

Residential Market Analysis -- Strategy Planning Guidelines -- Portage, Michigan

Prepared on behalf of:
City of Portage

Presented by
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Tracy Cross & Associates, Inc.

- ▶ Residential Market Analysts and Consultants Since 1980.
- ▶ Housing Economists and Experts in the Field of Residential Market Research and Analysis.
- ▶ Going Beyond the Numbers To Provide Sound and Logical Advice for Meeting the Residential Demands of the Market.



Assignment Goals and Objectives

- ▶ Provide the City of Portage and associated stakeholders with a full understanding of relevant regional economic and residential market trends as they may impact upon future residential and/or mixed-use development initiatives throughout the city.
- ▶ Focus upon its City Centre District, Crossroads Mall Area District and Lake Center District which may represent principal areas of initial opportunity.
- ▶ Provide a basis for attracting and retaining high quality investment in Portage and offer a guideline for policy decisions and implementation strategies.
- ▶ Forward recommendations for a variety of housing products which can achieve reasonable absorption levels at market-consistent rents and/or sales prices.
- ▶ Provide benchmark guidelines for purposes of financial modeling and assistance to public officials in planning strategies, builder participant selection, and implementation efforts long term.

Significant Opportunities for New Housing

-- A Summary of Findings --

- ▶ The market fundamentals which have guided the region's economy over the last decade remain intact as Kalamazoo County benefits from a strong, expanding and sustainable employment base.
- ▶ In the City of Portage, there is more than adequate support for development of new quality rental and a variety of ownership housing alternatives that will appeal across a broad range of multi-generational consumer segments.
- ▶ Consistent with the vision outlined in the city's Draft 2024 Master Plan, these guidelines provide a logical continuum of plan types, unit sizes and rent/price points that span a broad range of affordability levels. For sale idioms also position product in line with new and existing attached and detached home prices in the region.

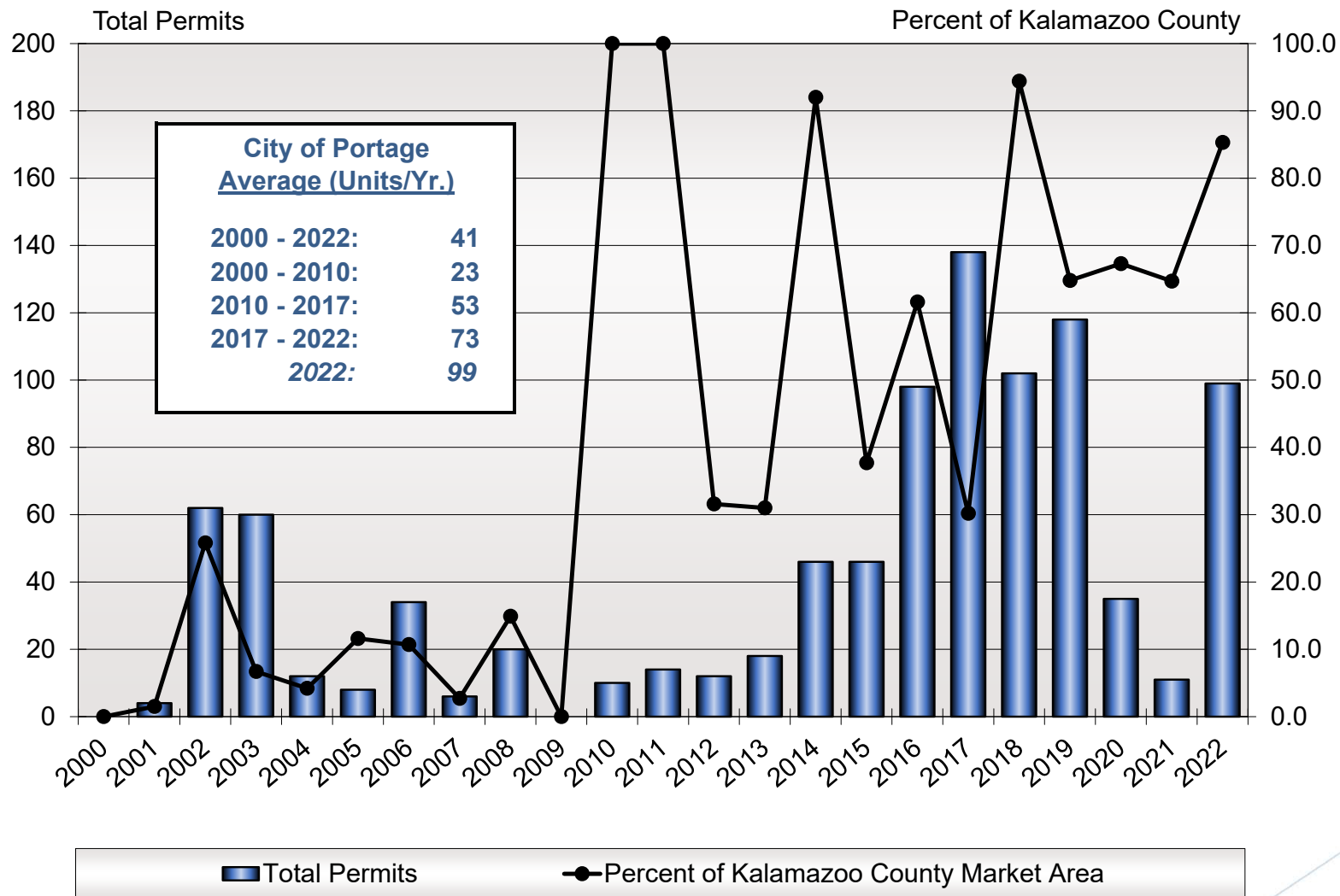
2023 Housing Units by Year Built -- Kalamazoo County Market Area --

