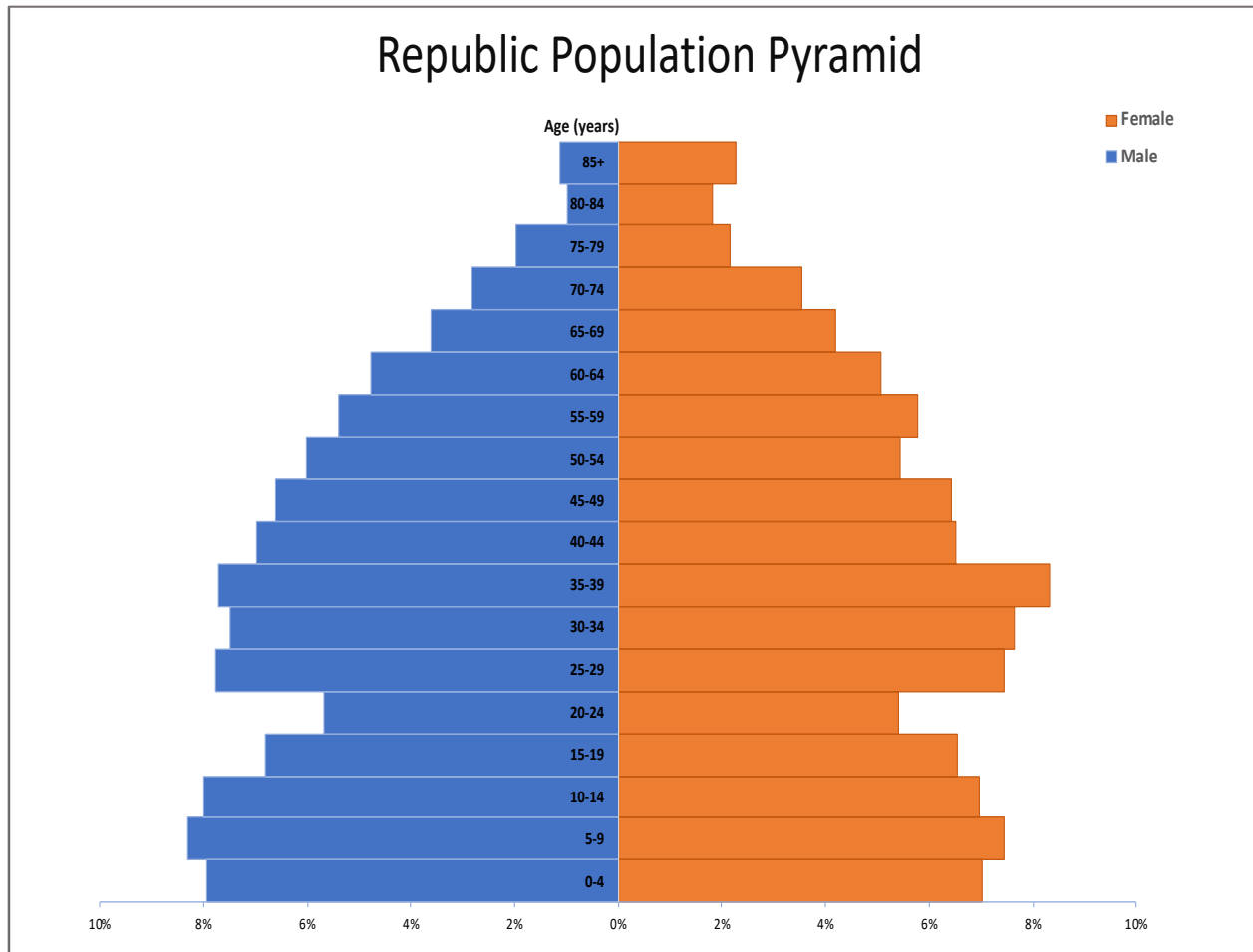
In the subsequent decade, 2010 – 2020, the City’s overall growth slowed to 17.05% (1.55% annually). This reduction is likely the product of a natural return to rates more representative of those found in the greater region coupled with the effects of a national recession. The period was characterized by years of recovery following the Great Recession (Dec. 2007- June 2009), the origin of which has been linked to the housing market at large.

Looking at individual areas of Republic reveals higher than average annual growth in Submarket 4 (3.35%) and Submarket 6 (2.57%). Republic North continued to grow as Submarket 2 grew by 3.85% and Submarket 3 by 2.12% annually. Submarket 5 experienced a negative growth rate (-0.42%). Still, the City of Republic outpaced the Springfield MSA (0.85%) and state of Missouri (0.45%).

		Population								
		2000	2010		2020		2025			
		Population	Population	Change (Annual Growth)	Population	Change (Annual Growth)	Population	Change (Annual Growth)		
Primary Market Area	Republic City, MO	9,605	14,972	4.54%	17,525	1.55%	18,576	1.17%		
	Submarkets	Brookline	1	21	24	1.34%	24	0.00%	25	0.82%
			2	199	524	10.17%	772	3.85%	848	1.90%
			3	13	25	6.76%	31	2.12%	34	1.86%
			Total	233	573	14.59%	827	4.43%	907	0.97%
	Submarkets	Republic (excluding Brookline)	4	695	2,266	12.55%	3,175	3.35%	3,481	1.86%
			5	2,007	3,263	4.98%	3,124	-0.42%	3,101	-0.15%
			6	1,431	2,670	6.44%	3,464	2.57%	3,775	1.73%
			7	2,026	1,910	-0.59%	1,979	0.35%	2,022	0.43%
			8	2,268	2,599	1.37%	2,973	1.32%	3,165	1.26%
			9	877	1,573	6.02%	1,862	1.66%	1,994	1.38%
			10	51	83	4.99%	97	1.53%	105	1.60%
			Total	9,355	14,364	5.35%	16,674	1.61%	17,643	0.58%
			Secondary Market Area	Springfield, MO MSA	368,374	436,712	1.72%	476,490	0.85%	498,699
Missouri			5,595,211	5,988,927	0.68%	6,268,203	0.45%	6,407,412	0.44%	

Age Cohorts

When considering an area's demographics, it is important to look at the age of the population in question. Age cohorts break down a subject population by how old individuals are, providing a population total for each age group, or cohort. This is valuable in determining ageing trends for the population.



The period of 2010 – 2020 was evaluated using a population pyramid to look at age cohorts of five years (e.g. 0 – 4, 5 – 9, etc.). In addition, each cohort included a breakdown by gender. Cohorts were examined at the Primary, Secondary, Submarket, and state levels.

The data shows that the population of the Primary Market is ageing. In this context, “ageing” is used to describe a pattern wherein the population totals are higher for older cohorts than for younger cohorts when compared to the previous decade’s population pyramid. The same holds true for all ten Submarkets, as well as for the Secondary Market and for Missouri. It is important to note, however, that the rate of this change is more severe for the City of Republic than for the Springfield MSA or the state of Missouri. At the same time, however, Republic is starting from a younger base population.

In Republic, the median population was 32.2 in 2010. By 2020 this figure was 34.9 – a change of +2.7 years, or 8.3%. Men were generally younger (median age of 33.7) than women (median age of 35.9). This reflects an overall trend of a “graying” population, whereby the number of younger residents (through inflow or birth) is not being adequately offset (through outflow or death) by that of older ones.

The trends within the Primary Market are reflected by most of the Submarkets with a few exceptions. Two Submarkets showed only a slight increase in median age over this period, albeit for different reasons. Submarket 7 had an increase of only +0.3 years (38.7 to 39) as the result of losses in older age cohorts. Submarket 9 increased by +0.4 years (36.1 to 36.5) due to increases in younger age cohorts, indicating inflow of young families.

The Secondary Market had a lesser change, with median age increasing just 1.7 years. However, the median age for 2020, 38, is actually higher than that of the Primary Market. For Missouri the median age for 2020 was 39.3, which is a change of +1.5 from 37.8 in 2010.

Republic’s population is ageing faster than the surrounding region or even the state. If the trend continues the City will “catch up” with these more mature populations.

Race

The Primary Market is homogenous with 94.5% of residents identifying as “White”. The next most common identification for City residents is “Two or More Races” at 2.5%. All other categories represent less than 1% of the City’s population. The Submarkets making up Republic North (1, 2, and 3) are slightly more diverse with a “White” population of 91.3%. Here, there is an increase in identification as “Black or African American” (1.3%), “American Indian or Alaska Native Population” (0.7%), “Asian” (1.8%), “Two or More Races” (3.3%), and “Other” (1.6%).

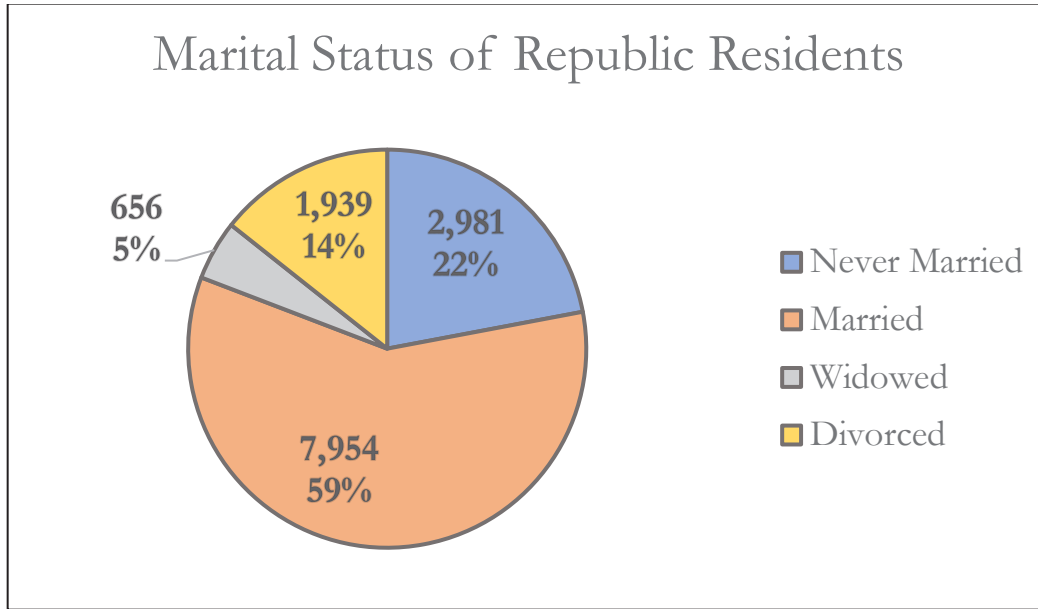
The Secondary Market is fairly similar to Republic in its racial makeup with the greatest difference being an increased “Black or African American” population of 2.5% and “Asian” population of 1.7%.

Missouri, comparatively, has more variation in racial makeup than both the Primary and Secondary Markets. “White” represents only 81.1% of residents and “Black or African American” respondents account for 11.7% of the population. Charts below depict the breakdowns in greater detail.

		Population by Race (2020)							
		White	2019 Black or African American	American Indian or Alaska Native Population	Asian	Pacific Islander	Other Race	Two or More Races	Total
Primary Market Area	City of Republic, MO	16,554	146	109	122	3	150	441	17,525
		94.5%	0.8%	0.6%	0.7%	0.0%	0.9%	2.5%	100.0%
Secondary Market Area	Springfield, MO MSA	433,736	11,804	3,453	8,103	432	5,067	13,895	476,490
		91.0%	2.5%	0.7%	1.7%	0.1%	1.1%	2.9%	100.0%
Missouri		5,080,468	733,660	32,358	137,165	9,252	104,442	170,858	6,268,203
		81.1%	11.7%	0.5%	2.2%	0.1%	1.7%	2.7%	100.0%

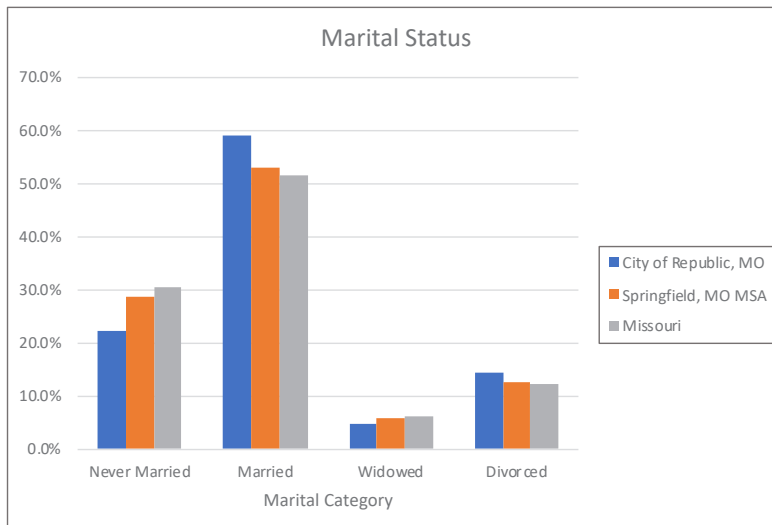
Marital Status

Residents of the Primary Market are more likely to tend toward marriage and away from divorce than their counterparts in the Secondary Market and state.



When asked about their marital status 58.8% of Republic residents above the age of fourteen responded that they are currently married, 14.3% are divorced, 4.8% identified as having been widowed, and 22% have never married. These figures are fairly stable across Submarkets

Looking at the Secondary Market and Missouri, the number of married respondents drops to 53.1% and 51.6%, respectively. Divorce figures were higher with 28.6% in the Secondary Market and 30.3% for Missouri. Reporting for widowed individuals and those who have never married showed no marked difference from the Primary Market.

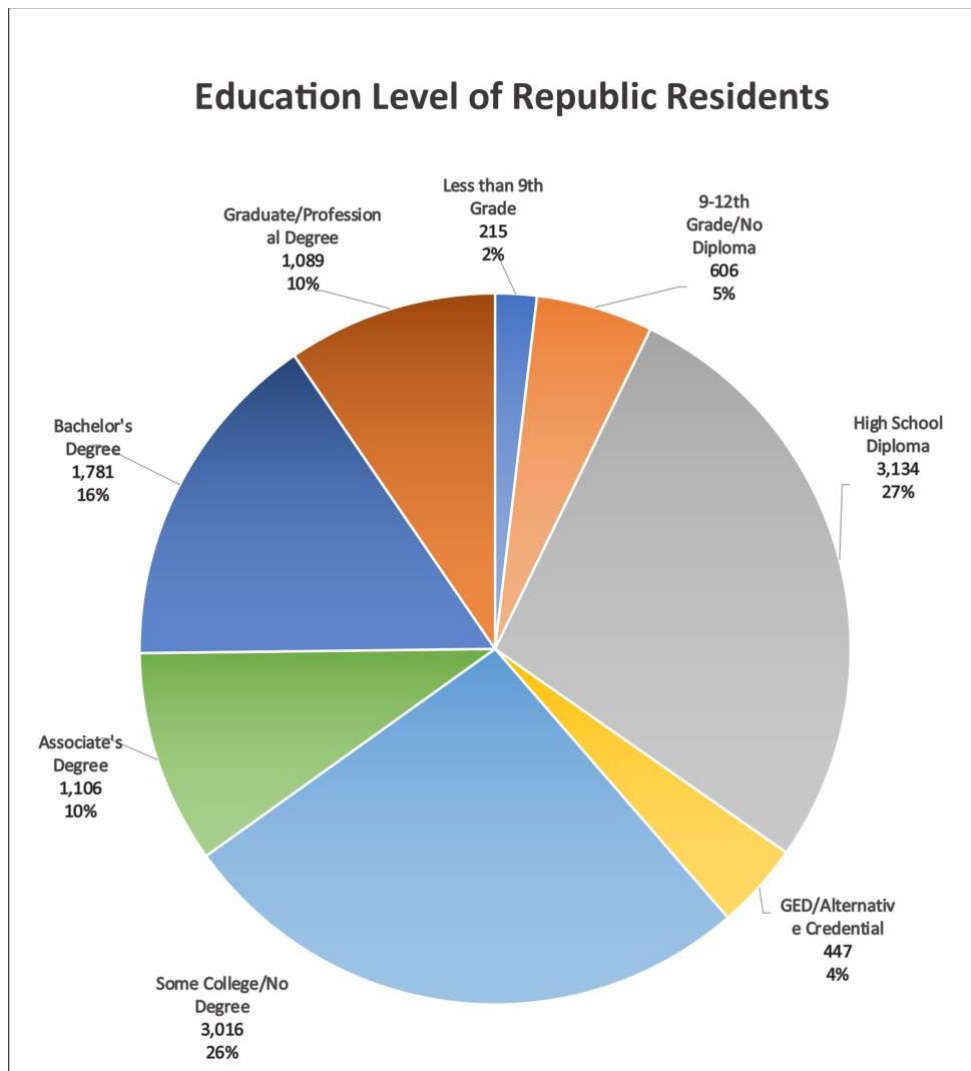


Education

The educational background of a population is an important component of its labor force. Such information helps prospective employers judge the fit of a location's workforce. Respondents are asked to provide the highest level of education they attained. A variety of possible choices are offered ranging from "Less than 9th Grade" to "Graduate/Professional Degree".

The highest level of educational attainment for individuals (twenty-five and older) in the Primary Market differs from that of the Secondary Market and state of Missouri. Overall, 34.9% of Republic residents have graduated from college. This compares with 36.5% for those living in the Springfield MSA and 38.3% for Missourians.

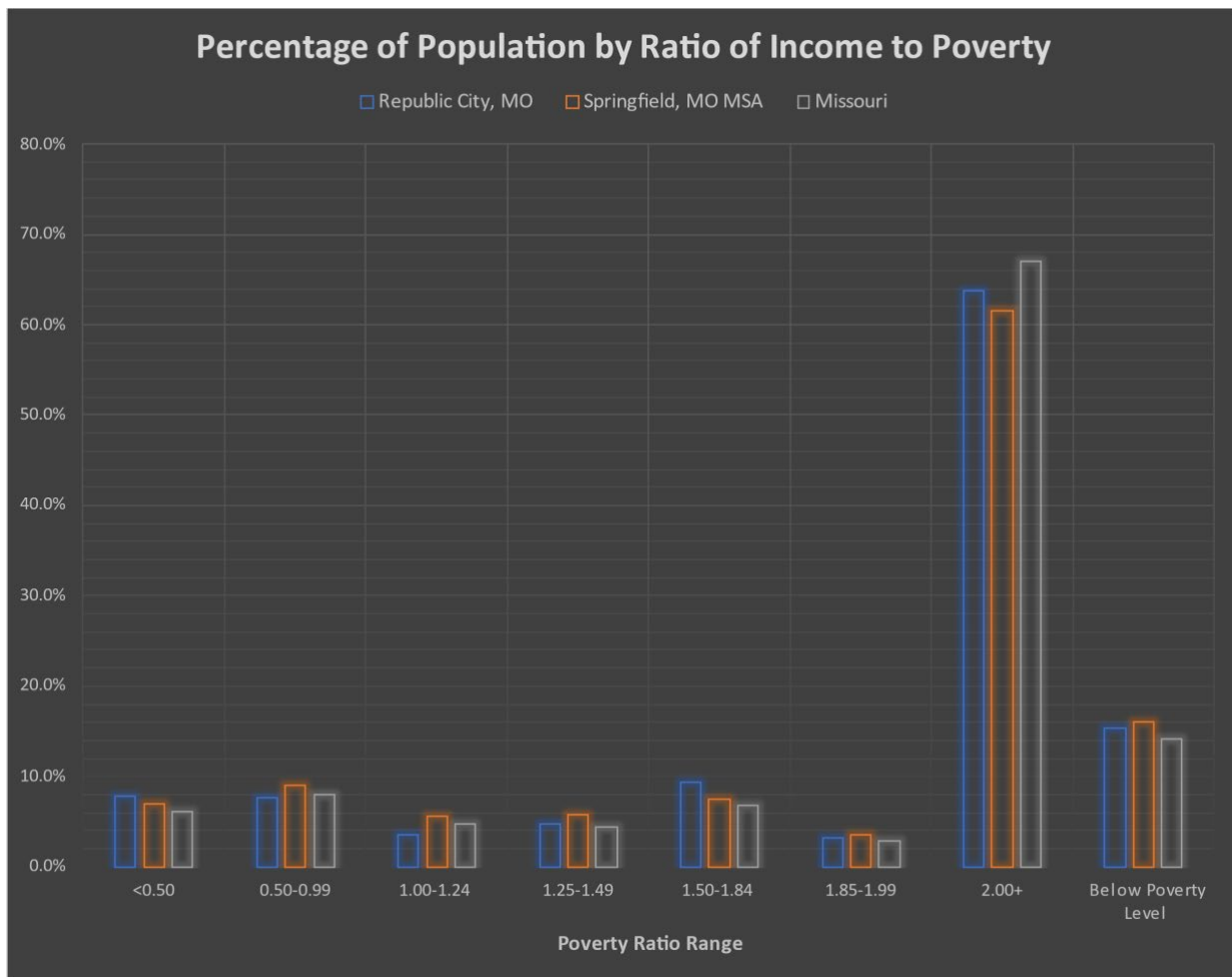
Specifically, residents of Republic are more likely to have graduated high school, started (but not finished) college, or received an associate's degree. However, they are less likely to have pursued a bachelor's degree or a Graduate/Professional degree than their counterparts in either the Springfield MSA or Missouri. In the Primary Market, the highest return of college graduates come from Submarket 9 – with 58.3%. Submarket 3 came in second at 47.6%. In fact, Republic North, as a whole, is one of the most educated parts of the City with 45.3% of respondents having graduated college.



Poverty

The Census Bureau determines poverty levels based on income – when an individual, household, or family does not meet the monetary threshold required to meet basic minimum needs, set by the Bureau, they are assigned poverty status. Such thresholds take into account the number of household members, their ages, and their employment eligibility. Income is computed using job earnings, unemployment compensation, Social Security, alimony, child support, and so on. Noncash benefits such as food stamps or public housing assistance are not taken into account when determining total income.

Poverty is most commonly reported in two ways. The first, is a numerical measure of how much one is above or below the threshold, which provides a count of the populace experiencing poverty. The second, is determined by creating a ratio of earned income to the threshold income amount. In this manner, it is possible to represent how far above or below the threshold a respondent’s income places them.



In the Primary Market 15.3% of the population, or 2,425 people, are below the poverty level. Republic North has a rate of 8.4% and Republic Central is at 14.4%. The overall rate for Republic is in line with that of the rest of the region. The Secondary Market area has a rate of 16%, while Missouri’s rate is 14.2%. Three Submarkets, all in Republic Central, have higher populations at or below poverty level. Submarket 5 has 580

residents, which is 20.7% of its population in this category; submarket 6 has 407 residents, or 16%, at or below poverty level; Submarket 7 has 489 residents, or 24.8%, experiencing poverty.

Looking at poverty ratios it becomes possible to not only identify the areas of Republic where poverty is less of a concern but to discern ratio ranges for percentages of the population. For instance, the City of Republic has 1,227 residents, or 7.8%, with a ratio of less than 0.50, which means that their income is less than half of the level that constitutes poverty. Two Submarkets have higher percentages for that range. Submarket 5 has 410 residents, or 14.6% of its population, in this ratio. Submarket 7 has 177, or 9% of its residents making less than half of the income necessary to be considered at Poverty Level.

On the other end of the income spectrum, 63.7% of Republic (10,069 residents) make more than double the poverty level income – a ratio of greater than 2.0. All three Submarkets in Republic North surpass the City in this ratio range. In Submarket 1, this is true for 91.3% of the residents, or 21 respondents; Submarket 2 has 69.4%, or 412, in this ratio range; Submarket 3 has 71.4%, which is 20 members of the population making more than twice the income that would qualify for poverty level. Although Republic Central's reporting for this category falls in line with the Primary Market at 63.2%, several of its submarkets surpass the larger Primary Market percentage in this ratio range: Submarket 4 with 73% (2,256), Submarket 6 with 72.8% (1,852), Submarket 9 with 81.4% (1,159), and Submarket 10 with 67% (59).

The Secondary Market area reporting aligns with the City of Republic at 61.5%, or 272,436 respondents, with income greater than twice the poverty level. Missouri, on the other hand, has a higher figure with 67% (3,959,942) than the Primary Market area. This suggests that incomes, overall, may have a higher average rate statewide than in the Primary or Secondary.

		Population by Ratio of Income to Poverty (2014-2018 ACS)*								
		<0.50	0.50-0.99	1.00-1.24	1.25-1.49	1.50-1.84	1.85-1.99	2.00+	Below Poverty Level	Total
Primary Market Area	Republic City, MO	1,227	1,198	553	746	1,487	519	10,069	2,425	15,799
		7.8%	7.6%	3.5%	4.7%	9.4%	3.3%	63.7%	15.3%	100%
Submarket	1	0	1	1	0	0	0	21	1	23
		0.0%	4.3%	4.3%	0.0%	0.0%	0.0%	91.3%	4.3%	100%
	2	32	19	29	12	73	17	412	51	594
		5.4%	3.2%	4.9%	2.0%	12.3%	2.9%	69.4%	8.6%	100%
	3	1	1	2	1	2	1	20	2	28
		3.6%	3.6%	7.1%	3.6%	7.1%	3.6%	71.4%	7.1%	100.0%
	Total	33	21	32	13	75	18	453	54	645
		5.1%	3.3%	5.0%	2.0%	11.6%	2.8%	70.2%	8.4%	100.0%
	4	43	182	271	26	254	58	2,256	225	3,090
		1.4%	5.9%	8.8%	0.8%	8.2%	1.9%	73.0%	7.3%	100%
	5	410	170	108	310	193	125	1,489	580	2,805
		14.6%	6.1%	3.9%	11.1%	6.9%	4.5%	53.1%	20.7%	100%
	6	191	216	25	88	138	33	1,852	407	2,543
7.5%		8.5%	1.0%	3.5%	5.4%	1.3%	72.8%	16.0%	100.0%	
7	177	312	122	111	176	248	826	489	1,972	
	9.0%	15.8%	6.2%	5.6%	8.9%	12.6%	41.9%	24.8%	100.0%	
8	202	142	95	80	540	14	1,550	344	2,623	
	7.7%	5.4%	3.6%	3.0%	20.6%	0.5%	59.1%	13.1%	100%	
9	27	12	27	70	128	0	1,159	39	1,423	
	1.9%	0.8%	1.9%	4.9%	9.0%	0.0%	81.4%	2.7%	100%	
10	0	13	7	7	1	1	59	13	88	
	0.0%	14.8%	8.0%	8.0%	1.1%	1.1%	67.0%	14.8%	100%	
Total	1,050	1,047	655	692	1,430	479	9,191	2,097	14,544	
	7.2%	7.2%	4.5%	4.8%	9.8%	3.3%	63.2%	14.4%	100%	
Secondary Market Area	Springfield, MO MSA	30,940	40,069	25,242	25,556	33,329	15,589	272,436	71,009	443,161
		7.0%	9.0%	5.7%	5.8%	7.5%	3.5%	61.5%	16.0%	100%
Missouri		363,015	474,915	276,551	264,510	399,070	169,187	3,959,942	837,930	5,907,190
		6.1%	8.0%	4.7%	4.5%	6.8%	2.9%	67.0%	14.2%	100%

*Poverty is determined by the Census Bureau as the level of income at which minimum needs cannot be provided. The poverty ratio compares this minimum level with actual income for individuals to determine a poverty level. A ratio of "1.0" indicates that actual income is equivalent to the minimum income to meet needs.

Households in Republic

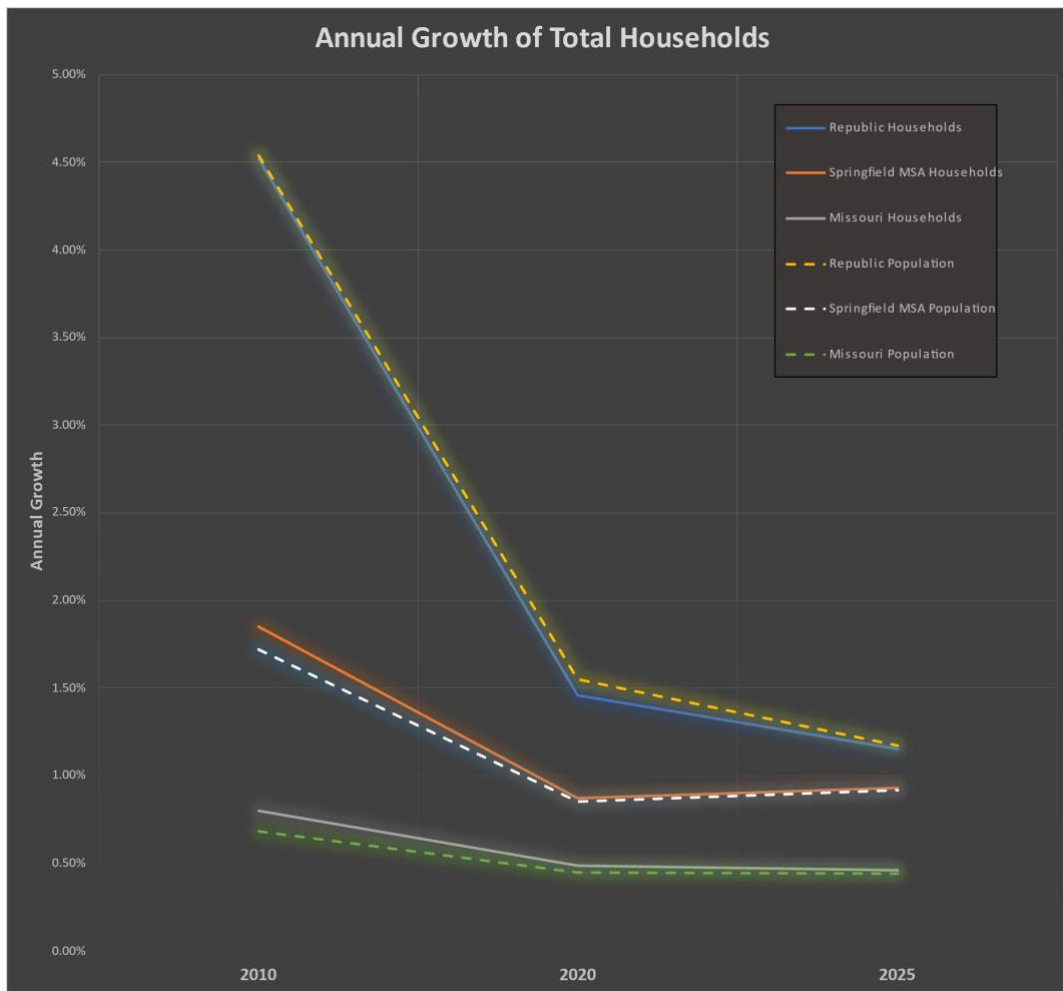
When considering the housing market, it is necessary to examine data and trends relating to households. A household is considered to be the group of people residing in a given dwelling unit. This is the key unit representing use of the housing market – making it one of the most singularly important measures to take.

