Monarch

NRSA

Redevelopment Plan

2025 – 2030

Created by:

City of Owensboro, Kentucky

Community Development Department & Monarch Neighborhood Revitalization Strategy Area Advisory Team

Monarch NRSA

Area Redevelopment Plan

Overview

By 2025, the City of Owensboro will have successfully completed a series of neighborhood redevelopment projects, including the BaptistTown Neighborhood Redevelopment (2000-2004), the Old Germantown Neighborhood Redevelopment (2004-2010), the Mechanicsville Neighborhood Redevelopment (2010-2014), the Triplett Twist District (2015-2020), and most recently, the Northwest (Riverview) NRSA Neighborhood Redevelopment (2025-2030). City staff have now turned their attention to the next revitalization project, focusing on the Northeast side of the city.

After careful consideration of potential areas and neighborhoods, the Monarch Neighborhood Revitalization Strategy Area (NRSA) has been chosen. The Monarch NRSA is generally delineated by Clay Street to the west, Ninth Street to the south, Second Street to the north, and Dixie Court to the east.

BIRKHEAD EAST VIEW
BEARY COURT
GRIFFITH & SWEENEY
HALLS ADDITION
HATHAWAY ADDITION
HIGHLAND COURT

The City of Owensboro recognizes that enhancing and maintaining the proportion of single-family homeowners is crucial for revitalizing neighborhoods. Sustaining stable homeownership rates fosters community pride, continual investment, and long-term sustainability. Over the past three decades, neighborhoods in the northern portion of the city have witnessed a shift from single-family homeownership to rental investment properties. While a balanced mix of well-maintained rental and homeownership properties can foster a vibrant and desirable neighborhood, a decline in homeownership rates below 45% jeopardizes the cohesive neighborhood ambiance.

This marks the city's third comprehensive endeavor to address the redevelopment of residential areas alongside the rejuvenation of aging commercial zones. The mission statement for the Monarch NRSA redevelopment is as follows:

Proposed mission statement for the Neighborhood Revitalization Strategy Area (NRSA):

"Our mission is to foster the revitalization and sustainable development of our community through collaborative efforts aimed at enhancing the quality of life, promoting homeownership, stimulating economic growth, and preserving the unique character of our neighborhoods. Through strategic planning, innovative initiatives, and active community engagement, we seek to create safe, vibrant, and inclusive neighborhoods where residents thrive, businesses flourish, and pride in homeownership is cultivated. Together, we will build upon our strengths, address challenges, and forge a brighter future for all who call our community home."

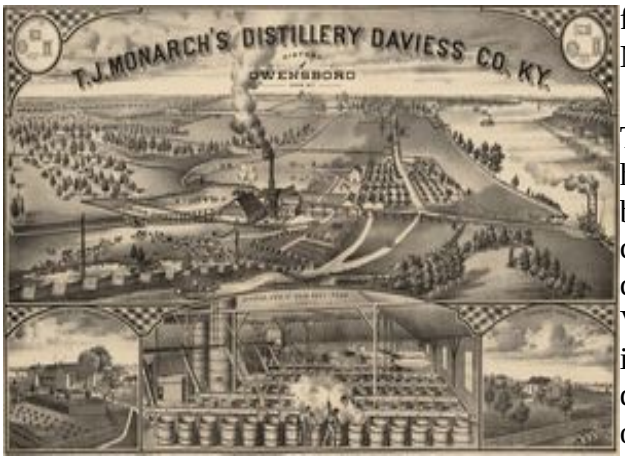
The Team will consist of representatives from the following organizations and businesses:

Staff:
Abby M. Shelton, MPA, Community Development Director
Evan Gogel, Housing and Grant Coordinator

Volunteer Committee Members:
Adam Marshall
April Jennings
Barbara Moyer
Brittany Christian
David Gaynor
Deidre Carbon
Donna Hughes
Jacob Glahn
Jim Estes
Nick Martin
Sally Knight Ward
Shawn Plemmons
Stephen Wilhite
Rafe Buckner

History

The area within the Monarch NRSA Plan Boundary has a long and storied history that has had nationwide influences. Some of the first families to settle in Owensboro made their homes in this area due to easy access to the river and commercial opportunities. The most influential of these families were the Monarch family whose descendants built such structures as the Monarch-Payne and Le Vega Clements houses.



Thomas Monarch moved to Owensboro in the 1830's and had five sons who would enter the growing Whiskey business. Almost all economic development in the area came from one of the brothers with notable donations to charity including the City of Owensboro's chapter of St. Vincent De Paul Society. The Monarch family had a hand in almost every facet of development within Owensboro during the height of their influence, from being president of the bank's board to running political parties, the Monarchs were at the top of social elite in Owensboro.



Martin Van Buren Monarch, whose namesake came from President Martin Van Buren, would become known as the Whiskey King due to his Sour Mash Whiskey Business. Starting out making just one barrel of Whiskey a day the Monarchs came to own several distilleries coveted due to unusually good quality of the water from deep wells and proximity to river commerce. Operations took place not just in Owensboro but Louisville, Chicago, Dallas, and NYC.

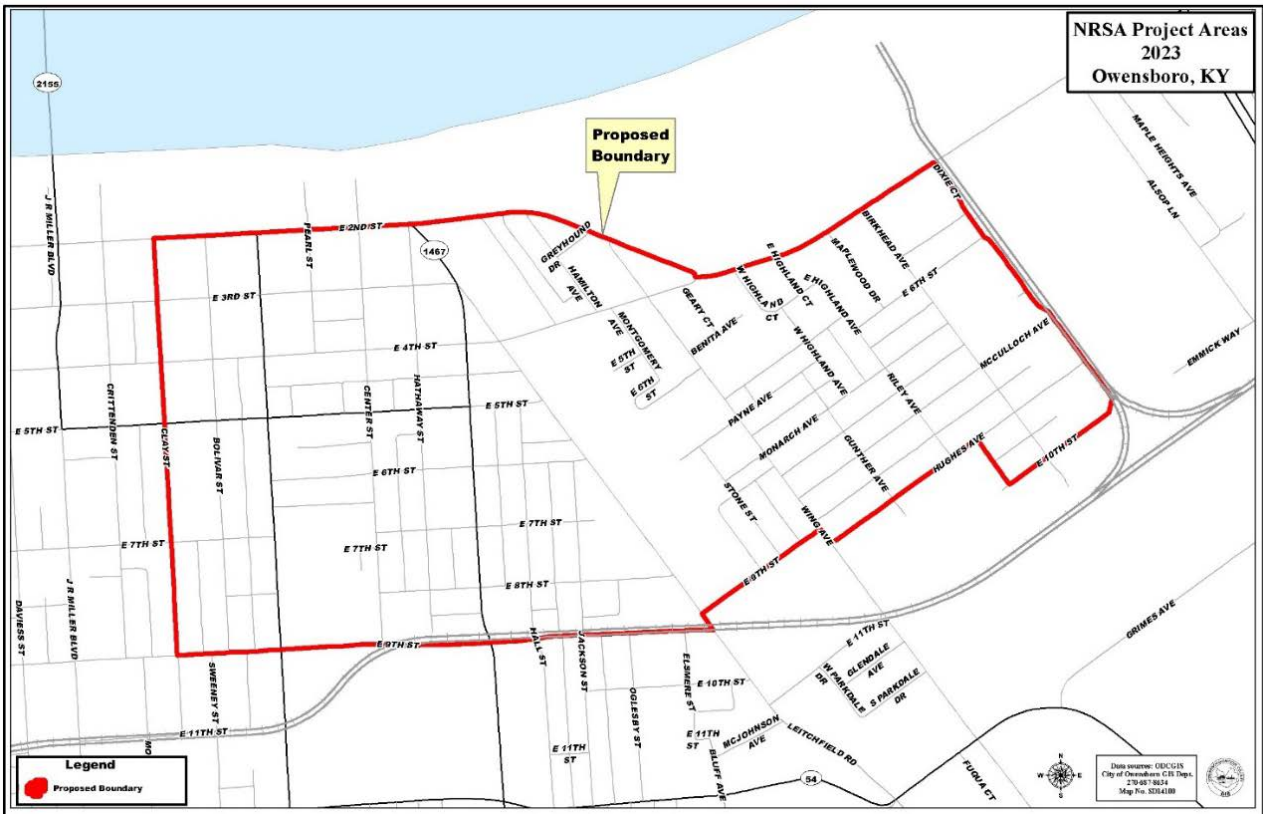
The area has long been a staple for commerce and industry, as it remains today with several sites of production and even the Glenmore Distillery still in use.





NRSA Data Review

Map #1 Monarch NRSA Neighborhood Revitalization Strategy Area Boundary 2025



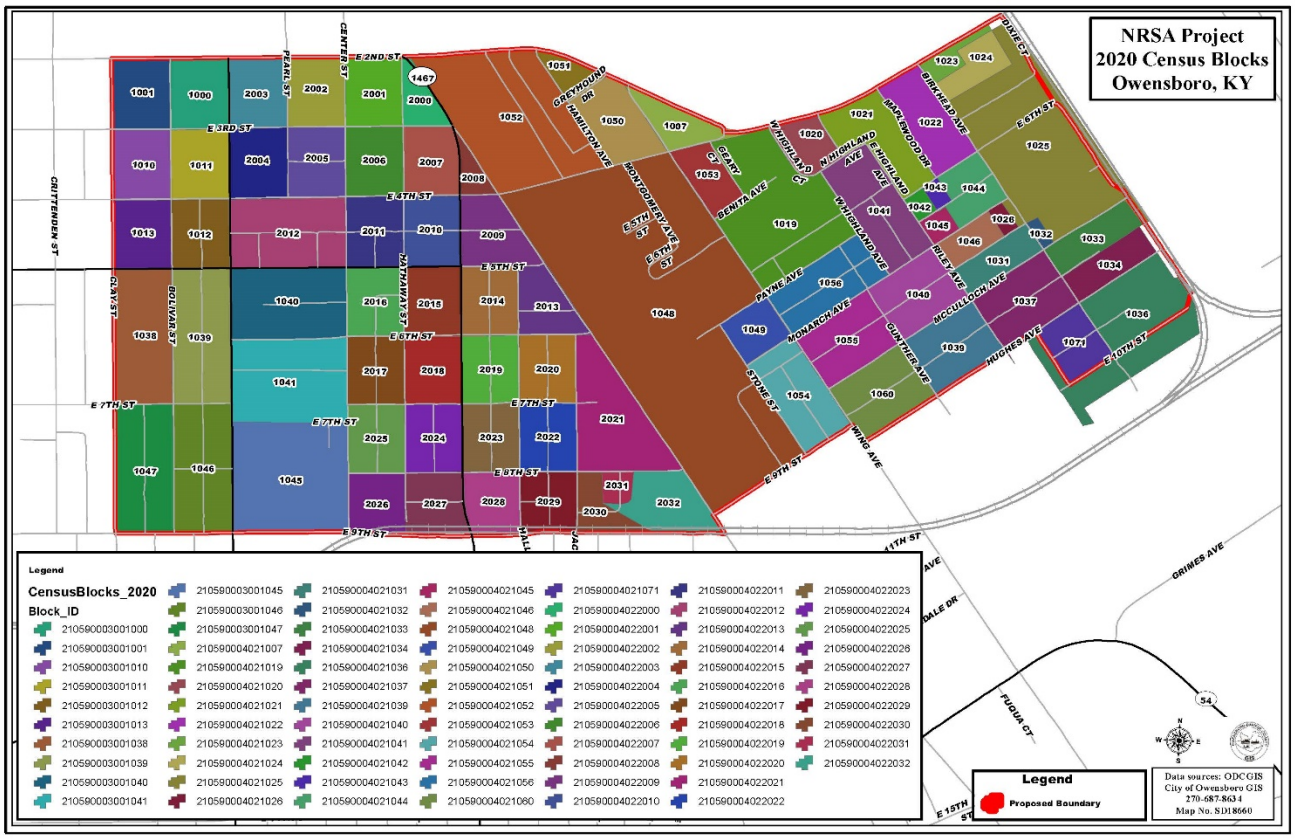
The Monarch NRSA is located within portions of Census Tract #300 - Block Group #1, Census Tract #400 - Block Group #1, and Census Tract #400 - Block Group #2, which consist of an average of 60.34% low-to moderate-income persons (see Table #1) (see Map #2). The data in Table #1 represents information for the entire block group and only portions of the block group are located within the Monarch NRSA boundary. According to the 2020 Census information, the total estimated population of the NRSA is 2,071.

Table #1: Monarch NRSA 2020 ACS HUD Census Information Low-to Moderate-Income Block Group Data

Block Group	Census Tract	Low/Mod Persons	Low/Mod Universe	Low/Mod %
1	300	680	890	76.40%
1	400	165	560	29.46%
2	400	1195	1590	75.16%
Totals		**2040**	**3040**	**60.34%**

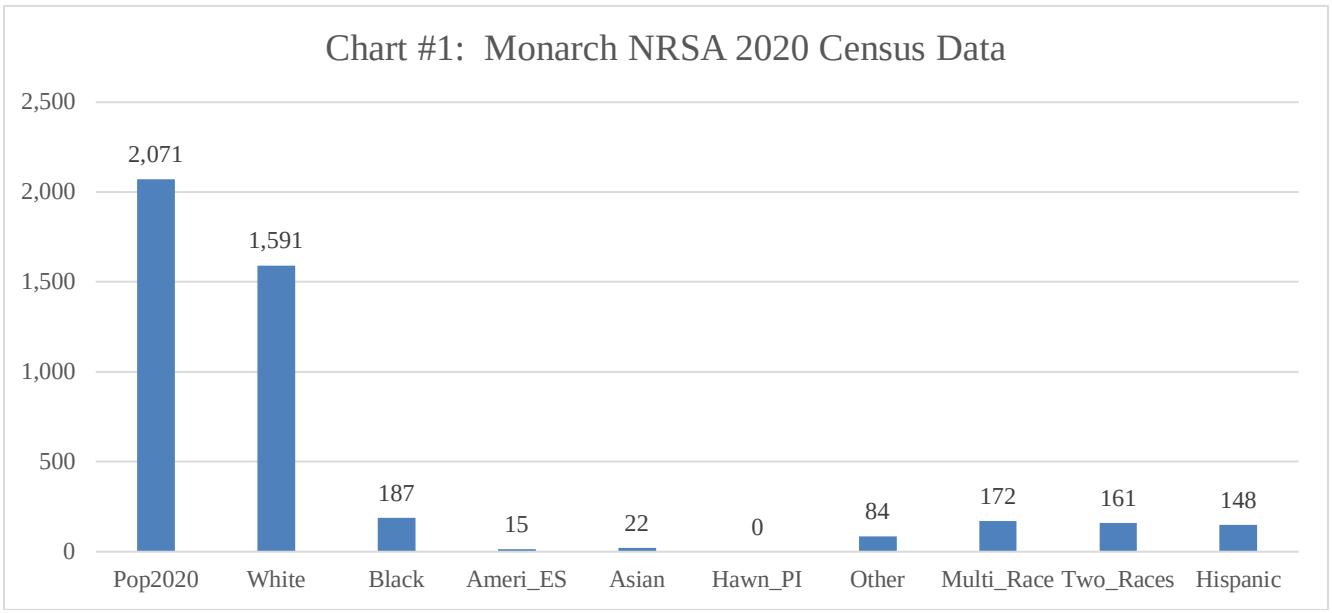
Source: ACS 2020 – HUD LMI Mapping

Map #2 Monarch NRSA Neighborhood Revitalization Strategy Area Census Blocks



Source: 2020 Census

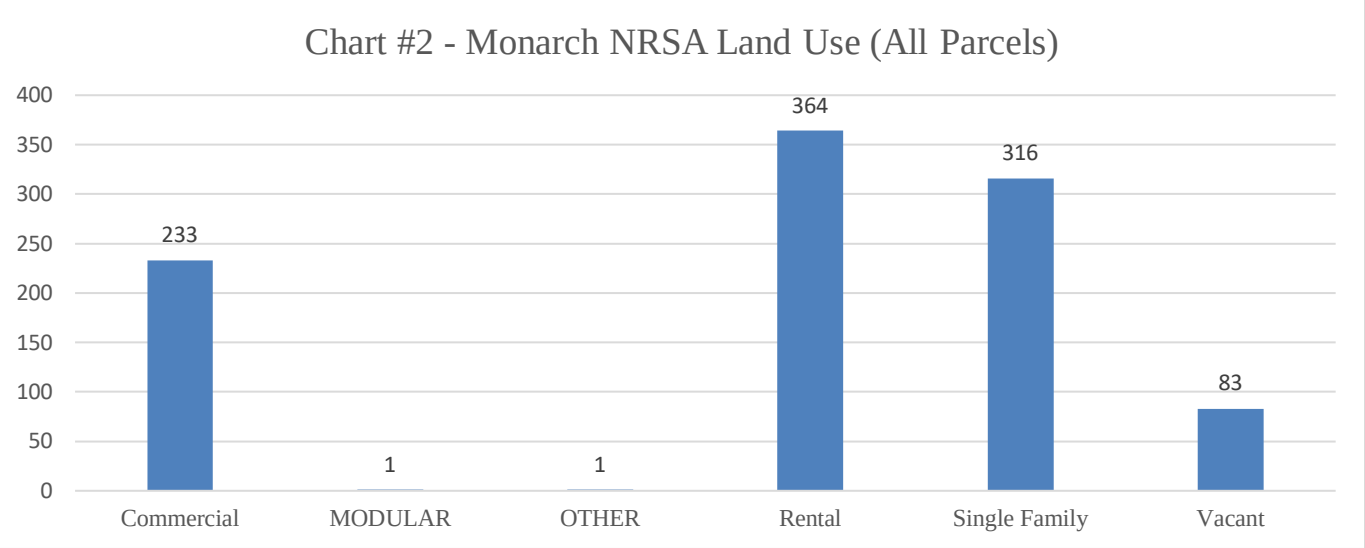
In reviewing the Census Tracts associated with the Monarch NRSA boundary, it is estimated that 77% of the total population are white and the minority population is estimated to represent 13% of the people that live in the area (see Chart #1) (see Map #2). Of the 13% minority population, 9% is African American, 1% is Asian and 3% are two or more races.