Attribute	Kalamazoo County Market Area		City of Portage	
	Number	Percent	Number	Percent
Total Housing Units	114,984	100.0	21,929	100.0
Built in 2014 or Later	4,618	4.0	1,005	4.6
Built in 2010 to 2013	2,288	2.0	447	2.0
Built 2000 to 2009	13,040	11.3	2,549	11.6
Built 1990 to 1999	14,777	12.9	2,735	12.5
Built 1960 to 1989	43,303	37.7	10,536	48.0
Built 1959 or Earlier	36,958	32.1	4,657	21.2
Median Year Structure Built	1974		1977	

Source: Environics Analytics

Multifamily Permit Trends: 2000 - 2022

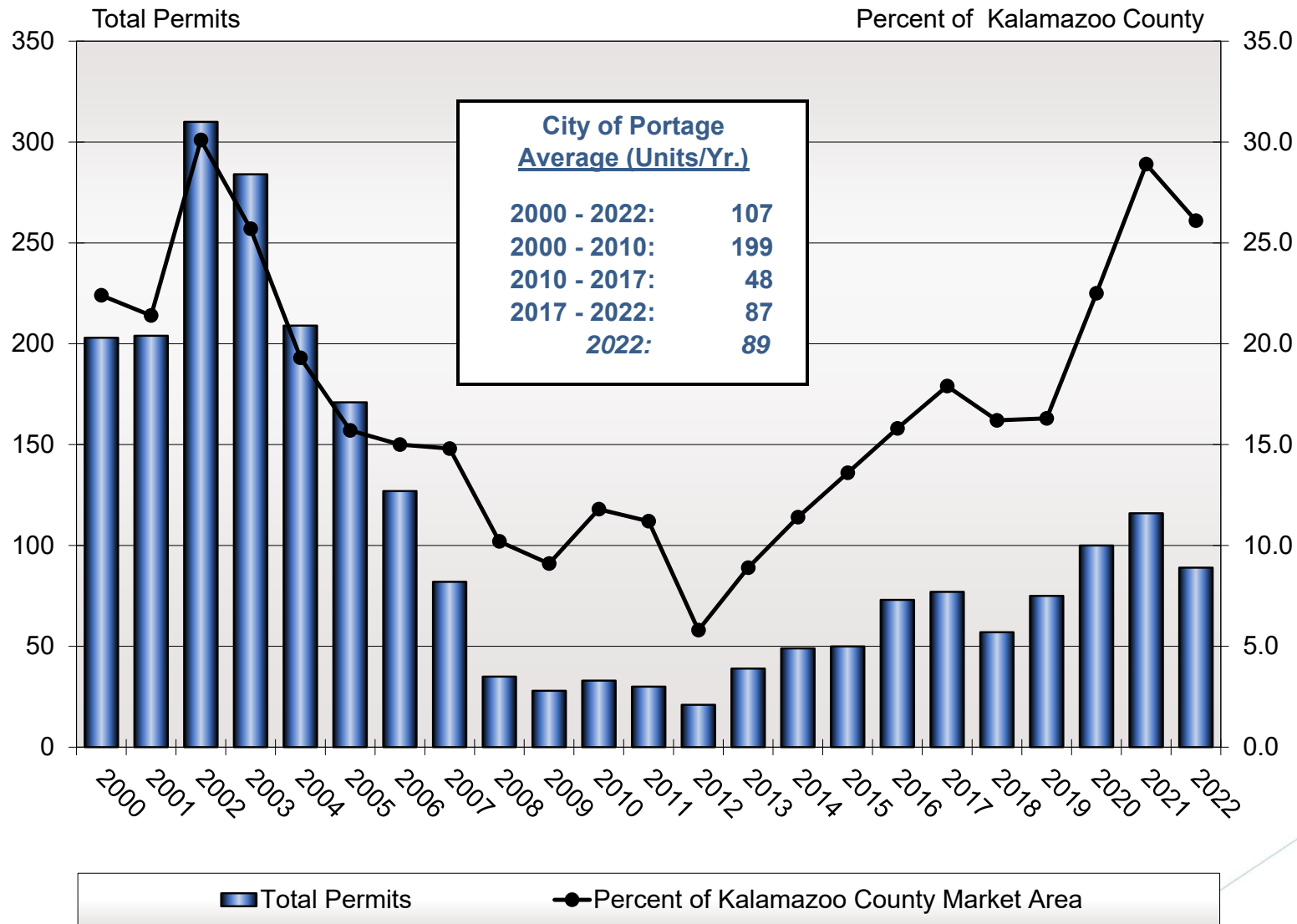
-- City Of Portage --



Source: U.S. Bureau of the Census: C-40 Construction Reports.

Single Family Permit Trends: 2000 - 2022

-- City Of Portage --



Source: U.S. Bureau of the Census: C-40 Construction Reports.

Annual Residential Construction Potentials By Product Type -- Kalamazoo County Market Area -- 2023 - 2033

Product Type	Average Annual Absorption (In Units)		
	Kalamazoo County Market Area	City of Portage	
		Total Units	Percent of Market Area
Total	920	465	50.5
For Sale	485	245	50.5
Single Family Detached	335	160	47.8
Townhome/Condominium	150	85	56.7
For Rent	435	220	50.6
⁽¹⁾ <i>Estimates</i> are subject to zoning constraints which could pose limitations on project densities, product form, development timeline, etc. These estimates assume that sufficient development parcels are available and, most importantly, that future for sale and rental apartment developments maintain <i>competitive sales prices/rents</i> .			

Source: Tracy Cross & Associates, Inc.

The Products

The background of the slide is composed of several overlapping, semi-transparent geometric shapes, primarily triangles, in various shades of blue. These shapes are arranged in a way that creates a sense of depth and movement, with some shapes appearing to recede into the background while others come forward. The overall effect is a modern, minimalist aesthetic.

Moderate-Density Market Rate/Workforce Apartments



Mixed-Use



Garden/Walk-Up



Two-Story Garden/Walk-up

Total Units: 100 - 300

Density in Units Per Acre: 12.0 to 40.0

Best Suited For:

- City Centre District / Crossroads Mall Area District / “Gateway” Locations (i.e., Lake Center District)
- Areas within walking distance of shopping, dining, public transit, and/or sources of employment
- Transition between commercial and residential planning areas in Mixed-use locales
- Larger parcels aligning primary commercial corridors