Generally, trends relating to growth of households should mirror those of population to some degree. Although, differences in growth can become more apparent as household size changes. An increase in household size will result in a lower growth rate for households than population. Such changes may offer insight into the type and size of homes the market will more readily absorb.

Household information collected sometimes differentiates between those that are comprised of a family and those that are not. Family households are defined as those households made up of members who are related by blood or marriage. This is worth examining because these two groups often show a desire for different mixes of housing. Family households are more likely to live in detached homes and are more likely to own their home. Non-family households are more likely to seek housing arrangements that require less long-term commitment and are more likely to occupy apartments and rentals in general.

Households

Primary Market household growth relates to that of the population as should be expected.



Between 2000 and 2010 the annual growth rate of households was 4.52% as the total number changed from 3,589 to 5,582. The average size of a household unit was 2.65. The annual growth rate from 2010 to 2020 for households (1.46%) tracks just below that of the population (1.55%), as the household count reached 6,479. The lower rate can be accounted for by the slight increase in household size, which rose from 2.65 to 2.68 during this period. Projections continue this trend. By 2025 the number of households is expected to reach 6,859 with an annual growth rate of 1.15%. Again, this rate is just below that of the population (1.17%). Average household size is expected to raise very slightly by 0.01 to 2.69 members per household.

The Secondary Market showed no change in its average household size of 2.42 during the period of 2010 to 2020. This figure remains static as the market is projected to 2025. The average household size for the state of Missouri falls by 0.01 for the period of 2010-2020 from 2.45 to 2.44. The 2025 projection shows it remaining stable at 2.44.

		Households										
		2000		2010			2020			2025		
		Number of Households	Number of Households	Change (Annual Growth)	Avg. Size of HH	Number of Households	Change (Annual Growth)	Avg. Size of HH	Number of Households	Change (Annual Growth)	Avg. Size of HH	
Primary Market Area	City of Republic, MO	3,589	5,582	4.52%	2.65	6,479	1.46%	2.68	6,859	1.15%	2.69	
Secondary Market Area	Springfield, MO MSA	145,304	174,584	1.85%	2.42	190,769	0.87%	2.42	199,795	0.93%	2.42	
Missouri		2,194,594	2,375,611	0.80%	2.45	2,496,545	0.49%	2.44	2,555,047	0.46%	2.44	

Tenure

Ownership status of a household's dwelling is referred to as tenure. Homes are either occupied by an owner or by a renter. Tenure for the Primary Market, taken as a whole, shows a small increase in owner-occupied homes over time. The number of owner-occupied dwellings rose from 67.2% in 2010 to 67.8% in 2020. Projections to 2025 predict this trend continuing to reach 68.7% by 2025.

Secondary Market owner-occupied homes experienced a decline during the 2010 – 2020 period. In 2010 this rate was 65.7% but had decreased 1.9% to 63.8% by 2020. This figure is expected to remain relatively stable – rising 0.1% in 2025. Missouri owner occupation shows a similar decline but from a higher starting point. Over ten years the rate declined 1.8% from 68.8% in 2010 to 67% in 2020. This rate is projected to continue to go down another 0.1% to 66.9% in 2025.

		Households by Tenure						
		Type of Household	2010		2020		2025	
			Number	Percent	Number	Percent	Number	Percent
Primary Market Area	City of Republic, MO	Owner-Occupied	3,753	67.2%	4,392	67.8%	4,714	68.7%
		Renter-Occupied	1,829	32.8%	2,087	32.2%	2,145	31.3%
		Total	5,582	100%	6,479	100%	6,859	100%
Secondary Market Area	Springfield, MO MSA	Owner-Occupied	114,621	65.7%	121,651	63.8%	127,624	63.9%
		Renter-Occupied	59,963	34.3%	69,118	36.2%	72,171	36.1%
		Total	174,584	100.0%	190,769	100.0%	199,795	100.0%
Missouri		Owner-Occupied	1,633,610	68.8%	1,672,084	67.0%	1,709,735	66.9%
		Renter-Occupied	742,001	31.2%	824,461	33.0%	845,312	33.1%
		Total	2,375,611	100.0%	2,496,545	100.0%	2,555,047	100.0%

Family v. Non-Family Households

In the Primary Market area there is a general upward growth trend for the percentage of households represented by non-families. In 2010 non-families represented 27.2% and families 72.8% of the housing market. By 2020 the spread had moved slightly, by 0.7%, in favor of non-families, who came to represent 27.9%, while families dropped to 72.1%. Projections into 2025 show the non-family household share continuing to rise another 0.3% to 28.2% with families dropping to 71.8%.

Submarkets follow their own trends which closely align to their respective tenure figures. For instance, in Submarket 7 family households represented 59.9% of the total 2010. This is very near the percentage of owner-occupied homes for that same year: 58.3%. While the numbers do not always match quite so well, the general trend holds, for the most part, across the Submarkets. It is also worth noting that the losses in population that occurred between 2010 and 2020 in Submarket 5 can be, in part, matched to the losses in family households. Here, family households fell from 900 in 2010 to 851 in 2020 while non-family households held steady at 344.

The Springfield MSA and state of Missouri follow a similar pattern to Republic with a continued gradual increase in the number of non-family households. In 2010 Secondary Market split between non-families and families was 35% to 65%. By 2020 this spread shifted in favor of non-families by 0.9%, raising their share to 35.9% and bringing the family household portion to 64.1%. By 2025, the increase in the number of non-family households is expected to continue, bringing their share up another 0.3% to 36.2% and lowering that of families to 63.8%.

Missouri's ratio of non-family to family households was 34.7% to 65.3% in 2010. This ratio shifted in favor of non-families by 0.9% in 2020 (35.6% to 64.4%). The trend is projected to continue into 2025 with a split of 35.9% non-family to 64.1% family, a gain of 0.3% for non-families.

			Households by Tenure						
			Type of Hou	2010		2020		2025	
				Number	Percent	Number	Percent	Number	Percent
Primary Market Area	City of Republic, MO	Family	4,062	72.8%	4,672	72.1%	4,925	71.8%	
		Non-Family	1,520	27.2%	1,807	27.9%	1,934	28.2%	
Total			5,582	100%	6,479	100%	6,859	100%	
Submarket	Brookline	1	Family	6	100.0%	6	85.7%	6	85.7%
		Non-Family	0	0.0%	1	14.3%	1	14.3%	
		Total	6	100%	7	100%	7	100%	
		2	Family	169	72.8%	238	72.3%	259	71.9%
		Non-Family	63	27.2%	91	27.7%	101	28.1%	
		Total	232	100%	329	100%	360	100%	
		3	Family	7	100.0%	8	72.7%	9	75.0%
		Non-Family	0	0.0%	3	27.3%	3	25.0%	
		Total	7	100%	11	100%	12	100%	
		Total	Family	182	74%	252	73%	274	72%
	Non-Family	63	26%	95	27%	105	28%		
	Total	245	100%	347	100%	379	100%		
	Republic (excluding Brookline)	4	Family	597	75.3%	822	74.5%	895	74.2%
		Non-Family	196	24.7%	282	25.5%	311	25.8%	
		Total	793	100%	1,104	100%	1,206	100%	
		5	Family	900	72.3%	851	71.2%	842	70.8%
		Non-Family	344	27.7%	344	28.8%	348	29.2%	
		Total	1,244	100%	1,195	100%	1,190	100%	
		6	Family	685	75.9%	864	74.3%	936	73.8%
		Non-Family	218	24.1%	299	25.7%	333	26.2%	
Total		903	100%	1,163	100%	1,269	100%		
7		Family	507	59.9%	506	57.9%	512	57.2%	
Non-Family	339	40.1%	368	42.1%	383	42.8%			
Total	846	100%	874	100.0%	895	100.0%			
8	Family	716	74.4%	813	73.4%	862	72.9%		
Non-Family	246	25.6%	295	26.6%	320	27.1%			
Total	962	100%	1,108	100%	1,182	100%			
9	Family	454	83.0%	532	82.4%	569	82.1%		
Non-Family	93	17.0%	114	17.6%	124	17.9%			
Total	547	100%	646	100%	693	100%			
10	Family	24	80.0%	28	80.0%	30	78.9%		
Non-Family	6	20.0%	7	20.0%	8	21.1%			
Total	30	100.0%	35	100.0%	38	100.0%			
Total	Family	3,883	72.9%	4,416	72.1%	4,646	71.8%		
Non-Family	1,442	27.1%	1,709	27.9%	1,827	28.2%			
Total	5,325	100.0%	6,125	100.0%	6,473	100.0%			
Secondarily Market Area	Springfield, MO MSA	Family	113,544	65.0%	122,304	64.1%	127,536	63.8%	
Non-Family	61,040	35.0%	68,465	35.9%	72,259	36.2%			
Total	174,584	100.0%	190,769	100.0%	199,795	100.0%			
Missouri		Family	1,552,133	65.3%	1,608,073	64.4%	1,638,587	64.1%	
Non-Family	823,478	34.7%	888,472	35.6%	916,460	35.9%			
Total	2,375,611	100.0%	2,496,545	100.0%	2,555,047	100.0%			

Family Size

Examining family households by their number of members over time provides a more detailed accounting of how the average size of families, as well as households, are increasing.

		Year	People Per Family Household												Total
			2 People		3 People		4 People		5 People		6 People		7+ People		
			Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	Number	Percent	
Primary Market Area	City of Republic, MO	2010	1,586	39.0%	983	24.2%	933	23.0%	376	9.3%	130	3.2%	54	1.3%	4,062
		2018	1,554	36.7%	1,186	28.0%	732	17.3%	515	12.2%	226	5.3%	16	0.4%	4,229
Secondary Market Area	Springfield MO MSA	2010	53,755	47.3%	25,270	22.3%	20,461	18.0%	8,878	7.8%	3,256	2.9%	1,924	1.7%	113,544
		2018	57,002	49.0%	24,658	21.2%	19,886	17.1%	9,039	7.8%	3,481	3.0%	2,374	2.0%	116,440
Missouri		2010	699,051	45.0%	352,533	22.7%	289,496	18.7%	133,129	8.6%	49,302	3.2%	28,622	1.8%	1,552,133
		2018	727,021	47.2%	340,306	22.1%	276,745	18.0%	125,964	8.2%	44,406	2.9%	26,133	1.7%	1,540,575

Data collected in 2010 and 2018 show a decrease in two-person and four-person families for the Primary Market Area and a general rise for three-, five-, and six-person families. Large families of seven-or-more dropped by

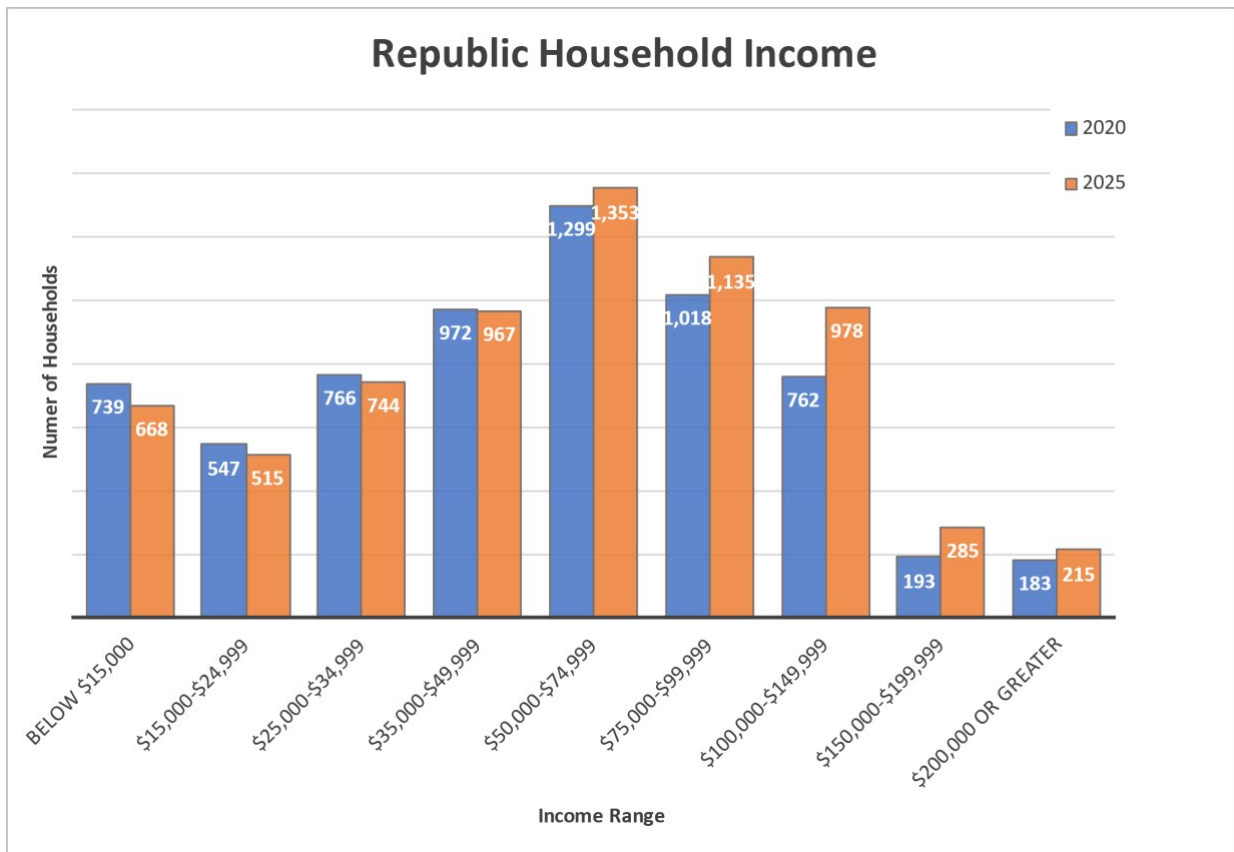
more than two-thirds. The general trend appears to be growth in early and established families. Additionally, the gains in six-person families indicate a possible rise in multi-generational households.

Household Finance

The financial position and patterns of residents influence the demand of the housing market by setting purchase price. As their financial prospects increase, buyers may consider homes of higher quality or larger size either for purchase or rent.

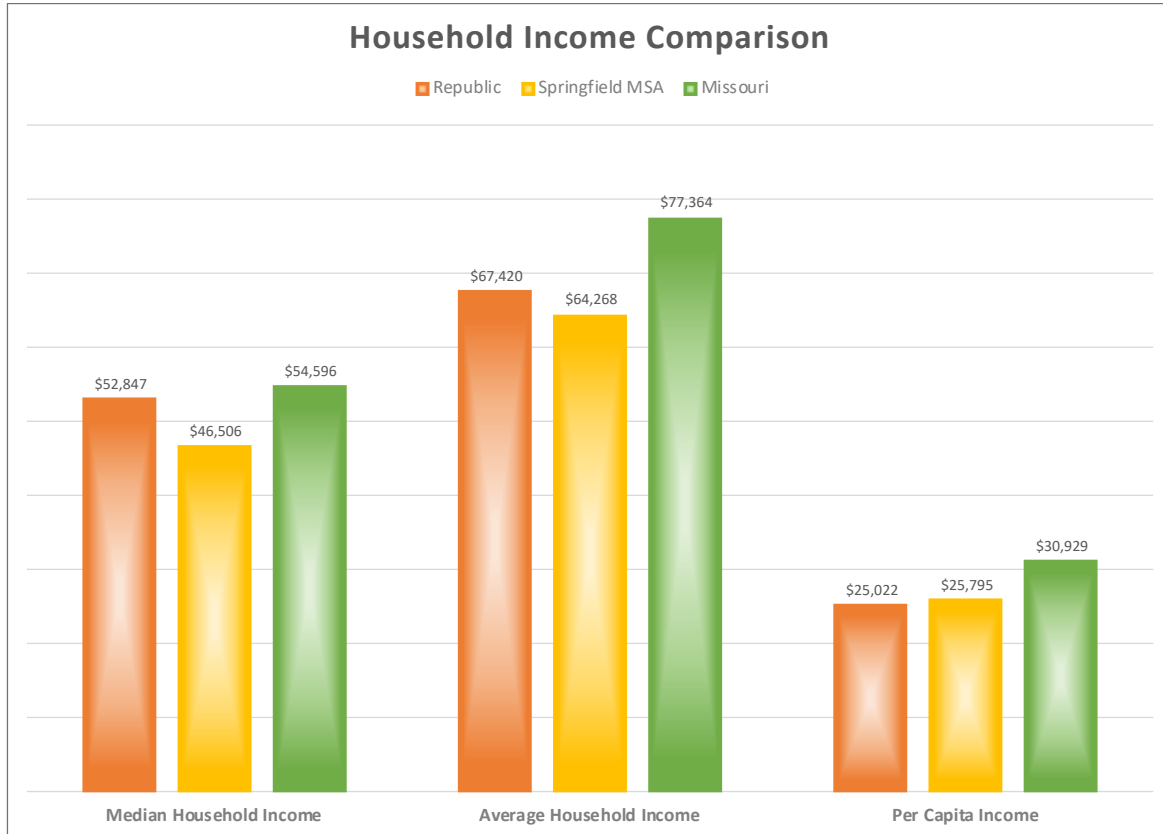
Household Income

The distribution of household income is expected to change favorably from 2020 to 2025. The Republic Household Income chart depicts the number of households in each income range for both years. There is a clear trend of movement up for income during this period. The lower three ranges, extending to \$34,999 all lose proportional share from one year to the next. The \$35,000 to \$49,999 range stays roughly the same. The five highest ranges each grow in proportional share. Taken together this data indicates that incomes are predicted to skew higher for Republic residents. Specifically of note are the \$100,000 to \$149,000 range and the \$150,000 to \$199,999 range. The number of households in the former is predicted to grow by more than 10%, while the number of households in the latter shows 47% growth.



Comparatively, figures for the average and median incomes in Republic fall between those of the Springfield MSA and Missouri. Republic's median household income is 13% higher than the Springfield MSA and 3%

lower than that of Missouri. That difference is expected to be slightly exacerbated by 2025 as Republic experiences a 1.73% increase but Springfield MSA sees only 1.4% growth in median household income. Per capita income is close between both markets with Republic reporting \$25,022 and the Springfield MSA showing \$25,795 – a difference of \$773. This gap is predicted to close slightly by 2025 at which time the difference would shrink to \$506.

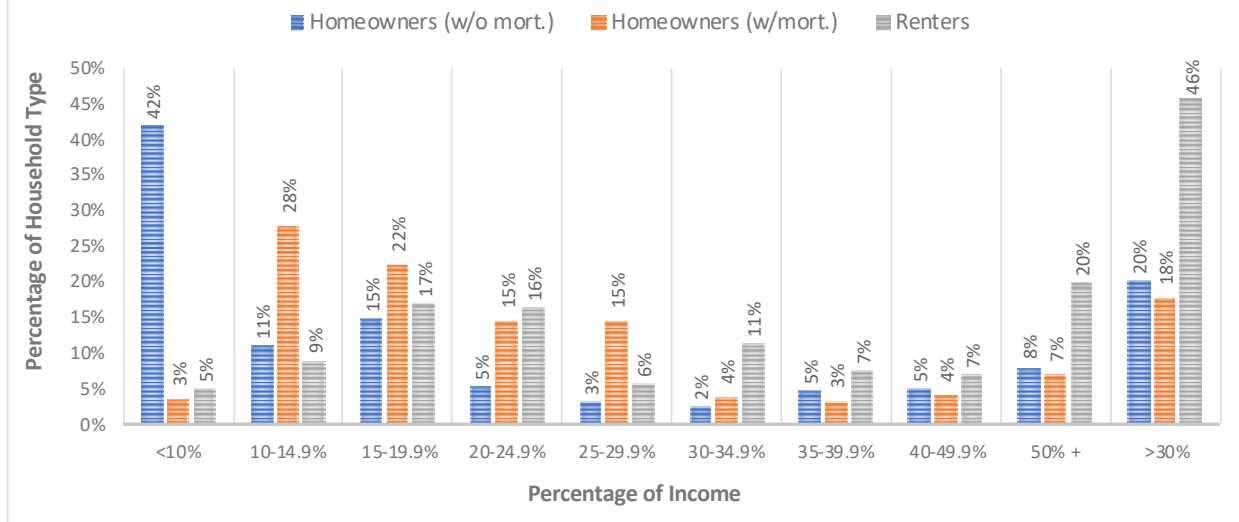


Housing Cost as a Portion of Income

According to the Census Bureau, a commonly accepted rule for budgeting asserts that the typical household should seek to limit the portion of income spent on housing to 30% or less. In doing so, the household should have adequate money to set aside for discretionary spending. This rule applies to both homeowners and renters.

For renters these costs are limited to the gross rental payments and utilities, if separate. For homeowners, determining this figure can be more complicated as it includes concerns such as mortgage payments, utilities, and various types of insurance. The Census Bureau includes these necessary expenditures when assessing household costs.

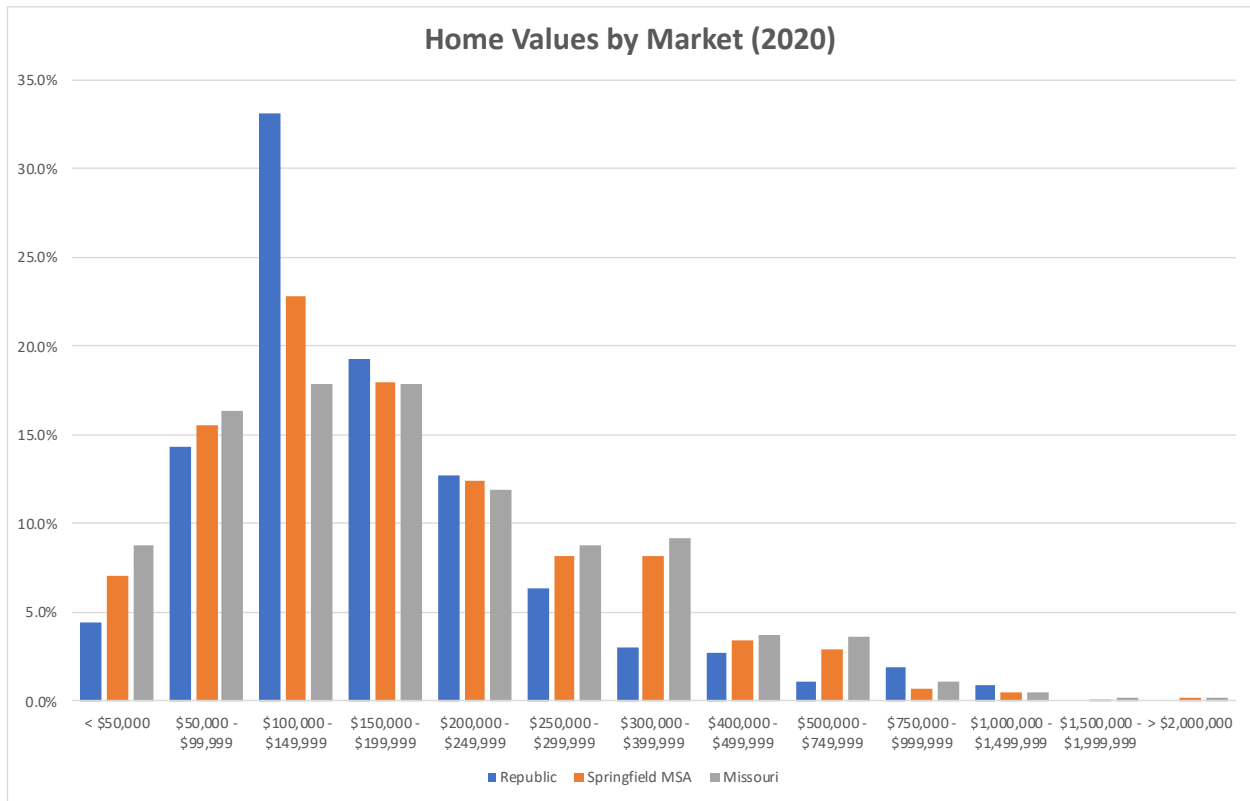
REPUBLIC HOUSING COSTS AS A PORTION OF INCOME



Republic homeowners without mortgages, unsurprisingly, fare the best when looking at which group spends more on housing. As a group, homeowners tended to have lower proportional housing costs than renters. More than two-thirds of homeowners without mortgages and more than half of those with mortgages have housing costs of less than 20% of their overall income; compared with less than one-third of renters. On the other end of the scale, about 20% of renters pay at least half of their income in housing costs compared to 7% and 8% of homeowners with and without mortgages, respectively. As expected, examination of this data by Submarket shows that renters paying a lower proportional share of their income are more likely to be in Submarkets where housing assistance is available.

Housing Value

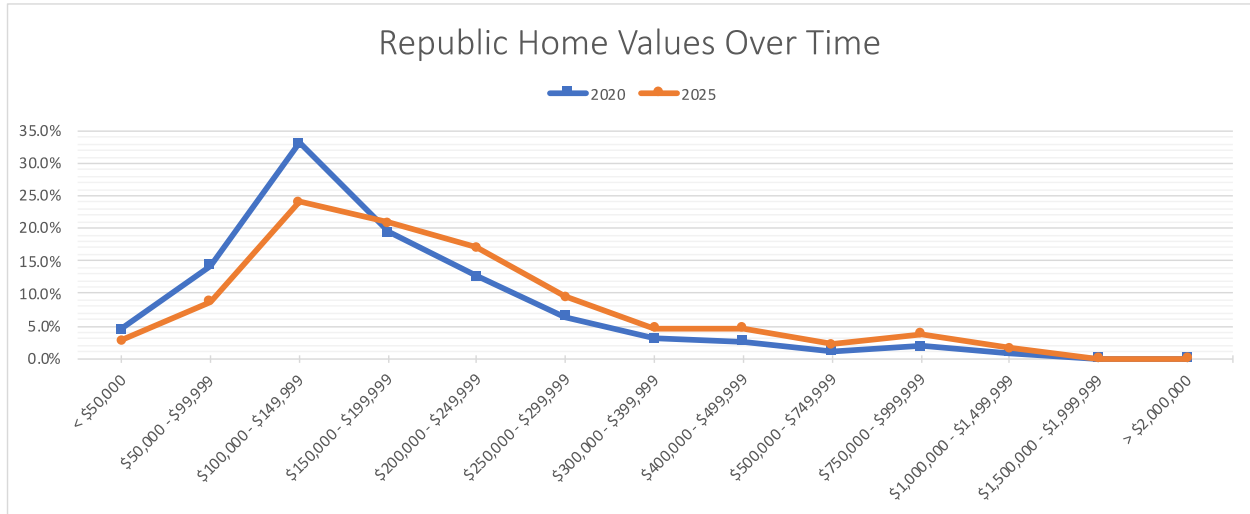
Housing values measure the actual worth of the home and are based on assessment figures. Housing data provided by ESRI offers the number of homes in various value ranges for 2020 and projections for 2025. Looking at these values charted by market for 2020 one thing is immediately clear: Republic has a large percentage of its homes in the \$100,000 to \$149,999 range. In fact, a third of all homes in the City fall in this range. This is more than 10% higher than the Springfield MSA (22.8%) and almost double that of Missouri (17.9%). Figures in higher end ranges, all the way from \$250,000 to \$749,999, are lower for Republic than other markets. Also of note is the smaller number of homes for Republic in the lowest range of less than \$50,000.



Both median and average values are lower in Republic than both Springfield MSA and Missouri. Median values for the City are about 10% lower than Springfield MSA and 13% lower than Missouri. Median values are projected to tighten the gap between other markets by 2025 – moving to less than 4% lower than Springfield and about 4.5% lower than Missouri. Average home values are expected to pass both the Springfield MSA and Missouri by 2025. This change is the result of more expensive homes built on the outskirts of town coupled with market corrections of the surplus of Republic homes between \$100,000 and \$149,999.

		Home Value		
			Median Home Value	Average Home Value
Primary Market Area	City of Republic, MO	2020	\$147,113	\$190,796
		2025	\$184,709	\$243,334
Secondary Market Area	Springfield, MO MSA	2020	\$162,899	\$205,070
		2025	\$190,842	\$237,247
Missouri		2020	\$169,646	\$214,090
		2025	\$193,273	\$242,778

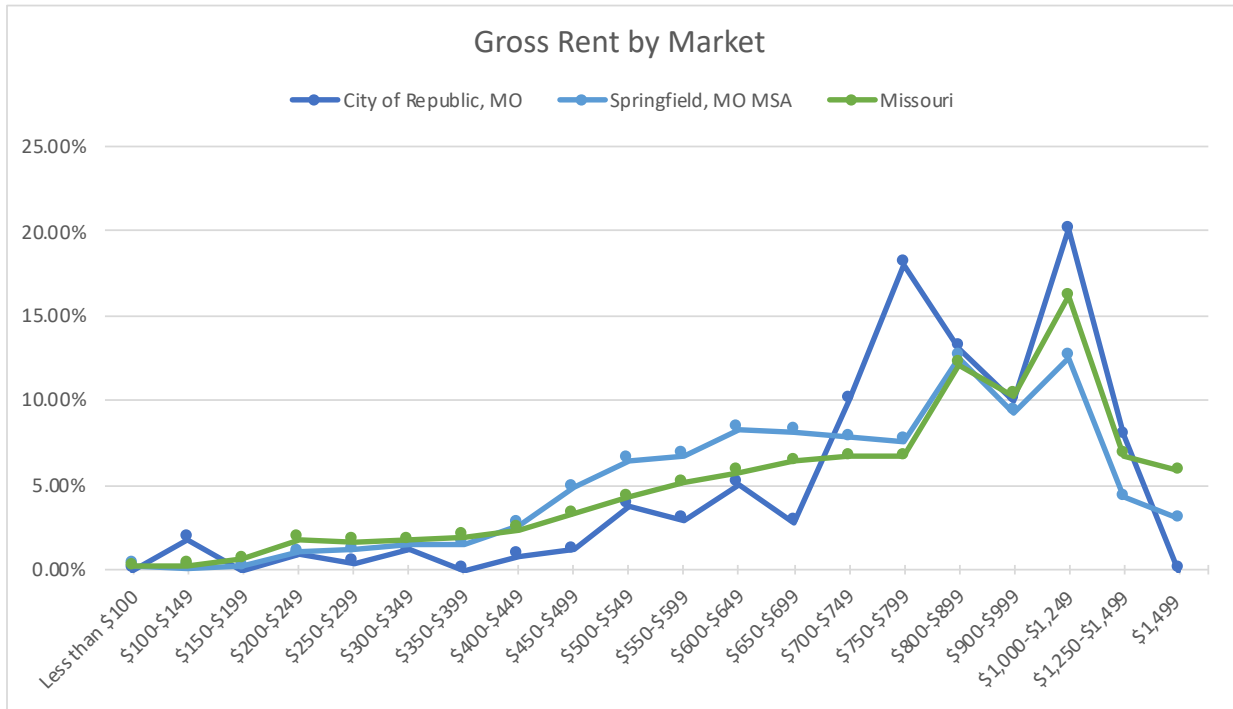
Over time home values are expected to normalize. This is due to a couple of factors. First, home values are anticipated to increase and, as a result, homes in one range will graduate to the next category. Second, the market should respond to regional outliers such as an abundance or dearth of homes in a particular range. Future developments are expected to take supply into account as they plan new projects.