Source: 2020 Census

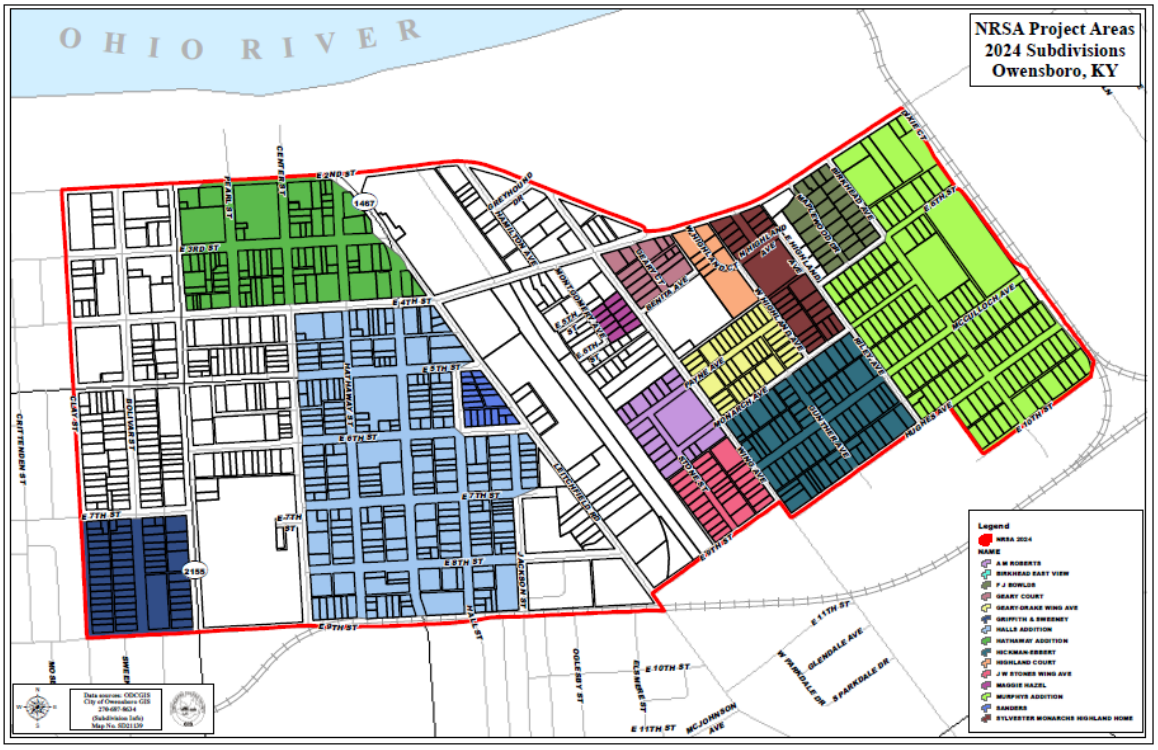
Existing Land Use

Of the 998 parcels in the Monarch NRSA, 32% are single-family, 23% are commercial, 8% is vacant land, 1% is modular and 36% is rental (see Chart #2 and Map #3). All combined residential uses make up more than 82% of total uses. The commercial and industrial corridor is mainly located on Second and Fourth Streets. The majority of the commercial is retail (See Chart #3). The Monarch NRSA also includes twenty-five (25) defined residential neighborhoods (see Map #3):



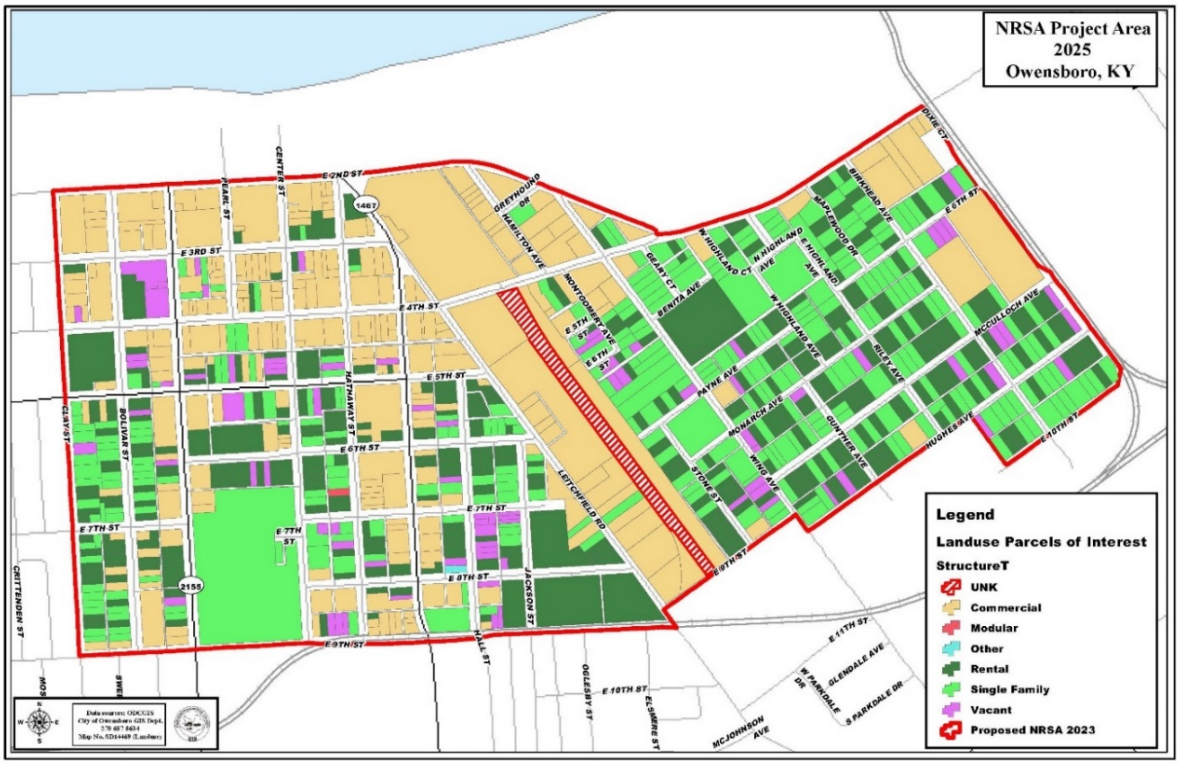
Source: Daviess County, Kentucky Property Valuation Office 2024

Map #3: Monarch NRSA Neighborhood Subdivisions 2024

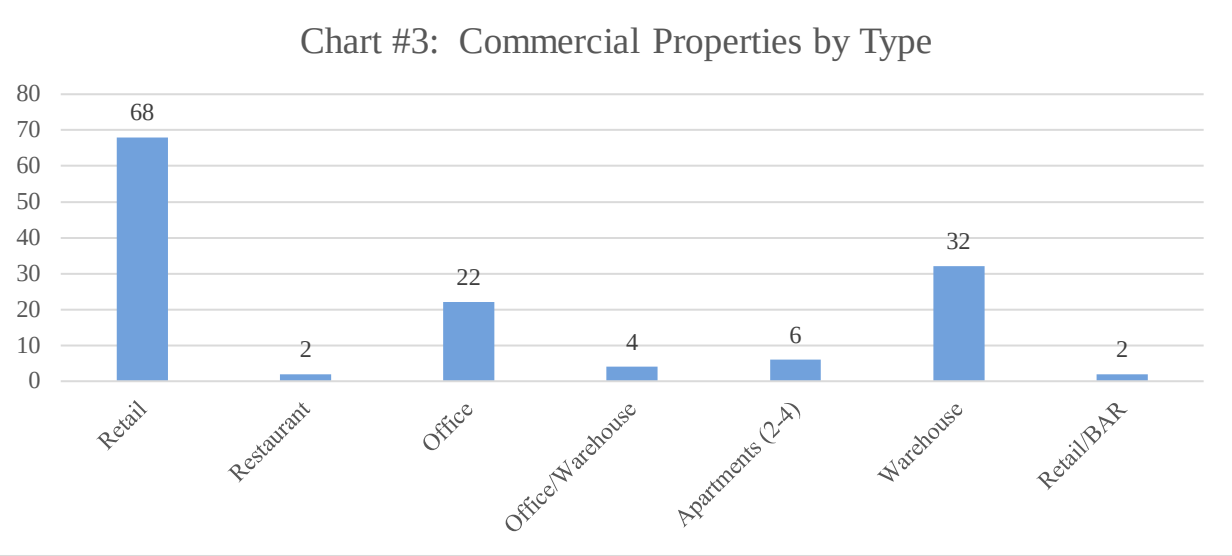


Source: Daviess County, Kentucky Property Valuation Office 2024

Map #4: Monarch NRSA Existing Land Uses

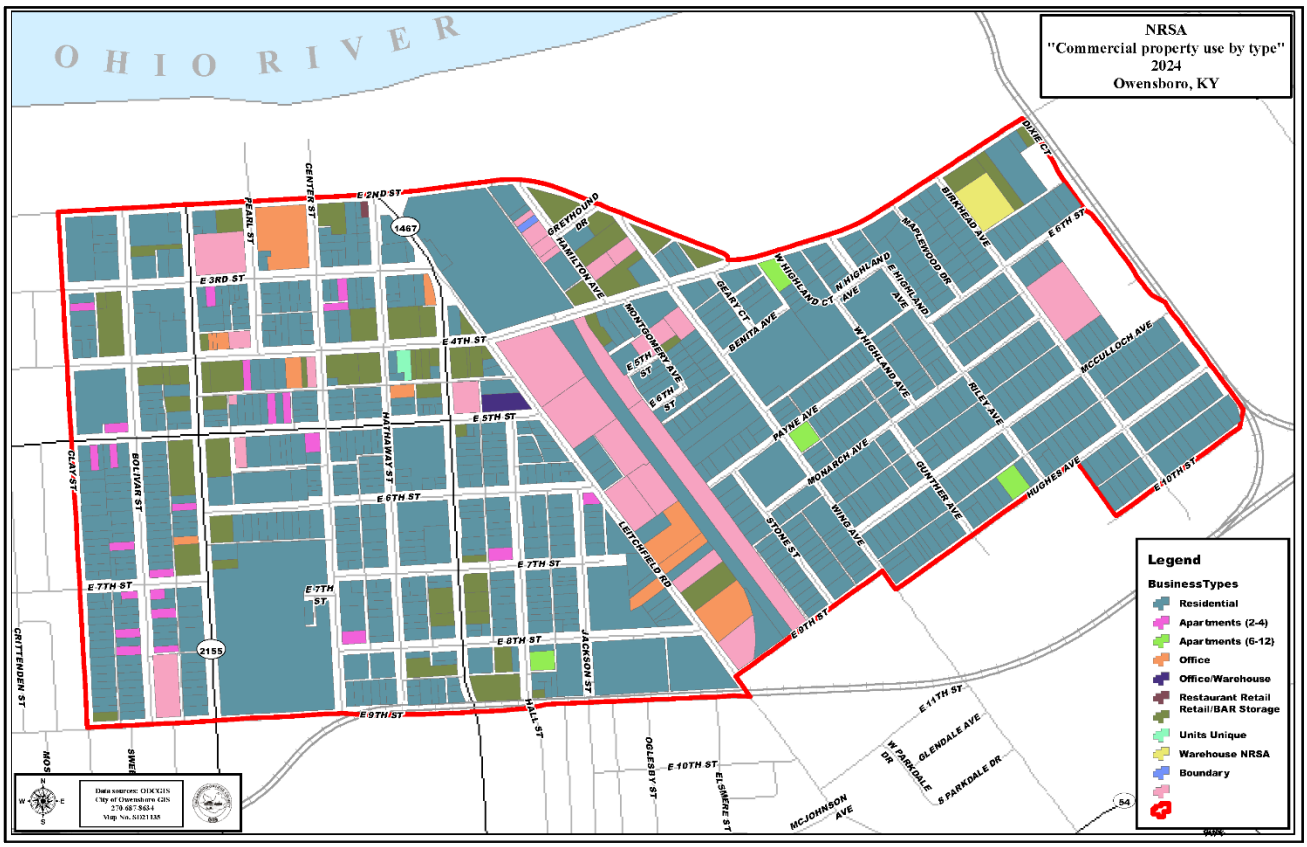


Source: Daviess County, Kentucky Property Valuation Office 2024



Source: Daviess County, Kentucky Property Valuation Office 2024

Map #5: Commercial Property by Use – PVA 2024 Data



Source: Daviess County, Kentucky Property Valuation Office 2024

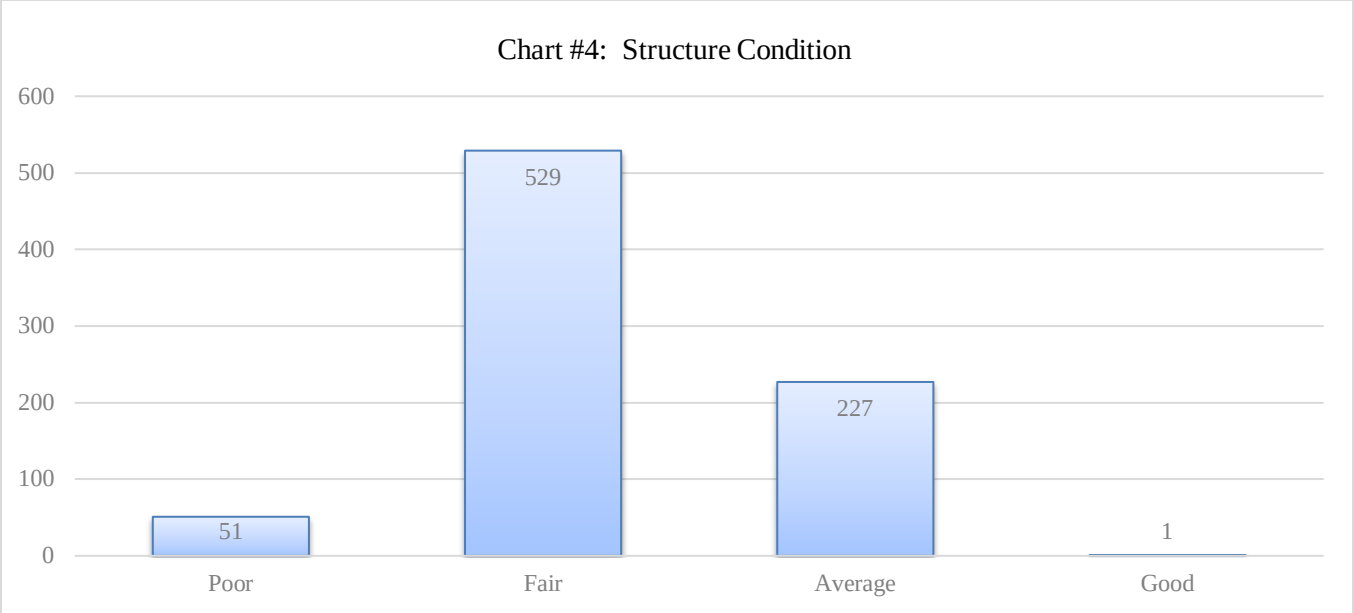
Condition and Age of Structures

Currently, the condition of all structures within the Monarch NRSA is as follows:

- 529 parcels (65%) are in fair condition.
- 227 parcels (28%) are in average condition.
- 51 parcels (6%) are in poor condition (refer to Chart #4).