- Larger parcels throughout the city and/or within larger planned residential developments

Amenities Should Include:

- Secured reception lobby(s), secured mail/package room, Resident Club with e-lounge, service kitchen, indoor/outdoor social areas, fitness center, secured bicycle storage/repair shop/dedicated pet park/private off-street parking

Low-Density Market Rate/Workforce Rentals



Three-Story Courtyard
Townhomes



Duplex/Villa/Quadplex



Single Family Detached
Rentals

Total Units (Per Phase/Project): 24 - 60

Density in Units Per Acre: 5.0 to 12.0

Best Suited For:

- A form of architectural landscape transition between mixed-use and/or commercial developments
- Planning areas of larger mixed-use developments or as enclave communities

Amenities Should Include:

- Pocket parks/greenspace, dedicated pet park or other passive amenities
- For developments which total 150+ units at completion, amenities should include Resident Club with e-lounge, service kitchen, indoor/outdoor social areas, fitness center, secured bicycle storage/repair shop/dedicated pet park/private off-street parking

Attached For Sale Alternatives



Two- or Three-Story Townhomes



Duplex/Triplex/Quadplex



Total Units (Per Phase/Project): 36 - 48

Density in Units Per Acre: 5.0 to 10.0

Best Suited For:

- Infill residential areas throughout the city of Portage
- Introduction within residual parcels of - or adjoining - established residential areas throughout the city
- As a component of larger planned residential developments
- Two-story (front-load) or three-story courtyard (rear-load) townhomes

Amenities Should Include:

- Two-car garage
- Patio, front and rear exterior lighting and faucets, asphalt driveway and concrete entrance walkway in Duplex/Triplex/Quadplex building types

Single Family Detached For Sale Alternatives



Site Condominium
(Ranch Villa)



Single Family Detached 55', 70', and 85' Wide Lots



Single Family Detached 100' Wide Lots



Urban Infill Single Family

Best Suited For:

- Age-targeted but not restricted lifestyle
- Single level living within low-maintenance community
- Ranch and two-story designs
- Entry-level and mainstream family segments
- Custom home offerings as part of larger planned developments and/or special site conditions (woods/conservancy, etc.)
- Small-scale, urban-oriented infill as a form of "transitional architectural landscape" at city gateway locations and/or adjoining established neighborhoods

Discussion