Gross Rent

For Republic renters the rent tends to be higher than for those in the Springfield MSA. Gross rent in the Primary Market was \$808 in 2018 and had remained fairly stable from the preceding years – only raising 3.6% since 2016. This compares to Springfield MSA where the rent was \$745 in 2018 but rose at a faster rate (6.1%) from 2016. The state of Missouri matched closely to Republic’s rent at \$809 but rose at a faster rate of 6.5% over three years.

Looking at the median rent by number of bedroom units gives insight into the higher overall median rent for Republic. The data would indicate that the higher rate is a function of lower availability, both of larger units and overall supply over time. Republic rent more closely matches that of the Springfield MSA for smaller units (one-to-three-bedroom units). Median rents for units with four bedrooms in the Republic market are skewed, however, going for rates that are 20% higher. Year-over-year changes in rent of two-bedroom units for 2017-2018 were 3.66% a sharp rise of 2.85% when compared with the preceding figure of 0.81% from 2016-2017. For three-bedroom units, the increase in year-over-year moved 2.37% from 3.85% (2016-17) to 6.22% (2017-18). This may indicate a need for units with two and three bedrooms, which are the among the most common configuration.



Gross rent has also been tracked as across markets. Generally, Republic has a lower number of units in the lower and middle price ranges than either Springfield MSA or Missouri. At the top end, however, Republic has much higher percentages – specifically in ranges of \$700-\$749 and \$1,000 - \$1,249 than either other market. Springfield MSA follows the state’s figures much more closely. However, it appears to have greater inventory of units in the mid-priced range and slightly fewer in the higher ranges than Missouri.

IV. Supply

The housing market, like all markets, operates as a function of supply and demand. Supply is created through new and resale housing, or dwelling units. The City plays an important role in the construction of new housing. In today's marketplace, most new homes are the product of large-scale developments called subdivisions. The subdivision creation process provides the standards and mechanisms through which large tracts of land are divided into smaller lots on which individual homes are to be built. City staff guide developers through this process by providing review and guidance to ensure that new subdivisions meet municipal ordinances that specify lot standards and infrastructure specifications. The end goal is to create well-functioning lots that serve to benefit the community for the foreseeable future.

Lots become sites for home construction by both large and small-scale builders. The City requires a building permit for all new construction. During the permitting process, construction and site plans are reviewed for compliance with municipal ordinances as well as with the subdivision's final plat. Both the subdivision creation and building permitting processes require City staff to collect a variety of data. This data, when taken in aggregate, provides a window into the new housing side of market supply.

Types of Housing Structures

One of the key determinants of housing market supply is the number of dwelling units present. Dwelling units come in a variety of forms:

- Single-Family
- Two-Family (Duplex)
- Multi-Family
- Group Homes

Detached single-family homes are the most common form – making up 76.65% of City housing stock¹. Such homes are what most people think of when they envision a traditional American-style dwelling. Each home takes the form of a single structure occupying its own dedicated parcel of land. In Republic, lot sizes and configurations for these homes are constrained by a parcel's assigned zoning district.

Two-family homes, also known as duplexes, are built to serve as two separate dwelling units. Generally, such units are arranged side-by-side and are separated by a firewall that is rated for two hours of burn time. This means that a fire occurring on one side of the building will take at least two hours to breach the separation. Duplexes make up about 6.48% of the housing stock in the City and have a couple of typical lot configurations. In the first, the entire structure sits on one parcel. This is the most traditional configuration and is most common when both dwelling units are owned by one party. The second configuration occurs when the dwellings each occupy their own lots with the shared wall residing on the adjoining property line.

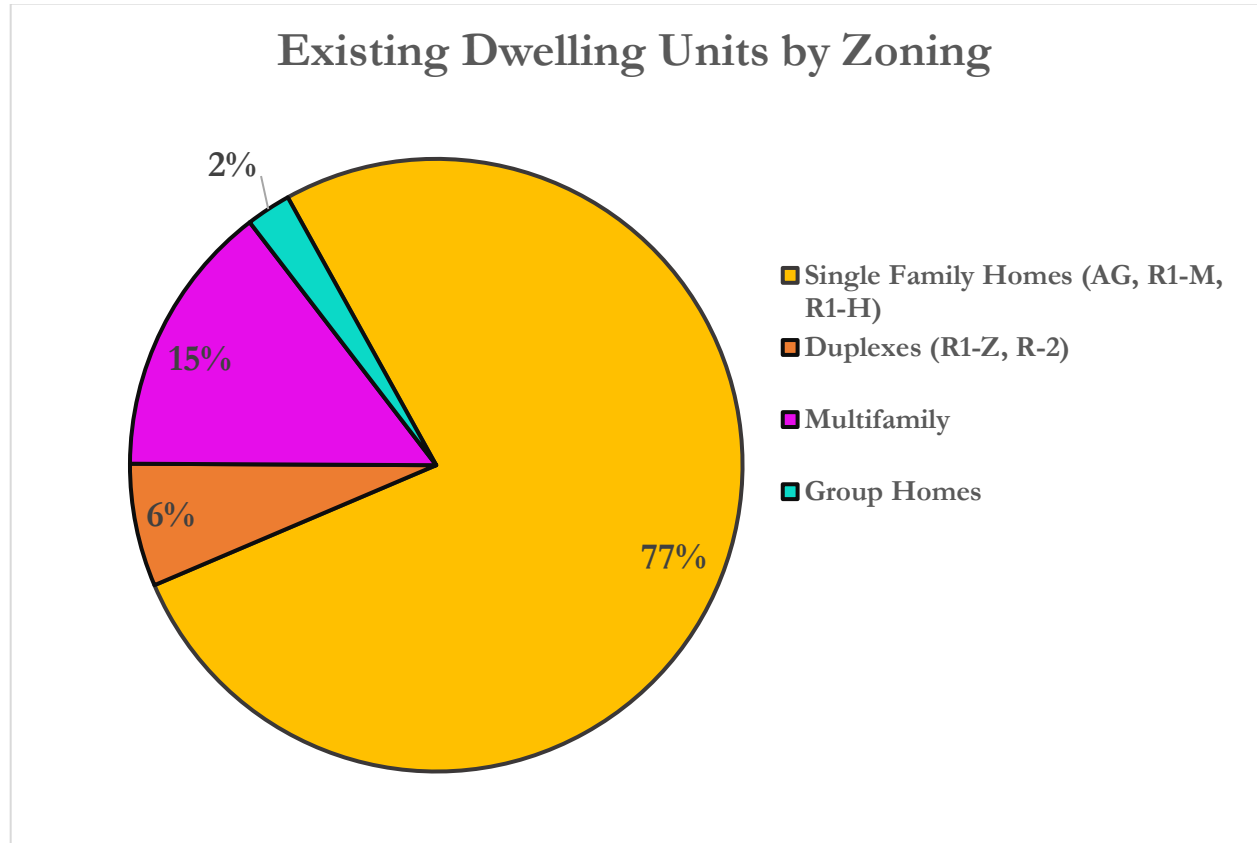
The City of Republic refers to these as attached single-family homes. This arrangement more readily facilitates the sale of these dwellings to separate parties. For the purposes of this study, attached single-family homes are treated as duplexes.

Multi-family dwellings are structures approved to hold more than two households. The arrangements typically found in Republic are apartment complexes and groupings of attached homes (duplexes, triplexes, quadplexes, etc.) occupying the same lot. Newer multi-family developments tend to be of the apartment complex-style,

¹For the purposes of this section, "housing stock" refers to the dwellings or dwelling units in a given structure, rather than to the structure, itself. For example, a single-family home has one dwelling unit, while an apartment complex would have several.

assumedly because this a more efficient use of land. Multi-family dwellings account for 14.5% of the City's housing stock.

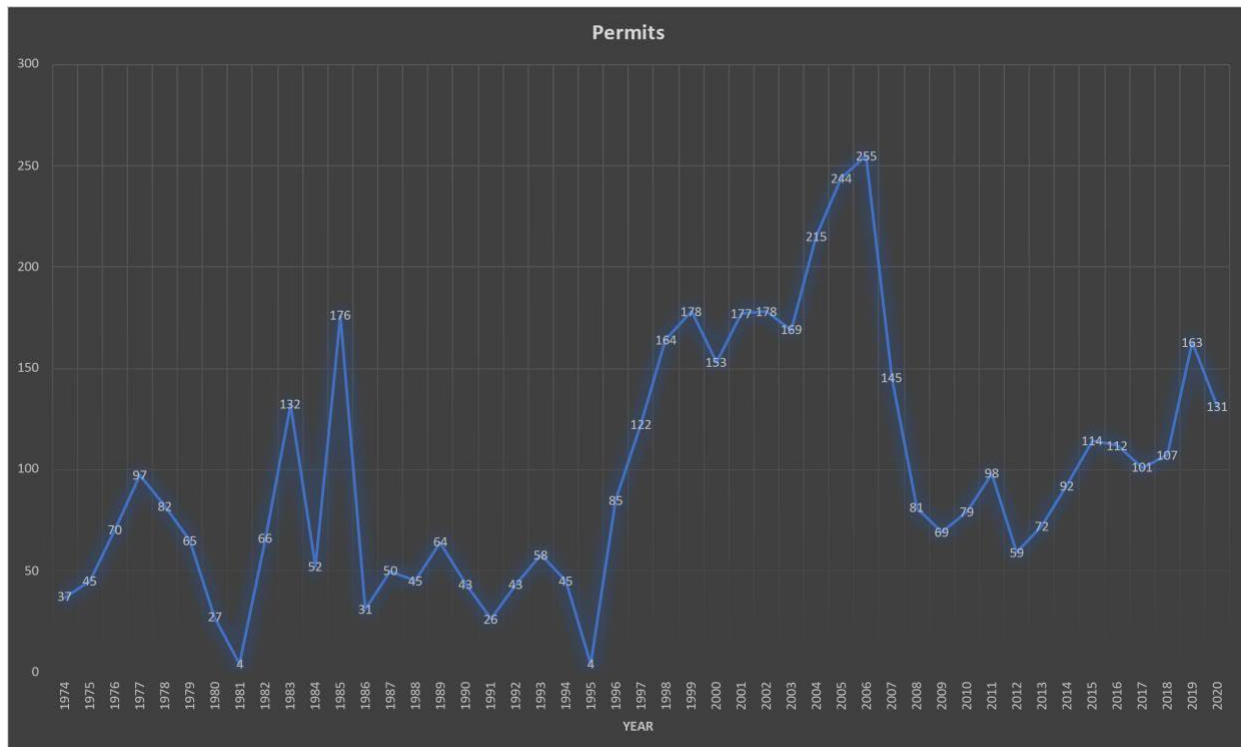
Republic also has a small number of group homes, all of which provide assisted-living facilities for seniors. Group homes have been characterized separately from multi-family for the purposes of information collection. Currently, such facilities make up 2.37% of all dwelling units in the City.



Single-Family and Duplex Dwellings

Permits Issued

Permit data showing new permits that were issued by the City gives us an idea of market growth over time. As the increase in population would suggest, the number of permits issued for new homes shows a positive trendline since data collection began in 1974. While this data is helpful to track the rate that new homes come onto the market, its usefulness is limited by the nature of subdivision development, which operates outside of the calendar year. A given development is likely to begin a year or more before construction starts on its related homes. This creates a lag between the appearance of platted lots and that of finished homes.

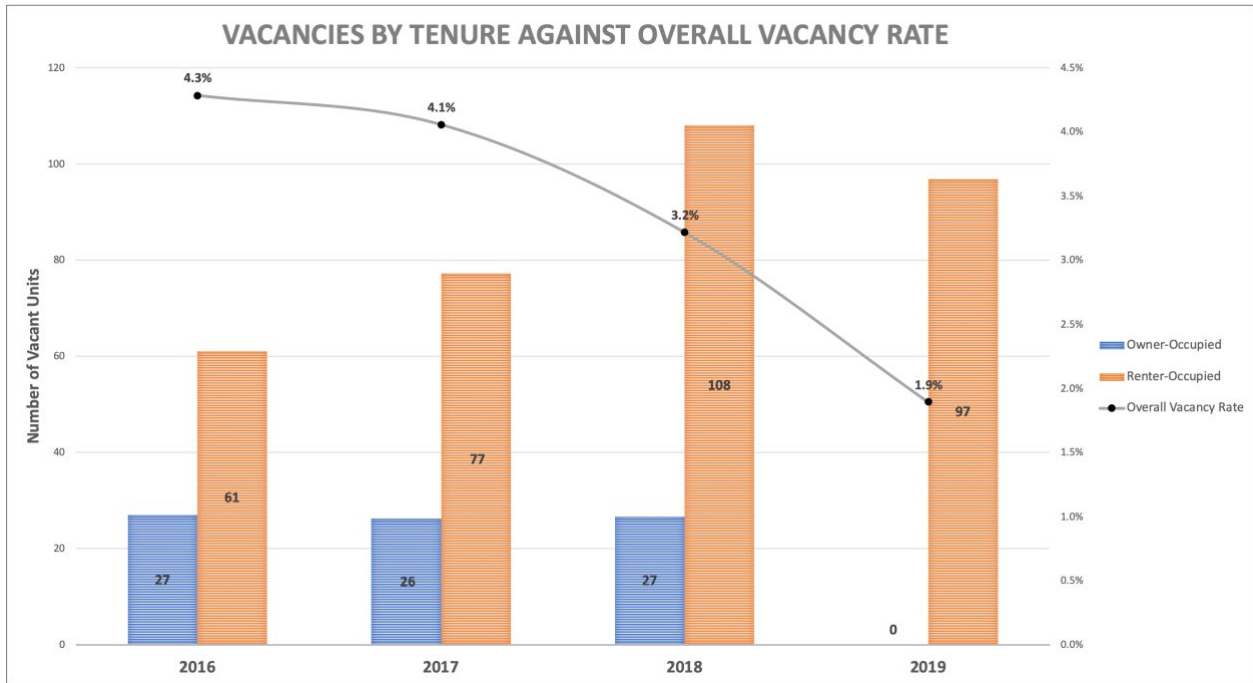


Starting in 1996, the City began to see increases in new residential construction permits issued that would be reflected in the subsequent Decennial Census. Permit figures increased yearly at an average rate of 14.3%, starting from 85 in 1996 and eventually topping out at 255 in 2006. The end of this period coincides with the point in time where Republic saw the effects of the Great Recession, which were visible throughout the City in the form of unfinished homes on lots and platted subdivisions where infrastructure installation would remain only partially completed for a decade. The numbers drop regularly for the period of 2007- 2012. For 2012 there were only 59 new residential construction permits issued – 23% of the number issued in 2006. In the time since, there has been a year-to-year increase of 14.4%, a figure surpassing the average seen during the previous growth period.

Vacancy

Vacancy rates provide the measure of unoccupied dwelling units. The rate is determined by dividing the number of vacant units by those that are occupied. The Census Bureau collects this information as part of the ACS and makes it available yearly. The ACS not only provides a general rate of vacancy for all housing units but also offers vacancy rates by tenure. A healthy vacancy rate is around 3% - 5%, providing excess supply for buyers and renters to enter the market or upgrade their existing housing.

Vacancy rates for the City of Republic are strikingly low. Starting at 4.3% in 2016, vacancy has fallen to 1.9% by 2019. This figure reflects the absence of owner-occupied homes on the market and a middling vacancy of rentals. In contrast, the Secondary Market vacancy rate for 2019 is a much healthier 7.5%, while Missouri's vacancy rate is a little high at 13%.

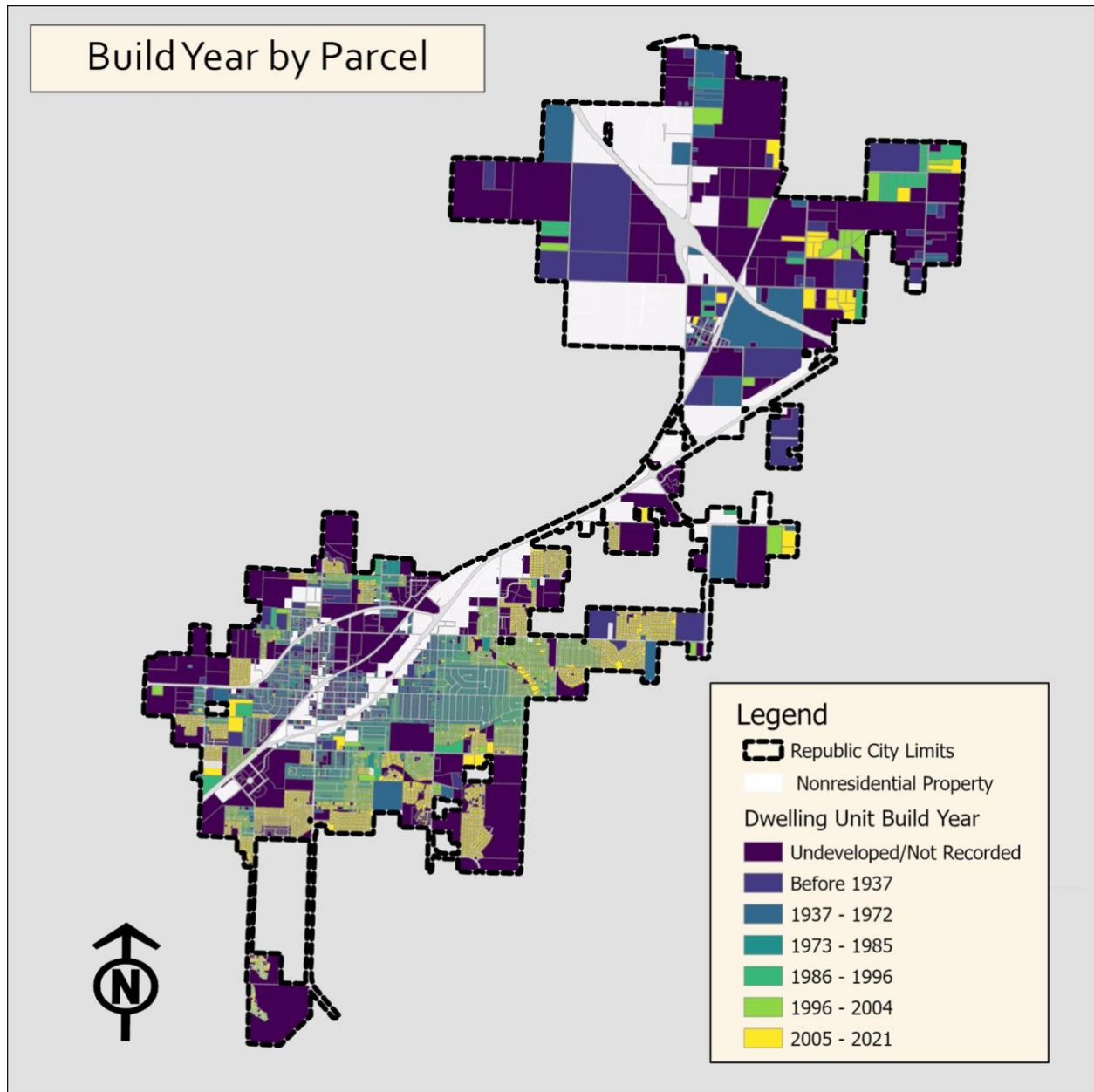


Build Year

The Greene County Assessor’s office makes available a wide range of data that is related to each parcel. One important piece of information this data shows is the build year of the principal structure on the lot. The Assessor’s office publishes the parcel data as a shapefile, usable by the City’s GIS system. It is then possible to view any of the data included geospatially. By filtering this shapefile to show only residential parcels a picture of the development order emerges.

Data from the Greene County Assessor’s office was used to create a map showing the range of build year (and most recent remodel) by parcel. This information is useful to view the development pattern of the City. It also provides an indication as to the quality of the housing stock. Residential dwellings have a lifespan depending on the quality of construction materials used. Maintaining a home beyond its lifespan, generally about 30 years, requires repair and upgrade. Viewing these structures in terms of their build year gives insight to where housing stock has met, or will soon meet, the limit of its lifespan.

As the new residential construction permit data suggests, the average build year of single-family dwellings in Republic is 1996. The average home, then, will reach the end of its lifespan in 2026. The viability of such structures will be dependent on their previous maintenance and the willingness of homeowners to make significant investment in their continued viability. Viewing the City by build year shows a pattern of development spread over time and is a function of subdivision buildout, which has, generally, moved from inside of Republic Central outward toward the City’s peripheral.



Multi-Family Dwellings

Republic has a healthy inventory of multi-family dwellings representing around 15% of the total housing market. According to the Department of Housing and Urban Development, of the City’s 1,060 multi-family dwelling units, about 13.8% are Low Income Housing Tax Credit Properties (LIHTC). Projects that utilize the LIHTC program receive tax credits in return for dedicating units as rentals for low-income tenants. These occupants will then receive a form of rent subsidy.

As the Multifamily Location Map indicates, larger apartment complexes have clustered to the area east of the intersection of US Highway 60 and State Highway 174. Smaller multifamily uses comprised of generally lower intensities like quad- or tri-plexes are in the older part of the City. This area is bounded by Main Street to the east, West Avenue to the west, US Highway 60 to the south, and Wade Street to the north.

V. Demand

Determining the state of the housing market requires a calculation of demand for the primary market. Demand is considered met when it equals the available supply. For the purposes of this study, housing market demand is measured in households while supply is represented by dwelling units. In order for the market to reach a state of equilibrium all households in the market would need to find a dwelling unit. This is further complicated by the specific housing needs and preferences held by those customers, relating to issues of quality and quantity. Potential homeowners are looking for a home that meets their requirements for size, quality, and amenities. Someone in the market for a four-bedroom home is unlikely to purchase one with only two-bedrooms. Furthermore, a household's requirements are variable over time. The following illustration outlines the possible varieties in dwelling units that one household may be in the market for over their lifespan.

A young household may start with two members renting a small home or apartment. Once householder incomes stabilize and the household itself grows, they may purchase a starter home that affords them greater living space. As family growth continues and careers mature, the household may re-enter the market with the intention of upgrading to an even larger home. Eventually, members age-out and leave, becoming their own head-of-household. This leaves the original two members of the parent household with an overabundance of dwelling area. The household may decide to downsize and return to a smaller unit, possibly one that is designed to target their age demographic. Ideally, the City's housing supply is able to provide the variety in options necessary to retain households through their lifespan.

Identifying Demand

Housing demand for a five and twenty-year period was determined using a range of available sources. These sources were used to generate a breakdown of dwelling units by type: single-family, two-family, multi-family, and group home that would be required by the given year. This breakdown makes it possible to determine market needs for the future, which represents the demand for new housing. Future demand is then set against known future supply to identify gaps in housing types.

City Staff's own population projection efforts, completed in 2019, provide the basis for the demand projections. The City has population projections for both 2025 and 2040. First, potential growth in group home occupancy was removed from the projected population totals because these people are not classified as living in households for the purposes of Census surveys². Group homes represent roughly .88% of the overall population. When divided by the average household size for the given year, the adjusted population figures yield the number of occupied dwelling units. ESRI projections were used for the household size in 2025. No projections for average household size exist out to 2040, so the trend for preceding years was extrapolated to obtain a figure for the year. Occupied dwellings were then divided by the difference between one and the projected vacancy rate to determine the total number of dwelling units required to serve the population. The vacancy rate for 2025 was taken from ESRI projections. No projection exists for the vacancy rate out to 2040, so a figure for "preferred vacancy", being 3%³, was used. The total number of dwelling units were then broken down into single, two-, and multi-family units based on the City's existing housing mix. The results represent the number of dwelling units of each type that are required in order to serve the City's projected populations for 2025 and 2040.

² Due to the unique category in which group homes exist, they were used in calculation of demand but will not be discussed in the analysis.

³ 3% is considered a rule-of-thumb target for housing market vacancy where enough supply exists to provide choice without creating a glut on the market.

	2020	2025		2040	
	Total	Total	Change (from 2020)	Total	Change (from 2020)
Population	19,635	22,110	2,475	37,386	17,751
Population (excl. Group Home pop.)	19,462	21,915	2,453	37,057	17,595
Avg HH Size	2.68	2.69	-	2.73	-
Vacancy	1.9%	3.5%	1.6%	3.0%	1.1%
Households	7,262	8,147	885	13,574	6,312
Dwelling Units	7,310	8,442	1,132	13,994	6,684

Determining Market Gap

The purpose in identifying the housing market gap is to determine the difference between how many dwelling units are necessary to serve future demand and how many exist presently. The inventory gap provides the total number of units that should be constructed by a given year in order to ensure enough market supply. However, as the facilitator of development in the City, staff has access to additional information that allows these initial figures to be pared down even further.

Development is recorded throughout the City. This is primarily done through the tracking of subdivision buildout. Every lot of every subdivision has been assigned a status denoting its place within a development timeline. This timeline includes various phases of platting – preliminary, infrastructure construction, and final, as well as the permitting of principal structures on the lot. In this way it is possible to know not only if a lot is vacant or not, but also to associate with it a potential timeline for development. The greatest challenge in this endeavor is to attach a timeline to a potential development.

A myriad of factors can influence a development’s “time-to-market”, or the speed with which it progresses from the conceptual stage to the point of occupancy. However, by making certain assumptions about development timelines it becomes possible to categorize known and expected projects in a manner that allows for demonstration of their absorption into the 2025 or 2040 market inventory. For the purposes of setting development-associated timelines it is assumed that both dwellings producible on vacant non-multi-family residential lots and those dwelling units which would be the eventual result of projects in the infrastructure construction phase will be available for absorption into the market by 2025. Dwelling units that would result from the full buildout of all existing subdivisions and planned development districts with currently approved preliminary plats or are currently undergoing land use changes (i.e., annexation, rezoning, or planned development district design) in an effort to facilitate future platting have been assumed to be available for absorption into the market by 2040.

	2020	2025				2040				
	Total	Total	Inventory Gap	Stock Expected *	Actual Gap	Total	Initial Inventory Gap	Inventory Gap**	Stock Expected ***	Actual Gap
Dwelling Units	7,310	8,442	1,132	512	620	13,994	6,684	6,172	2,167	4,005
Single Family (AG, R1-L, R1-M, R1-H)	5,603	6,471	868	402	466	10,726	5,123	4,721	958	3,763
Two-Family (R-2, R1-Z)	474	547	73	0	73	907	433	433	260	173
Multifamily	1,060	1,224	164	110	54	2,029	969	859	949	-90
Group Home	173	195	22	0	22	329	156	156	0	156

*Consists of currently vacant lots and subdivisions with infrastructure under construction.

**Includes "Stock Expected" from 2025.

***Consists of all units resulting from preliminary platted subdivisions, Planned Development Districts, and projects currently undergoing Land Use changes.

Market Gap Analysis

By 2025, the City of Republic is projected to need a total of 8,442 dwelling units in order to serve the 8,147 households expected to live here. This figure accounts for the projected vacancy rate of 3.5%, which represents 295 unoccupied units. To reach the projected amount of housing needed, 1,132 dwelling units would have to be completed by 2025. Of the required units, 512, or 45%, are already accounted for as “Stock Expected”, meaning they are to be constructed either as part of ongoing projects or through infill of vacant lots. Of the different dwelling types, two-family dwellings are furthest from meeting demand, with the “Actual Gap” equivalent to the “Inventory Gap”. This is a result of a complete lack of vacant lots to allow infill of this type and no such anticipated projects on the horizon. Multi-family units are closest to meeting the demand for 2025 with only 33%, 54 units, remaining after accounting for anticipated projects. Single-family units are somewhere in the middle with a little less than 54%, or 466 units, left.

Looking forward into 2040, a total of 13,994 dwelling units would be necessary to house the City’s projected population of 37,386. Again, this number includes the buffer provided by a vacancy rate of 3%, which comes out to 420 vacant units, to provide market choice and to allow for continued growth. By this time, the City needs 6,684 additional dwelling units when compared against current inventory. For the 2040 time period, “Stock Expected” is comprised of the sum of dwelling units constructed as a result of all possible infill of vacant residential lots, the completion of subdivisions currently installing infrastructure, the completion of all preliminary platted residential subdivisions, and a handful of projects moving through the land use change process. The “Actual Gap” as a percentage of the total “Inventory Gap” for each type of housing varies wildly. After accounting for all “Stock Expected”, single-family housing has an “Actual Gap” of 4,005 units, which is 79.7% of the “Inventory Gap”. Two-family housing is left with an “Actual Gap” of 173 units out of an “Inventory Gap” of 433 – meaning about 39.95% will need to be supplied. Of especial interest is multi-family, which has a predicted surplus by 2040. Once all “Stock Expected” is supplied, the “Inventory Gap” of 859 units will be reduced to -90 units. This suggests that “Stock Expected” by 2040 will outstrip demand (as determined by the current mix of housing) by supplying 110.48% of the required units.

VI. Recommendations

The City of Republic practices a hands-off, market driven approach to housing development. Decisions about land use at the parcel level are best made by the actors with the greatest degree of buy-in – usually the owner or developer because it is in these individuals’ self-interest to create a successful project. This buy-in incentivizes those actors to seek out or become experts in the issues pertaining to their project.

City Staff believes their role is as a facilitator of development rather than a gatekeeper. Providing information and analysis for prospective projects of all sizes contributes to the larger goal of ensuring the highest and best use of land in the City.

The recommendations below are designed to enhance this practice that has seen unmatched success in the past few years.

Webpage Restructure

This recommendation is intended to cover the creation of educational materials and guidance that is out of date or does not currently exist. The City’s website is the most logical place for such resources and, therefore, constitutes an important part of such an effort.

The BUILDS Department webpage is overdue for reorganization and updating. The consolidation of Public Works and Community Development is a reorganization that should be better reflected through their internet presence. The website presents a primary need that must be addressed before new education efforts are undertaken otherwise such efforts run the risk of going unused and unnoticed. In addition, the website is commonly used for obtainment of materials related to permitting and for guidance concerning practicalities of adopted building codes for small residential projects. Staff should strive to keep this source user-friendly and error-free.