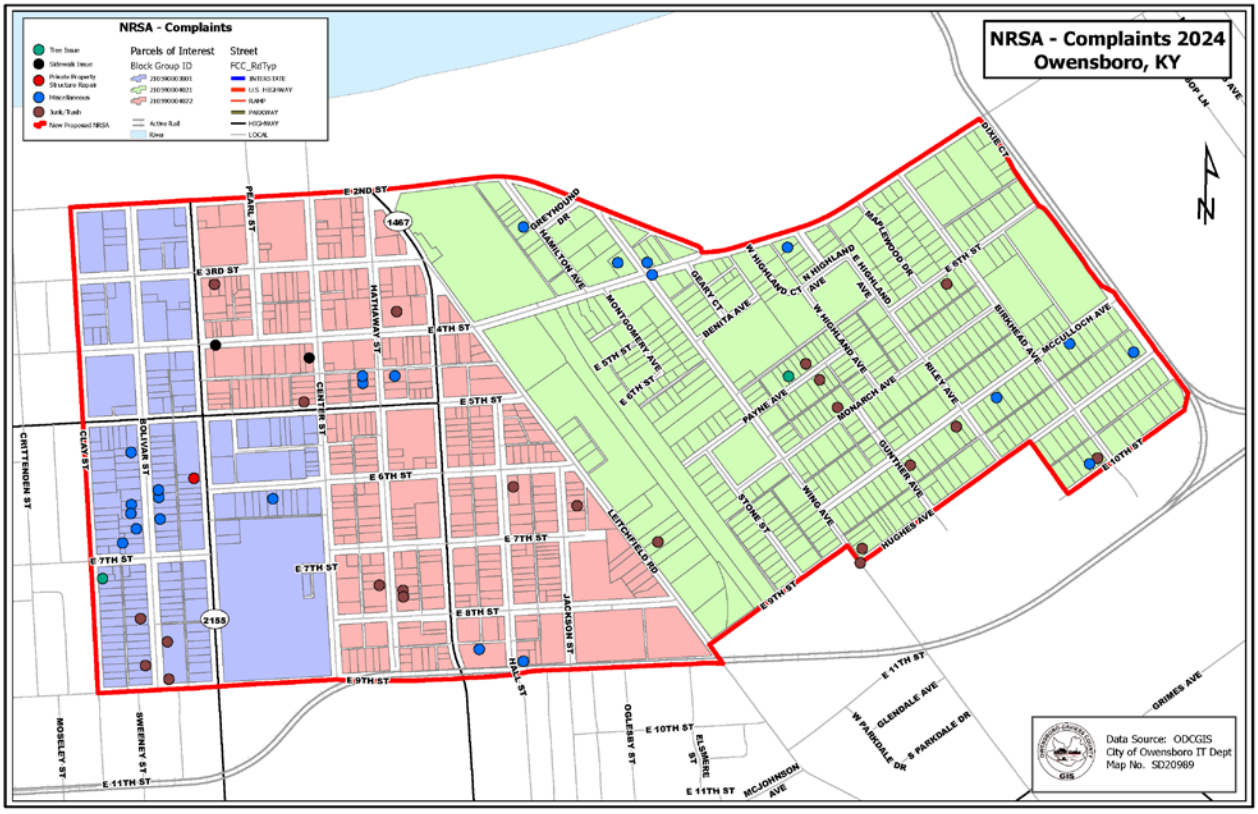
The fact that a majority, 72% of the parcels, require some form of rehabilitation is a strong indicator of the overall structural instability in the area. This highlights the urgent need for substantial investment to improve the quality and safety of these structures, which is crucial for fostering a stable and thriving community.

One hundred sixty-seven properties within the area were identified to have property maintenance issues within the past three years (see Chart #5, Map #6). There were 41 major structural violations, 74 junk and trash violations and 48 tall grass violations found within the area. There is a strong need for attention to property upkeep, as well as structural rehabilitation and/or demolition.

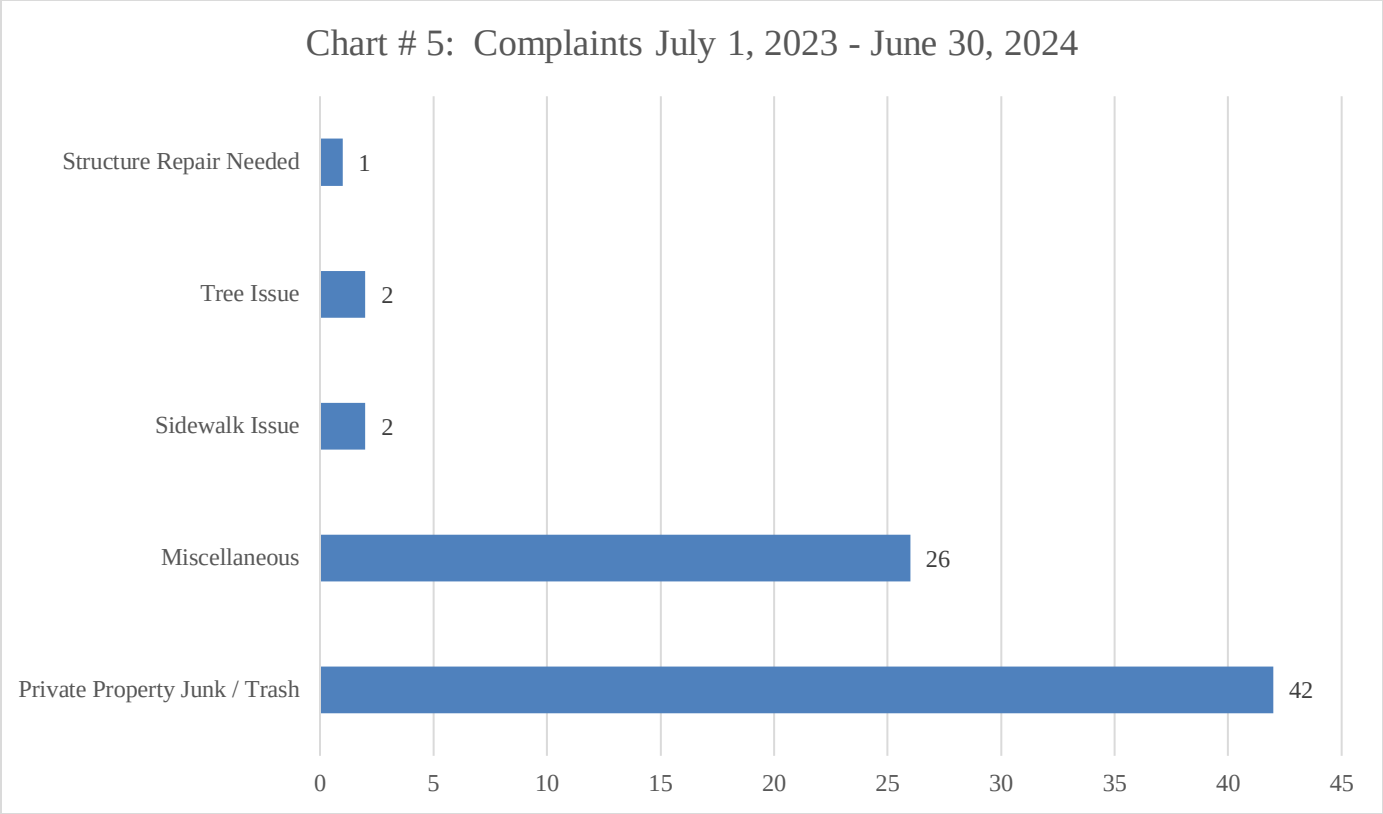


Source: Daviess County, Kentucky Property Valuation Office 2024

Map #6: Monarch NRSA Property Maintenance Issues

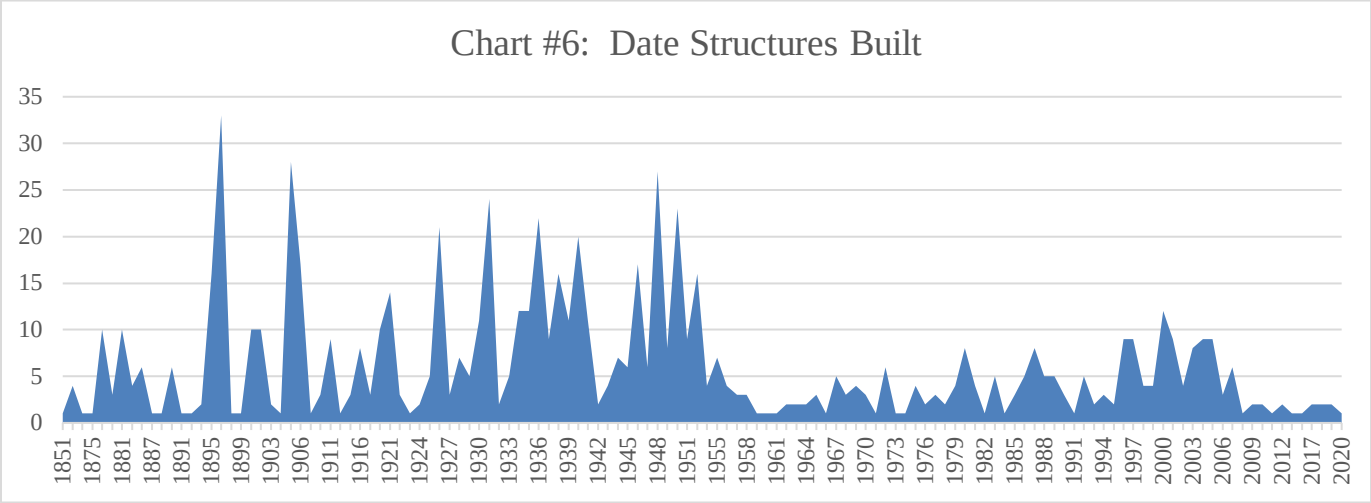


Source: Daviess County, Kentucky Property Valuation Office 2024



Source: City of Owensboro Property Maintenance Department

The original construction dates of existing residential structures range from 1851 to 2019 (see Chart #6). The majority of all commercial buildings were constructed from 1940 to 1970. The oldest commercial building was constructed in 1890 and the newest was constructed in 2016. There are a few industrial buildings that are included within the commercial numbers.

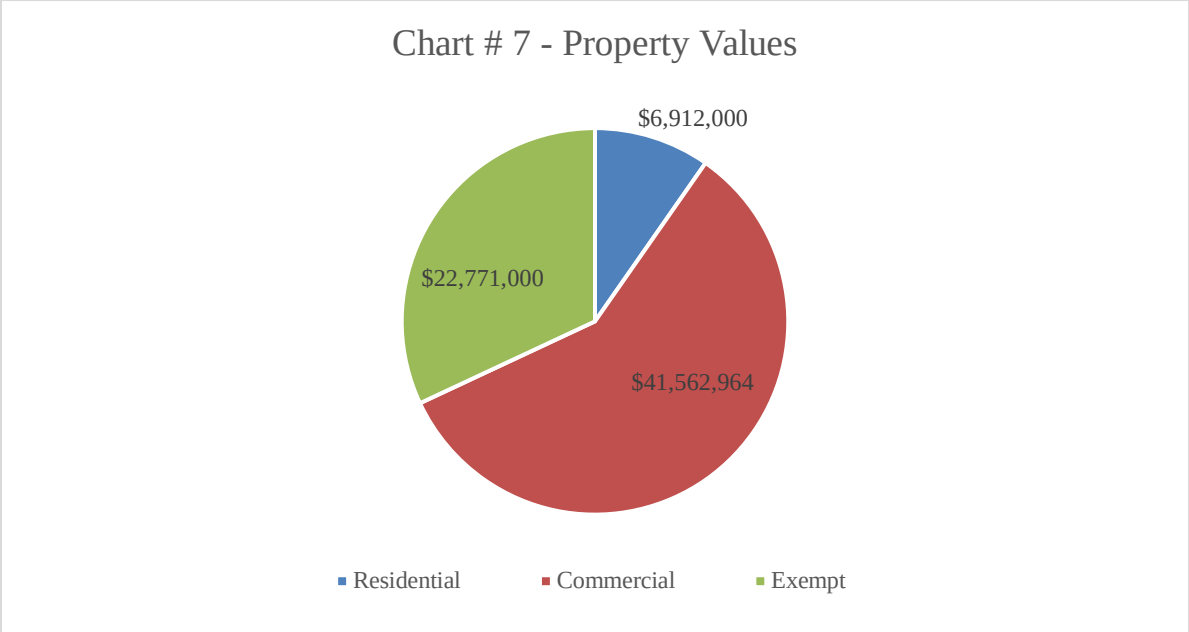


Source: Daviess County, Kentucky Property Valuation Office 2024

Property Values – All Uses

The current total assessed value for property within the boundary of the Monarch NRSA is $71,245,964

(see Chart #7). The valuation of existing nontaxable properties total $22,771,000 (32%). The valuation of residential properties is $6,912,000 (10%), and the valuation of commercial properties is $41,562,964 (58%).



Based on the summarized information above, the economic conditions of the Monarch NRSA are as follows:

1. Aging Infrastructure: The existing infrastructure in these neighborhoods is outdated and in disrepair, requiring significant investment to meet modern standards and support new development.
2. Blight and Vacant Properties: The presence of blighted and vacant properties not only detracts from the area's aesthetic appeal but also discourages potential investors and homebuyers.
3. Limited Access to Capital: Residents and local businesses may face difficulties in accessing capital for home purchases, renovations, or business expansions, stifling economic growth.
4. Crime and Safety Concerns: Higher crime rates and safety concerns can deter new residents and businesses from moving into the area, impacting overall economic vitality.
5. Insufficient Public Services: Inadequate public services, such as sanitation, street lighting, and public transportation, can negatively affect the quality of life and attractiveness of the area for both residents and businesses.
6. Lack of Affordable Housing: A shortage of affordable housing options can lead to displacement of existing residents and deter new residents from moving in, limiting the area's economic potential.
7. Community Disengagement: Low levels of community engagement and participation can lead to a lack of support for redevelopment efforts and hinder the successful implementation of economic development initiatives.
8. Low Median Income**:** Residents of the Monarch NRSA have a lower median income compared to the citywide average, reflecting economic disparities and the need for income-generating opportunities.

Several economic development opportunities have been identified within the area:

1. Residential Redevelopment: Investing in the renovation and construction of affordable and quality housing can attract new residents, reduce blight, and increase property values.
2. Small Business Support: Providing grants and technical assistance to small businesses can stimulate entrepreneurship, create jobs, and enhance local economic activity.
3. Mixed-Use Development: Encouraging mixed-use projects that combine residential and retail spaces can create vibrant, walkable neighborhoods and attract diverse businesses.
4. Infrastructure Improvements: Upgrading roads, sidewalks, public transportation, and utilities can improve connectivity and accessibility, making the area more attractive for residents and businesses.
5. Public-Private Partnerships: Leveraging public-private partnerships can facilitate large-scale redevelopment projects, share risks, and pool resources for greater impact.

The success of any Neighborhood Revitalization Strategy Area (NRSA) hinges on the dual revitalization of these residential neighborhoods and their commercial corridors. By encouraging homeownership and business investment, we aim to stimulate economic growth and secure a stable, high-quality living environment for residents. To ensure community involvement, we are holding several public hearings, offering residents a platform to voice their opinions and shape the proposed Monarch NRSA redevelopment strategy.

