

Resolution 240094 and Market Value Analysis

NPD Committee Meeting – February 7, 2024



What is the MVA?

- 20+ Cities
- Objective, data-driven tool
- 3 year data validity (last completed in 2021)
- Developed by the Reinvestment Fund
- Public and private data sources
- Local stakeholder validation
- Performed on a Block Group level
- Allows for targeted intervention strategies

MVA 2.0 Data

	Median Home Prices	Average Home Prices	Variation of Sales Price	Pct. Home Ownership	Renters in SF Homes	Parcels with Renovation Permits	Parcels with Financial Hardship	Parcels with Code Violations	Vacant Homes	Subsidized Households	Households Per Acre
A (31)	\$288,000	\$309,565	0.43	86%	95%	8.8%	1.5%	4.5%	0.7%	0.0%	3.97
B (29)	\$279,000	\$319,379	0.53	87%	14%	7.6%	1.5%	4.0%	0.6%	0.4%	3.52
C (59)	\$203,000	\$216,339	0.55	31%	26%	5.7%	3.0%	7.3%	2.3%	10.2%	20.48
D (63)	\$182,000	\$183,444	0.42	78%	89%	5.6%	2.9%	9.5%	1.6%	2.6%	3.95
E (59)	\$117,000	\$115,491	0.42	68%	92%	4.9%	7.0%	17.3%	3.0%	5.8%	3.33
F (54)	\$132,000	\$131,880	0.50	33%	41%	5.4%	9.7%	17.6%	4.9%	18.0%	6.80
G (42)	\$69,000	\$68,095	0.66	48%	89%	4.2%	19.8%	26.4%	10.0%	9.7%	5.26
H1 (18)	\$43,500	\$41,917	0.82	27%	41%	3.2%	33.9%	21.0%	19.9%	60.6%	5.21
H2 (45)	\$34,000	\$34,767	0.81	51%	92%	2.9%	34.5%	25.5%	16.7%	11.5%	4.75
I (27)	\$19,000	\$18,611	1.00	50%	88%	2.5%	40.2%	21.6%	19.6%	11.5%	4.38

MVA 2.0 Data

- Categories from 2.0 study will be further refined
- Charts and maps to compare 2016, 2021, and 2024 data

		Old MVA (2016)		Base Model (2020)		
		Median Sales Price	Owner Occupancy	Median Sales Price	Owner Occupancy	
A&B Markets are largely similar, with B absorbing some D markets that make large improvements since 2016	A (34)	\$318,900	89%	A (31)	\$322,516	85%
	B (27)	\$294,847	74%	B (56)	\$265,714	85%
D & E Markets have become more similar, with many E markets increasing prices closer to D values	C (64)	\$173,861	30%	C (61)	\$215,721	33%
	D (65)	\$154,520	80%	D (83)	\$139,175	73%
	E (51)	\$84,335	74%			
The G market is now equivalent to F (low prices, mod ownership)	F (45)	\$93,351	42%	E (55)	\$130,827	33%
	G (53)	\$39,034	52%	F (49)	\$73,949	50%
	H (34)	\$18,962	50%	G (18)	\$41,917	27%
	I (27)	\$6,175	45%	H (47)	\$35,277	50%
				I (27)	\$18,852	50%

*Includes 27 block groups that were not classified in 2016 due to lack of sales

C remains dense, Multi-family rental markets

The new E market is equivalent to F in the previous model (mod. price low ownership)

H and I markets have been subdivided into three new markets, with the highest rental markets clustering together as "G"

Displacement Risk Ratio

- Additional focus on displacement related data
- Peer cities comparison
- Repeated updates to track progress, changes over time, impacts of new policies
- Options to have Reinvestment Fund provide even further displacement analysis:
 - Renter vs owner displacement trends
 - Mortgage origination and denial rates, transactions, etc.
 - Community asset scan
 - Community gap analysis for daily needs
 - Policy writing consulting

Citywide DRR values indicate the affordability of a “typical” home to long-term residents, those that have lived in the city for 10 years (since 2010).

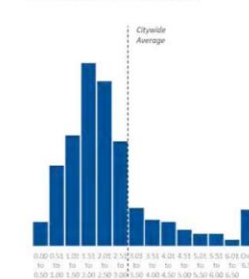
Citywide Scores in KCMO Were Similar to Citywide Scores in Philadelphia and St Louis

	Area Average DRR (2019/20)
Miami	7.03
Spokane County	3.62
Philadelphia	2.56
Kansas City	2.49
St. Louis	2.25
Pittsburgh	2.12
Cleveland	0.84
Detroit	0.35

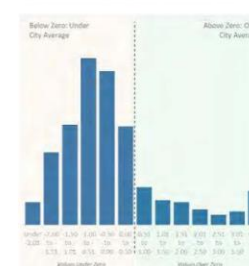
To evaluate the spatial variation in affordability, we calculate DRR values for each block group and subtract them from the citywide score.

Block Group-level Ratios Scores are Adjusted for Citywide Ratio to Produce Individual DRR Scores

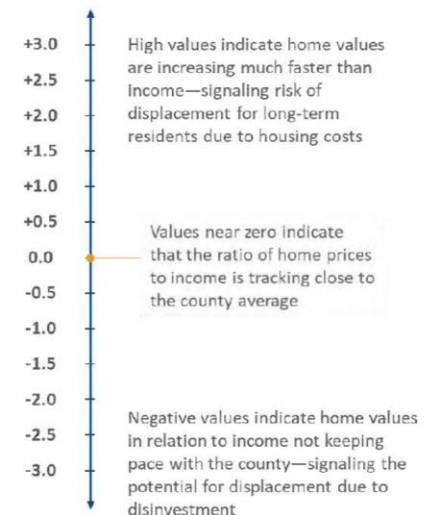
Block Group DRR Results (Unadjusted)



Block Group DRR Results Adjusted for City Average



Interpreting Block-Group Level DRR Values



Major Trends from 2.0

- Sales prices are up across the city
- Diverging trends in resident tenure
- Mid-markets are becoming less owner occupied
- Signs of improvement in distressed markets
 - Reductions in vacancy
 - Increase in sales prices
 - Increase in ownership

Accessibility of Findings

- Findings, data, and methodology to be publicly available
- Interactive mapping portal for market types with additional data overlays
- Online summaries and comparisons of market types
- Staff availability for presentations to interested organizations

Previous findings/reports: <https://www.kcmo.gov/city-hall/departments/city-planning-development/market-value-analysis-kansas-city-missouri>

<https://storymaps.arcgis.com/stories/d2e8f39f33354fc8801377ffd4431da3>

What is the MVA 3.0 update for?

- Update changes to residential market types
- Identify trends in residential markets since 2021
- Provide additional overlay analysis
- Provide engagement opportunities to community partners
- Relevant data sets and metadata
- Executive summary of methodology and market types
- Provide additional insight into displacement reduction policies
- Tentative timeline: 7-8 months from start