Building Inspection Workshop

By virtue of their position, City Inspectors have accumulated an intimate knowledge with the residential construction process, particularly as it pertains to the inspection regimen. The Building Inspection Workshop would provide an opportunity to share this knowledge with interested parties. The target audience would consist of small-level and first-time builders, as well as those residents who wish to participate in the construction process themselves. Misconceptions as to the City’s purpose for requiring permits and conducting inspections can be dispelled through transparency. Successful implementation of this recommendation is expected to contribute to gains in efficiency.

Topics for discussion include: “When Should I Apply for a Permit”, “The Permitting Process – From Start to Finish”, “Preparing for Inspections”, “Common Mistakes Leading to Inspection Fails.”

Residential Market Data Transparency

Republic must leverage its governmental position to provide actionable intelligence to decisionmakers. The City of Republic is the site of undeniable regional growth. As the size of the City increases, so too does its presence. Every interested party provides a possible opportunity. Capturing such potential energy requires accessible information. Making sure this information is accurate and available can be the difference that draws new investments to the community.

One enormous resource that is underutilized concerns the residential data collected by the BUILDS Department. This information currently informs decisions made by the City, as it should. However, efforts should be taken to further refine the information being collected, the collection process, and the available forms

of output. The department must continue to focus on efforts to provide residential market information in real time and to find new and inventive ways to make that information accessible.

Cost-Analysis Process Development

The City of Republic currently has a high ratio of undeveloped to developed property partly due to the addition of Republic North (previously the former Village of Brookline). Most of this property exists on the peripheral of the City's utility systems and, therefore, requires some form of improvement to serve. The City must act in a cost-effective manner when expanding infrastructure. True cost-effectiveness requires an understanding of the future benefits a given development will produce and how they match up against the lifetime costs of the project-related infrastructure burdens incurred by the City. City staff should explore and design a consistent process for conducting such cost-benefit analyses and consider the value in presenting results as part of staff reports provided to City Council during their evaluation of land use related cases.

Appendix A – Demand Generation (Build-Out and Demand Projection by Chris Tabor)

Build-Out Data

	2020	2025
Size of Avg. Household	2.646	2.69
Occupancy Rate	0.957	0.957

Zoning	R1				R2	R3	Total
Density	L	M	H	Z	—	—	
Percentage of Existing Mix	0.0001	0.7020	0.0701	0.0093	0.0521	0.1663	1.0000
Ratio of Acreage per Dwelling Unit	5.5900	0.3378	0.2195	0.1359	0.1448	0.0753	—
Dwelling Units	1	4824	482	64	358	1143	6872.0000
2018 Acres (Actual)	5.59	1629.59	105.78	8.70	51.84	86.09	1887.5900
2020 Acres	6.30	1835.36	119.14	9.80	58.39	96.96	2125.9386
2030 Acres	8.84	2576.62	167.25	13.76	81.97	136.12	2984.5611
2040 Acres	11.99	3494.60	226.84	18.66	111.17	184.62	4047.8700

Single Family (Detached)	Single Family (Attached)	Duplex	Multi-Family	
77.23%	0.93%	5.21%	16.63%	100.00%

	2020	2025	2030	2040
Population	19,635	22,110	27,565	37,386
Households	7,421	8,219	10,418	14,129
Dwelling Units	7,740	8,573	10,866	14,737
Single Family Low Density	1	1	2	2
Single Family Medium Density	5,433	6,018	7,627	10,345
Single Family High Density	543	601	762	1,034
Single Family (Attached)	72	80	101	137
Duplex	403	447	566	768
Multi-Family	1,287	1,426	1,807	2,451

Zoning	C			Total
Density	1	2	3	
Acres 2018 (Actual)	104.00	201.18	13.39	318.57

M		
1	2	Total
273.04	207.60	480.64

Homes (Proj, Exp, Const)

	Projected Homes*	Expected Homes**	Built Homes
Single Family Homes (AG, R1-M, R1-H)	947	134	5,514
Duplexes (R1-Z, R-2)	114	0	199

*Based on lots of subdivisions that have been preliminary platted or where infrastructure is being or has been constructed.

**Based on vacant lots.

	Projected DUs*	Expected DUs**	Built DUs
Single Family Homes (AG, R1-M, R1-H)	947	134	5,514
		27.46%	81.41%
Duplexes (R1-Z, R-2)	114	0	199
		0.00%	2.94%
Multifamily	-	354	1,060
	-	72.54%	15.65%

Appendix B – Subdivision Lot Tracker (Chris Tabor)

DU's of non-PDD Subdivisions					
Zoning District	Preliminary Platted (only)	Infrastructure Under Construction	Final Platted	Developed	Vacant
AG	0	0	97	86	11
R-2	0	0	121	121	0
R1-H	221	184	479	462	17
R1-M	92	0	4,578	4,509	69
R1-Z	114	0	38	38	0
Grand Total	1,061	246	6,067	5,892	156

DU's of PDD Subdivisions (Organized by Functional Zoning)					
Zoning District	Preliminary Platted (only)	Infrastructure Under Construction	Final Platted	Developed	Vacant
AG	0	0	0	0	0
R-2	67	0	64	64	0
R1-H	148	0	213	146	48
R1-M	419	62	411	400	11
R1-Z	0	0	66	66	0
Total	634	62	754	676	59

Dwelling Units for All Subdivisions (Includes PDD's by Functional Zoning)							
Zoning District	Early Development (Land Use Change)	Preliminary Platted (only)	Infrastructure Under Construction	Final Platted	Developed	Vacant*	Total Buildout
AG	1	0	0	97	86	11	98
R-2	12	134	0	370	370	0	516
R1-H	0	369	184	692	608	65	1,245
R1-M	77	511	62	4,989	4,909	80	5,639
R1-Z	0	114	0	104	104	0	218
R-3	705	244	110	1,060	1,060		2,119
Grand Total	795	1,372	356	7,312	7,137	156	9,835

Appendix C – Build Year Chart (Census Bureau)

		Build Year														Median Year						
Primary Market Area	City of Republic, MO	2014 or Later		2000-2009		1990-1999		1980-1989		1970-1979		1960-1969		1950-1959		1940-1949		1939 or Earlier		Median Year		
		Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent	Homes	Percent			
Submarket	1	-	0.0%	4	26.7%	1	6.7%	4	26.7%	3	20.0%	-	0.0%	-	0.0%	-	0.0%	3	20.0%	1985		
	2	15	3.8%	244	61.6%	44	11.1%	23	5.8%	7	1.8%	19	4.8%	4	1.0%	8	2.0%	32	8.1%	2004		
	3	1	9.1%	5	45.5%	3	27.3%	1	9.1%	-	0.0%	-	0.0%	-	0.0%	1	9.1%	-	0.0%	2003		
	Total	16	3.8%	253	60.0%	48	11.4%	28	6.6%	10	2.4%	19	4.5%	4	0.9%	9	2.1%	35	8.3%	-		
	4	71	7.7%	490	53.1%	109	11.8%	92	10.0%	89	9.6%	14	1.5%	-	0.0%	-	0.0%	58	6.3%	2004		
	5	-	0.0%	275	24.0%	363	31.7%	227	19.8%	172	15.0%	27	2.4%	47	4.1%	13	1.1%	20	1.7%	1993		
	6	36	3.8%	331	34.9%	246	25.9%	122	12.9%	111	11.7%	29	3.1%	14	1.5%	51	5.4%	8	0.8%	1997		
	7	-	0.0%	38	4.2%	217	24.0%	169	18.5%	122	13.5%	122	13.5%	49	5.4%	29	3.2%	182	20.1%	1974		
	8	-	0.0%	145	15.1%	202	21.1%	202	23.2%	280	29.2%	193	20.1%	77	8.0%	-	0.0%	28	2.7%	36	3.6%	1985
	9	39	8.2%	185	39.1%	165	34.9%	66	14.0%	18	3.8%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	-	2000	
10	-	0.0%	13	39.4%	8	24.2%	5	15.2%	3	9.1%	-	0.0%	-	0.0%	-	0.0%	-	0.0%	4	12.1%	1997	
Market Area	Total	146	2.7%	1,477	27.4%	1,310	24.3%	851	15.8%	796	14.8%	269	5.0%	110	2.0%	119	2.2%	308	5.7%	-		
Secondary Market Area	Springfield, MO MSA	2,960	1.5%	38,474	19.7%	40,861	21.0%	26,275	13.5%	32,256	16.6%	16,235	8.9%	13,082	6.7%	7,111	3.6%	17,622	9.0%	1986		
Missouri		34,492	1.3%	378,096	14.0%	403,112	14.9%	336,024	12.4%	433,433	16.0%	316,974	11.7%	285,885	10.6%	133,539	4.9%	388,098	14.3%	1976		

Appendix D – Residential Construction Permits (City of Republic)

New Residential Home Construction Permits Issued

Year	Permits	Change	Change in Percent
1974	37	-	-
1975	45	8	21.6%
1976	70	25	55.6%
1977	97	27	38.6%
1978	82	15	-15.5%
1979	65	17	-20.7%
1980	27	38	-58.5%
1981	4	23	-85.2%
1982	66	62	1550.0%
1983	132	66	100.0%
1984	52	80	-60.6%
1985	176	124	238.5%
1986	31	145	-82.4%
1987	50	19	61.3%
1988	45	5	-10.0%
1989	64	19	42.2%
1990	43	21	-32.8%
1991	26	17	-39.5%
1992	43	17	65.4%
1993	58	15	34.9%
1994	45	13	-22.4%
1995	4	41	-91.1%
1996	85	81	2025.0%
1997	122	37	43.5%
1998	164	42	34.4%
1999	178	14	8.5%
2000	153	25	-14.0%
2001	177	24	15.7%

2002	178	1	0.6%
2003	169	9	-5.1%
2004	215	46	27.2%
2005	244	29	13.5%
2006	255	11	4.5%
2007	145	110	-43.1%
2008	81	64	-44.1%
2009	69	12	-14.8%
2010	79	10	14.5%
2011	98	19	24.1%
2012	59	39	-39.8%
2013	72	13	22.0%
2014	92	20	27.8%
2015	114	22	23.9%
2016	112	2	-1.8%
2017	101	11	-9.8%
2018	107	6	5.9%
2019	163	56	52.3%
2020	131	32	-19.6%

Average **98**
Average of last twenty years
Average of last decade **104.9**
Average of last five years **122.8**

Appendix E – Multifamily Inventory (Chris Tabor)

Parcel ID	Address	Name	Subsidized/Unsubsidized	Year Built (Dwelling Units)	Lot Acreage	Developed		Projected		Remaining							
						Buildings	Dwelling Units	Buildings	Dwelling Units	Buildings	Dwelling Units						
881716300152	1740 E Hamilton St	Republic Palms Apartments	Unsubsidized	2005/2006/2007/2019	10.94	11	192	11	182,832	384	0						
881716401181	2130 E Hamilton St	Oak Court Place Apartments	Unsubsidized	2008/2009	6.46	3	72	3	76,794	72	0						
881716300097	1605 E Hines St	Spring Hill Apartments	Subsidized	2001	5.33	3	36	3	35,832	36	0						
881716401137	810 N Oakwood Ave	Oakwood Place	Subsidized/Unsubsidized (47)	2015	3.61	3	47	3	63,618	47	0						
881716300119	1600 E Windmill Way	Pinewood Park Apartments	Subsidized/Unsubsidized	2004/2002	5.31	6	96	6	80,344	96	0						
881710400032	3246 E Old Stone Ave (Lot 1)	Old Stone Apartments	Unsubsidized	2007	5.51	4	96	4	99,321	96	0						
881710400033	3246 E Old Stone Ave (Lot 2)	Old Stone Apartments	Unsubsidized	2008	4.03	4	96	4	90,516	96	0						
881710400035	3246 E Old Stone Ave (Lot 4)	Old Stone Apartments	Unsubsidized	2009	3.45	5	120	5	125,370	120	0						
881719421007	310 W Anderson St	Anderson Street Apartments	Subsidized	1973	2.08	10	20	10	21,508	20	0						
881719118004	215 W Olive St	Olive Street Duplex and 3-plex	Unsubsidized	1990	0.86	2	5	2	5,073	5	0						
881719114029	136 N. West St	West Ave 4-plex	Unsubsidized	1979	0.40	2	4	2	4,104	4	0						
881719201030	236 N Cedar Ave	Cedar Park	Unsubsidized	2006	0.86	1	16	1	15,176	16	0						
881719201029	235 N Cedar Ave	Cedar Park	Unsubsidized	2006	0.89	1	8	1	8,792	8	0						
881719201028	223 N Cedar Ave	Cedar Park	Unsubsidized	2006	0.51	1	16	1	15,176	16	0						
881719201031	220 N Cedar Ave	Cedar Park	Unsubsidized	2006	0.82	1	16	1	7,998	16	0						
881719302016	728 W Elm St	Hummingbird Place Apartments	Unsubsidized	1969	1.21	1	8	1	8,654	8	0						
881719421023	207 S Main St	Main Street Apartments	Unsubsidized	1988	0.87	1	6	1	5,376	6	0						
881720310011	310 S Main St	Main Street 4-plex	Unsubsidized	1978	0.55	1	4	1	3,264	4	0						
881719303020	609 W O'Neal Rd	O'Neal Apartments	Unsubsidized	1971	0.32	1	4	1	2,897	4	0						
881718405005	338 W Wade St	Wade Street 4-plex	Unsubsidized	1979	0.50	1	4	1	5,473	4	0						
881717306003	621 N Boston Ln	Boston Heights Apartments	Subsidized	1983	5.58	9	36	9	22,788	36	0						
881717306007	701 N Boston Ln	Republic Senior Housing	Subsidized	1991	1.72	4	16	4	10,020	16	0						
881716300014	1405 E Hines St	Republic Apartments	Unsubsidized	1985	1.20	2	16	2	16,730	16	0						
881716300015	1405 E Hines St	Republic Apartments	Subsidized	1985	0.70	1	16	1	9,804	16	0						
881716300019	1405 E Hines St	Republic III Apartments	Subsidized	1985	1.47	3	24	3	20,544	24	0						
881716401142	697 N Williams St	Oakwood Heights Townhouses	Unsubsidized	2008	1.25	1	6	1	9,221	6	0						
881716401140	632 N Williams St	Oakwood Heights Townhouses	Unsubsidized	2008	1.14	2	17	2	21,831	17	0						
881716401138	1903 E Haley St	Oakwood Heights Townhouses	Unsubsidized	2007	1.16	2	17	2	21,851	17	0						
881720314010	305 S Morningside Ave	Morningside Apartments	Unsubsidized	1969	0.52	1	6	1	7,600	6	0						
881718402009	907 N Walnut	Dogwood Apartments	Unsubsidized	1978	0.46	1	4	1	2,304	4	0						
881718401019	912 (907?) N Walnut Ave	Dogwood II Apartments	Unsubsidized	1983	0.93	2	16	2	12,750	16	0						
881720106016	826 E Lee St	Siffeman Manor Apartments	Unsubsidized	1971	0.3822	1	5	1	4,290	5	0						
881720106001	820 E Lee St	O'Neal Apartments	Unsubsidized	1966	0.6484	1	6	1	5,940	6	0						
881719114030	325 W Elm St	Elm Street Apartments	Unsubsidized	1985	1.71	3	12	3	8,064	12	0						
881718410005	641 N Main St	Main Street 5-plex	Unsubsidized	1995	0.43	1	5,000	1	4,988	5	0						
881719114035	340 W Grant St	Grant Street Duplex	Unsubsidized	1979	0.44	1	2	1	1,664	2	0						
881719114034	332 W Grant St	Grant Street Duplex	Unsubsidized	1979	0.44	1	2	1	1,664	2	0						
881719302015	103 S Sherman Ave	Sherman Street Duplex	Unsubsidized	1970	0.28	1	2	1	3,016	2	0						
881718408001	645 N Walnut Ave	Walnut 4 Duplex	Unsubsidized	1899	0.16	1	2	1	1,092	2	0						
881710400028	W Old Stone Ave	Field Stone PDD	Unsubsidized	2020	4.19	0	0	0	176	110	3						
881720310305	139 E Miller Rd	Miller Court Senior Villas PDD	Unbuilt	Unbuilt	5	0	0	0	0	8	40						
881791010358	W Miller Rd	Frisco Square Village PDD	Unbuilt	Unbuilt	0	0	0	0	0	204	40						
Total										100	1060	698	1,043,983	111	1414	11	354

Appendix F – Group Home Inventory (Chris Tabor)

Address	Name	Subsidized, Year Built (Acreage	Buildings	Dwelling U
635 E State Hwy 174	Bristol Care	1996 1.10	1	6
901 E State Hwy 174	Republic Nursing and Rehab	1986 11.25	1	127
300 S Cottonwood Ave	Sonshine Manor	4.47	1	40
TOTAL				173

Appendix G – Platted Subs by Submarkets (Chris Tabor)

Submarket	Zoning	Plat Status			Lot Status	
		Preliminary	Infrastructure	Final	Developed	Vacant
2	AG	0	0	36	33	3
	R1-M	0	0	43	40	3
	Total	0	0	79	73	6
4	R1-M	218	62	1001	994	7
	R1-H	139	120	108	108	0
	R-2	0	0	84	84	0
	Total	357	182	1193	1186	7
5	R1-M	0	0	740	739	1
	R1-H	0	0	158	158	0
	R1-Z	0	0	2	2	0
	R-2	0	0	23	23	0
	Total	0	0	923	922	1
6	R1-M	102	48	1012	996	16
	R1-H	0	80	169	144	25
	R1-Z	48	0	90	90	0
	R-2	0	0	48	48	0
	Total	150	128	1319	1278	41
7	R1-M	30	0	627	593	34
	R1-H	0	0	3	3	0
	R1-Z	66	0	0	0	0
	R-2	0	0	15	15	0
	Total	96	0	645	611	34
8	R1-M	0	0	823	819	4
	R1-H	0	0	147	147	0
	R1-Z	0	0	12	12	0
	R-2	0	0	15	15	0
	Total	0	0	997	993	4
9	R1-M	148	0	720	688	32
	R-2	0	0	5	5	0
	Total	148	0	725	693	32
10	AG	0	0	61	52	9
	Total	0	0	61	52	9
Total	AG	0	0	97	85	12
	R1-M	498	110	4966	4869	97
	R1-H	139	200	585	560	25
	R1-Z	114	0	104	104	0
	R-2	0	0	190	190	0
	TOTAL	751	310	5942	5808	134

Retail Market Study

City of Republic



SOAR2040

Strategic Opportunities Advancing Republic

Chris Tabor

Prepared April 2021

For City of Republic BUILDS Department

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I. Executive Summary

Market Area Delineation

- Primary Trade Area consists of the City of Republic City Limits, which covers more than 15 square miles.
- Peripheral Trade Area consists of the Springfield Metropolitan Statistical Area (MSA)
 - 5 Counties (Greene, Christian, Dallas, Polk, and Webster).
 - Deemed appropriate due to the unique confluence of transportation networks present.

Economy and Labor

- Republic, Missouri is a Charter City with an estimated population of 17,525 for 2020 (Census).
- Labor (Census, 2018)
 - Total Labor: 7,793 residents over the age of 16 hold jobs.
 - 10.7% stay in Republic to work.
 - 58.9% work in Springfield.
 - Total Jobs: 4,889 jobs are present in the Primary Trade Area (Republic).
 - 17% are held by Republic residents.
 - This figure represent growth of 80% in the last fifteen years.
- Commuters (Census, 2018)
 - 83% of the workforce commutes to their job in Republic.
 - Almost half live within ten minutes of their job.
 - About 25% drive more than 25 miles to work each day.
- Economic Base (Census, 2018)
 - The last fifteen years have seen Republic transitioning away from a bedroom community as it diversifies its job base and becomes an employment center.
 - Jobs typifying a bedroom community have lost shares of the overall market.
 - Retail Employment shrunk from 28% of all jobs (2003) to 19% by 2018.
 - Growth has been seen in a variety of industries.
 - Wholesale Trade and Manufacturing increased share from 7.8% in 2003 to 20.8% in 2018.
 - Accommodation and Food Services increased share from 7% to 10%.

Retail Market Profile

- Springfield MSA (SREP)
 - Healthy level of vacancy for retail space (3.8%)
 - Rents have increased beyond the speed of inflation with an average rate of change of 1.63% annually.
 - Absorption averaging 203,624 SF per year. 2018 saw the highest absorption with 447,573 SF.
- Republic (SREP, City of Republic)
 - Vacancy
 - Low level of vacancy (0.6%).
 - Expected completion of 60 West should contribute to the need for more retail space by raising vacancy to 1.5, which is still a deficient supply.

- Rents
 - Averaged \$10.99 per SF for 2020.
 - Rents have risen 3.5% annually over the last five years, which outpaces the rate of inflation.
- Absorption
 - Total absorption of 100k SF since 2007.
 - Average of 6,663 SF annually.
 - Republic represents 3.29% of all retail absorption but accounts for 3.72% of total inventory.
 - Suggests room for retail growth.
- Market Drivers
 - Retail marketplace dominated by localized startups and franchise expansions of regional chains.
 - New Commercial Construction or Infills:
 - Arris Pizza
 - Baskin Robbins
 - Dunkin Donuts
 - Backwoods Golf
 - Infinium Pharmacy
 - Flat Creek Restaurant
 - Panda Express
 - Domino's Pizza
 - Commercial Remodels:
 - McDonalds
 - Murphy's
 - Sonic Drive-In
 - Taco Bell
 - Walmart
 - Wendy's
 - New Commercial Centers
 - Wildwood Plaza
 - 60 West (under construction)

Growth Opportunities

The culmination of this study is a determination of gap between demand and supply for retail industry subsectors. Demand is based on consumer's reported spending habits relating to goods and services. Supply is based on the total retail sales made by Republic businesses. Data was acquired from the Bureau of Labor Statistics (2017-18), Census Bureau (2017), and ESRI (2020).

- Potential Growth Industry Subsectors – Republic residents are spending a great deal more on these industries than is being reported by City retailers.
 - Food & Beverage Stores
 - Retail Gap: \$26.4M

- Leakage/Surplus Factor: +88.7
- Gasoline Stations
 - Retail Gap: \$18.6M
 - Leakage/Surplus Factor: +85.9
- Clothing & Clothing Accessories Stores
 - Retail Gap: \$6.8M
 - Leakage/Surplus Factor: +84.7
- Nonstore Realtors
 - Retail Gap: \$1.9M
 - Leakage/Surplus Factor: +71.2
- Industry Outstripping Demand – The recorded sales for these industries means they are drawing customers from well beyond the City Limits.
 - Motor Vehicle & Parts Dealers
 - Retail Gap: -\$76.9M
 - Leakage/Surplus Factor: -50.2
 - Building Materials, Garden Equipment & Supply Stores
 - Retail Gap: -\$20.8M
 - Leakage/Surplus Factor: -24.4

II. Introduction

The City of Republic has conducted this study in order to provide data and analyses on the City's Retail Marketplace. This work is intended for use by decisionmakers operating in both public and private spheres as the City continues to grow and change.

The primary focus is entirely informative. This study does not include recommendations for implementation because the types of higher-level action items that are often enacted to drive the retail market are entirely the purview of the elected officials chosen to make such decisions. Such policies and programs can have outsized impacts that must be weighed carefully against the perceived need for effecting the marketplace.

Market Area Delineation

The market areas for this study were defined based on previously existing geographical boundaries that represented the existing populations.

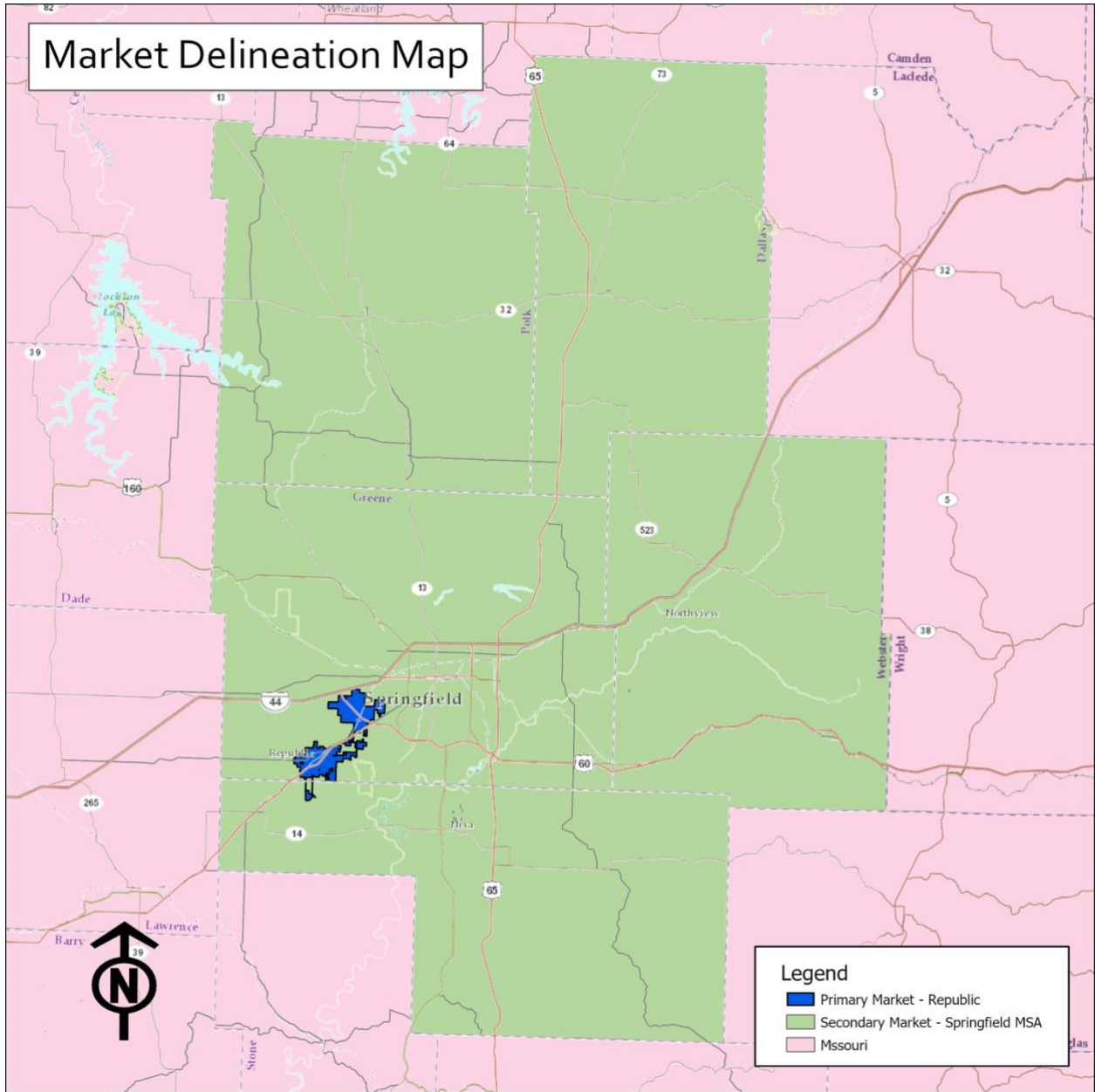
Primary Market Area

The City of Republic municipal boundaries constitute the Primary Market Area for which information is collected and analyzed. Republic covers 15.43 square miles of land and 138.4 miles of City-maintained roads.

Secondary Market Area

The Springfield Metropolitan Service Area (MSA) boundary creates the Secondary Market Area. This area provides an appropriate focus for comparison as it encapsulates the greater region of which Republic is a part. Furthermore, the confluence of transportation assets found in the City of Republic provide travel options to anywhere in this region making appropriate it's inclusion. The Springfield MSA consists of five counties (Greene, Christian, Polk, Webster, and Dallas counties) and several municipalities – eight of which have populations of greater than 5,000 (Springfield, Nixa, Ozark, Republic, Bolivar, Marshfield, Battlefield, and Willard).

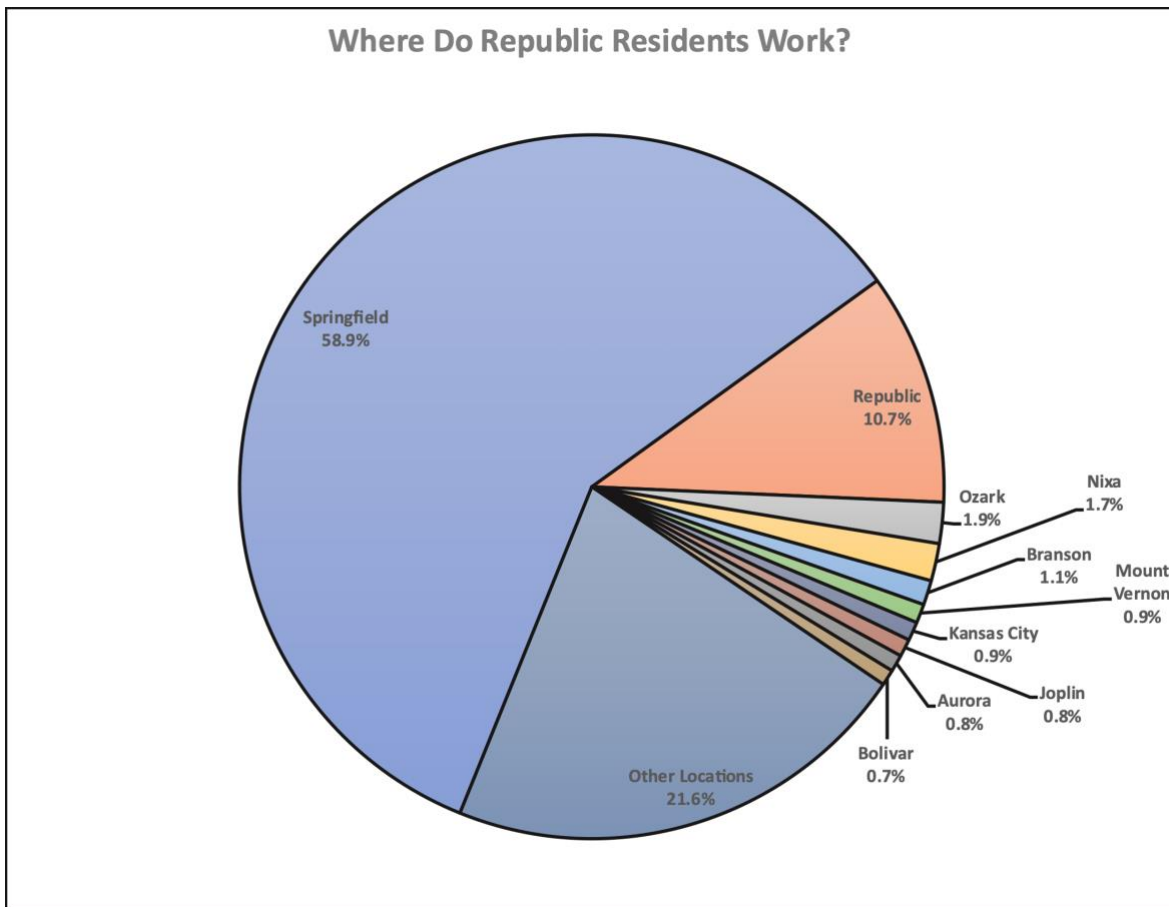
Market Delineation Map



III. Economy and Labor

The City of Republic, Missouri, is primarily located in Greene County with a single subdivision in Christian County. Republic is a Charter City with an estimated population of just under 17,525 (Census). For the last several decades, Republic has occupied a niche as a bedroom community with a focus on “small town” atmosphere for the greater Springfield Metropolitan Area. More recently, an influx in industrial has begun to reshape the area of Republic North acting as the precursor to residential and commercial growth across the City.