Market Analysis Introduction

As part of the Consolidated Plan process, we engaged Bowen National Research at the latter part of 2023 to conduct an in-depth analysis of the local housing market for the Monarch NRSA. This study builds on data from the previous NRSA housing needs assessment. The following information and the report in its entirety can be found at www.owensboro.org.

Established in 1817, the city of Owensboro is approximately 21 square miles and is located within Daviess County on the northwest border of Kentucky along the Ohio River. Owensboro is approximately 28 miles southeast of Evansville, Indiana. The main thoroughfares that serve Owensboro include U.S. Highway 60 as well as State Routes 54, 81, 144 and 2831.

Owensboro has an estimated population of 60,722 in 2023, which is an increase of 539 or 0.9% since 2020. The city's estimated population density is 2,762.3 persons per square mile in 2023, which is significantly higher compared to the state of Kentucky (112.6 persons per square mile). The City of Owensboro serves as the county seat of Daviess County, and is home to the county courthouse, various commercial businesses, employment opportunities, and a hospital. A notable attraction within the city includes the Bluegrass Music Hall of Fame and Museum. In addition, Owensboro features numerous parks, historical landmarks, and a variety of entertainment, cultural and recreational activities.

Based on 2023 estimates, 58.2% of the city's households are owner households. Over two-thirds (68%) of rental units are within structures of four or fewer units (including mobile homes), while nearly all (99.9%) of the owner-occupied units are comprised of these smaller structures and mobile homes (primarily single- family homes).

Bowen National focused the evaluation of the demographic and economic characteristics, as well as the existing housing stock, on areas within the city. Additionally, supplemental analysis was provided for a specified Neighborhood Revitalization Strategy Area (NRSA) and for the balance of Daviess County to understand trends and attributes in the area. The following summarizes the various study areas used in this analysis.

Primary Study Area – The Primary Study Area (PSA) includes all of the city of Owensboro.

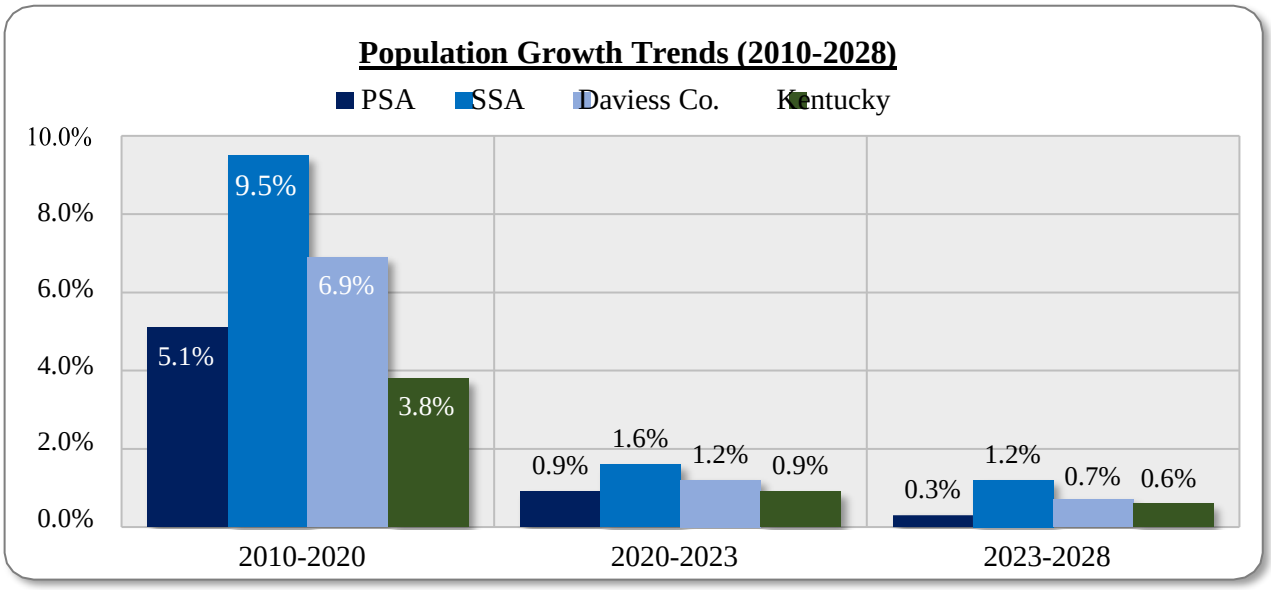
Secondary Study Area – The Secondary Study Area (SSA) is the Balance of Daviess County, which encompasses the areas outside the city limits of Owensboro but within Daviess County.

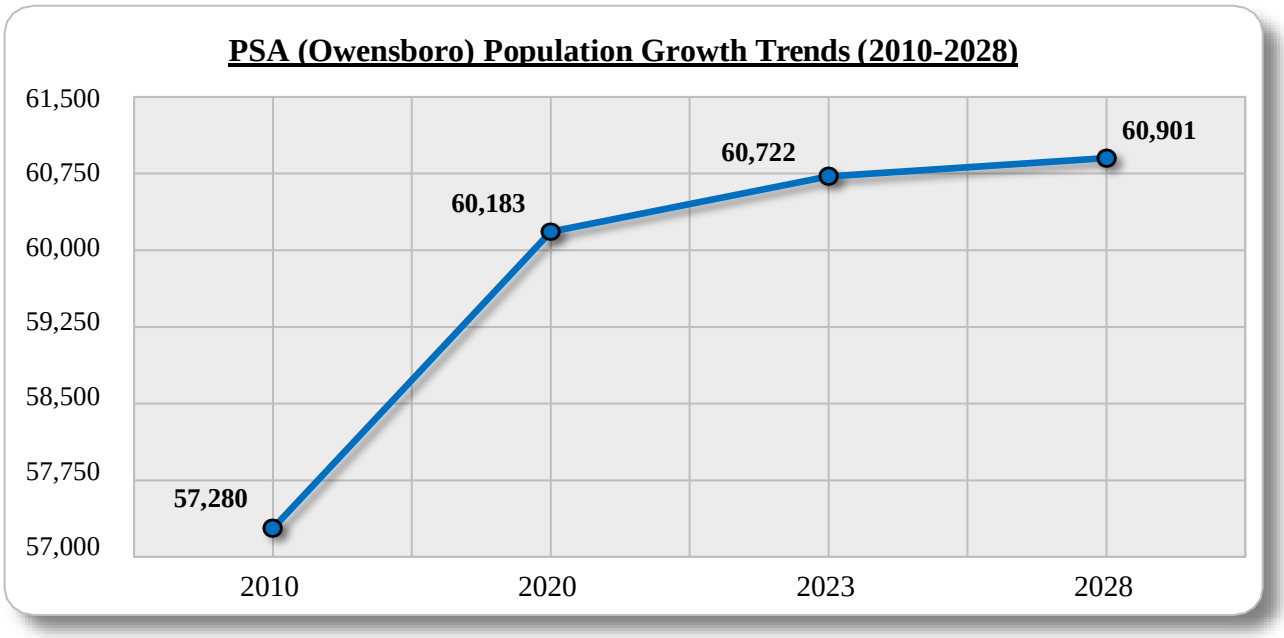
Submarket – The submarket comprises the Neighborhood Revitalization Strategy Area (NRSA). The NRSA submarket is a 0.50 square mile area located in the eastern portion of the city and is generally bounded by East 2nd Street and East 4th Street to the north, railroad tracks east of Birkhead Avenue and East 10th Street to the east, Hughes Avenue and East 9th Street to the south, and Clay Street to the west. This area is generally a well-established neighborhood, primarily comprised of single-family homes, multifamily dwellings and light commercial/industrial structures.

Population Characteristics

Between 2010 and 2020, the population within the NRSA decreased by 14 (0.7%), as compared to increases of 5.1% and 9.5% within the PSA and SSA, respectively, during this same time period. All of the study areas experienced population growth between 2020 and 2023. With the exception of the NRSA, this population growth is projected to continue through 2028. Although the population is projected to decline within the NRSA between 2023 and 2028, this decline will be nominal at less than one (1) person annually during this time period. Thus, the NRSA population base is considered stable.

It is critical to point out that *household* changes, as opposed to population, are more material in assessing housing needs and opportunities. Historical and projected household changes for the study areas are covered later in this section starting on page IV-14. It is also important to understand that the creation of new housing alternatives could contribute to potential population/demographic growth within the Owensboro area, potentially resulting in growth which may outpace projections included within this analysis.





		Population by Age							
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+	Median Age
NRSA	2010	753 (35.8%)	303 (14.4%)	240 (11.4%)	314 (14.9%)	202 (9.6%)	139 (6.6%)	154 (7.3%)	34.9
	2023	666 (31.8%)	289 (13.8%)	262 (12.5%)	222 (10.6%)	269 (12.9%)	191 (9.1%)	194 (9.3%)	38.4
	2028	674 (32.2%)	239 (11.4%)	282 (13.5%)	230 (11.0%)	246 (11.8%)	205 (9.8%)	214 (10.2%)	39.4
	Change 2023-2028	8 (1.2%)	-50 (-17.3%)	20 (7.6%)	8 (3.6%)	-23 (-8.6%)	14 (7.3%)	20 (10.3%)	N/A

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The majority of the population within both the NRSA (63.0%) and PSA (54.8%) is unmarried, which contrasts with the predominantly married population reported for the SSA and state. The minority population within the NRSA (23.4%) is higher than that reported for the PSA (19.1%) and both of these shares are more than double that reported for the SSA (8.5%) and above the statewide share of 17.6%. Notably, 15.0% of the adult population within the NRSA lacks a high school diploma, as compared to shares of 8.2% and 7.8% for the PSA and SSA, respectively. This is also a higher share than that reported for the state of Kentucky (11.0%). Subsequently, the NRSA also reports a lower share of the population with a college degree as compared to the PSA, SSA, and state. The PSA and SSA, however, have higher shares of the population with a college degree as compared to the state of Kentucky. More than half (54.6%) of the population under the age of 18 and more than one-third (34.2%) of the total population (all ages) is living in poverty within the NRSA. These rates are considerably higher than those reported for the PSA, SSA, and state and coincide with the lower educational attainment levels reported within the NRSA. As marital status and educational attainment typically affect household income, these factors can play an important role in the overall housing affordability of an area.

Household Characteristics

Households by numbers and percent change (growth or decline) for selected years are shown in the following table. Note that decreases are illustrated in red text, while increases are illustrated in green text:

	Total Households									
	2010 Census	2020 Census	Change 2010-2020		2023 Estimated	Change 2020-2023		2028 Projected	Change 2023-2028	
			Number	Percent		Number	Percent		Number	Percent
NRSA	681	716	35	5.1%	728	12	1.7%	730	2	0.3%
PSA	24,193	25,105	912	3.8%	25,434	329	1.3%	25,688	254	1.0%
SSA	14,426	16,000	1,574	10.9%	16,359	359	2.2%	16,690	331	2.0%
Combined (PSA & SSA)	38,619	41,105	2,486	6.4%	41,793	688	1.7%	42,378	585	1.4%
Kentucky	1,719,962	1,797,937	77,975	4.5%	1,821,190	23,253	1.3%	1,842,428	21,238	1.2%

Source: 2010, 2020 Census; ESRI; Urban Decision Group; Bowen National Research

Between 2010 and 2020, the number of households within the NRSA, PSA, and SSA increased, similar to the state of Kentucky. With the exception of the PSA, the household growth rates within the study areas outpaced the statewide growth rate of 4.5% during this time. Each study area experienced household growth between 2020 and 2023 and growth is projected to continue through 2028. The SSA (Balance of Daviess County) is projected to experience the greatest household growth (2.0%) among the study areas

between 2023 and 2028, which will also outpace the 1.2% growth rate projected for the state. Although household growth is projected to be nominal within the NRSA, it is of note that nearly half (43.4%) of all household growth within the county is expected to occur within the PSA (Owensboro).

Household heads by age cohorts for selected years are shown in the following table. Note that five-year projected declines are illustrated in red text, while increases are illustrated in green text:

		Household Heads by Age						
		<25	25 to 34	35 to 44	45 to 54	55 to 64	65 to 74	75+
NRSA	2010	50 (7.3%)	132 (19.4%)	119 (17.4%)	139 (20.4%)	100 (14.7%)	72 (10.6%)	70 (10.3%)
	2023	41 (5.6%)	116 (15.9%)	125 (17.2%)	111 (15.2%)	140 (19.2%)	121 (16.6%)	74 (10.2%)
	2028	43 (5.9%)	97 (13.3%)	134 (18.4%)	113 (15.5%)	129 (17.7%)	131 (17.9%)	83 (11.4%)
	Change 2023-2028	**2 (4.9%)**	**-19 (-16.4%)**	**9 (7.2%)**	**2 (1.8%)**	**-11 (-7.9%)**	**10 (8.3%)**	**9 (12.2%)**

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2023, household heads between the ages of 55 and 64 comprise the largest shares of all households in the NRSA and PSA, as well as the surrounding SSA. More than half of all households within both the PSA (50.4%) and SSA (51.8%) are age 55 and older. Comparatively, 46.0% of households within the NRSA are age 55 and older. While household growth within the SSA is projected to be concentrated among households age 65 and older between 2023 and 2028, both the NRSA and PSA are expected to experience growth among several different age cohorts. These include households under the age of 25, those between the ages of 35 and 54, and households age 65 and older. The majority of this growth, however, is projected to occur among households aged 65 and older. The aforementioned changes in households by age in the NRSA and PSA will likely have an impact on the area housing market, particularly the demand for senior-oriented housing within the PSA.

Households by tenure (renters and owners) for selected years are shown in the following table. Note that 2028 numbers which represent a decrease from 2023 are illustrated in red text, while increases are illustrated in green text.

		Households by Tenure							
	Household Type	2000		2010		2023		2028	
		Number	Percent	Number	Percent	Number	Percent	Number	Percent
NRSA	Owner-Occupied	385	48.2%	356	52.2%	370	50.8%	**376**	**51.4%**
	Renter-Occupied	414	51.8%	326	47.8%	358	49.2%	**355**	**48.6%**
	Total	799	100.0%	682	100.0%	728	100.0%	**731**	100.0%

Source: 2000 Census; 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In 2023, households within the NRSA are relatively evenly distributed among owners and renters while the PSA and SSA are more heavily comprised of owner households. The share of renter households (41.8%) within the PSA, however, is considerably higher than that reported for the surrounding SSA (14.3%). Both the NRSA and PSA also report notably higher shares of renter households as compared to the state of Kentucky. The shares of owner and renter households are projected to remain relatively stable between 2023 and 2028, though household growth is only projected among owner households within each of the study areas during this time period. This is similar to projections for the state of Kentucky during

this time.

Although these tenure projections will likely have an impact on the local housing market, recent changes in home mortgage interest rates and home construction costs, which have increased significantly, can greatly influence tenure projections. As such, these factors should also be a part of future housing development evaluations and decisions.

Renter households by size for selected years are shown in the following table.

		Persons Per Renter Household						
		1-Person	2-Person	3-Person	4-Person	5-Person+	Total	Average H.H. Size
NRSA	2010	134 (41.1%)	90 (27.5%)	49 (14.9%)	32 (9.7%)	22 (6.8%)	326 (100.0%)	2.14
	2023	136 (37.9%)	92 (25.7%)	62 (17.2%)	47 (13.1%)	22 (6.1%)	358 (100.0%)	2.24
	2028	133 (37.4%)	89 (25.2%)	65 (18.3%)	47 (13.2%)	21 (6.0%)	355 (100.0%)	2.25

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The average renter household size has remained relatively consistent within all three study areas since 2010 at just over 2.0 persons per household. This is projected to continue through 2028. Renter growth within the PSA is projected to be concentrated among three- and four-person households between 2023 and 2028, contributing to the projected increase in average household size among renter households for the PSA in 2028. Comparatively, household growth among renter households within the NRSA is projected to occur among four- person and larger households. Despite the projected growth among moderate and larger renter household sizes, renter households comprised of one- and two- persons are projected to comprise nearly two-thirds (63.9%) of all renter households within the PSA and 62.6% of those within the NRSA in 2028.

Owner households by size are shown in the following table.