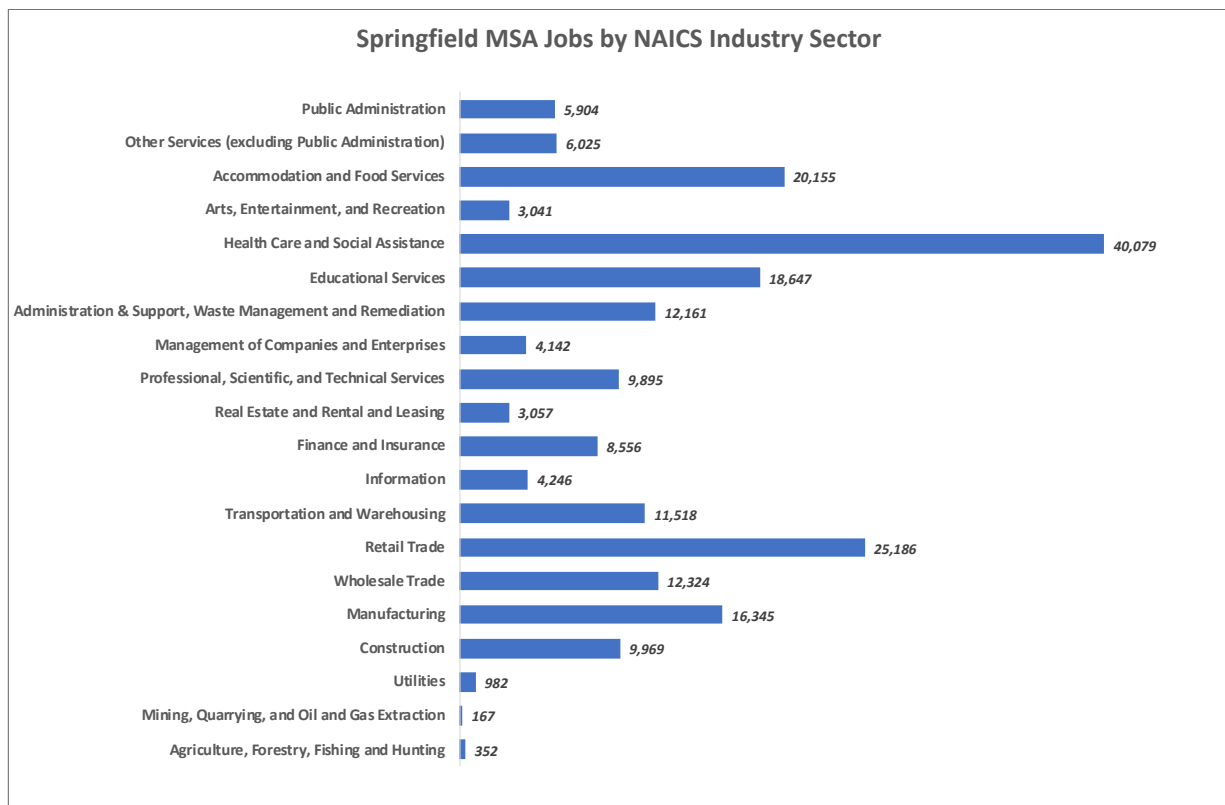
The Census Bureau estimates that Republic has a working population of 7,793. Most of this labor force is employed somewhere else; 6,962 (89%) of these residents commute to work, while the remaining 831 (10.7%) work within city limits. Republic residents are most likely to commute to Springfield for their job – with 59% of Republic’s working population employed there. While that represents a large portion of the workforce, Springfield’s share of the commuter base has shrunk since 2013 when it was the destination for almost three-quarters of all Republic commuters.



Springfield Metropolitan Area

The Springfield Metropolitan Statistical Area (MSA) is a Census-defined geography that captures the major population center surrounding the anchor city of Springfield. It is comprised of five counties: Christian, Dade, Greene, Polk, and Webster. Other notable population centers within this geography include Battlefield, Bolivar, Marshfield, Nixa, Ozark, Republic, and Willard. The Census Bureau currently estimates the population of the Springfield MSA to be 470,300.

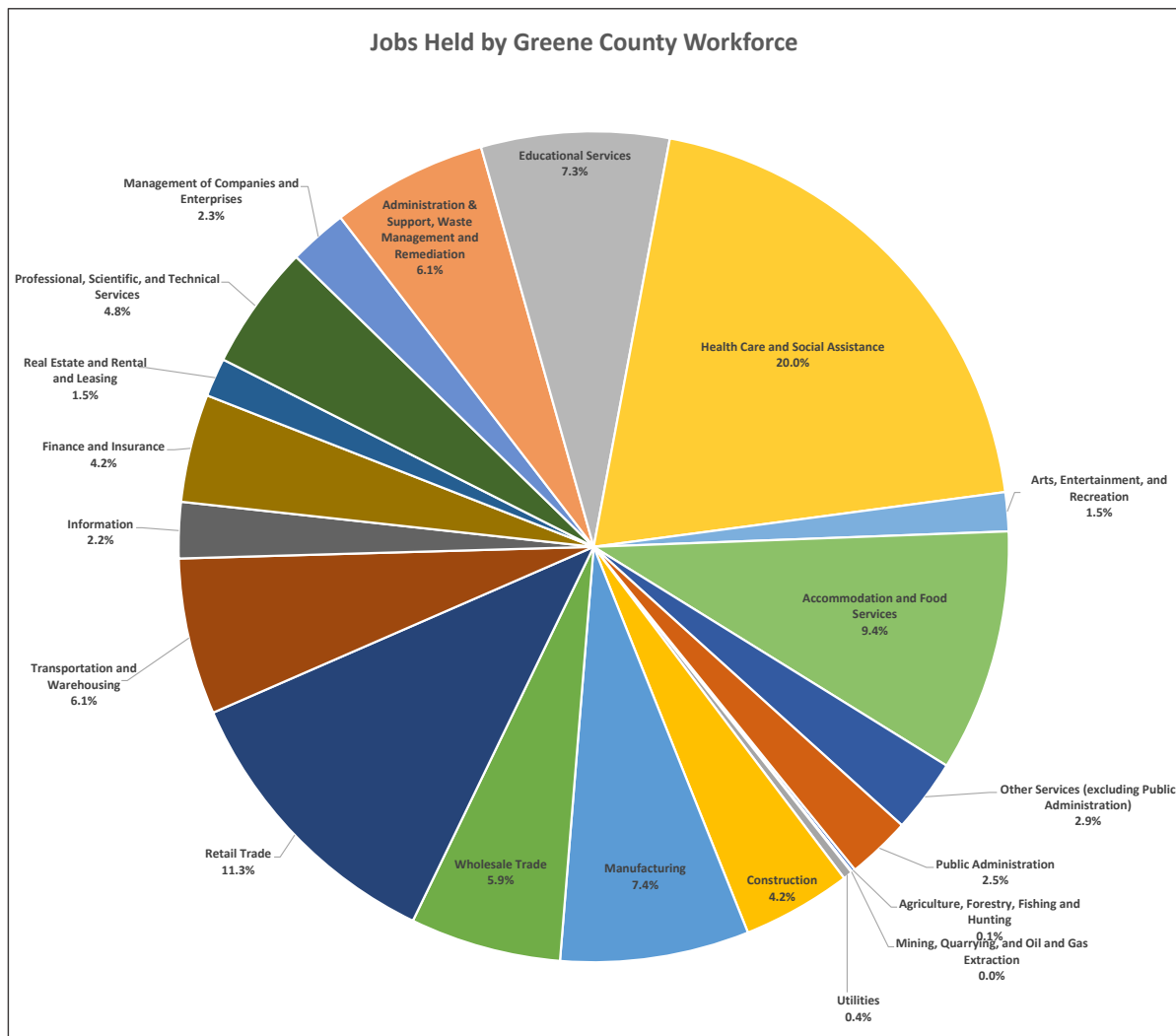
In 2018, the Census Bureau estimates there were more than 212,000 jobs in the Springfield MSA. This is a 6.7% increase from the number of jobs in 2013 (194,000) and a more than 50% increase from 2003 (161,000). The Springfield MSA has a range of activities comprising its economic base with no one sector dominating.



Healthcare and Social Assistance is by far the industry with the highest employment, making up almost 19% of all jobs. Retail Trade represents the next largest sector with about 12%. Close behind are Accommodation and Food Services (10%), Educational Services (9%), and Manufacturing (8%). The mix of jobs throughout a multitude of sectors indicates a diverse base that has seen the region through changing economic trends without experiencing significant impact in the form of job loss. It's worth noting that healthcare sector, primarily represented by Cox and Mercy hospital systems, has steadily grown over time – increasing its proportional share by more than 7% since 2003. The manufacturing and retail sectors, on the other hand, have each lost about 3% of their share in that same time.

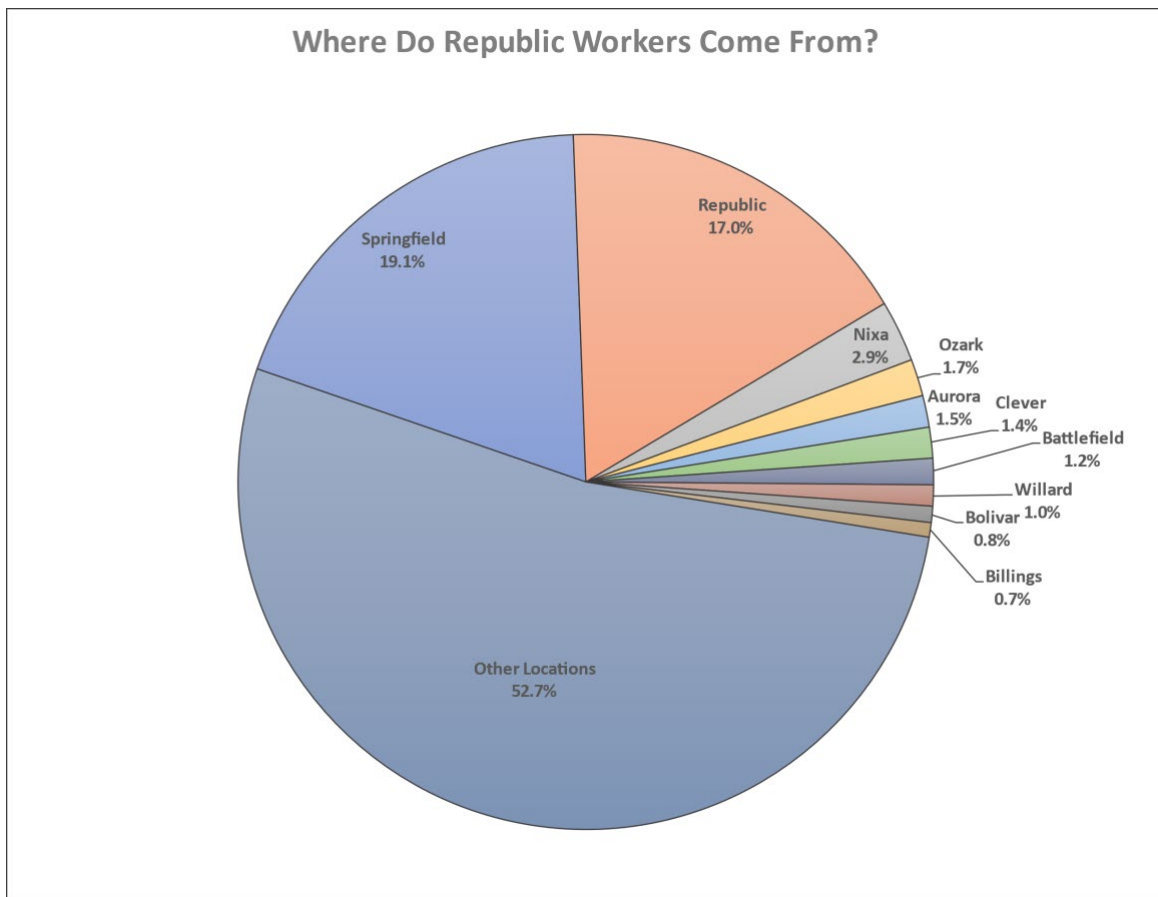
Greene County

The economic base of Greene County represents a microcosm of the MSA with a very similar profile. Top sectors match very closely to the greater region. Of the 175,000 jobs, 20% belong the Healthcare and Social Assistance, again attributable to the two major hospital networks being located in the County. Retail Trade represents 11% of all jobs, Accommodation and Food Services is about 9%, and Educational Services and Manufacturing each hold about 7% of the economic base. Again, we see that the healthcare sector has grown proportionally since 2003 – by roughly 8.5% (Census 2018). Over the same period, retail and manufacturing each lost 3% of their share.



City of Republic

The City of Republic employs 4,889 workers and has seen a great deal of growth in the last fifteen years (Census 2018). Over this time the number of jobs has increased by more than 80% from 2,648 in 2003. Workers are commuting to Republic from throughout the region. In fact, only about 17% of the workforce lives in the city. A slightly greater portion are Springfield residents (19%). The next largest commuter groups come from Nixa (3%), Ozark (1.7%), and Aurora (1.5%). The remaining portion comes from throughout the area including all major communities. Of those driving to Republic for work, 46.4% have a commute of less than ten miles, 14.7% are traveling more than 50 miles to get to their jobs. Overall, almost a quarter of the entire workforce drives 25 miles or more.



	2018	
	Count	Share
Total All Jobs	4,889	100.0%
Less than 10 miles	2,270	46.4%
10 to 24 miles	1,413	28.9%
25 to 50 miles	489	10.0%
Greater than 50 miles	717	14.7%

The economic base of the City of Republic is more concentrated than its parent County and MSA. In Republic, Retail Trade is the largest industry making up about 19% of all jobs. Educational Services account for more than 17% of employment due to the presence of the growing Republic (R-3) School District. Wholesale Trade, the third largest sector represents almost 14% of employment in the City. This is followed by Accommodation and Food Services at more than 10%, Manufacturing at 7%, and Healthcare and Social Assistance with just under 7%.

The most glaring contrasts between employment in Republic and the greater regional economic base concern the industries of retail, wholesale trade, and healthcare. Such a high level of retail is not at odds with Republic's suburban origins as a bedroom community serving Springfield. It is not uncommon for cities in similar circumstance to rely heavily on retail as larger, more varied types of employers gravitate to the anchor city where a more robust workforce is likely to be present.

Republic Jobs by NAICS Industry Sector

	2018			2013			2008			2003	
	Count	Share	Change	Count	Share	Change	Count	Share	Change	Count	Share
<i>Agriculture, Forestry, Fishing and Hunting</i>	0	0.0%	0.0%	0	0.0%	0.0%	0	0.0%	0.0%	0	0.0%
<i>Mining, Quarrying, and Oil and Gas Extraction</i>	1	0.0%	-	0	0.0%	0.0%	0	0.0%	0.0%	0	0.0%
<i>Utilities</i>	15	0.3%	-40.0%	25	0.7%	8.7%	23	0.7%	53.3%	15	0.6%
<i>Construction</i>	247	5.1%	28.0%	193	5.3%	-3.5%	200	5.9%	-3.8%	208	7.9%
<i>Manufacturing</i>	342	7.0%	155.2%	134	3.7%	55.8%	86	2.5%	-14.9%	101	3.8%
<i>Wholesale Trade</i>	674	13.8%	876.8%	69	1.9%	-37.8%	111	3.3%	3.7%	107	4.0%
<i>Retail Trade</i>	944	19.3%	13.3%	833	22.7%	9.9%	758	22.3%	2.8%	737	27.8%
<i>Transportation and Warehousing</i>	152	3.1%	245.5%	44	1.2%	69.2%	26	0.8%	-52.7%	55	2%
<i>Information</i>	18	0.4%	-47.1%	34	0.9%	-8.1%	37	1.1%	85.0%	20	0.8%
<i>Finance and Insurance</i>	128	2.6%	37.6%	93	2.5%	5.7%	88	2.6%	12.8%	78	2.9%
<i>Real Estate and Rental and Leasing</i>	105	2.1%	0.0%	105	2.9%	162.5%	40	1.2%	48.1%	27	1.0%
<i>Professional, Scientific, and Technical Services</i>	109	2.2%	16.0%	94	2.6%	-64.7%	266	7.8%	421.6%	51	1.9%
<i>Management of Companies and Enterprises</i>	23	0.5%	-4.2%	24	0.7%	-70.4%	81	2.4%	326.3%	19	0.7%
<i>Administration & Support, Waste Management and Remediation Services</i>	136	2.8%	138.6%	57	1.6%	-10.9%	64	1.9%	100.0%	32	1.2%
<i>Educational Services</i>	840	17.2%	0.2%	838	22.8%	25.8%	666	19.6%	79.0%	372	14.0%
<i>Health Care and Social Assistance</i>	332	6.8%	14.1%	291	7.9%	50.0%	194	5.7%	-17.4%	235	8.9%
<i>Arts, Entertainment, and Recreation</i>	97	2.0%	29.3%	75	2.0%	0.0%	75	2.2%	36.4%	55	2.1%
<i>Accommodation and Food Services</i>	501	10.2%	5.9%	473	12.9%	54.1%	307	9.0%	71.5%	179	6.8%
<i>Other Services (excluding Public Administration)</i>	157	3.2%	-16.0%	187	5.1%	-35.5%	290	8.5%	-2.7%	298	11.3%
<i>Public Administration</i>	68	1.4%	-32.7%	101	2.8%	20.2%	84	2.5%	42.4%	59	2.2%
TOTAL	4,889	100%	33.2%	3,670	100%	8.1%	3,396	100%	28.2%	2,648	100%

In Republic's case, the transition away from bedroom community can be observed through the drop, proportionally, in retail employment, which is then replaced with various other economic activities. In 2003, retail represented almost 28% of all jobs in the City. By 2018 this share had decreased about a third to 19.3%. In those fifteen years, the number of jobs in the sector increased by a factor of 3.5. Of chief significance is the increase in Wholesale Trade and, to a somewhat lesser degree, in Manufacturing. Wholesale Trade has gained a proportional share of almost 9% since 2003. The last five years alone saw the number of jobs in the trade sector increase almost tenfold. The representation of Manufacturing jobs in the City's economy has almost doubled since 2003.

These two sectors represent a booming area of Republic's economy. More jobs have been added beyond what is accounted for in the Census data, which only goes to 2018. In the last two years development has brought an additional two million FFA to Republic North. The year 2020 saw two large-scale developments come to the City: Amazon's City of Republic distribution hub and the global headquarters of the Convoy of Hope, a non-profit. As these jobs are absorbed it is certain the manufacturing sector will continue to grow its share of the economic base.

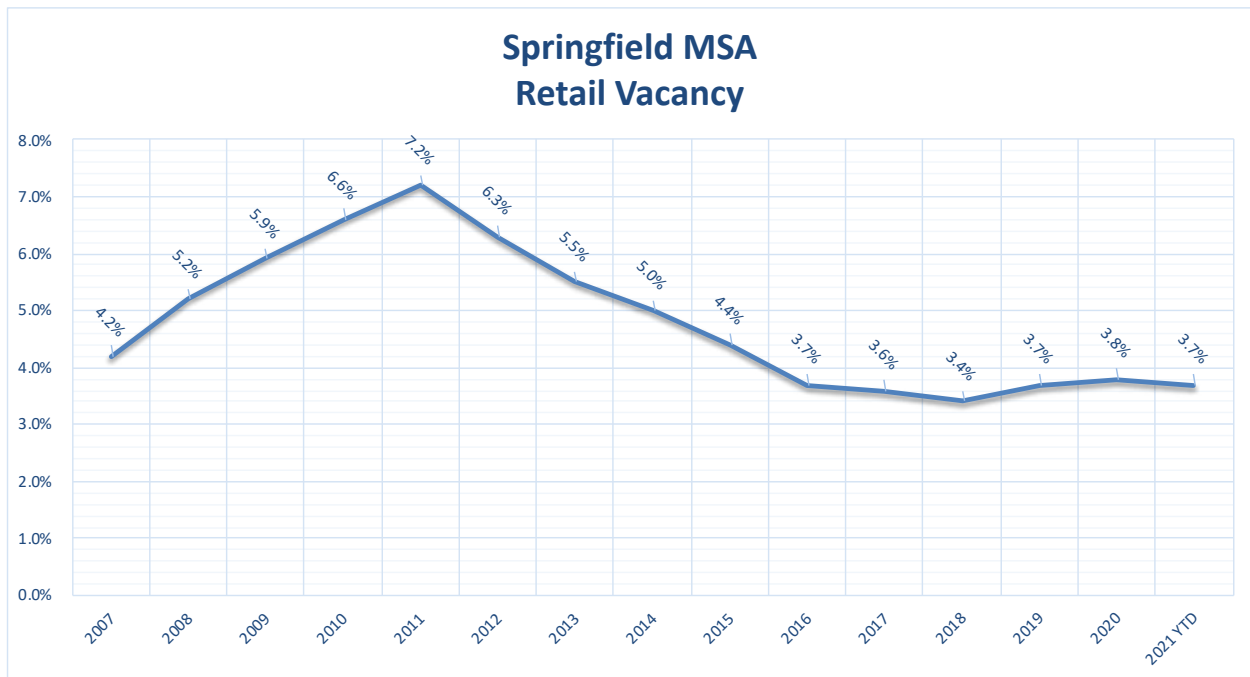
IV. Retail Market Profile

Springfield MSA

The information concerning the Springfield MSA Market is derived from data provided by the Springfield Area Chamber of Commerce, Co*Star, and ESRI and covers the period from 2007 through 2021 YTD. Data in this section relates only to retail space and does not include those properties which are relegated to industrial or office use. This data does not account for all space and is limited but is a close, and best guess, representation of the market.

Vacancy/Occupancy

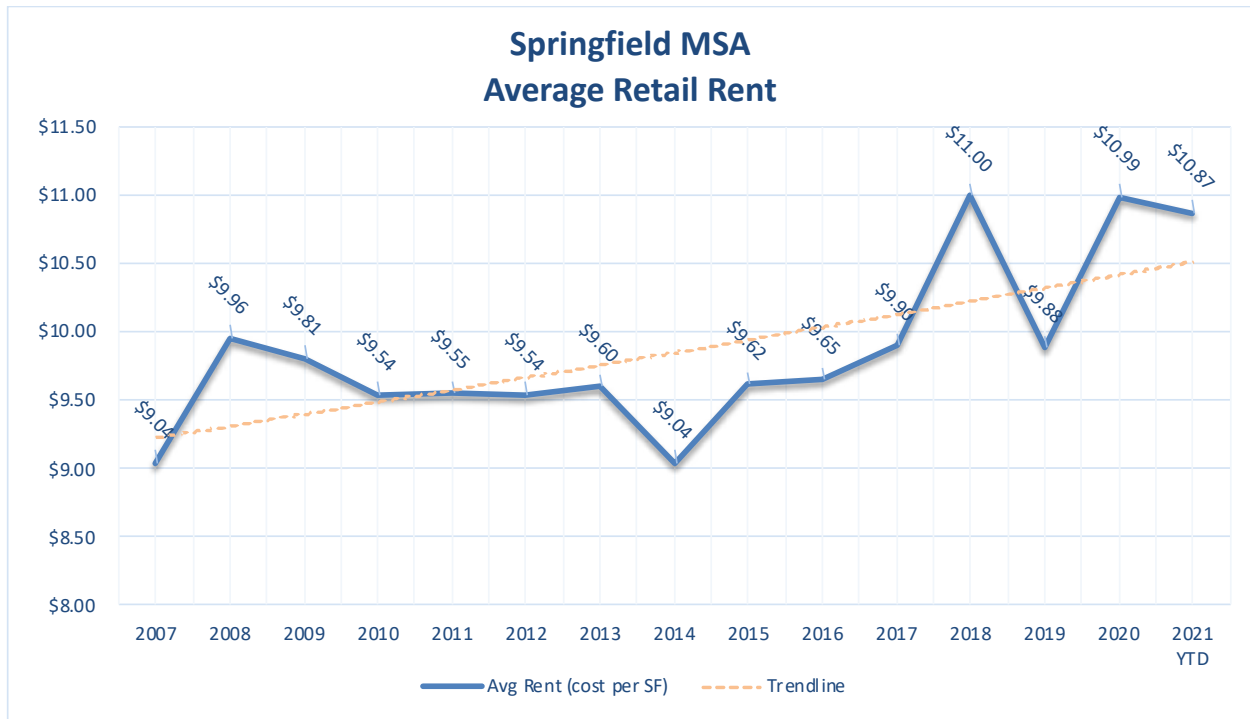
The Springfield MSA currently houses a total inventory of 31.5 million square feet. Currently, there is an inventory of 2,830 retail buildings or units averaging of 11,000 square feet each. Of this leasable space 3.8% (2020) was vacant at any given time. This is a rate of vacancy considered to be healthy and should provide some of the necessary slack in the market for incoming growth while keeping rents in check. Over previous years vacancy rates have fluctuated from a high of 7% - seen in 2011 as a lingering effect of the Great Recession of 2008, to 3.4% during the recovery of the same. Over a period of thirteen years (2007 – 2020) the vacancy rate has averaged 4.7%, suggesting that 1.44 million square feet were available at any given time.



Rents

Market rents for retail space of all service types in the region averaged \$10.99 per square foot for 2020. Rents have seen a consistent, gradual increase overall following a slight dip during the Great Recession (2008). This increase is more marked following the recession recovery period with the notable exceptions of a drop in 2014

and 2019. Overall rents have increased by 20% since 2007 and by more than 13% over the last decade. The average rate of change for the last ten years is 1.63%. The total change is 19% for the last decade which is greater than the rate of inflation for that same period.



Absorption

The total absorption for the Springfield MSA since 2007 is 3.05 million square feet. This is an average of 203,624 square feet per year. A negative net absorption occurred for the MSA in 2010 (-11,615 SF). This figure represents a stark outlier and is likely an effect of the Great Recession. In 2018, the market saw its greatest figure with an absorption of 447,573 square feet.

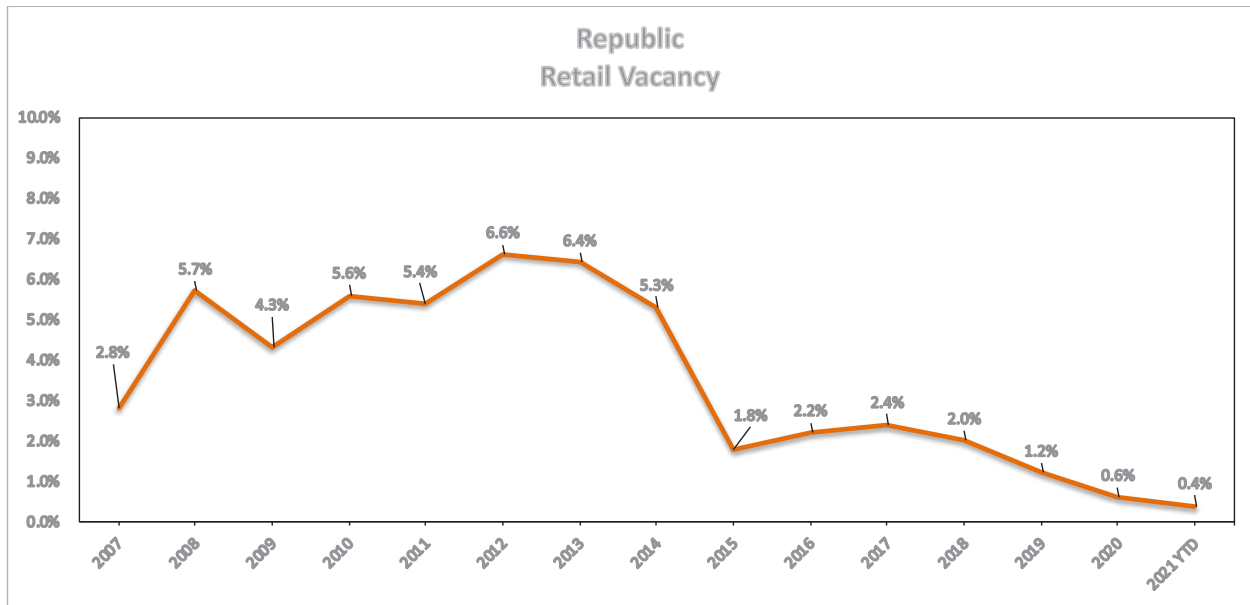
Republic

Recent and continued population growth for Republic has led to steady exploration of the commercial marketplace by local business owners as well as larger franchise-style retailers and restaurants. As residential growth and new jobs bring discretionary income to the city, market space is created for localized retail. At all times these businesses are in competition with their counterparts in the rest of the region.

Vacancy/Occupancy

The vacancy rate of the Republic retail market is 0.6% (2020), which is a low figure indicating not enough existing supply to meet growth demand. Taking into consideration the expected completion of construction on the 60 West mixed-use development, an additional 12,800 square feet of retail space will become available later this summer. When this project enters the marketplace the vacancy rate can be adjusted to 1.5%. While this accommodates some of the growth anticipated by increasing population the overall retail market will remain

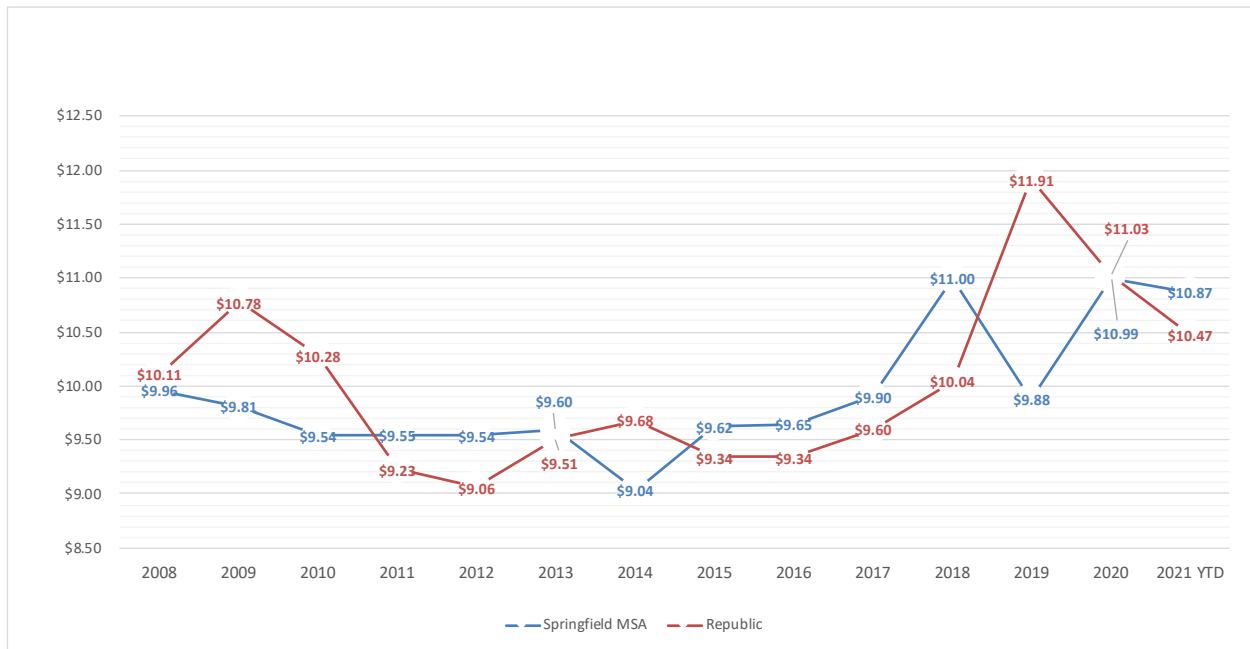
deficient in supply. The adjusted figure is 40% of the vacancy rate of the Springfield MSA (3.8%). Vacancy in Republic has been decreasing, generally, since 2012 and saw a sharp decline of 3.5% between 2014 and 2015. Much of the City’s vacant properties are in older commercial centers or in the downtown area. These potential sites may require extensive repairs and construction in order to comply with the building codes, fire safety, and ADA requirements. This is especially true for those downtown units that have had no significant upkeep completed in several decades.



Rents

Market rents for retail space of all service types in the region averaged \$10.99 per square foot for 2020. Rents have seen a consistent, gradual increase overall following a slight dip during the Great Recession (2008). This increase is more marked following the recession recovery period with the notable exceptions of a drop in 2014 and 2019. Overall rents have increased by 20% since 2007 and by more than 13% over the last decade. The average rate of change for the last ten years is 1.63%. The total change is 19% for the last decade which is greater than the rate of inflation for that same period.

Retail space in Republic averaged \$11.03 per square foot in 2020. Rents tended to fluctuate – likely as a function of vacant retail space. This is not unexpected in a smaller market where prices may have a tighter relationship with availability of leasable space. Rents for Republic reached their lowest point at \$9.06 per square foot in 2012 after a continual decrease in prices following the Great Recession. Their maximum was \$11.91 in 2019, which is higher than the Springfield MSA max of \$11.00 recorded in 2018. Overall rents have increased by 19.5% in the last decade and have risen by roughly 3.5% annually for the last five years outpacing the rate of inflation.



Absorption

The total absorption for the Springfield MSA since 2007 is 3.05 million square feet. This is an average of 203,624 square feet per year. A negative net absorption occurred for the MSA in 2010 (-11,615 SF). This figure represents a stark outlier and is likely an effect of the Great Recession. In 2018, the market saw its greatest figure with an absorption of 447,573 square feet.

Republic has experienced total absorption of just under 100,000 square feet since 2007. This puts the market at an average 6,663 square feet annually. Negative absorption was observed in four year: 2008, 2012, 2016, and 2017. Currently, Republic represents about 3.29% of regional market absorption rate while accounting for 3.72% of total inventory, suggesting that the city has not been particularly successful in capturing potential occupants.

Marketplace Drivers

Movement in the Republic retail marketplace consists primarily of localized startups and expansions of regional franchises and chains. The last few years have seen a number of market entrants such as Arris Pizza, Backwoods Golf, Baskin Robbins, Burger King, Domino’s Pizza, Dunkin Donuts, Flat Creek Restaurant, Infinium Pharmacy, and Panda Express all come forward to build or infill new commercial buildings. Two multi-unit commercial centers have been, or are in the process of being, constructed: Wildwood Plaza and 60 West – the latter being the City’s first truly mixed-use development. A multitude of refreshes and remodels were completed at existing retail locations such as Meeks, McDonalds, Murphy’s, Sonic Drive-In, Taco Bell, Walmart, and Wendy’s.

V. Growth Opportunities

Overview

Growth opportunities for Republic's retail marketplace has been provided in two forms. The first, is a more nuanced look at specific retail uses. Individual uses are examined as to their capitalization of the existing market through evaluation of demand potential growth and consumer spending habits of trade area residents

Retail Market Growth

Data in this section is focused on the City of Republic's retail market. The data is sourced from the Bureau of Labor Statistics, the Census Bureau, and ESRI. Each organization conducts a number of surveys relating to economic activity. The most recent available Census data, taken from 2017, has been projected out to 2020 and 2025 using population growth figures as a multiplier. Bureau of Labor Statistics data is from the 2017 and 2018 Consumer Expenditure Surveys, which has been estimated out for 2020. ESRI generates data based on a variety of government and third-party sources based on selected geography.

The retail market has been broken down into Industry Group and Industry Subsector as determined by the North American Industry Classification System (NAICS), which provides numerical assignment for every industry. The NAICS code categories that this study is concerned with are Retail Trade (44-45) and Food and Drink (722).

Market Potential

Consumer behaviors and uses are commonly used as a predictor of success for entrants into new marketplaces. They can be useful determining if a particular industry has local growth potential and to what degree that growth may occur. Information showing the variety of behaviors and uses for a range of categories was assessed, with regard to Republic's trade area, for this study (ESRI). These figures show the expected number of adults who engage in a particular behavior as well as the Market Potential Index (MPI). An MPI measures the relative likelihood that the trade area's consumers exhibit a particular behavior or purchasing pattern when compared to the national population. An MPI of 100 signals equivalence with the rest of the nation. This information is used to determine trends for demand in the trade area.

Demand Outlook

The Bureau of Labor Statistics tracks reported consumer spending figures across all sectors of the economy. This information is necessary to help determine likely demand for a given industry. The Consumer Expenditure Survey separates consumption into categories based on subject product or service. For example, the Entertainment and Recreation category shows purchases for two subcategories: Fees and Admissions and TV/Video/Audio. Subcategories may then be broken down into purchases. With regard to the above instance, Fees and Admissions consists of purchases such as Tickets to Movies, Fees for Recreational Lessons, Dating Services, and more.

Working from consumer spending as a baseline, spending growth, which represents the difference between current consumer spending and forecasted demand, can be projected for each of the categories, subcategories, and purchases. The multiplier applied to calculate future demand is a function that is specific to the activity and may rely on one or more of a number of projected changes that include population, various age cohorts, number of households, number of families, median age, and median household income.

Market Leakage and Surplus

Working from the results of the Market Potential and Demand Outlook it is possible to assess available opportunity, or lack thereof, for industries in the Republic trade area. By determining levels of supply and demand in the form of retail sales and retail potential, respectively, a retail gap can be calculated. This gap tells us whether industries in the trade area have been capturing all available retail spending.

Surplus and leakage are represented by a metric that seeks to account for the relationship between supply and demand. This metric, the surplus/leakage factor, measures the retail gap on a scale of -100 to +100. Negative factors represent money entering the Republic trade area beyond what residents report spending. This signifies that an industry or subsector has an unusually large market pull.

Consumers may spend their money in a number of different trade areas. The Republic trade area is in direct competition with Springfield. Springfield is the largest city in the region and therefore has an advantage in the variety of options present within its marketplace. This variety is represented not only by the presence of industries that may be absent or not well represented in Republic, like entertainment venues, but also in a wider range of options within those industries, such as those in the restaurant industry.

Figures on consumer spending for the Republic trade area tell us how much money those households are willing to spend on various industries; this represents the marketplace's demand. Retail sales numbers for the trade area gives us the amount of money that is currently being captured in the City; this represents the marketplace's supply. The difference between the demand and supply is the retail gap. When the retail gap is positive it shows us money that is leaving the trade area and could be recaptured by Republic businesses. A negative retail gap represents money that has been brought into the trade area from non-residents. A retail gap of zero means that the exact amount of spending done by Republic residents is accounted for in the sales figures on Republic businesses.

Industry Subsector	NAICS Code	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Food & Beverage Stores	445	\$28,175,290	\$1,680,743	\$26,494,547	88.7	4
Gasoline Stations	447	\$20,185,925	\$1,529,690	\$18,656,235	85.9	3
Clothing & Clothing Accessories Stores	448	\$7,478,758	\$618,082	\$6,860,676	84.7	1
Nonstore Retailers	454	\$1,990,878	\$335,131	\$1,655,747	71.2	2
Miscellaneous Store Retailers	453	\$7,113,926	\$1,784,342	\$5,329,584	59.9	9
Sporting Goods, Hobby, Book & Music Stores	451	\$5,053,891	\$2,470,437	\$2,583,454	34.3	4
Electronics & Appliance Stores	443	\$5,167,339	\$3,719,855	\$1,447,484	16.3	2
Furniture & Home Furnishings Stores	442	\$5,593,607	\$4,269,625	\$1,323,982	13.4	7
Health & Personal Care Stores	446	\$10,006,781	\$8,810,480	\$1,196,301	6.4	6
Food Services & Drinking Places	722	\$18,526,858	\$18,156,510	\$370,348	1.0	30
General Merchandise Stores	452	\$32,728,290	\$33,479,901	-\$751,611	-1.1	7
Bldg Materials, Garden Equip. & Supply Stores	444	\$12,655,503	\$20,812,105	-\$8,156,602	-24.4	7
Motor Vehicle & Parts Dealers	441	\$38,205,772	\$115,133,048	-\$76,927,276	-50.2	20

The industry subsector with the greatest potential for capturing spending that is currently leaving the City is Food & Beverage Stores with a factor of 88.7. This money gets lost when residents choose to shop for groceries in a larger market offering more options. As the local population grows and some of these stores appear in

this trade area, some of this money may return. Gasoline Stations also have a high Leakage/Surplus Factor, 85.9, with consumers spending more than twelve times what Republic gas stations sell. In this case, it is unlikely that all these sales can be recaptured because of the large number of Republic residents who commute to work and consequently have the opportunity to shop gas prices. Clothing and Clothing Accessories Stores, which include jewelry and shoe retailers, scored 84.7 on the Leakage/Surplus Factor. This is a market where new businesses may be able to recover leakage more easily as smaller, niche, boutiques begin to take advantage. Such uses can locate almost anywhere and do not require a lot of infill work to begin operations. Finally, Nonstore Retailers received a Leakage/Surplus Factor of 71.2 with actual retail sales representing less than a sixth of total demand for the trade area. The Nonstore Retailers subsector consists of service providers such as those that conduct direct sales and vending machine operations. These types of businesses represent a secondary support industry that often follows more traditional retail establishments in a healthy market. The size of this Retail Gap may indicate latent potential caused by growth in other sectors.

On the opposite end, are subsectors where more than just the demand potential of the trade area was met. Of these, only one, Motor Vehicle Parts Dealers, has a factor significant enough to be of interest. The Leakage/Surplus Factor for this subsector is -50.2. Currently, there are twenty businesses selling either cars or parts. Their combined sales are more than 300% of the total demand for the trade area. This occurrence is likely explained by the presence of several automobile dealers in Republic that serve the smaller communities to the West. Car dealerships have the ability to draw their customers from further away than other uses because the financial investment in starting such a business is very large. That fact, combined with the necessity of vehicle ownership in suburban locales, means that such businesses can pull in customers from far away to make these destination purchases.

Appendix A – Retail Demand Outlook (ESRI, 2020)



Retail Demand Outlook

Republic City, MO
 Republic City, MO (2961238)
 Geography: Place

Prepared by Esri

Top Tapestry Segments	Percen	Demographic Summary	2020	2025
Middleburg (4C)	70.4%	Population	17,525	18,576
Heartland Communities (6F)	13.5%	Households	6,479	6,859
Soccer Moms (4A)	10.0%	Families	4,672	4,925
Up and Coming Families (7A)	5.5%	Median Age	34.9	35.1
Green Acres (6A)	0.7%	Median Household	\$52,847	\$57,577
			2020	2025
			Consumer Spending	Forecasted Demand
				Projected Spending Growth
Apparel and Services			\$10,442,294	\$12,400,351
Men's			\$1,991,167	\$2,364,506
Women's			\$3,644,100	\$4,326,558
Children's			\$1,660,937	\$1,973,173
Footwear			\$2,311,559	\$2,745,324
Watches & Jewelry			\$581,157	\$689,827
Apparel Products and Services (1)			\$253,374	\$300,963
Computer				
Computers and Hardware for Home Use			\$771,461	\$916,283
Portable Memory			\$18,248	\$21,670
Computer Software			\$43,697	\$51,918
Computer Accessories			\$87,779	\$104,263
Entertainment & Recreation			\$16,138,608	\$19,146,550
Fees and Admissions			\$3,407,318	\$4,049,895
Membership Fees for Clubs (2)			\$1,130,099	\$1,342,735
Fees for Participant Sports, excl. Trips			\$513,589	\$610,653
Tickets to Theatre/Operas/Concerts			\$355,620	\$422,502
Tickets to Movies			\$279,861	\$332,777
Tickets to Parks or Museums			\$157,175	\$186,765
Admission to Sporting Events, excl. Trips			\$311,072	\$369,538
Fees for Recreational Lessons			\$656,120	\$780,438
Dating Services			\$3,781	\$4,489
TV/Video/Audio			\$5,830,565	\$6,917,148
Cable and Satellite Television Services			\$3,980,107	\$4,719,679
Televisions			\$557,630	\$662,165
Satellite Dishes			\$7,082	\$8,403
VCRs, Video Cameras, and DVD Players			\$27,649	\$32,828
Miscellaneous Video Equipment			\$141,389	\$167,703
Video Cassettes and DVDs			\$52,696	\$62,581
Video Game Hardware/Accessories			\$147,250	\$174,800
Video Game Software			\$85,712	\$101,804
Rental/Streaming/Downloaded Video			\$283,645	\$336,937
Installation of Televisions			\$5,850	\$6,953
Audio (3)			\$530,132	\$629,742
Rental and Repair of TV/Radio/Sound Equipment			\$11,425	\$13,553
Pets			\$3,563,966	\$4,220,328
Toys/Games/Crafts/Hobbies (4)			\$627,475	\$744,722
Recreational Vehicles and Fees (5)			\$707,983	\$838,067
Sports/Recreation/Exercise Equipment (6)			\$1,102,661	\$1,309,792
Photo Equipment and Supplies (7)			\$248,704	\$295,409
Reading (8)			\$519,488	\$616,366
Catered Affairs (9)			\$130,449	\$154,821
Food			\$44,486,751	\$52,802,964
Food at Home			\$26,050,620	\$30,911,956
Bakery and Cereal Products			\$3,386,112	\$4,017,816
Meats, Poultry, Fish, and Eggs			\$5,641,717	\$6,695,317
Dairy Products			\$2,683,991	\$3,183,542
Fruits and Vegetables			\$4,998,804	\$5,933,478
Snacks and Other Food at Home (10)			\$9,339,998	\$11,081,803
Food Away from Home			\$18,436,130	\$21,891,008
Alcoholic Beverages			\$2,953,477	\$3,508,079

Data Note: The Consumer Spending data is household-based and represents the amount spent for a product or service by all households in an area. Detail may not sum to totals due to rounding. This report is not a comprehensive list of all consumer spending variables therefore the variables in each section may not sum to totals.

Source: Esri forecasts for 2020 and 2025; Consumer Spending data are derived from the 2017 and 2018 Consumer Expenditure Surveys, Bureau of Labor Statistics.



Retail Demand Outlook

Republic City, MO
 Republic City, MO (2961238)
 Geography: Place

Prepared by Esri

	2020 Consumer Spending	2025 Forecasted Demand	Projected Spending Growth
Financial			
Value of Stocks/Bonds/Mutual Funds	\$124,429,268	\$147,788,742	\$23,359,474
Value of Retirement Plans	\$473,838,730	\$562,683,766	\$88,845,036
Value of Other Financial Assets	\$40,523,093	\$48,062,449	\$7,539,356
Vehicle Loan Amount excluding Interest	\$15,883,469	\$18,864,904	\$2,981,435
Value of Credit Card Debt	\$12,995,917	\$15,429,799	\$2,433,882
Health			
Nonprescription Drugs	\$752,816	\$892,423	\$139,607
Prescription Drugs	\$1,830,103	\$2,169,325	\$339,222
Eyeglasses and Contact Lenses	\$473,638	\$561,239	\$87,601
Home			
Mortgage Payment and Basics (11)	\$53,119,070	\$63,081,526	\$9,962,456
Maintenance and Remodeling Services	\$12,821,704	\$15,224,227	\$2,402,523
Maintenance and Remodeling Materials (12)	\$2,812,780	\$3,334,147	\$521,367
Utilities, Fuel, and Public Services	\$24,422,140	\$28,972,630	\$4,550,490
Household Furnishings and Equipment			
Household Textiles (13)	\$500,160	\$593,779	\$93,619
Furniture	\$3,170,749	\$3,765,643	\$594,894
Rugs	\$186,213	\$221,112	\$34,899
Major Appliances (14)	\$1,857,115	\$2,204,656	\$347,541
Housewares (15)	\$490,796	\$582,305	\$91,509
Small Appliances	\$239,410	\$284,135	\$44,725
Luggage	\$71,560	\$85,058	\$13,498
Telephones and Accessories	\$418,512	\$496,837	\$78,325
Household Operations			
Child Care	\$2,712,554	\$3,223,583	\$511,029
Lawn and Garden (16)	\$2,457,459	\$2,914,532	\$457,073
Moving/Storage/Freight Express	\$281,170	\$334,085	\$52,915
Housekeeping Supplies (17)	\$3,922,267	\$4,653,873	\$731,606
Insurance			
Owners and Renters Insurance	\$3,222,803	\$3,823,167	\$600,364
Vehicle Insurance	\$9,040,341	\$10,729,249	\$1,688,908
Life/Other Insurance	\$2,761,888	\$3,277,512	\$515,624
Health Insurance	\$18,929,124	\$22,456,360	\$3,527,236
Personal Care Products (18)	\$2,493,618	\$2,959,709	\$466,091
School Books and Supplies (19)	\$722,078	\$857,613	\$135,535
Smoking Products	\$1,957,867	\$2,318,147	\$360,280
Transportation			
Payments on Vehicles excluding Leases	\$13,997,613	\$16,609,977	\$2,612,364
Gasoline and Motor Oil	\$11,957,667	\$14,188,664	\$2,230,997
Vehicle Maintenance and Repairs	\$5,822,610	\$6,908,639	\$1,086,029
Travel			
Airline Fares	\$2,763,348	\$3,283,338	\$519,990
Lodging on Trips	\$3,143,250	\$3,731,003	\$587,753
Auto/Truck Rental on Trips	\$136,661	\$162,359	\$25,698
Food and Drink on Trips	\$2,780,898	\$3,302,185	\$521,287

Data Note: The Consumer Spending data is household-based and represents the amount spent for a product or service by all households in an area. Detail may not sum to totals due to rounding. This report is not a comprehensive list of all consumer spending variables therefore the variables in each section may not sum to totals.

Source: Esri forecasts for 2020 and 2025; Consumer Spending data are derived from the 2017 and 2018 Consumer Expenditure Surveys, Bureau of Labor Statistics.



Retail Demand Outlook

Republic City, MO
 Republic City, MO (2961238)
 Geography: Place

Prepared by Esri

(1) Apparel Products and Services includes shoe repair and other shoe services, apparel laundry and dry cleaning, alteration, repair and tailoring of apparel, clothing rental and storage, and watch and jewelry repair.

(2) Membership Fees for Clubs includes membership fees for social, recreational, and health clubs.

(3) Audio includes satellite radio service, radios, stereos, sound components, equipment and accessories, digital audio players, records, CDs, audio tapes, streaming/downloaded audio, musical instruments and accessories, and rental and repair of musical instruments.

(4) Toys and Games includes toys, games, arts and crafts, tricycles, playground equipment, arcade games, online entertainment and games, and stamp and coin collecting.

(5) Recreational Vehicles & Fees includes docking and landing fees for boats and planes, payments on boats, trailers, campers and RVs, rental of boats, trailers, campers and RVs, and camp fees.

(6) Sports/Recreation/Exercise Equipment includes exercise equipment and gear, game tables, bicycles, camping equipment, hunting and fishing equipment, winter sports equipment, water sports equipment, other sports equipment, and rental/repair of sports/recreation/exercise equipment.

(7) Photo Equipment and Supplies includes film, film processing, photographic equipment, rental and repair of photo equipment, and photographer fees.

(8) Reading includes digital book readers, books, magazine and newspaper subscriptions, and single copies of magazines and newspapers.

(9) Catered Affairs includes expenses associated with live entertainment and rental of party supplies.

(10) Snacks and Other Food at Home includes candy, chewing gum, sugar, artificial sweeteners, jam, jelly, preserves, margarine, fats and oils, salad dressing, nondairy cream and milk, peanut butter, frozen prepared food, potato chips and other snacks, nuts, salt, spices, seasonings, olives, pickles, relishes, sauces, gravy, other condiments, soup, prepared salad, prepared dessert, baby food, miscellaneous prepared food, and nonalcoholic beverages.

(11) Mortgage Payment and Basics includes mortgage interest, mortgage principal, property taxes, homeowners insurance, and ground rent on owned dwellings.

(12) Maintenance and Remodeling Materials includes supplies/tools/equipment for painting and wallpapering, plumbing supplies and equipment, electrical/heating/AC supplies, materials for roofing/gutters, materials for plaster/panel/siding, materials for patio/fence/brick work, landscaping materials, and insulation materials for owned homes.

(13) Household Textiles includes bathroom linens, bedroom linens, kitchen linens, dining room linens, other linens, curtains, draperies, slipcovers and decorative pillows.

(14) Major Appliances includes dishwashers, disposals, refrigerators, freezers, washers, dryers, stoves, ovens, microwaves, window air conditioners, electric floor cleaning equipment, sewing machines, and miscellaneous appliances.

Data Note: The Consumer Spending data is household-based and represents the amount spent for a product or service by all households in an area. Detail may not sum to totals due to rounding. This report is not a comprehensive list of all consumer spending variables therefore the variables in each section may not sum to totals.

Source: Esri forecasts for 2020 and 2025; Consumer Spending data are derived from the 2017 and 2018 Consumer Expenditure Surveys, Bureau of Labor Statistics.

Appendix B – Consumer Spending (Bureau of Labor Statistics, 2017 & 2018)

Product/Consumer Behavior	Expected Number of Adults or HH	Percent of Adults	MPR
Convenience Stores (Adults)			
Shopped at convenience store in last 6 months	8,958	70.0%	112
Bought brewed coffee at convenience store in last 30 days	1,935	15.1%	114
Bought cigarettes at convenience store in last 30 days	1,597	12.5%	119
Bought gas at convenience store in last 30 days	6,252	48.9%	131
Spent at convenience store in last 30 days: \$1-19	813	6.4%	94
Spent at convenience store in last 30 days: \$20-\$39	1,157	9.0%	97
Spent at convenience store in last 30 days: \$40-\$50	1,037	8.1%	102
Spent at convenience store in last 30 days: \$51-\$99	694	5.4%	100
Spent at convenience store in last 30 days: \$100+	4,004	31.3%	138
Entertainment (Adults)			
Attended a movie in last 6 months	7,730	60.4%	103
Went to live theater in last 12 months	1,360	10.6%	93
Went to a bar/night club in last 12 months	2,359	18.4%	109
Dined out in last 12 months	6,706	52.4%	103
Gambled at a casino in last 12 months	1,635	12.8%	94
Visited a theme park in last 12 months	2,433	19.0%	101
Viewed movie (video-on-demand) in last 30 days	2,193	17.1%	103
Viewed TV show (video-on-demand) in last 30 days	1,533	12.0%	103
Watched any pay-per-view TV in last 12 months	1,266	9.9%	112
Downloaded a movie over the Internet in last 30 days	1,077	8.4%	84
Downloaded any individual song in last 6 months	2,413	18.9%	100
Watched a movie online in the last 30 days	3,709	29.0%	96
Watched a TV program online in last 30 days	2,738	21.4%	106
Played a video/electronic game (console) in last 12 months	1,307	10.2%	113
Played a video/electronic game (portable) in last 12 months	584	4.6%	106
Financial (Adults)			
Have home mortgage (1st)	4,935	38.6%	126
Used ATM/cash machine in last 12 months	6,944	54.3%	103
Own any stock	734	5.7%	82
Own U.S. savings bond	587	4.6%	109
Own shares in mutual fund (stock)	819	6.4%	90
Own shares in mutual fund (bonds)	637	5.0%	105
Have interest checking account	4,014	31.4%	110
Have non-interest checking account	3,835	30.0%	104
Have savings account	7,618	59.5%	105
Have 401K retirement savings plan	2,206	17.2%	107
Own/used any credit/debit card in last 12 months	10,429	81.5%	102
Avg monthly credit card expenditures: \$1-110	1,777	13.9%	122
Avg monthly credit card expenditures: \$111-\$225	957	7.5%	103
Avg monthly credit card expenditures: \$226-\$450	984	7.7%	112
Avg monthly credit card expenditures: \$451-\$700	716	5.6%	90
Avg monthly credit card expenditures: \$701-\$1,000	661	5.2%	88
Avg monthly credit card expenditures: \$1,001+	1,299	10.2%	83
Did banking online in last 12 months	5,529	43.2%	110
Did banking on mobile device in last 12 months	4,215	32.9%	116
Paid bills online in last 12 months	7,269	56.8%	111
Grocery (Adults)			
HH used beef (fresh/frozen) in last 6 months	4,726	72.9%	107
HH used bread in last 6 months	6,069	93.7%	100
HH used chicken (fresh or frozen) in last 6 months	4,432	68.4%	100
HH used turkey (fresh or frozen) in last 6 months	960	14.8%	99
HH used fish/seafood (fresh or frozen) in last 6 months	3,392	52.4%	95
HH used fresh fruit/vegetables in last 6 months	5,443	84.0%	100
HH used fresh milk in last 6 months	5,679	87.7%	104
HH used organic food in last 6 months	1,345	20.8%	86
Health (Adults)			
Exercise at home 2+ times per week	3,495	27.3%	100
Exercise at club 2+ times per week	1,749	13.7%	97
Visited a doctor in last 12 months	10,025	78.3%	103
Used vitamin/dietary supplement in last 6 months	6,790	53.1%	99

Home (Households)			
HH did any home improvement in last 12 months	2,088	32.2%	118
HH used any maid/professional cleaning service in last 12 months	727	11.2%	75
HH purchased low ticket HH furnishings in last 12 months	1,134	17.5%	101
HH purchased big ticket HH furnishings in last 12 months	1,528	23.6%	104
HH bought any small kitchen appliance in last 12 months	1,503	23.2%	102
HH bought any large kitchen appliance in last 12 months	1,083	16.7%	127
Insurance (Adults/Households)			
Currently carry life insurance	6,317	49.4%	114
Carry medical/hospital/accident insurance	10,090	78.8%	106
Carry homeowner insurance	6,978	54.5%	118
Carry renter's insurance	1,077	8.4%	97
HH has auto insurance: 1 vehicle in household covered	1,740	26.9%	89
HH has auto insurance: 2 vehicles in household covered	2,029	31.3%	113
HH has auto insurance: 3+ vehicles in household covered	1,872	28.9%	128
Pets (Households)			
Household owns any pet	4,191	64.7%	120
Household owns any cat	1,844	28.5%	125
Household owns any dog	3,322	51.3%	125
Psychographics (Adults)			
Buying American is important to me	5,369	42.0%	114
Usually buy items on credit rather than wait	1,583	12.4%	92
Usually buy based on quality - not price	2,252	17.6%	96
Price is usually more important than brand name	3,782	29.6%	105
Usually use coupons for brands I buy often	2,106	16.5%	103
Am interested in how to help the environment	2,166	16.9%	86
Usually pay more for environ safe product	1,626	12.7%	86
Usually value green products over convenience	1,177	9.2%	81
Likely to buy a brand that supports a charity	4,464	34.9%	98
Reading (Adults)			
Bought digital book in last 12 months	1,772	13.8%	106
Bought hardcover book in last 12 months	2,718	21.2%	106
Bought paperback book in last 12 month	3,549	27.7%	99
Read any daily newspaper (paper version)	1,997	15.6%	98
Read any digital newspaper in last 30 days	5,095	39.8%	97
Read any magazine (paper/electronic version) in last 6 months	11,820	92.4%	102
Restaurants (Adults)			
Went to family restaurant/steak house in last 6 months	10,131	79.2%	108
Went to family restaurant/steak house: 4+ times a month	3,884	30.4%	116
Went to fast food/drive-in restaurant in last 6 months	12,056	94.2%	104
Went to fast food/drive-in restaurant 9+ times/month	5,765	45.0%	116
Fast food restaurant last 6 months: eat in	5,073	39.6%	111
Fast food restaurant last 6 months: home delivery	1,170	9.1%	108
Fast food restaurant last 6 months: take-out/drive-thru	7,077	55.3%	121
Fast food restaurant last 6 months: take-out/walk-in	2,695	21.1%	101
Television & Electronics (Adults/Households)			
Own any tablet	6,723	52.5%	105
Own any e-reader	1,411	11.0%	114
Own e-reader/tablet: iPad	3,609	28.2%	96
HH has Internet connectable TV	2,343	36.2%	114
Own any portable MP3 player	2,161	16.9%	106
HH owns 1 TV	1,120	17.3%	81
HH owns 2 TVs	1,604	24.8%	94
HH owns 3 TVs	1,465	22.6%	107
HH owns 4+ TVs	1,469	22.7%	135
HH subscribes to cable TV	2,441	37.7%	91
HH subscribes to fiber optic	202	3.1%	49
HH owns portable GPS navigation device	1,562	24.1%	118
HH purchased video game system in last 12 months	492	7.6%	89
HH owns any Internet video device for TV	2,027	31.3%	113
Travel (Adults)			
Took domestic trip in continental US last 12 months	7,229	56.5%	107
Took 3+ domestic non-business trips in last 12 months	1,551	12.1%	101
Spent on domestic vacations in last 12 months: \$1-999	1,460	11.4%	106
Spent on domestic vacations in last 12 months: \$1,000-\$1,499	870	6.8%	109
Spent on domestic vacations in last 12 months: \$1,500-\$1,999	397	3.1%	80
Spent on domestic vacations in last 12 months: \$2,000-\$2,999	599	4.7%	106
Spent on domestic vacations in last 12 months: \$3,000+	881	6.9%	107
Domestic travel in last 12 months: used general travel website	772	6.0%	91
Took foreign trip (including Alaska and Hawaii) in last 3 years	3,021	23.6%	82
Took 3+ foreign trips by plane in last 3 years	585	4.6%	78
Spent on foreign vacations in last 12 months: \$1-999	655	5.1%	103
Spent on foreign vacations in last 12 months: \$1,000-\$2,999	331	2.6%	60
Spent on foreign vacations in last 12 months: \$3,000+	621	4.9%	73
Foreign travel in last 3 years: used general travel website	515	4.0%	69
Nights spent in hotel/motel in last 12 months: any	6,006	46.9%	104
Took cruise of more than one day in last 3 years	1,189	9.3%	101
Member of any frequent flyer program	2,115	16.5%	90
Member of any hotel rewards program	2,649	20.7%	109