		Persons Per Owner Household						
		1-Person	2-Person	3-Person	4-Person	5-Person+	Total	Average H.H. Size
NRSA	2010	79 (22.3%)	141 (39.6%)	61 (17.0%)	44 (12.4%)	31 (8.6%)	356 (100.0%)	2.45
	2023	86 (23.1%)	148 (40.0%)	55 (14.9%)	45 (12.2%)	36 (9.8%)	371 (100.0%)	2.46
	2028	88 (23.2%)	151 (40.0%)	56 (14.7%)	45 (12.0%)	38 (10.0%)	378 (100.0%)	2.46

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

Among the study areas in 2023, the average owner household size ranges from 2.31 within the PSA to 2.62 within the SSA. Two-person households comprise the largest share (40.0%) of owner households within the NRSA, similar to both the PSA and SSA which report two-person owner household shares of 36.8% and 42.5%, respectively. Between 2023 and 2028, growth is projected to occur among all owner household sizes within the NRSA with similar projections for the PSA, with the exception of four-person households. Despite this projected growth among various household sizes, one- and two-person households are projected to comprise nearly two-thirds of all owner households within both the NRSA and PSA in 2028.

	Median Household Income				
	2010 Census	2023 Estimated	% Change 2010-2023	2028 Projected	% Change 2023-2028
NRSA	$17,699	$36,525	106.4%	$41,058	12.4%
PSA	$33,992	$51,352	51.1%	$57,772	12.5%
SSA	$50,302	$85,343	69.7%	$96,345	12.9%
Combined (PSA & SSA)	$39,630	$64,093	61.7%	$73,238	14.3%
Kentucky	$40,424	$58,370	44.4%	$65,982	13.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

The median household income within all three study areas has increased by more than 50.0% between 2010 and 2023 and at rates which exceed the statewide growth rate of 44.4% during this time period. The median household income in 2023 within the PSA ($51,352) is lower than that of the state ($58,370) but is more than 40.0% higher than the median household income for the NRSA ($36,525). It is also projected that the median household incomes within the study areas will increase by at least 12.4% between 2023 and 2028.

In 2023, more than two-thirds (67.9%) of NRSA renter households and more than half (57.5%) of PSA renter households earn less than $40,000. These are higher shares than the statewide share of 54.6%. It is also of note that 50.0% of all renter households within the NRSA earn less than $20,000 as compared to just 30.8% of such households within the PSA. Although household growth among renter households is projected to be concentrated among households earning $50,000 or more between 2023 and 2028 within both the NRSA and PSA, the majority (60.4%) of renter households within NRSA and almost half (48.4%) within the PSA will continue to earn less than $40,000 in 2028.

The largest share (28.9%) of owner households within the NRSA earn between $60,000 and $99,999. Growth among owner households is projected to occur within several different income segments between 2023 and 2028 within both the NRSA and PSA. While growth is projected to be similar among the highest and lowest income segments within the NRSA, growth among owner households within the PSA is projected to be greatest (in terms of the total number) among households earning $100,000 or more, similar to projections for the SSA and state. By 2028, it is projected that 41.5% of owner households within the NRSA and 58.4% of such households within the PSA will earn $60,000 or more. These are lower shares than the statewide share of 63.1%. With the overall number of owner households in the PSA projected to increase between 2023 and 2028 (primarily among higher income households), these projected changes should be considered when evaluating the for-sale housing market in the area.

Economic Analysis

The need for housing within a given geographic area is influenced by the number of households choosing to live there. Although the number of households in the subject area at any given time is a function of many factors, one of the primary reasons for residency is job availability. In this section, the workforce and employment trends that affect the PSA (Owensboro) are examined and compared to the state of Kentucky and the United States.

An overview of the Owensboro workforce is provided through several overall metrics: employment by industry, wages by occupation, total employment, unemployment rates and at-place employment trends. We also evaluated the area's largest employers, economic and infrastructure developments, and the

potential for significant closures or layoffs in the area (WARN notices). In addition, commuting patterns for the PSA, which include commuting modes, times, and commuter flows are analyzed.

Within the NRSA, 63.1% of employment is within the top five sectors. While Health Care & Social Assistance (20.2%) and Manufacturing (17.5%) are the two largest sectors in the NRSA and also among the top five in the PSA, Construction (11.6%), Transportation & Warehousing (7.4%), and Public Administration (6.4%) comprise the balance of the top five industries in the area. However, it should be noted that it is not unusual for smaller geographic areas to have a greater concentration of employment within a limited number of sectors compared to larger geographies. Employment within the SSA (balance of Daviess County), by comparison, is slightly less concentrated among the top five industries (61.0%). Additionally, there is a noteworthy share (7.1%) of the total employment within the Administrative, Support, Waste Management & Remediation Services sector in the SSA.
In order to reasonably afford a two-bedroom rental at the Fair Market Rent of $926, an individual would need to earn at least $37,040 per year. As such, the *lower quartile* of wage earners within 24 of the 35 occupations listed in the previous table do not have sufficient wages to afford a typical rental. Many of these occupations, particularly those within the food services industry and support positions within various sectors, earn significantly less than the amount required to afford a typical rental in the market. When wages for each occupation are increased to their respective *median* levels, 18 occupations still do not have the income necessary to afford a typical rental. While a share of these individuals likely lives in multiple-income households, this illustrates the reasonable conclusion that a significant portion of renter households with a single income earned in a variety of occupations in the PSA are likely housing cost burdened (paying more than 30% of their income toward housing costs).

Housing affordability issues among the listed occupations are more prevalent when home ownership is considered. In order to afford the purchase of a typical home in the PSA at the median list price of $199,900, an individual would have to earn at least $59,970 per year. Therefore, the lower quartile of wage earners within 34 of the top 35 occupations listed in the previous table do not have sufficient wages to afford the typical for-sale home in the PSA. When wages for each occupation are increased to their respective median levels, 30 occupations still do not have the income necessary to purchase a typical home in Owensboro. As previously stated, it is likely that many of these individuals are part of multiple-income households. However, even if a household or person had double the single wage earner incomes of the median wages shown in the preceding table, 12 of the most common occupations in the area still would not be able to afford a home at the current median list price of $199,900. This illustrates that home ownership is not affordable for a significant share of workers in the most common occupations in the area.

Housing Supply Analysis

This housing supply analysis includes a variety of housing alternatives. Understanding the historical trends, market performance, characteristics, composition, and current housing choices provide critical information as to current market conditions and future housing potential. The housing data presented and analyzed in this section includes primary data collected directly by Bowen National Research and secondary data sources including American Community Survey (ACS), U.S. Census housing information, and data provided by various government entities and real estate professionals.

While there are a variety of housing options offered in the Primary Study Area (PSA, Owensboro), we focused our analysis on the most common housing alternatives. The housing structures included in this

analysis are:

- **Rental Housing** – Rental properties consisting of multifamily apartments (generally with five or more units within a structure) were identified and surveyed. An analysis of non-conventional rentals (typically with four or less units within a structure) was also conducted.

- **For-Sale Housing** – For-sale housing alternatives, both recent sales activity and currently available supply, were inventoried. This data includes single- family homes, condominiums, mobile homes, and other traditional housing alternatives. It includes stand-alone product as well as homes within planned developments or projects.

The estimated distribution of the area housing stock by tenure (renter and owner) within the NRSA, PSA, SSA and the state of Kentucky for 2023 is summarized in the following table:

		Occupied and Vacant Housing Units by Tenure 2023 Estimates				
		Total Occupied	Owner Occupied	Renter Occupied	Vacant	Total
NRSA	Number	728	370	358	117	845
	Percent	86.2%	50.8%	49.2%	13.8%	100.0%
PSA	Number	25,434	14,802	10,632	1,903	27,337
	Percent	93.0%	58.2%	41.8%	7.0%	100.0%
SSA	Number	16,359	14,022	2,337	941	17,300
	Percent	94.6%	85.7%	14.3%	5.4%	100.0%
Combined (PSA & SSA)	Number	41,793	28,824	12,969	2,844	44,637
	Percent	93.6%	69.0%	31.0%	6.4%	100.0%
Kentucky	Number	1,821,190	1,239,330	581,860	206,282	2,027,472
	Percent	89.8%	68.1%	31.9%	10.2%	100.0%

Source: 2010 Census; ESRI; Urban Decision Group; Bowen National Research

In total, there are an estimated 27,337 housing units within the PSA (Owensboro) in 2023. Based on ESRI estimates, of the 25,434 total occupied housing units in the PSA, 58.2% are owner occupied while the remaining 41.8% are renter occupied. The PSA has a higher share of renter households compared to the SSA (14.3%) and state of Kentucky (31.9%). Note that 7.0% of the total housing units within the PSA are classified as vacant. Vacant units are comprised of a variety of units including abandoned properties, rentals, for-sale, and seasonal housing units. Within the NRSA, 49.2% of the occupied housing units are renter occupied, which is a larger share of these units than the PSA. The NRSA also has a higher share (13.8%) of vacant units compared to the PSA.

Within the NRSA, the shares of renter-occupied (65.7%) and owner-occupied (69.0%) housing units built prior to 1970 are significantly higher than the corresponding shares for the PSA and state. The share (29.4%) of overcrowded renter households within the NRSA is also very high compared to the PSA and state. Note that older housing is generally smaller and contains fewer rooms compared to modern housing. The significant share of renter-occupied housing built before 1970 in the NRSA may be a significant factor contributing to the very high share of overcrowded renter-occupied units.

The NRSA has a much lower median household income ($36,525) and a much higher share of cost burdened renter households (62.1%) than the PSA and state, despite a lower median home value and average gross rent. In addition, nearly half (47.0%) of renter households in the NRSA are *severe* housing cost

burdened, indicating that these households are paying at least 50% of income toward housing costs. The NRSA also has a higher share of cost burdened owner households compared to the PSA and state of Kentucky. In the NRSA, 324 households are housing cost burdened, which illustrates the importance of affordable rental and for-sale housing options for residents of this area.

The NRSA has a much lower median household income ($36,525) and a much higher share of cost burdened renter households (62.1%) than the PSA and state, despite a lower median home value and average gross rent. In addition, nearly half (47.0%) of renter households in the NRSA are *severe* housing cost burdened, indicating that these households are paying at least 50% of income toward housing costs. The NRSA also has a higher share of cost burdened owner households compared to the PSA and state of Kentucky. In the NRSA, 324 households are housing cost burdened, which illustrates the importance of affordable rental and for-sale housing options for residents of this area.

Project	Projects	Total Units	Vacant Units	Occupancy (2023)	Occupancy (2019)*
PSA (Owensboro)					
Market-Rate	27	1,259	15	98.8%	96.4%
Tax Credit	4	145	0	100.0%	100.0%
Tax Credit/Government-Subsidized	4	590	0	100.0%	100.0%
Government-Subsidized	5	288	0	100.0%	100.0%
Total	40	2,282	15	99.3%	98.4%
SSA (Balance of					
Market-Rate	1	318	0	100.0%	96.4%
Tax Credit	1	72	0	100.0%	100.0%
Total	2	390	0	100.0%	98.4%

Source: Bowen National Research
*Reflective of Daviess County occupancy rates as specific city and balance of county level data was not provided at the time of our 2019 analysis.

Typically, in healthy and well-balanced markets, multifamily rentals operate at an overall 94% to 96% occupancy rate. As the preceding table illustrates, the surveyed multifamily rental properties in the PSA (Owensboro) are operating at a very high overall occupancy rate of 99.3%. There are only 15 total vacancies among the 2,282 units surveyed within the PSA. All 15 vacancies are within market-rate properties. While market-rate units are operating at an occupancy rate of 98.8%, all Tax Credit and government-subsidized (affordable) units in the PSA are 100% occupied. Within the SSA (Balance of County), multifamily rental properties are operating at 100.0% occupancy, regardless of product type. In addition, several of the multifamily properties surveyed maintain waiting lists which indicates that pent-up demand exists for various types of multifamily rental housing within Owensboro and Daviess County. The overall combined occupancy rate of 99.4% for multifamily rentals in Daviess County represents an increase compared to the overall occupancy rate reported in our original analysis conducted in 2019, which was 98.4%.

The following table summarizes the number of properties that maintain wait lists, and the length of these wait lists, within the PSA and SSA. Note that some households may be on multiple wait lists. Additionally, some of the properties surveyed operate as mixed-income properties.

	Property Wait List Information by Property Type				
	Properties w/ Wait List	Total Properties	Share of Properties	Number of Households	Number of Months
Market-Rate					
PSA (Owensboro)	0	27	0.0%	-	-
SSA (Balance of County)	1	1	100.0%	9	-
Tax Credit (Non-Subsidized)					
PSA (Owensboro)	6	6	100.0%	2-54	6-24
SSA (Balance of County)	1	1	100.0%	10	-
Government-Subsidized					
PSA (Owensboro)	9	9	100.0%	4-18	3-24
SSA (Balance of County)	-	0	-	-	-

Source: Bowen National Research

Market-Rate Apartments

A total of 27 multifamily projects in the PSA (Owensboro) and one project within the SSA (Balance of County) were surveyed that contain market-rate units. Overall, these 28 properties contain 1,577 market-rate units (1,259in the PSA), of which only 15 are vacant. The following table summarizes the market-rate units by bedroom/bathroom type.

Market-Rate							
Bedroom	**Baths**	**Units**	**Distribution**	**Vacancy**	**% Vacant**	**Median Collected Rent**	**2019 Median Collected Rent***
PSA (Owensboro)							
One-Bedroom	1.0	436	34.6%	10	2.3%	$650	$550
Two-Bedroom	1.0	361	28.7%	4	1.1%	$800	$625
Two-Bedroom	1.5	12	1.0%	0	0.0%	$800	$700
Two-Bedroom	2.0	394	31.3%	1	0.3%	$920	$840
Three-Bedroom	2.0	56	4.4%	0	0.0%	$1,295	$1,080
Total Market-Rate		**1,259**	**100.0%**	**15**	**1.2%**	-	-
SSA (Balance of County)							
One-Bedroom	1.0	95	29.9%	0	0.0%	$1,251	$550
Two-Bedroom	1.0	95	29.9%	0	0.0%	$1,297	$625
Two-Bedroom	2.0	95	29.9%	0	0.0%	$1,444	$840
Three-Bedroom	2.0	33	10.4%	0	0.0%	$1,588	$1,080
Total Market-Rate		**318**	**100.0%**	**0**	**0.0%**	-	-

Source: Bowen National Research

*2019 data reflects entirety of Daviess County (combined PSA/SSA) from original analysis

Non-conventional rentals are generally considered rental units consisting of single-family homes, duplexes, units over store fronts, mobile homes, etc. Typically, these rentals are older, offer few amenities, and lack on-site management and maintenance. For the purposes of this analysis, we have assumed that rental properties consisting of four or less units within a structure are non-conventional rentals. Based on data from the American Community Survey (2017-2021), the number and share of units within renter-occupied structures is summarized in the following table:

		Renter-Occupied Housing by Units in Structure			
		1 to 4 Units	5 Units or More	Mobile Home/ Other	Total
NRSA	Number	186	30	49	265
	Percent	70.2%	11.3%	18.5%	100.0%
PSA	Number	6,967	3,357	153	10,477
	Percent	66.5%	32.0%	1.5%	100.0%
SSA	Number	1,939	414	257	2,610
	Percent	74.3%	15.9%	9.8%	100.0%
Combined (PSA & SSA)	Number	8,906	3,771	410	13,087
	Percent	68.1%	28.8%	3.1%	100.0%
Kentucky	Number	333,443	179,479	50,251	563,173
	Percent	59.2%	31.9%	8.9%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, non-conventional rentals with four or fewer units (including mobile homes) per structure comprise the vast majority of the local rental housing market, as they represent 68.0% of rental units in the PSA (Owensboro). This is similar to the share of non- conventional rentals (68.1%) for the state of Kentucky. A sizeable majority of the non-conventional rentals in the PSA consist of single-family homes, duplexes, and similar units, as mobile homes only comprise 1.5% of rental units in the PSA. This is a smaller share of mobile homes as compared to the state (8.9%). The NRSA has higher shares of rental units within one- to four-unit structures (70.2%) and within mobile homes (18.5%) compared to the PSA. Combined, nearly 90% of the rental units in the NRSA are considered to be non-conventional rentals. Overall, this data illustrates that an overwhelming majority of the rental market in the NRSA, PSA, and SSA consists of non-conventional rentals. The smaller share of conventional multifamily rental properties along with the general lack of availability among existing multifamily rental properties suggest there may be a development opportunity for such product in the PSA.