Appendix C – Full Leakage/Surplus by Retail Industries (Chris Tabor)

2016 Industry Summary	NAICS	Demand (Retail Potential)	Supply (Retail Sales)	Retail Gap	Leakage/Surplus Factor	Number of Businesses
Total Retail Trade and Food & Drink	44-45, 722	\$192,882,818	\$212,799,949	-\$19,917,131	-4.9	102
Total Retail Trade	44-45	\$174,355,960	\$194,643,439	-\$20,287,479	-5.5	72
Total Food & Drink	722	\$18,526,858	\$18,156,510	\$370,348	1.0	30
2017 Industry Group						
Motor Vehicle & Parts Dealers	441	\$38,205,772	\$115,133,048	-\$76,927,276	-50.2	20
Automobile Dealers	4411	\$30,847,170	\$107,497,696	-\$76,650,526	-55.4	11
Other Motor Vehicle Dealers	4412	\$4,077,444	\$2,776,643	\$1,300,801	19.0	3
Auto Parts, Accessories & Tire Stores	4413	\$3,281,158	\$4,858,709	-\$1,577,551	-19.4	6
Furniture & Home Furnishings Stores	442	\$5,593,607	\$4,269,625	\$1,323,982	13.4	7
Furniture Stores	4421	\$3,323,455	\$1,772,169	\$1,551,286	30.4	2
Home Furnishings Stores	4422	\$2,270,152	\$2,497,456	-\$227,304	-4.8	5
Electronics & Appliance Stores	443	\$5,167,339	\$3,719,855	\$1,447,484	16.3	2
Bldg Materials, Garden Equip. & Supply Stores	444	\$12,655,503	\$20,812,105	-\$8,156,602	-24.4	7
Bldg Material & Supplies Dealers	4441	\$11,870,332	\$20,812,105	-\$8,941,773	-27.4	7
Lawn & Garden Equip & Supply Stores	4442	\$785,171	\$0	\$785,171	100.0	0
Food & Beverage Stores	445	\$28,175,290	\$1,680,743	\$26,494,547	88.7	4
Grocery Stores	4451	\$26,122,730	\$1,621,044	\$24,501,686	88.3	3
Specialty Food Stores	4452	\$967,027	\$59,699	\$907,328	88.4	1
Beer, Wine & Liquor Stores	4453	\$1,085,533	\$0	\$1,085,533	100.0	0
Health & Personal Care Stores	446, 4461	\$10,006,781	\$8,810,480	\$1,196,301	6.4	6
Gasoline Stations	447, 4471	\$20,185,925	\$1,529,690	\$18,656,235	85.9	3
Clothing & Clothing Accessories Stores	448	\$7,478,758	\$618,082	\$6,860,676	84.7	1
Clothing Stores	4481	\$4,867,889	\$618,082	\$4,249,807	77.5	1
Shoe Stores	4482	\$1,317,561	\$0	\$1,317,561	100.0	0
Jewelry, Luggage & Leather Goods Stores	4483	\$1,293,308	\$0	\$1,293,308	100.0	0
Sporting Goods, Hobby, Book & Music Stores	451	\$5,053,891	\$2,470,437	\$2,583,454	34.3	4
Sporting Goods/Hobby/Musical Instr Stores	4511	\$4,329,100	\$2,470,437	\$1,858,663	27.3	4
Book, Periodical & Music Stores	4512	\$724,791	\$0	\$724,791	100.0	0
General Merchandise Stores	452	\$32,728,290	\$33,479,901	-\$751,611	-1.1	7
Department Stores Excluding Leased Depts.	4521	\$24,842,866	\$31,433,198	-\$6,590,332	-11.7	3
Other General Merchandise Stores	4529	\$7,885,424	\$2,046,703	\$5,838,721	58.8	4
Miscellaneous Store Retailers	453	\$7,113,926	\$1,784,342	\$5,329,584	59.9	9
Florists	4531	\$460,044	\$335,001	\$125,043	15.7	2
Office Supplies, Stationery & Gift Stores	4532	\$1,751,247	\$0	\$1,751,247	100.0	0
Used Merchandise Stores	4533	\$835,293	\$655,555	\$179,738	12.1	4
Other Miscellaneous Store Retailers	4539	\$4,067,342	\$793,786	\$3,273,556	67.3	3
Nonstore Retailers	454	\$1,990,878	\$335,131	\$1,655,747	71.2	2
Electronic Shopping & Mail-Order Houses	4541	\$1,331,254	\$0	\$1,331,254	100.0	0
Vending Machine Operators	4542	\$187,252	\$335,131	-\$147,879	-28.3	2
Direct Selling Establishments	4543	\$472,372	\$0	\$472,372	100.0	0
Food Services & Drinking Places	722	\$18,526,858	\$18,156,510	\$370,348	1.0	30
Special Food Services	7223	\$499,547	\$59,143	\$440,404	78.8	1
Drinking Places - Alcoholic Beverages	7224	\$556,972	\$0	\$556,972	100.0	0
Restaurants/Other Eating Places	7225	\$17,470,339	\$18,097,367	-\$627,028	-1.8	29

Industrial Market Analysis

Republic, MO



Prepared November 25, 2020
For the Southwest Missouri Council of Governments

By Randall Gross / Development Economics

INTRODUCTION

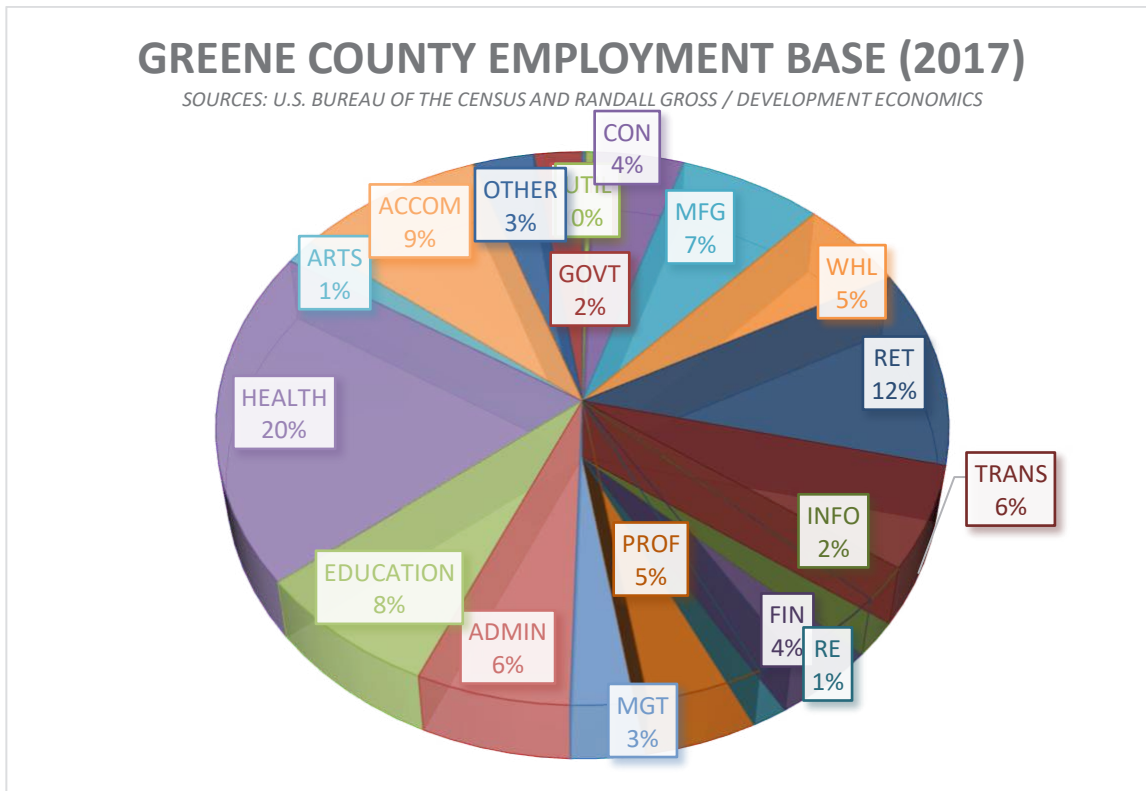
This report provides findings from an Industrial Market Analysis for the city of Republic, Missouri. This analysis was conducted for the Southwest Missouri Council of Governments (SMCOG) to help inform overall comprehensive planning efforts on behalf of the City of Republic.

Section 1 of this report summarizes an analysis of the city's existing economic base, and an assessment of regional and local economic trends and labor market conditions. An inventory was conducted of existing industrial use within the city and regional market as an input to an analysis of existing industrial real estate market conditions, described in Section 2. Field reconnaissance, site analysis, interviews, and research provided significant input to the assessment. In Section 3 are findings on the potential for industrial development in Republic, in terms of industrial demand in square feet by type of tenant within the competitive market. Finally, Section 4 provides strategic recommendations for industrial business and real estate development to help inform the overall comprehensive planning process.

1. ECONOMIC OVERVIEW

Republic is a city of about 16,900 people located within the Springfield Metropolitan Area. Over the last several decades, Republic has shifted from being a relatively independent farming community into a suburban location for Springfield commuters. According to U.S. Census data, nearly 90% of Republic's working residents commute out of the city for their jobs and 60% commute into Springfield. Springfield is the third largest metro in the state of Missouri, with a population of more than 470,000, and serves as the growing economic hub of the large Ozark region of southwestern Missouri.

Greene County, where both Springfield and Republic are located, has a relatively diverse economic base with no one industry sector dominating employment. Certainly, health care is important, accounting for roughly 20% of the county's 171,000 jobs, with Greene County the base of extensive health care networks (Cox Health, Mercy, Citizens) that span the region. Retail is also important, generating about 12% of the county's at-place employment. But there is fair representation in most other sectors as well including accommodation & foodservice (9%), education (8%), manufacturing (7%), administrative services (6%), transportation & warehousing (6%), wholesale trade (5%), professional services (5%), and so on. Springfield is home to Bass Pro Shops and O'Reilly Auto Parts, among other regional or national brands.



Randall Gross / Development Economics

The Springfield region is also home to SRC, EFCO, and several other manufacturing companies. But unlike many other Midwestern communities, manufacturing has played a less-significant role in the Springfield region's and Greene County's economic base. Perhaps as a result, the region has been relatively buffered from the economic shocks that have plagued other communities in the region where manufacturing employment has been impacted by increased automation and emerging technologies as well as by domestic and foreign competition.

Republic's economic base (2017) is much more concentrated in three sectors, namely retail (with 21% of the city's jobs), education (18%), and wholesale trade (17%). Accommodation & foodservice is also important, with 10% of the city's at-place employment. The 2017 data may not reflect more recent growth in transportation & warehousing, which likely accounts for more than the 2% of employment that it generated in 2017. The city's manufacturing base plays a less significant role in Republic than in Greene County as a whole, accounting for just 6% of all jobs in the city. Employment in most other sectors is small. However, Republic's overall employment base is growing rapidly, with a total of about 4,400 jobs in 2017, up by more than one-third from 2010.

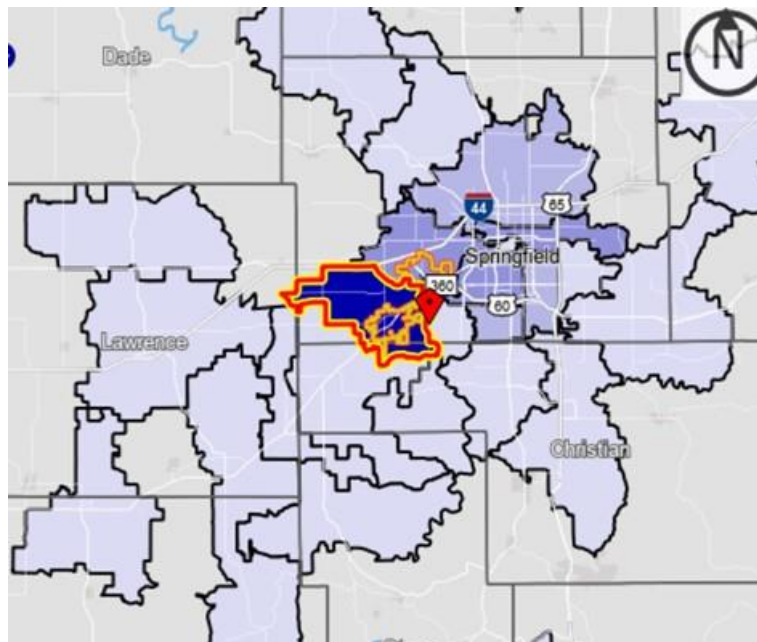
Industry Sector	2002	2010	2017	2002-10 Change	2010-17 Change
Agriculture	3	2	-	-33.3%	-100.0%
Mining	18	-	2	-100.0%	N/A
Utilities	5	25	1	400.0%	-96.0%
Construction	158	286	191	81.0%	-33.2%
Manufacturing	132	91	251	-31.1%	175.8%
Wholesale Trade	88	95	714	8.0%	651.6%
Retail Trade	700	757	941	8.1%	24.3%
Transport/Warehouse	39	20	89	-48.7%	345.0%
Information	15	33	26	120.0%	-21.2%
Finance	77	60	122	-22.1%	103.3%
Real Estate	17	33	136	94.1%	312.1%
Professional/Sci/Tech Management	55	84	122	52.7%	45.2%
Administrative Services	-	30	22	N/A	-26.7%
Education & Social	53	33	112	-37.7%	239.4%
Health Care	534	770	796	44.2%	3.4%
Arts, Entertain	212	281	342	32.5%	21.7%
Accommodation	3	48	8	1500.0%	-83.3%
Other Services	182	358	431	96.7%	20.4%
Public Administration	158	188	69	19.0%	-63.3%
	124	81	3	-34.7%	-96.3%
TOTAL	2,573	3,275	4,378	27.3%	33.7%
Sources:	U.S. Bureau of the Census and Randall Gross / Development Economics.				

Employment growth has fluctuated by sector since 2002. The most consistent job growth in Republic has been in wholesale and retail trade, real estate, professional services, health care, and accommodation services.

Manufacturing employment fluctuated from less than 100 to more than 250 over the 16-year period. Similarly, construction employment has cycled between 160 and 290. Countywide, transportation & warehousing along with professional and management services have seen the fastest growth since 2010.

Labor Force Assessment

As the economic hub of the region, Springfield has long benefited from an influx of people from rural Ozark communities, which has helped grow the available labor force in support of economic growth. Today, Republic relies on Springfield for the largest share of its labor force.



*Map: Republic Labor Market Area (Republic Labor Source Zip Codes)
Source: U.S. Census)*

While residents of Republic account for about 21% of the existing workforce at businesses located in Republic, nearly 26% of that workforce comprises residents of Springfield. The Primary Labor Market Area (PLMA) for Republic largely consists of workers from Republic, along with South/Southwest and Central Springfield (zip codes 65738, 65807, 65802, 65804, 65810, and 65803). These six zip codes source nearly 50% of all Republic workers).

The workforce within the Primary Labor Market Area (PLMA) totaled approximately 144,000 in 2018, representing growth of about 3,700 working-age residents or 2.6% since 2011. Much of this growth was concentrated in Republic and areas of southwestern Springfield/Greene County. The working age population base in this region has been shifting south and west towards Republic, which bodes well for the future labor supply to support industrial growth in Republic and surrounding areas. But regardless of growth in the PLMA, Republic's excellent

transportation accessibility to a broad labor commutershed also supports industrial development.

Table 2. REPUBLIC PLMA WORKFORCE TRENDS, 2011-2018				
Zip Code	2011	2018	2011-2018 Change	
			Number	Percent
65738	10,030	11,242	1,212	12.1%
65807	38,394	40,060	1,666	4.3%
65802	28,749	31,221	2,472	8.6%
65804	22,708	22,758	50	0.2%
65810	13,156	13,185	29	0.2%
65803	27,407	25,623	(1,784)	-6.5%
Total	140,444	144,089	3,645	2.6%
Sources:	U.S. Bureau of the Census and RGDE.			

Enhancing the skills base of residents within this commutershed is supported by the new local Republic campus of Ozarks Technical Community College (OTC), which opened in 2020 on U.S. Route 60. OTC Republic Center offers associate degrees in general arts & science, teaching, business, applied health, and technical education (ranging from culinary arts to auto-diesel). More importantly, OTC works directly with area employers to help supply the skills necessary to support industrial development. A shortage of skills in various professions including nursing and in various technical fields characterizes both the regional as well as national labor force. A willingness among young high school graduates to work in labor-intensive or production jobs is a common barrier to growth locally and nationally.

Section 2. EXISTING INDUSTRIAL MARKET CONDITIONS

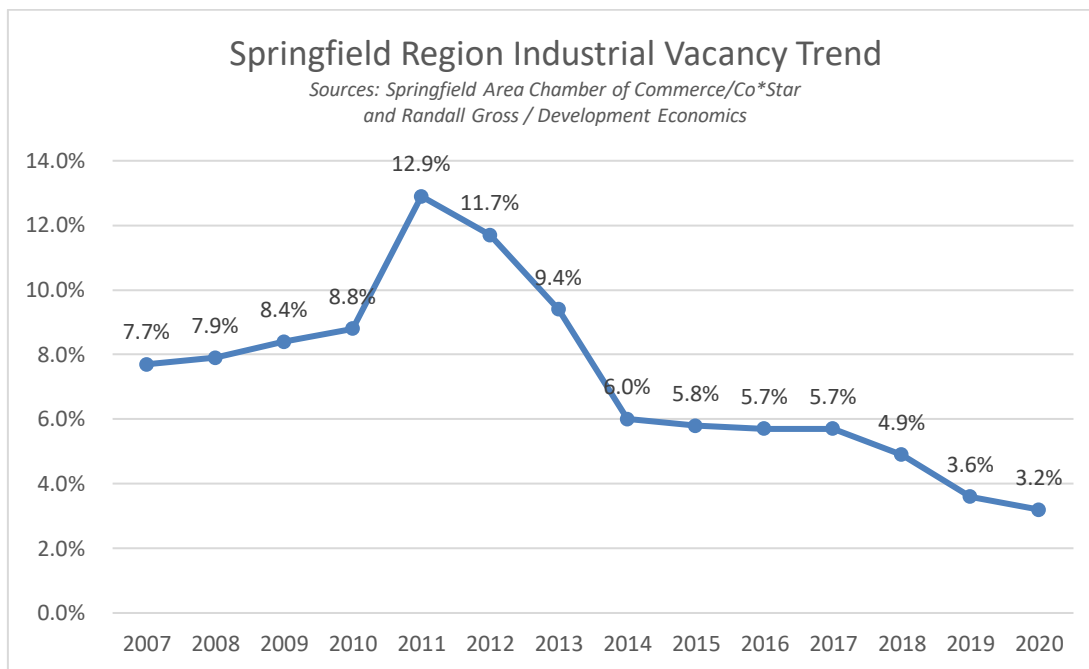
This section provides a summary of findings from an analysis of existing industrial real estate market conditions. The summary is based in part on an inventory completed for this analysis of industrial uses and space within Republic and surrounding areas. This information was coupled with data and information from area brokers, real estate professionals, and the Springfield Area Chamber of Commerce in order to provide broader market context.

Springfield Regional Market

The Springfield region has a total leasable inventory of approximately **39.4 million square feet** of industrial space, according to Co*Star and the Springfield Area Chamber of Commerce. This sample does not represent the complete inventory of all industrial buildings in the region but does capture much of the competitive industrial space within the active leasable market.

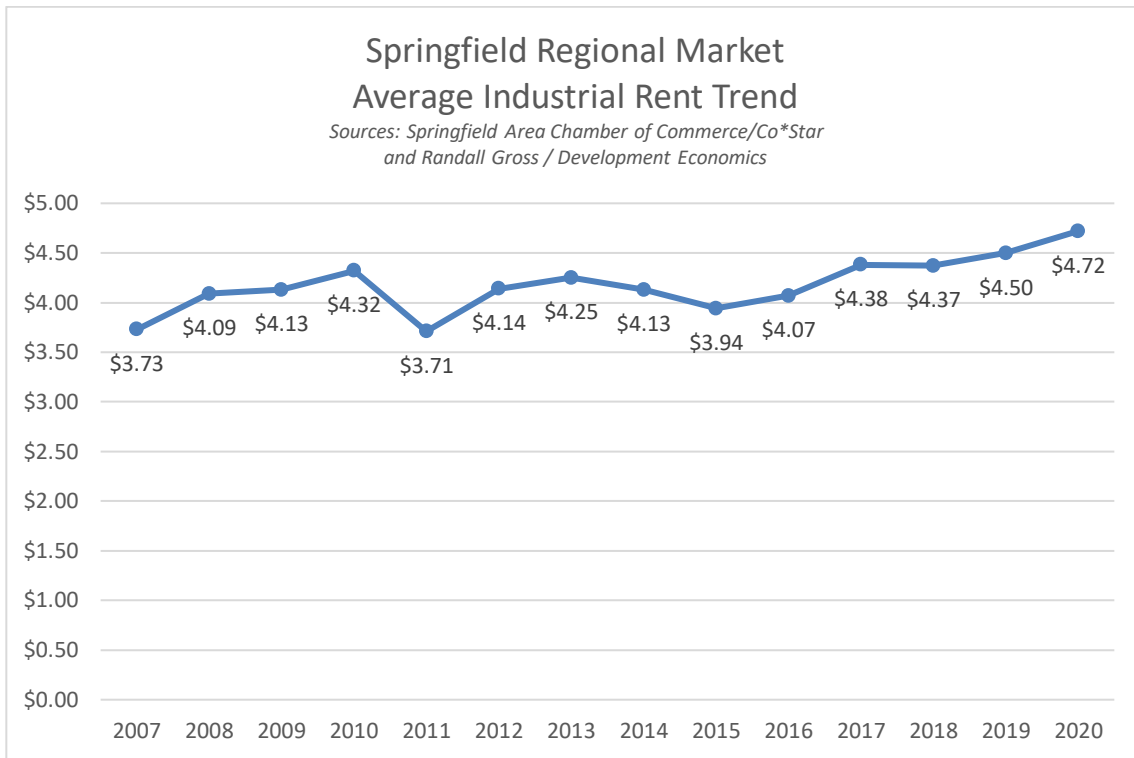
Occupancy

The Springfield region industrial market is relatively healthy, with a vacancy rate of just 3.2% in 2020. The market has seen sustained improvement since reaching a peak in vacancy of nearly 13.0% following the recession in 2011. At just 3.2%, the market barely has sufficient product available to allow for “churn” and growth of existing businesses.



Rents

Industrial rents (for all service levels) are averaging \$4.72 in the Springfield regional market, according to the Springfield Chamber of Commerce and Co*Star. The market has generally seen a slow but steady increase in industrial rents at least since the last recession in 2011. Rents have increased by 27.2% since that year, or about 3.0% per year. In general, industrial rent escalation has exceeded the rate of inflation.



Absorption

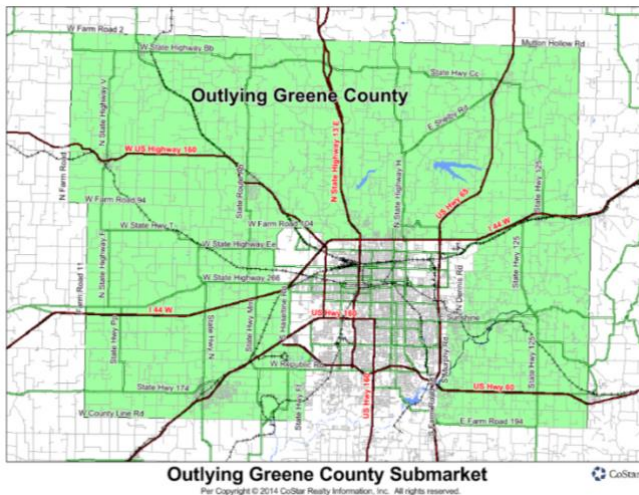
The Springfield region (and similarly, Greene County) has had net absorption of 410,600 square feet per year since 2007, for a total of about 5.54 million square feet. The only years that Springfield experienced negative absorption was during the last recession. The year 2014 saw the largest single amount of net industrial absorption, with more than 1.4 million square feet.

Key Submarkets & Drivers

Much of the region’s industrial development and absorption has been driven by expansion, relocation, and consolidation among existing Springfield-area businesses. Exceptions including a handful of companies like Community Wholesale Tire, L&W Industries, FedEx Ground, Vital Farms, and Amazon that have brought (or are bringing) new facilities and jobs to the region. Start-up

companies like Truck Hero, Everything Kitchens, and Kuat Racks have also added to expansion-driven demand.

Much of the region's industrial market has been highly concentrated in the Northeast Submarket, with about 21.1 million square feet representing 54% of the regional market base. The Northeast Submarket's industrial capacity was driven to a large extent by pro-active efforts by the City of Springfield, Greene County, and others to develop "PIC" – Partnership Industrial Center (East), a 350-acre sprawling industrial complex housing many of the region's large industrial employers. PIC West has been developed in the Northwest Sub-Market near the Springfield-Branson National Airport. PIC West has been slower to absorb space in part because it does not offer the competitive accessibility (65/I-44) of PIC East. Public policies guiding development at these two major nodes limited the construction of large-scale distribution facilities, due to a preference for attracting and accommodating growth in high-wage manufacturing industries.



Republic is located in what Co*Star designates as the "Outlying Greene County" Submarket. Unfortunately, this designation includes a substantial portion of northeast, northwest, southeast and southwest Greene County outside of the city of Springfield. The drivers and influences on this submarket therefore differ significantly depending on where one is located within this sprawling area. It would be

misleading to characterize Republic based on the market indicators associated with this large and diverse geographic sub-market.

Republic

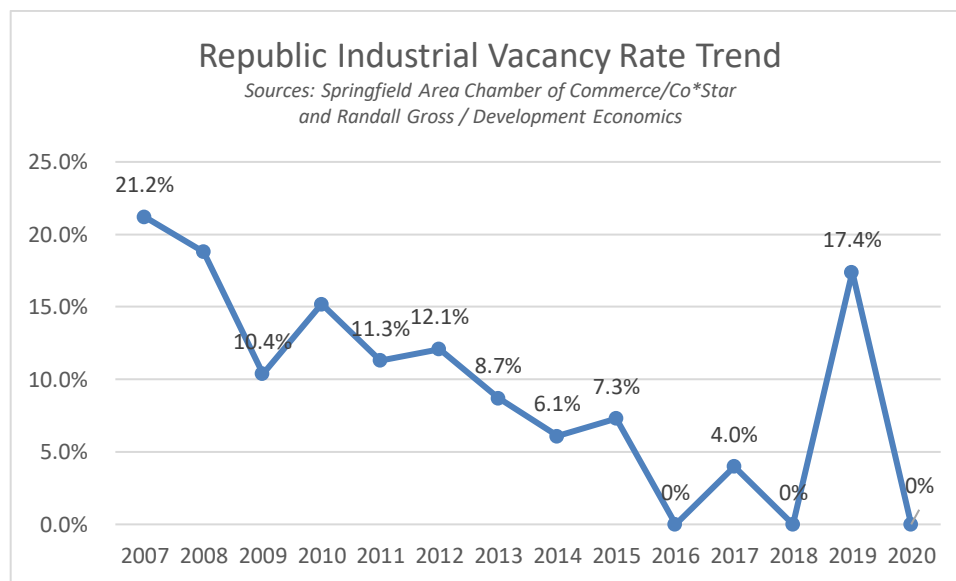
The limits on development of distribution facilities in the PIC areas have created opportunities for Republic to attract large-scale warehouse and distribution uses. Over a relatively brief period of time, Republic has become a distribution hub for companies such as:

- McLane Ozark 359,722 square feet
- Convoy of Hope 230,000 (under construction)
- Red Monkey Foods 184,093 (2 facilities)
- Heart of America Beverage 140,278
- Lew's Strike King 136,605
- Mercy/ROI 108,000

These companies join Wilber Funeral Services, Ashley Furniture, Watson Metal Masters, Everything Kitchens, and others to form a diverse industrial base. Overall, Republic has an inventory of approximately **1,656,600 square feet** of industrial space, based on field reconnaissance, interviews and Green County Assessment records. As such, the city accounts for an estimated 3.5% of the Springfield regional industrial market base. Key industrial locations in Republic include the largely built-out Brookline Business Park, the newly developing Garton Business Park, and the State Route MM Corridor in Brookline (north of the James River Expressway). There is also some older industrial use located along U.S. Highway 60 and along the rail line in downtown Republic.

Occupancy

Republic's industrial building vacancy is estimated at **1.3%**, based on the inventory developed for this analysis, compared with a market-wide vacancy of 4.9%. Within a smaller database of about 574,000 square feet maintained by Co*Star and the Springfield Area Chamber of Commerce, industrial vacancy has been decreasing since the last recession, from about 21.2% in 2009 to 0% in 2020. This data includes new construction in lease-up and excludes many smaller, existing buildings. New construction in 2019, which caused a spike in the amount of available space, was quickly absorbed by 2020.