The following table summarizes monthly gross rents (per unit) for area rental alternatives within the NRSA, PSA, SSA, and the state of Kentucky, based on ACS data. While this data encompasses all rental units, which includes multifamily apartments, over two-thirds (68.0%) of the PSA's rental supply consists of non-conventional rentals. Therefore, it is reasonable to conclude that the following provides insight into the overall distribution of rents among non-conventional rental housing units. It should be noted, gross rents include tenant-paid rents and tenant-paid utilities.

		Estimated Monthly Gross Rents by Market								
		<$300	$300 - $500	$500 - $750	$750 - $1,000	$1,000 - $1,500	$1,500 - $2,000	$2,000+	No Cash Rent	Total
NRSA	Number	0	8	79	118	42	0	0	16	263
	Percent	0.0%	3.0%	30.0%	44.9%	16.0%	0.0%	0.0%	6.1%	100.0%
PSA	Number	537	701	2,809	3,801	2,139	126	123	242	10,478
	Percent	5.1%	6.7%	26.8%	36.3%	20.4%	1.2%	1.2%	2.3%	100.0%
SSA	Number	24	49	733	781	679	12	19	312	2,609
	Percent	0.9%	1.9%	28.1%	29.9%	26.0%	0.5%	0.7%	12.0%	100.0%
Combined (PSA & SSA)	Number	561	750	3,542	4,582	2,818	138	142	554	13,087
	Percent	4.3%	5.7%	27.1%	35.0%	21.5%	1.1%	1.1%	4.2%	100.0%
Kentucky	Number	30,627	43,384	133,337	150,979	124,402	22,730	7,563	50,151	563,173
	Percent	5.4%	7.7%	23.7%	26.8%	22.1%	4.0%	1.3%	8.9%	100.0%

Source: American Community Survey (2017-2021); ESRI; Urban Decision Group; Bowen National Research

As the preceding table illustrates, the largest share (36.3%) of PSA (Owensboro) rental units have gross rents between $750 and $1,000, followed by units with gross rents between $500 and $750 (26.8%). Collectively, units with gross rents below $1,000 account for nearly 75% of all PSA rentals, which is a higher share of such units compared to the state (63.6%). The NRSA has a higher collective share (77.9%) of units with gross rents below $1,000 compared to both the PSA and state, with the highest share (44.9%) of renter households in the NRSA paying gross rents between $750 and $1,000. Overall, this demonstrates the prevalence of lower priced product among the non-conventional rental units in the market.

Based on this analysis, the inventory of available non-conventional rentals is extremely limited in both the PSA and SSA and typical rents for this product, which have substantially increased in recent years, indicate that such housing is not a viable alternative for most lower income households.

Within the PSA (Owensboro), 3,417 homes were sold between January 1, 2020 and November 30, 2023 at a median sales price of $163,000. This equates to an average of approximately 72.7 homes sold per month, or an annualized average of around 872 homes sold during this time. The for-sale housing stock *available* as of November 30, 2023 within the PSA consists of 114 units with a median list price of $199,900. By comparison, 93 homes (average of 2.0 per month) with a median sales price of $89,400 were sold within the NRSA (Neighborhood Revitalization Strategy Area), and 2,142 homes (average of 45.6 per month) were sold in the SSA (Balance of County) with a median sales price of $230,445 during this time period. As of November 30, 2023, there are three homes with a list price of $69,900 in the NRSA and 92 homes with a median list price of $294,900 in the SSA available to purchase. Based on the preceding factors, approximately 61.5% of homes sold within Daviess County between January 2020 and November 2023 were located within the PSA. While for-sale product within the PSA is generally priced much higher than that within the NRSA, the typical price of homes in the PSA is notably lower than homes in the surrounding SSA. It is also worth pointing out that the median list price of the available for- sale homes in the PSA increased by 17.7% between 2019 and 2023.

There are two inventory metrics most often used to evaluate the health of a for-sale housing market. These metrics include *Months' Supply of Inventory* (MSI) and availability rate. The MSI for the PSA was calculated based on sales history occurring between January 1, 2020 and November 30, 2023. Overall, based on the monthly absorption rate of 72.7 homes, the PSA's 114 homes listed as available for purchase represent 1.6 months of supply. Typically, healthy and well-balanced markets have an available supply that should take about four to six months to absorb (if no other units are added to the market). Therefore, the PSA's inventory is considered extremely low and indicates limited available supply. When comparing the 114 available units with the overall inventory of 14,802 owner-occupied units, the PSA has a vacancy/availability rate of 0.8%, which is well below the normal range of 2.0% to 3.0% for a well-balanced for-sale/owner-occupied market. This is considered a very low rate and an indication that the market has limited availability. It is also of note that the current vacancy/availability rate (0.8%) is lower than that revealed at the time of our original analysis in 2019 (1.2%). Additionally, the 1.6 months' supply of available homes is lower than that reported (2.5 months' supply) at the time of our 2019 analysis. Thus, available for-sale housing supply has become more limited within the city of Owensboro since the time of our last analysis. To get a better understanding of housing availability in the PSA, we have conducted a more refined analysis of available supply by price point, bedroom type, and year built.

The following table summarizes the Months' Supply of Inventory (MSI) and availability rate for each study area.

Months Supply of Inventory (MSI) and Availability Rate (As of November 30, 2023)						
Study Area	Units Sold*	Monthly Absorption Rate	Available Units	Owner-Occupied Units	Months Supply of Inventory	Availability Rate
NRSA (Neighborhood Revitalization Strategy	93	2.0	3	370	**1.5**	**0.8%**
PSA (Owensboro)	3,417	72.7	114	14,802	**1.6**	**0.8%**
SSA (Balance of County)	2,142	45.6	92	14,022	**2.0**	**0.7%**

*Sales from January 1, 2020 to November 30, 2023

The following tables summarize the housing gaps (rental and for-sale) for the ***NRSA*** by affordability level.

	NRSA (Neighborhood Revitalization Strategy Area) Rental Housing Gap Estimates (2023-2028)				
Percent of Median Income	**≤ 30%**	**31%-50%**	**51%-80%**	**81%-120%**	**121%+**
Household Income Range	**≤ $22,860**	**$22,861-$38,100**	**$38,101-$60,960**	**$60,961-$109,440**	**$109,441+**
Monthly Rent Range	**≤ $571**	**$572-$952**	**$953-$1,524**	**$1,525-$2,736**	**$2,737+**
Household Growth	-23	-4	2	11	11
Balanced Market*	9	2	3	3	0
Replacement Housing	24	5	4	2	0
External Market Support^	57	15	19	16	2
Severe Cost Burdened^^	27	20	13	7	0
Step-Down Support	4	4	3	-5	-7
Less Pipeline Units	0	0	0	0	0
Overall Units Needed	**98**	**42**	**44**	**34**	**6**

*Based on Bowen National Research's survey of area rentals
Based on ESRI/ACS estimates of units lacking complete indoor plumbing or are overcrowded
^Based on Bowen National Research proprietary research and ACS migration patterns for the City of Owensboro
^^Based on ESRI/ACS estimates of households paying 50% or more of income toward housing

	NRSA (Neighborhood Revitalization Strategy Area) For-Sale Housing Gap Estimates (2023-2028)			
Percent of Median Income	**≤ 50%**	**51%-80%**	**81%-120%**	**121%+**
Household Income Range	**≤ $38,100**	**$38,101-$60,960**	**$60,961-$109,440**	**$109,441+**
Price Point	**≤ $127,000**	**$127,001-$203,200**	**$203,201-$364,800**	**$364,801+**
Household Growth	4	1	-3	5
Balanced Market*	1	2	3	1
Replacement Housing	3	1	1	0
External Market Support^	42	25	33	13
Severe Cost Burdened^^	9	3	1	0
Step-Down Support	7	4	-1	-10
Less Pipeline Units	0	0	0	0
Overall Units Needed	**66**	**36**	**34**	**9**

*Based on MLS inventory of available homes
Based on ESRI/ACS estimates of units lacking complete indoor plumbing or are overcrowded
^Based on Bowen National Research proprietary research and ACS migration patterns for the City of Owensboro
^^Based on ESRI/ACS estimates of households paying 50% or more of income toward housing

Based on the preceding, it is estimated that a total of 224 rental and 145 for- sale units are needed within the NRSA. While it is clear there is some level of demand among all affordability levels for both rental and for-sale housing product, the greatest need is estimated to be among renter households earning less

than 30% of Area Median Household Income (AMHI) and owner households earning less than 50% of AMHI. Generally, our demand estimates indicate that more than 40% of the total units needed are concentrated within these segments. These segments would accommodate renter households earning less than approximately $23,000 and owner households earning less than approximately $38,000, with rental rates of approximately $570 or less and homes priced at $127,000 or less.

Public Input

The majority of data for this Plan was collected from late 2023 through August 2024. The following meetings have been held to obtain public input and refine the full Monarch NRSA:

To gain information, perspective and insight about the housing issues in the city of Owensboro and the factors influencing housing decisions by its residents, developers and others, Bowen National Research conducted a targeted survey of local stakeholders. This survey was conducted during August and September of 2023 and questions were customized to solicit specific information relative to the market that was surveyed. Additionally, stakeholders were asked questions related to housing and other relevant issues that were specific to the Neighborhood Revitalization Strategy Area (NRSA).

The survey was conducted through the SurveyMonkey.com website. In total, 23 survey responses were received from a broad cross section of the community. The following is a summary of the survey conducted by our firm.

Stakeholder Survey – Respondents representing community leaders (stakeholders) from a broad field of expertise participated in a survey that inquired about common housing issues, housing needs, barriers to development, and possible solutions or initiatives that could be considered to address housing on a local level.

Stakeholder respondents were asked to provide the type of organization they represent. Note that respondents were able to select more than one type of organization. A total of 23 respondents provided input to this question with the following distribution:

Stakeholder Respondents by Organization Type			
Type	**Number**	**Type**	**Number**
Public Health/Healthcare	9	Nonprofit Organization	1
Community Action Agency	6	Homeless Service Provider	1
Local Government/Municipal Official	5	Landlord	1
Agency on Aging/Senior Services	3	Property Management Company	1
Disabled/Special Needs Service Provider	1	Realtor Association/Board of Realtors	1
Economic Development Organization	1	Other	2

Stakeholder respondents were asked to identify the geographic area they service. A total of 23 respondents provided feedback to this question with the following distribution:

Stakeholder Respondents by Service Area		
Service Area	**Number**	**Share**
City of Owensboro	4	17.4%
Entirety of Daviess County	16	69.6%
Areas Outside of Owensboro	3	13.0%

Stakeholder respondents were asked to estimate the level of demand for specific housing types in Owensboro. A total of 17 respondents provided feedback to this question with the following results:

Housing Demand by Type of Housing			
Housing Type	**Weighted Score***	**Housing Type**	**Weighted Score***
Homeless and/or Special Needs	88.2	Senior Care Facilities (Assisted and Nursing)	72.1
Rental	85.3	For-Sale (Homeowner)	64.1
Affordable Workforce	81.3	Single-Person/Young Professionals	58.8
Senior Apartments (Independent Living)	79.4		

*High Demand= 100.0, Moderate Demand = 50.0, Low Demand = 25.0

Stakeholder respondents were asked to estimate the level of demand for specific housing styles in Owensboro. A total of 17 respondents provided feedback to this question with the following results:

Housing Demand by Style			
Housing Style	**Weighted Score***	**Housing Style**	**Weighted Score***
Multifamily Apartments	69.1	Accessory Dwelling Units/Tiny Houses	50.0
Ranch Homes/Single Floor Plan Units	67.6	Single-Room Occupancy (SRO)	46.7
Duplex/Triplex/Townhomes	64.7	Manufactured/Mobile Homes	45.3
Traditional Two-Story Single-Family Homes	59.4	Condominiums	39.1
Low Cost Fixer-Uppers (Single-Family Homes)	50.0	Mixed-Use/Units Above Retail (Downtown Housing)	35.3

*High Demand= 100.0, Moderate Demand = 50.0, Low Demand = 25.0

Stakeholder respondents were asked to estimate the level of demand for *rental housing by price point* in Owensboro. A total of 16 respondents provided feedback to this question with the following results:

Demand for Rental Housing by Price Point	
Price Point	**Weighted Score***
$500-$749/Month	100.0
$750-$999/Month	82.8
$1,000-$1,249/Month	54.7
$1,250-$1,499/Month	35.9
$1,500/Month or More	30.0

*High Demand= 100.0, Moderate Demand = 50.0, Low Demand = 25.0

Stakeholder respondents were asked to estimate the level of demand for *for-sale housing by price point* in Owensboro. A total of 17 respondents provided feedback to this question with the following results:

Demand for For-Sale Housing by Price Point	
Price Point	Weighted Score*
$150,000-$199,999	97.1
$200,000-$249,999	69.1
$250,000-$299,999	47.1
$300,000 or More	39.7

*High Demand= 100.0, Moderate Demand = 50.0, Low Demand = 25.0

Stakeholder respondents were asked to approximate to what extent certain housing issues were experienced in the market. A total of 17 respondents provided insight to this question with the following distribution:

Housing Issues Experienced			
Issue	Weighted Score*	Issue	Weighted Score*
Rent Affordability	91.2	Absentee Landlords	71.9
Substandard Housing (Poor Quality/Condition)	88.2	Failed Background Checks	64.7
Home Purchase Affordability	88.2	Overcrowded Housing	62.5
Limited Availability	85.3	Lack of Community Services (Grocery, Doctor, etc.)	61.8
Lack of Down Payment for Purchase	79.4	Investors Buying Properties and Increasing Rents/Prices	61.8
High Cost of Renovation	73.5	Foreclosure	53.1
High Cost of Maintenance/Upkeep	73.5		

*Often = 100.0, Somewhat = 50.0, Not at all = 0.0

Stakeholder respondents were asked to rank the priority that should be given to specific housing construction types in the market. A total of 17 respondents provided insight to this question with the following results:

Priority of Housing Construction Types	
Construction Type	Weighted Score*
Repair/Renovation/Revitalization of Existing Housing	89.7
Clear Blighted/Unused Structures to Create Land for New Development	75.0
New Construction	57.4
Adaptive Reuse (i.e., Warehouse Conversion)	56.3
Mixed-Use (Residential with Commercial)	45.6

*High Priority = 100.0, Moderate Priority = 50.0, Low Priority = 25.0

Stakeholder respondents were asked to rank the priority that should be given to specific types of funding for housing development or preservation. A total of 17 respondents provided feedback to this question with the following distribution:

Priority of Funding Types	
Funding Type	Weighted Score*
Homebuyer Assistance	83.8
Other Rental Housing Assistance (i.e., Vouchers)	79.4
Other Homeowner Assistance	72.1
Project-Based Rental Subsidy	69.1
Tax Credit Financing	60.3

*High Priority = 100.0, Moderate Priority = 50.0, Low Priority = 25.0

Stakeholder respondents were asked to identify common barriers or obstacles (all that apply) that exist in Owensboro that they believe limit residential development. A total of 16 respondents provided feedback to this question with the following distribution:

Common Barriers/Obstacles to Residential Development		
Barrier/Obstacle	Number of Respondents	Share of Respondents
Cost of Labor/Materials	13	81.3%
Cost of Land	12	75.0%
Financing	10	62.5%
Cost of Infrastructure	9	56.3%
Development Costs	8	50.0%
Availability of Land	7	43.8%
Crime/Perception of Crime	7	43.8%
Neighborhood Blight	6	37.5%
Community Support	5	31.3%
Lack of Buildable Sites	5	31.3%
Local Government Regulations ("red tape")	5	31.3%
Government Fees	4	25.0%
Land/Zoning Regulations	4	25.0%
Lack of Infrastructure	3	18.8%
Lack of Community Services	3	18.8%
Lack of Parking	3	18.8%

Stakeholder respondents were asked to identify up to five initiatives that they believe represent the best options to reduce or eliminate the area's greatest barriers to residential development. A total of 17 respondents provided insight to this question with the following results:

Best Options to Reduce Barriers/Obstacles to Residential Development		
Initiatives to Reduce Barriers/Obstacles	Number of Respondents	Share of Respondents
Inform/Educate Development Community on Local Opportunities	8	47.1%
Educate the Public on the Importance of Different Types of Housing	7	41.2%
Pooling of Public, Philanthropic, and Private Resources	7	41.2%
Collaboration between Public and Private Sectors	6	35.3%
Securing Additional Housing Choice Vouchers	6	35.3%
Educating the Public on Importance of Housing	5	29.4%
Expanding Grant Seeking Efforts	5	29.4%
Housing Gap/Bridge Financing	5	29.4%
Revisiting/Modifying Zoning (e.g., Density, Setbacks, etc.)	5	29.4%
Building Consensus among Communities/Advocates	4	23.5%
Encouraging Accessory Dwelling Unit Opportunities	4	23.5%
Establish Centralized Developer/Builder Resource Center	3	17.7%
Tax Abatements/Credits	3	17.7%
Waiving/Lowering Development Fees	3	17.7%
Establish Rental Registry	2	11.8%
Government Assistance with Infrastructure	2	11.8%
Government Sale of Public Land/Buildings at Discount or Donated	2	11.8%
Support/Expand Code Enforcement	2	11.8%
Issuance of Local Housing Bond	1	5.9%
Removal of City Fines/Fees/Liens on Existing Homes to Encourage Transactions	1	5.9%

Stakeholder respondents were asked to estimate the level of demand for specific housing types in the *Neighborhood Revitalization Strategy Area (NRSA)*. A total of 17 respondents provided feedback to this question with the following results:

Housing Demand by Type of Housing (NRSA)			
Housing Type	Weighted Score*	Housing Type	Weighted Score*
Rental	90.0	For-Sale (Homeowner)	55.9
Homeless and/or Special Needs	86.8	Senior Apartments (Independent Living)	54.4
Affordable Workforce (Low-Moderate Income)	82.4	Single-Person/Young Professionals	42.6
Senior Care Facilities (Assisted and Nursing)	58.8		

*High Demand= 100.0, Moderate Demand = 50.0, Low Demand = 25.0

Stakeholder respondents were asked to estimate the level of demand for specific housing styles in the *NRSA*. A total of 17 respondents provided feedback to this question with the following results:

Housing Demand by Style (NRSA)			
Housing Style	Weighted Score*	Housing Style	Weighted Score*
Multifamily Apartments	70.6	Single-Room Occupancy (SRO)	50.0
Low Cost Fixer-Uppers (Single-Family Homes)	61.8	Traditional Two-Story Single-Family Homes	47.1
Duplex/Triplex/Townhomes	60.3	Mixed-Use/Units Above Retail (Downtown Housing)	47.1
Ranch Homes/Single Floor Plan Units	60.3	Condominiums	32.4
Accessory Dwelling Units/Tiny Houses	60.3	Manufactured/Mobile Homes	29.7

*High Demand= 100.0, Moderate Demand = 50.0, Low Demand = 25.0

Stakeholders were asked to estimate what they believe renters would be willing to pay per month if new and desirable rental housing was offered within the *NRSA*. A total of 17 respondents provided feedback to this question with the following distribution:

Achievable Rents for New/Desirable Housing (NRSA)	
Price Point	Share of Respondents
$500-$749/Month	82.4%
$750-$999/Month	17.7%
$1,000-$1,249/Month	0.0%
$1,250-$1,499/Month	0.0%
$1,500/Month or More	0.0%

Stakeholders were asked to estimate what they believe homebuyers would be willing to pay to purchase homes in the *NRSA* if new and desirable housing was offered. A total of 17 respondents provided feedback to this question with the following distribution:

Achievable Home Prices for New/Desirable Housing (NRSA)	
Price Point	Share of Respondents
$150,000-$199,999	82.4%
$200,000-$249,999	11.8%
$250,000-$299,999	5.9%
$300,000 or more	0.0%

Stakeholders were given the opportunity to cite any issues that they believe should be addressed in the *NRSA* that are relevant to future housing development. A total of 12 respondents provided insight through an open-ended response. A summary of responses follows:

- Additional infrastructure and supports, specifically grocery stores
- Financing training/homebuyer and renter education
- Affordable rental properties for refugee immigrants and addiction recovery, and multiple layers of support for these individuals (education, childcare, employment, healthcare, etc.)
- Address crime and blight in the area
- Offer tiny homes for the homeless along with programmatic supports
- Improved sidewalks and lighting
- Renter assistance for initial fees (utilities, deposits, etc.)
- Rent is increasing in the area while conditions/quality diminishes
- Lack of local businesses and walkability

Stakeholder respondents were asked if there are any initiatives or incentives that they believe should be implemented that would encourage residential development or investment in the NRSA. A total of 10 respondents provided insight through an open-ended response. A summary of responses follows:

- The area is primarily low-income and single-family housing with multiple households residing in a single housing unit. Multifamily housing is needed to alleviate overcrowding in the area.
- Investigate philanthropic partnerships among private and public sectors with corporate support, similar to Community Ventures in Lexington, Kentucky.
- Home repair assistance is needed in the area.
- The area needs additional apartments and duplexes, and homelessness is prevalent in the area.
- Community involvement to promote safer neighborhoods
- Establishment of a Uniform Residential Landlord Tennant Act
- Tax incentives (builders and business), law enforcement, and reduction of blight

<u>Stakeholder Survey Conclusions</u>

Based on the feedback provided by area stakeholders, it appears that Owensboro is most in need of housing for the homeless and/or special needs populations, rental housing, affordable workforce housing, and senior independent living apartments. While a variety of housing styles are likely needed in the market, stakeholders cited multifamily apartments, ranch homes, and duplex/triplex/townhomes as the top needs. Stakeholders overwhelmingly cited housing with rents between $500 and $749 and for-sale housing priced between $150,000 and $199,999 as being the highest demands in the market. Although there appears to be a number of housing issues experienced in Owensboro, rent affordability, substandard housing, purchase affordability, and limited availability were rated as the top issues by stakeholder respondents. The repair of the existing housing inventory and clearing of blighted properties were among the most commonly cited construction needs in the area. Homebuyer assistance and rental housing assistance, such as Housing Choice Vouchers, were rated as the top funding priorities. Respondents believe the cost of labor/materials, the cost of land, financing, and cost of infrastructure to be the most common barriers to development in the city. Stakeholders indicated that educating the development community about local opportunities, educating the public on the importance of housing, and the pooling of public, philanthropic, and private resources are the best options to reduce residential

development barriers.

A portion of this stakeholder survey asked questions specific to housing demand in the Neighborhood Revitalization Strategy Area (NRSA). Within this specific area of the PSA, stakeholders believe that multifamily rental housing, housing for the homeless and/or special needs populations, and affordable workforce housing are among the highest demands. A vast majority of the respondents indicated that they believe, with new and desirable housing in the area, individuals would be willing to pay between $500 and $749 per month for rental housing and between $150,000 and $199,999 to purchase housing in the NRSA.

A pre-planning public hearing was held on **September 16, 2019** to solicit comments from the public. Forty-one interested persons attended the first meeting. An overview of potential projects and active discussion with participants occurred. There was also a residential and business survey conducted throughout the Monarch(NRSA) with a mailing sent to each physical address and each business owner's address (Appendix A). In fall of 2019, Bowen National completed a Housing Needs Assessment for the City. Through that report, they engaged the community in the following ways:

Monarch NRSA

Major Challenges & Proposed Actions

The Monarch NRSA Redevelopment Advisory Team identified the following major challenges within the Area:

- Uncertain about recommending the area for residence
- Stagnant growth
- Lack of housing and yard maintenance
- Lack of park facilities
- Lack of shopping facilities
- Lack of property maintenance reporting
- Lack of community life
- Safety issues / crime
- Low property values
- Lack of green spaces
- Lack of business opportunity
- Appearance and quality of housing stock
- Lack of affordable housing

Neighborhood Revitalization Strategy Area Priorities:

One of the key findings from this report is that there is *limited availability* among the existing housing stock in the PSA and limited residential development currently in the development pipeline. This lack of available housing likely limits demographic growth within the PSA as many residents seeking new housing, as well as persons/households looking to relocate to the area, have very few options from which to choose. Notably, more than 22,000 people commute to Owensboro for employment, with more than 6,700 of these commuters traveling more than 50 miles each way. These commuters represent a large base of potential household growth for the Owensboro area should housing that meets their needs become available within the area.

Local government could consider supporting housing policies such as expanding residential density to allow for more units, modifying unit size requirements (allowing for smaller units), requiring fewer parking spaces, supporting or leveraging developer incentives (e.g., Qualified Opportunity Zones, TIF districts, tax abatements, etc.), waiving/deferring/lowering government fees, and exploring other measures specifically targeted to the types of housing (e.g. affordable, senior, etc.) that lead to meeting housing goals. In an effort to support more affordable housing alternatives, the city should consider supporting projects being developed with affordable housing development programs (e.g., Tax Credit and HUD programs), providing pre-development financial assistance, supporting a Housing Trust Fund, exploring the establishment of a land bank to acquire, improve and convey tax delinquent and neglected properties, and providing low-interest or forgivable loans and grants to lower income households that can be used to cover costs directly associated with the repairs and maintenance of the existing housing stock. Overall, focus should be placed on programs that support low-income households (seniors and families), workforce households, and first-time homebuyers. Additional housing is needed in order to have a healthy housing market, which will ultimately contribute to the local economy, quality of life and overall prosperity of Owensboro.

The City of Owensboro's Consolidated Plan outlines the priorities by which the City's Community Development Block Grant (CDBG) Program and HOME Investment Partnership (HOME) Program, funds will be invested over the next five years. Based on a Needs Assessment and Market Analysis, the Plan identifies the following priority needs in ranked order:

Priority 1 - Affordable Housing – High Priority

Affordable housing is essential to ensure that low- and moderate-income families have access to safe, stable homes. An NRSA plan should aim to increase the supply of affordable housing while supporting residents in maintaining homeownership. Key areas of focus include:

A. Housing Development

- Incentivizing Developers: Provide financial incentives, such as tax abatements, density bonuses, or fast-tracked permitting, to developers willing to build affordable housing units. Partner with non-profits or community development corporations to build affordable rental housing or homeownership opportunities.
- Mixed-Income Developments: Encourage mixed-income housing projects where affordable units are integrated with market-rate housing. This helps to reduce segregation and promote diverse communities.
- Adaptive Reuse: Convert vacant or underutilized buildings (e.g., old factories, schools) into affordable housing units. Adaptive reuse projects are an efficient way to increase affordable housing stock while revitalizing unused spaces.

B. Homeownership Assistance

- Down Payment Assistance Programs: Provide grants or low-interest loans to help low-income families with the initial costs of purchasing a home. This can be especially helpful for first-time homebuyers who struggle with the upfront expenses.
- Homebuyer Education: Offer workshops and financial literacy training to help prospective homeowners navigate the homebuying process. This education can reduce the risk of foreclosure by ensuring buyers are prepared for long-term ownership.
- Land Trusts or Shared Equity Models: Establish community land trusts (CLTs) or shared equity housing programs where the land is held by a non-profit, and homes are sold at below-market rates. These models help keep housing affordable for future generations while offering families the opportunity to build equity.

C. Affordable Rental Housing

- Rental Subsidies and Vouchers: Collaborate with housing authorities to offer rental assistance through Housing Choice Vouchers or other programs that reduce the financial burden on tenants.
- Preserving Existing Affordable Housing: Invest in preserving and rehabilitating existing affordable rental units to prevent displacement of low-income tenants. This may include weatherization, energy-efficient upgrades, or other improvements that keep costs low for renters.

Priority 2 - Property Maintenance and Rehabilitation- High Priority

Improving and maintaining property conditions is critical to neighborhood revitalization, as neglected properties can lead to blight, decrease property values, and negatively impact the overall quality of life. The following strategies focus on addressing property maintenance issues:

Code Enforcement and Property Standards

- Targeted Enforcement in Key Areas: Focus enforcement efforts on neighborhoods with a high concentration of vacant or deteriorating properties. Ensure that absentee landlords are held accountable for maintaining their properties.

B. Property Rehabilitation Programs

- Home Repair Assistance: Offer grant to low- and moderate-income homeowners for essential repairs. This can include fixing structural issues, improving energy efficiency, addressing health and safety hazards (e.g., mold, lead paint), and making necessary aesthetic upgrades (e.g., painting, landscaping).
- Façade Improvement Programs: Offer incentives for property owners to upgrade the exterior appearance of their homes. Improvements such as painting, window replacements, landscaping, and fence repairs can improve curb appeal and contribute to overall neighborhood revitalization.

C. Vacant and Abandoned Property Management

- Land Banks: Create or strengthen land bank programs that acquire vacant or abandoned properties, rehabilitate them, and sell or rent them as affordable housing. Land banks can also be used to assemble parcels for larger-scale redevelopment projects.
- Demolition of Unsafe Structures: In cases where rehabilitation is not feasible, prioritize the demolition of unsafe or severely dilapidated buildings. Demolition can create opportunities for new development or community spaces, such as parks or gardens.

Priority 3 - Public Facilities / Public Services – High Priority

A. Sewer Infrastructure Planning and Funding

- Main Sewer Line Extensions: Extend the main sewer lines to areas without connections, ensuring seamless coordination with public works departments, engineers, and utility companies. This minimizes disruption while ensuring all areas are connected to the larger sewer system.
- Home Connections: Provide low-cost or grant-funded assistance to homeowners for sewer line connections. Offer subsidies to ensure that low- and moderate-income residents can afford to hook up their homes to the newly installed sewer system.
- Septic System Conversion: Replace outdated or failing septic systems with modern sewer connections. This process not only enhances home value but also reduces health risks and environmental contamination.
- Allow for program administration funding for the CDBG and HOME federal grants

By focusing on these priority needs, the Monarch NRSA plan can improve neighborhood stability, reduce blight, and create opportunities for economic growth, ensuring long-term sustainability for residents.

PROPOSED PROGRAMMING

Community Development Block Grant – Funded Programs
Residential Rehabilitation Program

Housing rehab programs offer opportunity for property owners to renovate existing single-family homes within the defined Monarch NRSA boundary. These rehab programs range from full grants with volunteer labor to matching grant opportunities to make repairs to the exterior of single-family homes. The greatest leverage to increase the value of a home within this neighborhood is to make needed repairs to the exterior of the home. Repairs to the interior of the home become costly and does not significantly improve the value of neighboring homes. Repairs to the exterior of the home are generally less expensive but make a dramatic impact on the curb appeal and the value of the home renovated, as well as nearby homes. By assisting homeowners with exterior renovation, equity in value of the home rises and makes it possible for the owner to secure financing to make additional interior repair at a later time.

Typically, a homeownership rate of 45% creates stability and livability within a neighborhood, as long as the homeownership rate remains steady and does not decrease over time. As previously detailed, the core neighborhoods within the Monarch NRSA currently have average 50% homeownership rate by single-family structure. The homeownership rates within this NRSA are stable. In order to further stabilize homeownership rates within the NRSA, grants can be utilized to assist existing homeowners in the area to renovate the exterior of their homes.

The median list price for residential properties within the NRSA is $69,900. This low property value creates a situation for many existing homeowners in which it is difficult or impossible to obtain loans for needed home improvements. The overall condition and value of homeowner property has a direct relationship and effect upon the value of rental investment property. In turn, rental investment property has a direct effect upon the value of homeowner property.

Residential Rehab Program Recommended Action:

1. ***Existing Homeowner Exterior Rehab Grant Program:*** Existing single- family homeowner homes will have the opportunity to participate in an outright grant program. The program would target exterior improvements such as: windows, roof, paint, siding, walkways, fences, etc. A

total of 45 homeowner properties could be assisted through this program. The total estimated cost for this program would be **$1,060,000** in CDBG funds from 2025-2030 (see Table #9).

2. ***Downspout Removal Grant Program:*** Work with Regional Water Resource Agency to administer downspout removal in the Monarch NRSA to facilitate storm water and sewer separation. There are approximately 60 projects to complete. The total estimated cost for this program would be **$85,500** in CDBG funds from 2025-2030.

Commercial Improvements

The exterior visual appearance of several key commercial properties located within the Monarch NRSA commercial area is creating an unjustified negative perception of the entire area that is not supported by the true vitality and value of the area. A focused effort to improve the exterior of existing commercial properties that have main frontage along the Second Street corridor would significantly increase the positive perception of the commercial areas and consequently the adjacent residential neighborhoods. Due to availability of affordable commercial leasing opportunities and a desirable central location, the NRSA has become an organic business incubator. The city will continue to work with the local Economic Development Corporation to create even more opportunities for new businesses to locate and existing business to expand within the area.