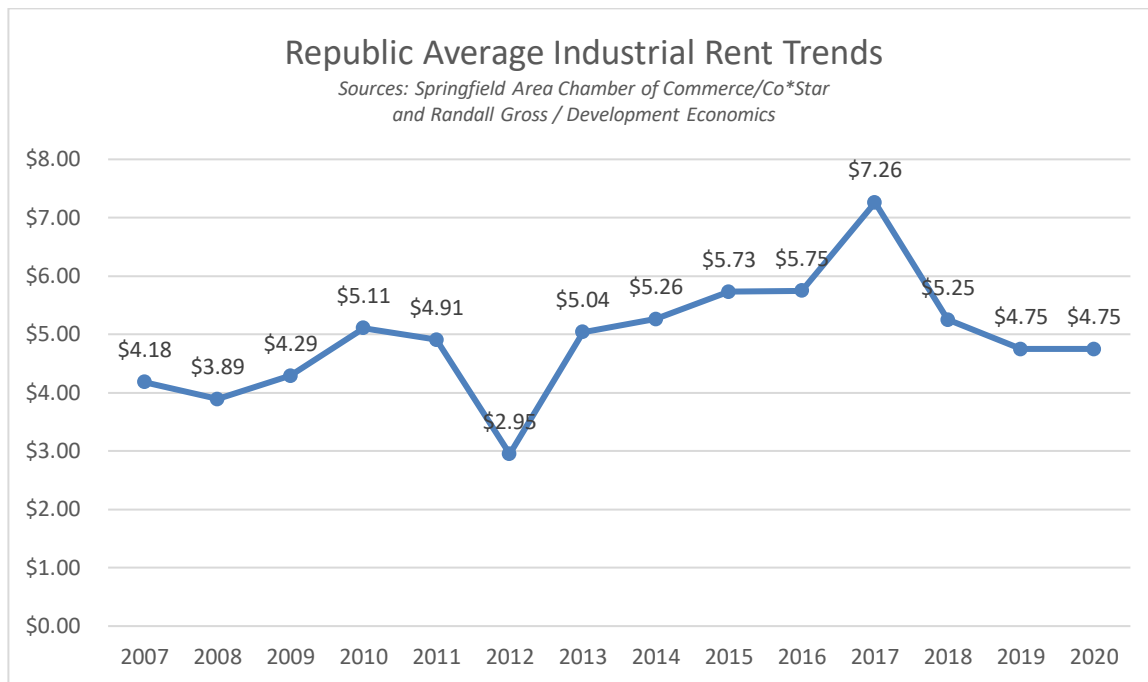


Almost all of Republic's vacancy is concentrated in older buildings (e.g., Burk Bridge, Systems Services) that are either functionally obsolete or do not meet the needs of today's industrial businesses. So, there is little vacant and available space in newer, competitive buildings in Republic, as noted above. There is industrial land available for development, although speculation may be driving up prices, making some sites less likely to generate a return on investment. So,

speculative land pricing and a lack of available industrial product may hamper the city's short-term industrial growth.

Rents

Lease rates for new distribution space (averaging \$4.75 per square foot on an annual basis) are fairly consistent with market-wide pricing (with logistics space in the market leasing for an average \$4.74 per foot, according to CoStar Group, Inc). However, as shown below, lease rates in space tracked by Co*Star have declined on average since peaking in 2017.



Today's lease rates are still somewhat higher than those offered in Republic during the last recession, but lower than in recent years. This is not to suggest that rents are depressed but that some larger spaces that have come online recently may have lower rates on a per-square-foot basis simply due to scale.

Absorption

Since Republic has had a relatively small industrial base until recently, absorption has fluctuated significantly as new product has been added to the market. The city has had net absorption of about 35,700 net square feet of industrial space per year within the buildings tracked by Co*Star since 2007, although the city had net absorption of about 100,000 square feet in the first half of 2020 alone. On average, the city has captured about 8.7% of total market absorption, despite accounting for only 3.5% of market inventory.

Market Drivers

Most of Republic's recent growth has occurred based on expansions among existing companies located within the Springfield regional market, rather than on new companies entering the Springfield market. Where those expansions could not be accommodated in other areas of the region (including PIC), and where speculative development and building space in Republic has created new opportunities, Republic has benefitted and attracted these business expansions. The city's welcoming, pro-business climate has also been cited as a reason for industrial companies to locate in Republic.

This is not to say that all industrial development is being driven solely by local expansions in the Springfield region. Most recently it was announced that Republic will be the site for a new 1.3 million square-foot **Amazon** distribution center, which initially employ more than 500 people. Amazon will have downstream impacts on demand for restaurants and convenience services, but industrial spin-off is likely to be fairly modest, based on experience at other Amazon hubs and given the nature of the distribution activity. With the construction of Amazon and Convoy of Hope, the city will have a total of 3,186,600 square feet of industrial space and Republic will account for roughly 6.7% of the regional industrial base.

Section 3. REPUBLIC INDUSTRIAL MARKET POTENTIALS

Regional demand for industrial space was forecasted based on a two-pronged approach, focused on projected employment growth in key industrial sectors as well as on absorption patterns in the area's industrial market. Republic's positioning within the competitive market was then determined and its capture of regional and sub-market growth projected through 2025 and again through 2030.

Employment-Generated Demand

Industrial employment serves as an important indicator or proxy for industrial space demand. The projected change in industrial employment therefore provides an indication of the amount of space required to accommodate industrial uses in coming years. Employment projections must be tempered by shifts in other inter-connected factors such as technology, productivity, and the use of space.

Employment Projections

A detailed assessment of employment projections was conducted for Greene County as an input to this analysis. The projections were sourced from Woods & Poole Economics, Moody's Analytics, the U.S. Bureau of Labor Statistics, and the Missouri Economic Research & Information Center, among others. Detailed analysis of trends by individual industry and sector, correlated with survey data from the U.S. Economic Census and other sources, was used to amalgamate and refine the projections. Overall projections by major sector are compiled in Appendix Table 1.

Based on this data, the county had total employment estimated at 196,800 (at the beginning of 2020, prior to the impacts of COVID-19). Employment was projected to increase by 12,260 to about 209,100 by 2025 and by 5,550 to 214,660 by 2030. The largest number of jobs will be added in health care (4,480), followed by accommodation & foodservice (3,410), administrative services (2,770), transportation & warehousing (1,500), and professional & technical services (1,160). The fastest growth will be in administrative services (2.5% per year), followed by arts & entertainment (2.2%), and accommodation & foodservice (2.1%). In all, 18 sectors will see an increase in employment by 2030. The four declining sectors include manufacturing (declining by 585 jobs or -0.4%), followed by real estate (-130, -0.5%), agriculture (-77, -0.5%), and information services (-42, -0.1%). Several of these sectors, such as information services, are losing employment nationally due to changes in technology or other factors).

Industrial Employment

More detailed analysis was conducted of projected changes in “industrial” sectors that would generate most of the demand for industrial real estate. These industrial sectors are expected to generate about 2,270 net new jobs by 2030, although the bulk of that growth was anticipated in the first half of the decade with an economic cycle indicating a downturn by mid-decade. However, this cycle is likely to have shifted back at least 1 to 2 years due to the effects of the Pandemic, which reduced economic performance earlier in the projected economic cycle.

Table 3. EMPLOYMENT FORECASTS FOR SELECTED INDUSTRIES, GREENE COUNTY, 2020-2030						
Industry	2020	2025	2030	Change (Number)		TOTAL
				2020-25	2025-30	
Ag/Lumber	1,851	1,834	1,825	(17)	(9)	(26)
Mining/Quarrying	327	338	357	11	19	30
Utilities	42	45	49	3	3	6
Construction	8,451	8,990	8,898	540	(93)	447
Manufacturing	13,593	13,574	13,009	(20)	(565)	(585)
<i>Wood Products</i>	416	450	442	34	(8)	26
<i>Chemicals</i>	159	165	162	6	(3)	3
<i>Plastic Products</i>	1,033	1,082	1,045	49	(38)	11
<i>Nonmetallic Minerals</i>	316	338	333	22	(5)	17
<i>Transport Equipment</i>	1,115	1,253	1,240	138	(13)	125
<i>Furniture</i>	151	174	178	23	4	27
<i>Miscellaneous</i>	539	555	574	16	19	35
Wholesale Trade 1/	9,865	10,138	10,067	273	(71)	202
Transport/Warehouse	14,586	15,535	16,088	949	553	1,502
R&D & Tech Services	189	193	198	4	4	9
Repair & Maintenance	3,326	3,877	4,012	550	135	686
TOTAL	52,231	54,524	54,501	2,293	(23)	2,270
Note:	1/ Growth primarily among durable goods wholesalers.					
Sources:	U.S. Bureau of the Census; Woods & Poole; Moody's Analytics; Missouri Economic Research and Information Center; and Randall Gross / Development Economics.					

As noted above, Greene County is expected to gain about 2,300 industrial jobs over the next five years, despite relatively stagnant overall manufacturing employment. While manufacturing will see continued retrenchment overall, there are manufacturing industries within the sector that will continue to grow. Several of these growing manufacturing industries are highlighted here, including transportation equipment (expected to add 125 jobs), furniture, wood products, miscellaneous manufacturing, nonmetallic minerals, plastic products, and others. Some of the expected gains will be small, but any growth in manufacturing can be seen as having a positive impact on the local economy and on demand for industrial space. Growth in manufacturing employment will generally yield increased demand for production space to accommodate those workers.

As noted earlier, the largest number of industrial jobs will be generated within the transportation & warehousing sector, which is focused on distribution and logistics. This is a sector that has seen recent major investment in Republic. While Amazon is technically a retail business, its function within Republic is oriented to transportation, warehousing and distribution.

Aside from distribution, the county is expected to also see growth in repair and maintenance services, with the addition of nearly 700 jobs. Repair and maintenance activities are diverse, ranging from basic automotive repair to more technologically-advanced machine systems. There will be nearly 500 jobs added in construction, more than 200 in wholesale trade, and some marginal growth in sectors like utilities and R&D/technology services.

Industrial Demand

Demand for industrial space is determined in part based on employment projections but also, as indicated above, on other factors such as productivity levels and the use of space. Assumptions were made with respect to use of space based on regional surveys compiled by NAIOP and from actual data from local employers. Based on this information, total employment in industrial buildings will grow by about 1,400 net new jobs over the next 10 years. Nearly 1,000 of those net new jobs (within Greene County) will be generated in transportation and warehousing.

Employment-generated demand was translated into square footage using data from NAIOP and local businesses. Overall, the county will generate net demand for about 4,032,000 square feet of industrial space by 2030 (about 403,000 square feet per year), despite a decrease in demand for manufacturing space of nearly 700,000 square feet. The transportation & warehousing sector will generate demand for more than 3.6 million square feet of space (not including “drop in” uses like Amazon). The shift in demand from manufacturing to distribution space will result in some excess production space and a lack of warehousing space in the market.

Based on experience, some of the “excess” production space will be converted to allow manufacturing companies to spread out their processing, increase productivity with new technologies and machinery, and/or include more internal sales and distribution use within their existing facilities. Some manufacturing companies will grow by shifting technologies, which reduces their demand for labor. So, while there may be some excess manufacturing space, there will not be high vacancy reflecting a continued overall decline in demand for production space.

In addition to the need for warehousing and truck terminals, there will also be demand generated for more than 725,000 square feet of space for wholesale businesses, 210,000 square feet for construction, and 200,000 square feet for

Randall Gross / Development Economics

repair and maintenance activities. And, while the manufacturing sector overall will remain stagnant, certain manufacturing industries will continue to generate demand including transportation equipment producers (165,000 square feet), furniture makers (55,000sf), wood products manufacturers (37,000sf), and others. Some of this demand for manufacturing space might be accommodated within existing production facilities excessed as noted above.

Table 4. NET INDUSTRIAL DEMAND FORECASTS FOR SELECTED INDUSTRIES, GREENE COUNTY, 2020-2030				
Industry	SF/Emp	2020-2025	2025-2030	TOTAL
Ag/Lumber	954	(12,111)	(6,246)	(18,357)
Mining/Quarrying	954	1,551	2,601	4,152
Utilities	954	571	710	1,281
Construction	954	249,273	(42,723)	206,550
Manufacturing	892	(22,961)	(665,050)	(688,011)
<i>Wood Products</i>	<i>1,091</i>	<i>48,290</i>	<i>(11,513)</i>	<i>36,777</i>
<i>Chemicals</i>	<i>870</i>	<i>6,456</i>	<i>(3,262)</i>	<i>3,194</i>
<i>Plastic Products</i>	<i>1,218</i>	<i>78,688</i>	<i>(60,871)</i>	<i>17,817</i>
<i>Nonmetallic Minerals</i>	<i>973</i>	<i>28,279</i>	<i>(6,790)</i>	<i>21,490</i>
<i>Transport Equipment</i>	<i>999</i>	<i>181,996</i>	<i>(17,244)</i>	<i>164,752</i>
<i>Furniture</i>	<i>1,558</i>	<i>46,708</i>	<i>8,376</i>	<i>55,084</i>
<i>Miscellaneous</i>	<i>719</i>	<i>15,268</i>	<i>18,206</i>	<i>33,474</i>
Wholesale Trade 1/	2,727	981,482	(256,288)	725,194
Transport/Warehouse	2,727	2,276,506	1,326,562	3,603,068
R&D & Tech Services	405	2,186	2,153	4,339
Repair & Maintenance	296	155,439	38,209	193,648
TOTAL		3,631,936	399,928	4,031,865
<i>Per Year</i>		<i>363,194</i>	<i>39,993</i>	<i>403,186</i>
Sources:	NAIOP; US Bureau of the Census, Woods & Poole, Moody's Analytics; and Randall Gross / Dev. Economics.			

Absorption

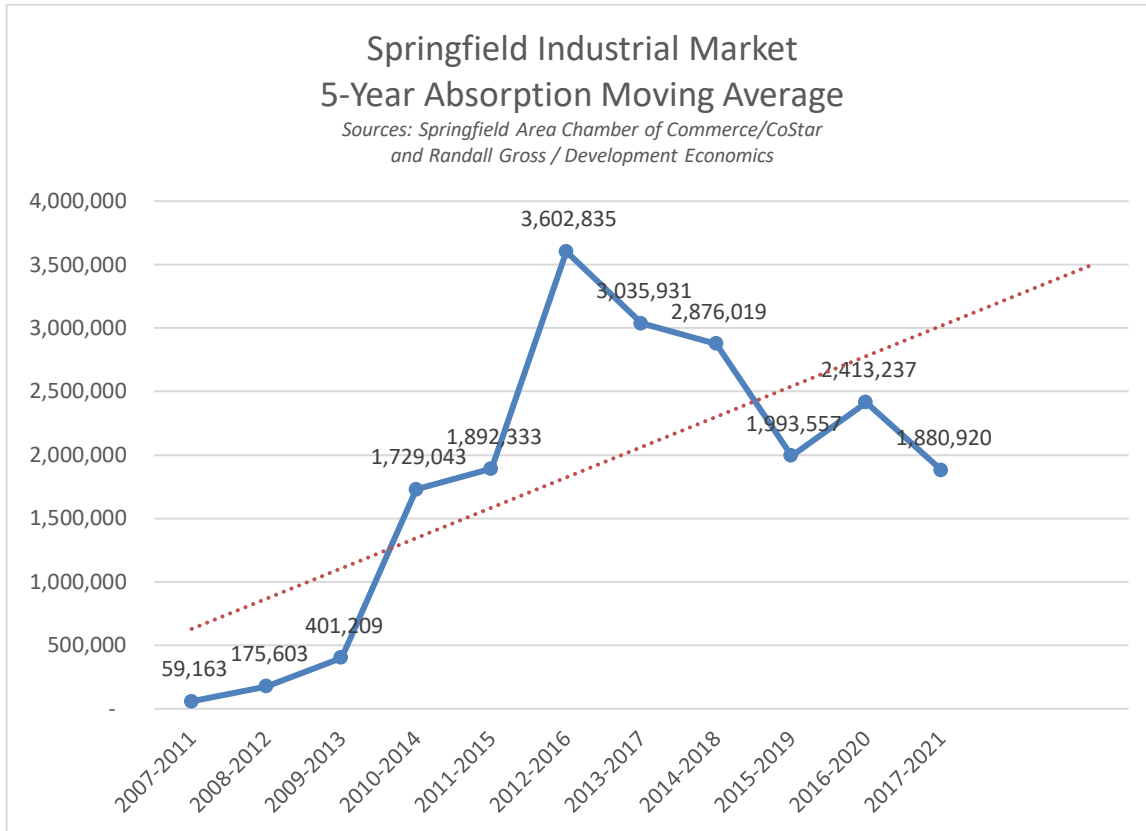
Absorption patterns were also used as a proxy for determining the demand for industrial space within the Springfield market. Absorption trends were summarized in Section 2 of this report. As noted earlier, the market has seen absorption of about 410,600 square feet per year since 2007, but as much as 1.4 million square feet in one year. The market saw negative absorption only as a result of the global recession, in 2010-11. Republic has seen more fluctuations in its absorption, mainly because it was (until recently) a small industrial market with limited activity. Absorption averaged 35,700 square feet per year over the 13-year period, with as much as 100,000 square feet absorbed in early 2020.

Three- and five-year moving averages have been applied and absorption has been analyzed in the context of construction patterns. As shown below, construction deliveries have averaged about 320,000 square feet per year, or about 78% of absorption (410,000sf). The gap between demand and supply has allowed the market to tighten and vacancy rates to fall below 4.0%.

Table 5. INDUSTRIAL ABSORPTION TRENDS, SPRINGFIELD MARKET, 2007-2020			
Year	Construction	Absorption	% Change
2020	407,789	537,368	3.4%
2019	139,350	519,598	-23.7%
2018	426,340	681,001	376.4%
2017	146,240	142,953	-73.1%
2016	529,136	532,317	352.3%
2015	122,272	117,688	-91.6%
2014	133,716	1,402,060	66.7%
2013	12,000	840,913	18.5%
2012	297,000	709,857	-160.3%
2011	389,418	(1,178,185)	2483.6%
2010	96,195	(45,602)	-161.4%
2009	313,446	74,226	-87.9%
2008	721,848	615,307	3.7%
2007	584,866	593,417	
TOTAL	4,319,616	5,542,918	
<i>Per Year</i>	<i>319,972</i>	<i>410,587</i>	
<i>Share</i>	<i>77.9%</i>	<i>100.0%</i>	
Sources:	Springfield Area Chamber of Commerce/ CoStar, and Randall Gross / Dev. Econ.		

While absorption has remained healthy throughout the Springfield market, the overall trend saw absorption peak during the 2012-2016 period, at about 3.6 million (720,000 square feet per year, on average). Since then, absorption gradually settled at about 1.8 to 2.0 million square feet (360,000 to 400,000 square feet per year) which is also close to the 13-year average.

Nevertheless, as shown in the following chart summarizing the 5-year moving averages, there is an upward trend in overall market absorption. The overall trend line from 2007 through 2020 is illustrated in the chart below as a dotted red line.



An overall trend was forecasted using a linear regression analysis, which suggests that absorption will average 633,370 square feet per year over the next five years but will decline somewhat over the 2025-2030 period. Based on these analyses, market-wide absorption of industrial space in the Springfield market should increase to about 530,000 to 630,000 square feet per year, on average, over the next ten years.

Overall, industrial markets nationwide have experienced growth during the COVID-19 Pandemic as online purchasing accelerates, lifting demand for distribution hubs, sorting and processing facilities. Manufacturing impacts are uneven, with demand falling for certain goods (e.g., restaurant and hotel equipment) but increasing for others (packaged foods). Beyond the Pandemic from 2025 to 2030, it is anticipated that demand will dip as the industrial market gradually enters a retrenchment cycle.

Competitive Framework

As noted previously, the majority of programmed industrial space in this market is concentrated within the Northeast submarket and in particular, within PIC-East. Yet, PIC-East and PIC-West have regulated out pure distribution uses, with a preference for manufacturing, assembly, and other production activities. These policies have helped to promote the development of distribution space in other areas, especially in Republic. And as a result, Republic's main potential

competitors are not in Springfield but in areas like Nixa-Ozark and Stafford, where a new 220-acre industrial park (Southwest Missouri Rail and Business Park) is under development. There are nevertheless some competitive sites remaining in Springfield. For example, the 108-acre Northcreek Business Park (at I-44/US65) in Springfield is being marketed by the same developers as Garton Business Park in Republic.

Republic Capture & Citywide Potentials

There will be about 403,000 square feet of employment-generated demand for industrial space in the Springfield market through 2030. Republic would capture an estimated 40,000 square feet per year of this demand, if adequate land and building space is made available to accommodate demand. As noted earlier, the economic cycle will generate more demand in the earlier part of the decade than later, although the cycle has been interrupted by the COVID-19 crisis.

Table 6. JOB GROWTH-GENERATED INDUSTRIAL POTENTIALS, REPUBLIC, 2020-2030		
Industry	Sq. Feet	Share
Ag/Lumber	-	0.0%
Mining/Quarrying	132	0.0%
Utilities	2	0.0%
Construction	5,531	1.4%
Manufacturing	(21,619)	-5.4%
<i>Wood Products</i>	3,678	0.9%
<i>Chemicals</i>	319	0.1%
<i>Plastic Products</i>	1,782	0.4%
<i>Nonmetallic Minerals</i>	2,149	0.5%
<i>Transport Equipment</i>	16,475	4.1%
<i>Furniture</i>	5,508	1.4%
<i>Miscellaneous</i>	3,347	0.8%
Wholesale Trade 1/	262,513	65.6%
Transport/Warehouse	98,246	24.6%
R&D & Tech Services	26	0.0%
Repair & Maintenance	22,005	5.5%
TOTAL	400,096	100.0%
<i>Per Year</i>	<i>40,010</i>	
Sources:	Randall Gross / Development Economics.	

Based on absorption trends and patterns, Republic is likely to capture about 39,800 square feet of projected absorption per year on average, at least within the period from 2000 through 2005/7. Thus, the analysis of absorption patterns resulted in a similar finding as employment-generated demand, with Republic capturing about 390,800 to 400,000 square feet over the five to ten-year period.

It is therefore anticipated that Republic will have the potential to capture demand for approximately **390,000 to 400,000 square feet** within the next five to

ten years. This amount **does not include “drop in” uses** at super sites like Amazon, which are somewhat unique, often leveraged through incentives or major infrastructure development, and occur outside of normal market cycles. If Amazon is excluded from the market model, Republic’s forecasted demand is generally consistent with recent absorption trends and the city’s increasing capture of the regional market base.

Republic is well-positioned to benefit from the shift to order fulfillment, online processing and distribution, given its central location and access to the interstate highway system, coupled with the aforementioned competitive advantages within the Springfield region.

The anticipated down cycle beyond 2025 will impact on Republic, which will be more dependent at that time on large-scale distribution activity. Demand generated by transportation services and warehousing businesses will continue to grow (alongside web-based sales), but overall pace of demand will slacken based on economic projections for specific industries.

Section 4. STRATEGIC RECOMMENDATIONS

Strategic recommendations are provided below based on the findings of the market analysis, to help inform short- and longer-range planning and marketing for industrial development in Republic. These recommendations relate to industrial real estate development, marketing, labor force development, and regulatory policies or structures.

Development

Several strategic recommendations are provided below with respect to development of industrial space in Republic. The prospective types of product and competitive locations are identified, as input to the comprehensive planning effort.

Competitive Locations

Industrial development will be drawn to interstate and highway access, which is maximized at or near the intersections of James River Freeway (SR360) with I-44 and with US60/West Sunshine Street. Brookline/Springfield Farms, Commercial Avenue, and State Highway MM/West Farm Road are among the most competitive locations, as evidenced by the recent construction around those areas. While the intersection of SR360 and I-44 is not yet located within the corporate boundaries of Republic, it is likely to become an important industrial hub location in the future so long as there is adequate supply and access to utilities.

A scan of available properties suggests that there is about 75+ acres of available land above and beyond the several private industrial parks that are available for development in these locations in Republic, although not all of this land may be serviced by water/sewer infrastructure. There will be a need to accommodate the forecasted demand for distribution space in these areas in the future, preferably in designated industrial parks with the infrastructure to accommodate truck traffic and facility operations. Given an FAR of 0.7 for high box industrial buildings, then the amount of available land should be sufficient to support forecasted development potentials in Republic over the next five to ten years, but only if that land is well-located and serviced.

Product

Clearly, demand for industrial product in Republic will be focused on high-quality warehouse/distribution space, at least within the short- and mid-term. Much of what has been delivered recently is aligned with the requirements of the market – 30-foot clear, column-free warehouse space with highway access. However, as determined by the market analysis, there will also be opportunities for development of other types of industrial space, including light manufacturing and repair facilities with truck docking, highway access, and stable utility services. High-speed, high-

capacity internet service will also be an important factor in marketing industrial space, both for production as well as for distribution.

There are also opportunities for utility and construction yards that require more land for equipment storage. There will be some limited demand for R&D and tech space that can accommodate testing and product development labs, but Republic is not likely to become a major research and development hub without institutional support and intervention. The amount of product that may be required to meet Republic's demand might be disaggregated as follows, again excluding any major "drop-in" uses:

- Warehouse/Wholesale Distribution Space 360,000 SF
- Light Manufacturing & Non-Automotive Repair 45,000
- Auto/Truck-Related Repair Activities 22,000
- Utility/Construction Facilities & Associated Yards 6,500
- R&D / Tech Space 3,500

Some of this use might be accommodated in or replace existing buildings, several of which may be functionally obsolete.

Marketing Targets

Republic has been successful in attracting an increasing volume of warehousing, wholesale trade, and distribution use, and the city will continue to become more of a hub for such activity especially with the arrival of Amazon. However, there are also opportunities to diversify the local industrial base and ensure that other sectors are accommodated. In particular, growth potential has been identified among several manufacturing industries that could be captured in Republic, including wood products, furniture, chemicals, plastic products, nonmetallic minerals, transportation equipment, and miscellaneous manufacturing. There may also be opportunities for Republic to attract technical support, testing, and repair services relating to higher-tech products such as communication equipment and automotive technologies.

Since this potential "envelope" of industries is generated primarily from among businesses *already located in the Springfield area*, location decisions will be made based on the location (e.g., sites with interstate highway access), availability, and price of specific sites and buildings; as well as on the regulatory approvals process – or the "ease" of approvals - established by the local government.

Republic has been relatively successful to date in attracting an increasing number of warehousing and distribution facilities, thanks in part to the same reasons given above for site selection in the Springfield region. Those reasons include locations with easy highway accessibility, the availability of land, and what is perceived to be a "welcoming business environment" as evidenced through the

approvals process. To promote Republic's continued success, these elements would need to remain in place. As the supply of available land diminishes over time, the City should consider more pro-active approaches to land-banking, servicing, and designating of sites for industrial park development.

Labor Force Development

The recent opening of a local campus for OTC will clearly provide Republic with a competitive advantage and an opportunity to develop the local workforce through more intensive training efforts. As with many places, Republic suffers from a lack of interested and skilled production workers coming out of its high schools. Coordination with OTC and local businesses is recommended to help strengthen marketing, education, apprenticeship, and PR efforts aimed at local middle and high school students to increase interest in manufacturing, warehousing and other industrial jobs. Development of apprenticeship programs can be a very effective approach to leverage and supply new industries.

One successful example of a high school apprenticeship program is the Charleston Regional Youth Apprenticeship Program managed by Trident Technical College in South Carolina. The college collaborates with local businesses and the school system to design and produce instructional programs geared to the needs of local businesses. They also work to recruit businesses, assist schools with technical programming, and generate funding and promotion through the local Chambers of Commerce. In addition, local high schools extend liability insurance coverage to protect students working on-site, which helps remove a barrier for many companies to participate in the program.

Regulatory Policy

Republic has an excellent reputation among private developers and industry for accommodating their needs and minimizing bureaucratic "red tape." The site-ready, fast track approach that Republic applies to the approval process has helped reduce time and money required for industrial investment. Efforts only need to ensure that any negative impacts of industrial development (e.g., truck traffic) be addressed through transportation and land use planning. Providing locations with sufficient capacity for site-ready industrial development will be paramount as the main obstacles become not the City's bureaucracy but private speculation in the land markets and utility capacity.

APPENDIX

Table A-1. AT-PLACE EMPLOYMENT FORECASTS, GREENE COUNTY, 2020-2030					
Industry	2020	2025	2030	2020-2025	2025-2030
Agriculture	1,575	1,533	1,498	(41)	(36)
Forestry, Fishing	276	300	327	24	27
Mining	327	338	357	11	19
Utilities	42	45	49	3	3
Construction	8,451	8,990	8,898	540	(93)
Manufacturing	13,593	13,574	13,009	(20)	(565)
Wholesale Trade	9,865	10,138	10,067	273	(71)
Retail Trade	21,758	22,533	22,486	775	(47)
Transport/Warehouse	14,586	15,535	16,088	949	553
Information	3,772	3,753	3,730	(19)	(23)
Finance & Insurance	9,180	9,911	10,338	731	427
Real Estate	2,599	2,562	2,469	(37)	(92)
Professional/Tech	8,497	9,332	9,497	835	165
Management	3,847	4,009	4,157	162	147
Administration	10,919	12,502	13,688	1,583	1,186
Education	3,037	3,199	3,338	163	139
Health Care	34,296	36,698	38,776	2,402	2,078
Arts & Entertain	2,575	2,969	3,153	395	184
Accommodation/FS	16,547	18,929	19,956	2,382	1,027
Other Services	8,096	8,406	8,507	310	101
Non-Profit/Civic	1,754	1,913	1,896	159	(17)
Government	21,247	21,931	22,374	685	443
TOTAL	196,839	209,101	214,656	12,262	5,554
Sources:	Woods & Poole Economics, Moody's Analytics, U.S. Bureau of Labor Statistics; Missouri Economic Research and Information Center; and Randall Gross / Development Economics.				

Table A-2. INDUSTRIAL-BASED EMPLOYMENT FORECASTS FOR SELECTED INDUSTRIES, GREENE COUNTY, 2020-2030				
Industry	Share	2020-25	2025-30	TOTAL
Ag/Lumber	50%	(9)	(4)	(13)
Mining/Quarrying	10%	1	2	3
Utilities	15%	0	1	1
Construction	33%	178	(31)	148
Manufacturing	90%	(18)	(509)	(526)
<i>Wood Products</i>	90%	30	(7)	23
<i>Chemicals</i>	80%	5	(3)	3
<i>Plastic Products</i>	90%	44	(34)	10
<i>Nonmetallic Minerals</i>	90%	20	(5)	15
<i>Transport Equipment</i>	90%	124	(12)	112
<i>Furniture</i>	90%	20	4	24
<i>Miscellaneous</i>	90%	14	17	32
Wholesale Trade 1/	90%	245	(64)	181
Transport/Warehouse	60%	569	332	901
R&D & Tech Services	85%	4	4	7
Repair & Maintenance	65%	358	88	446
TOTAL		1,588	(221)	1,367
Sources:	NAIOP, Randall Gross / Development Economics.			