Commercial Improvements Recommended Action:

1. ***Commercial Façade Grant Program:*** Utilize CDBG grant funds to incentivize existing businesses to improve the exterior fronts of their buildings, signage and parking lots. Matching grants may be utilized that could provide for 75% of total cost and not to exceed a determined amount. There will be some buildings that may require reduced match requirements in order to improve key visual opportunity areas. The total estimated cost for this program would be **$50,000** in CDBG funds from 2025-2030 (see Table #9).

Public Services Program

A well-maintained wastewater system is vital for a thriving neighborhood, ensuring public health, environmental protection, and economic stability. It prevents the spread of diseases by properly treating sewage and stormwater, safeguarding clean water access. Effective wastewater management also protects local ecosystems from contamination, preserving natural resources that enhance quality of life and attract residents and businesses.

Economically, reliable wastewater infrastructure supports growth by preventing disruptions and costly repairs. Regular maintenance and upgrades are essential as neighborhoods evolve, ensuring resilience, environmental sustainability, and a strong foundation for long-term prosperity. Investment in the above-mentioned improvements impact all residents within the neighborhood by increasing property value and overall quality of life.

Public Services Program Recommended Action:

1. ***Wastewater and Sewer Improvements:*** Work with Regional Water Resource Agency to extend wastewater services to the entire NRSA (approximately 18 parcels). The total estimated cost for this program would be **$500,000** in CDBG funds from 2025-2030 (see Table #9).

Safety Improvements

A consistent and safe linkage of quality sidewalks exist for most of the commercial area within the Monarch NRSA. Linked sidewalks do not exist within most of the residential neighborhoods. In evaluating the possibility of installing sidewalks within the neighborhoods, it was determined that it would be a significant investment. Filling in these sidewalks will significantly increase the walkability of the NRSA. The street lighting within the four neighborhoods and the commercial areas need to be assessed to determine if there is opportunity to improve the quality and quantity of street lights to improve safety at night.

Safety Improvements Recommended Action:

1. Identify needs for bus shelters within the NRSA and work with the City of Owensboro Public Works Department to install them.

2. Request for OMU to review the existing streetlights within the area and determine where new lights need to be installed to create a warm and safe atmosphere during nighttime hours.

3. Work with Owensboro Police Department on focused enforcement efforts to reduce the speed of cars traveling on Second Street.

Property Maintenance Issues

Currently, the condition of all structures for all use types in the Monarch NRSA is as follows: 65% of the parcels are in fair condition, 28% of the parcels are in average condition, and 6% of the parcels are in poor condition (see Chart #4). The majority (71%) of the parcels in the NRSA are in need of some form of rehabilitation. This is a strong indicator of the overall existing stability of the area.

As the NRSA transitions during the redevelopment efforts over the next five years, the focus of property maintenance code enforcement will adapt to the new level of acceptance of maintenance issues. A continued evaluation of the neighborhood by Property Maintenance Code Enforcement officials will be coordinated to ensure measured and progressive enforcement as the redevelopment moves forward.

Property Maintenance Issues Recommended Actions:

1. Work with the City of Owensboro Property Maintenance Inspector to address the current 29 properties that are in violation of the Property Maintenance Code. An increased enforcement of Property Maintenance Code violation within the area will be pursued through 2025 in order to compliment the significant public and private investment that will occur within the area. The following violation categories will be strictly enforced in coordination with the Monarch NRSA redevelopment:

Structural – Roofs, gutters, siding, windows and trim work. Every structure shall be in a good state of repair and brought into compliance with the maximum standard (this standard shall be used consistently and fairly throughout the neighborhood).

Trash & Junk – All shall be removed from the eye of the public. There shall be a zero tolerance or acceptance of any accumulation of trash and junk.

Inoperative & Unlicensed Vehicles - All shall be removed from the eye of the public. There shall be a zero tolerance or acceptance of any such vehicles.

Tall Grass – Grass shall be maintained and not allowed to exceed 10 inches in height.

Table #9: CDBG Budget 2025-2030				
Program	# of Projects	Budgeted	City Match	Private Match
CDBG Administration	0	$550,000	$0	$0
Exterior Rehabilitation	53	$1,060,000	$0	$0
Downspout Removal	90	$85,500	$0	$0
Public Service	1	$500,000	$0	$0
Commercial	22	$550,000	$0	$137,500
Totals	166	$2,745,500	$0	$137,500

HOME PARTNERSHIP PROGRAM – FUNDED PROGRAMS

Homebuyer Homeownership Stabilization Programs

The City of Owensboro has a successful history in incentivizing private developers and contractors to construct high quality single-family homes within older inner-city neighborhoods. Incentives are necessary in order to make new housing construction a reality in these areas. The average valuation of a single-family home located in the Monarch NRSA is around $74 per square foot, while the average per square foot sales price in the county is $154. In addition, the housing stock in the NRSA is antiquated with the majority of the homes built around 1950. The City Homebuyer Program works with non-profits (such as Habitat for Humanity and Owensboro Area Affordable Housing Solutions, Inc.) to develop and construct homes to the City's specifications and sell them to low- to moderate-income homebuyers at a price (approximately $91 per square foot) that is significantly below actual development cost. The city covers the cost between the actual development cost and the appraised value, which in this scenario would be around $157 per square foot. There are fewer opportunities to construct new homes within this area due to the lack of vacant lots and the higher quality condition of existing residential structures.

Existing vacant single-family homes within the NRSA may provide the opportunity for the city to purchase existing homes, renovate them and then sell them to low- to moderate-income buyers. The area has proven to be attractive to individuals and families interested in purchasing a quality, older and affordable home.

Opportunities exist to provide assistance to potential low- to moderate-income buyers that are interested in purchasing a starter home in the area. A Down Payment Assistance Grant Program could be utilized to provide homeownership opportunities while further stabilizing the balance between owner versus rental properties.

Homebuyer & Homeownership Stabilization Programs Recommended Action:

1. Create a Monarch NRSA Homebuyer Program. Work with non-profits, such as Habitat for Humanity, Owensboro's approved CHDO, to construct new homes and sell them to low-to moderate-income homebuyers. A total of four homes could be constructed and then sold through this program. The total estimated cost for this program would be **$950,000** in HOME funds from 2025-2030 (see Table #10).

2. Create a Monarch NRSA Down Payment Assistance Program. Provide grant funds to assist low-to moderate-income individuals and families with down payment and closing costs in order to purchase existing homes within the Monarch NRSA. Qualified persons could receive up to 10% of the agreed to sales price in total assistance. This would provide many households the opportunity to purchase a home while increasing the likelihood that when a single-family home is on the market in the NRSA that it will remain or be returned to the status of a homeowner home. It is estimated that a total of 30 homes could be assisted through this program. The total estimated cost for this program would be **$450,000** in HOME funds from 2025-2030 (see Table #10).

Table #10: HOME Budget 2025-2030				
Program	# of Projects	Budgeted	City Match	Private Match
HOME Administration	0	$135,000	$0	$0
CHDO	1	$260,000	$75,000	$110,000
DPA Program	30	$450,000	$0	$3,600,000
City Home Build	3	$690,000	$225,000	$330,000
Totals	34	$1,535,000	$300,000	$4,040,000

Monarch NRSA

Area Redevelopment Plan

2025-2030 POTENTIAL PROJECTS & BUDGET

Tables #10, #11 and #12 detail the projected 2025-2030 Monarch NRSA Redevelopment Plan Budget and include all projects identified earlier in the Plan as Major Challenges. The proposed budget tables detail six major project categories, two sub project categories and 200 potential individual projects funded, consisting of 22 commercial building rehabs, 177 housing and 1 public service project. CDBG and HOME funding will be utilized to cover all of the proposed public investment, and it is forecasted that funding will be sufficient to fully implement the identified projects from 2025-2030.

A total of **$4,280,500** in Public Funding is estimated to be available from 2025-2030 (approximately $2,745,500 in CDBG funds, $1,535,000 in HOME funds) (see Table #9 and Table #10). The estimated total Public and Private investment that will occur from 2025 – 2030 within the Monarch NRSA will be **$5,047,570** (see Table #11).

The **Monarch NRSA Redevelopment Advisory Team** has prioritized all of the potential projects and selected those that would have an opportunity for funding in a specific fiscal year during Plan implementation. CDBG funds are Community Development Block Grant funding that have a wide range of eligible uses that can benefit low-to moderate-income individuals. HOME funds can be used for homeownership related activities such as homebuyer or down payment assistance programs. For more specific information on a particular project, refer back to the Major Challenges Identified and Proposed Programming Section of this Plan that starts on page 34.

Table #11: MONARCH NRSA PROJECT	
ITEM	**Monarch NRSA (Estimated)**
Redevelopment Plan Created	2024
Redevelopment Plan Implementation	2025-2030
PVA Values Before	$71.2 M (2024)
PVA Values After	$74.1 M (2030)
Increase in PVA Value	$2.8 M
% Increase in PVA Value	4.3%
Down Payment Assistance	30
New Homes Constructed	4
Existing Homes Renovated	53
Rate of Homeownership Before	50% (2023)
Rate of Homeownership After	-
Multi Family Affordable Housing Properties Before	6
Multi Family Affordable Housing Properties After	-
Structures Demolished	25
% Unsound Structures Before	6% (2023)
% Unsound Structure After	3%
Commercial Business Enhancements	22
Public Investment	$4,280,500
Private Investment	$5,047,750
Total Investment	$9,328,250

The Projected Statistics

See Table #11 for projected statistical changes that are anticipated to occur within the Monarch NRSA by 2030. The total taxable assessed value of all property is projected to increase by 4.3% from $71.2 million in 2025 to $74.1 million in 2030 ($2.9 million increase). The rate of homeownership by structure is estimated to increase from **50%** to **53%** in the NRSA. Four new homes will be constructed within the neighborhood and 53 existing homes will be renovated. The rate of unsound structures within the neighborhood will decrease from 6% to 3% by 2030.

Implementation

This Plan and recommended actions will be implemented by the Community Development Department of the City of Owensboro. The Monarch NRSA Redevelopment Advisory Team consists of volunteer individuals that live or own businesses within the redevelopment area. The Advisory Team will provide oversight for the redevelopment and work with the Community Development Department on implementation of the proposed recommendations. The Advisory Team will assist the Community Development Department in identifying and selecting visual elements relating to housing, beautification and safety.

Citizen Involvement in Plan

A 13 member NRSA Advisory Team has volunteered to work with the Community Development Department staff to create the Monarch NRSA Redevelopment Plan. All of the advisory team members live within or own businesses or property within the NRSA and are active in the community. The Advisory Team has met on two occasions to create and then refine the draft of the Plan.

The Advisory Team members will also be active during the Plan implementation over the next five years by assisting in clarification of Plan objectives and communicating with their neighbors about the status of the implementation.

The grass roots nature of this process has created a document that takes the vision, priorities and dreams of the residents who live in the neighborhood and converts them into specific actions and projects based on available resources to significantly revitalize the area within a five-year timeframe.

Monarch

Neighborhood Redevelopment Plan

2025 – 2030

Neighborhood Revitalization Strategy Area (NRSA)

This portion of the Plan is to specifically address "HUD NRSA Requirements"

Monarch NRSA Goals:

1. Build Strong Neighborhoods.
2. Make Neighborhoods attractive for investment.
3. Encourage and maintain neighborhood participation for long-term stability of the neighborhood.
4. Encourage mutual participation from citizens, financial institutions, churches, non- profit developers and the Community Development Office.
5. Encourage Neighborhood Advisory Boards to be involved in the process of identifying needs within their neighborhoods.
6. Attack the problems associated with declining neighborhoods through a multi-pronged coordinated approach.
7. Economic empowerment of low-to moderate-income residents within the most distressed neighborhoods of our community.

NRSA Benefits for Monarch NRSA:

NRSA Job Creation/Retention as Low/Moderate Income Area Benefit
Eliminates the need to track income of persons hired for jobs created with federal funds.

NRSA Aggregation of Housing Units
Allows for greater flexibility to carry out housing programs that revitalize neighborhoods. All housing created or maintained in the area will be assumed to assist low-to moderate- income families and persons.

NRSA Aggregate Public Benefit Standard Exemption
Increase flexibility for economic development activities by reducing record keeping requirements.

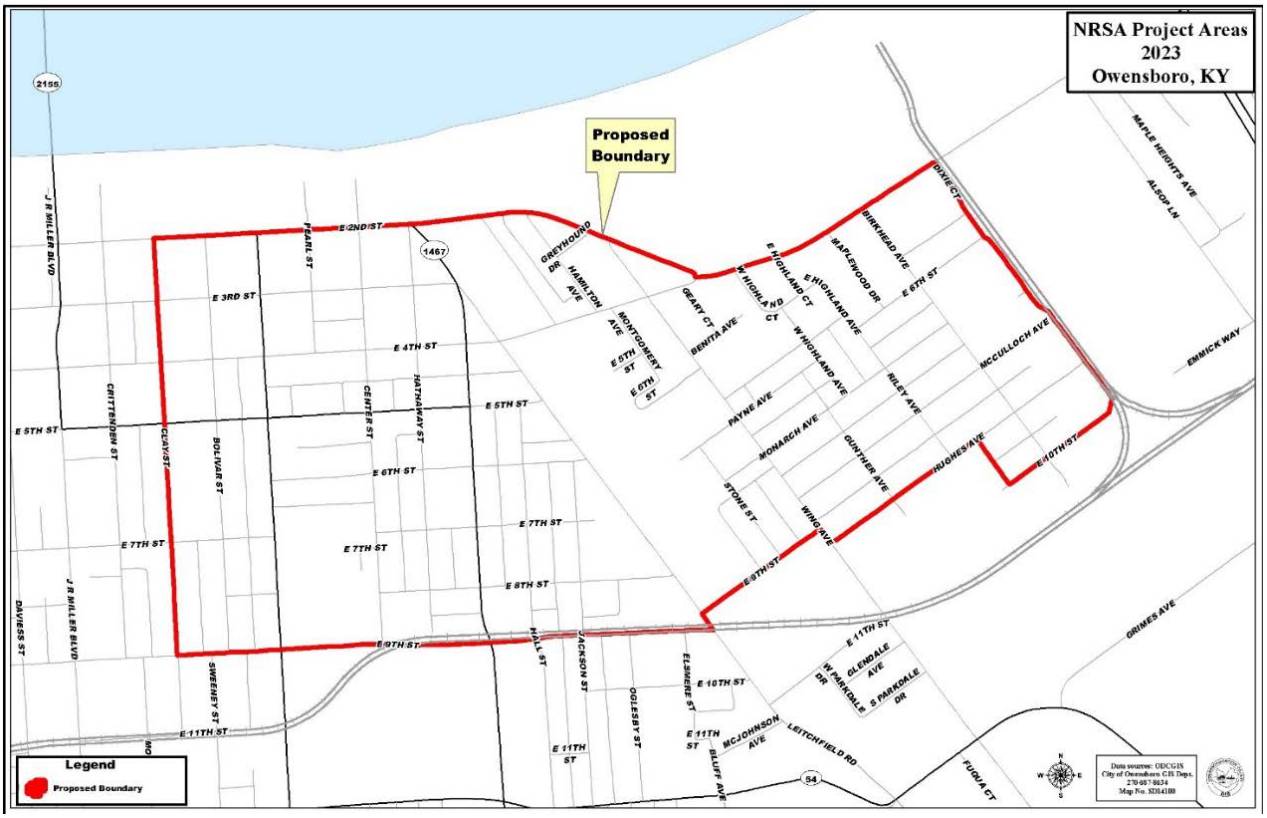
NRSA Public Service Cap Exemption
Public services carried out pursuant to the strategy by a CBDO will be exempt from the public service

cap. Strategy will be implemented in accordance with Civil Rights related requirements (24 CFR part 91) as addressed by the Consolidated Plan.

NRSA Boundaries

The Monarch NRSA is generally delineated by Clay Street to the west, Ninth Street to the south, Second Street to the north, and Dixie Court to the east. The Monarch NRSA encompasses approximately 998 parcels of property and is primarily residential (70%), but it also includes commercial, industrial and other public use properties (30%). The Monarch NRSA includes six defined residential neighborhoods.

Map #1 Monarch NRSA Neighborhood Revitalization Strategy Area Boundary 2025



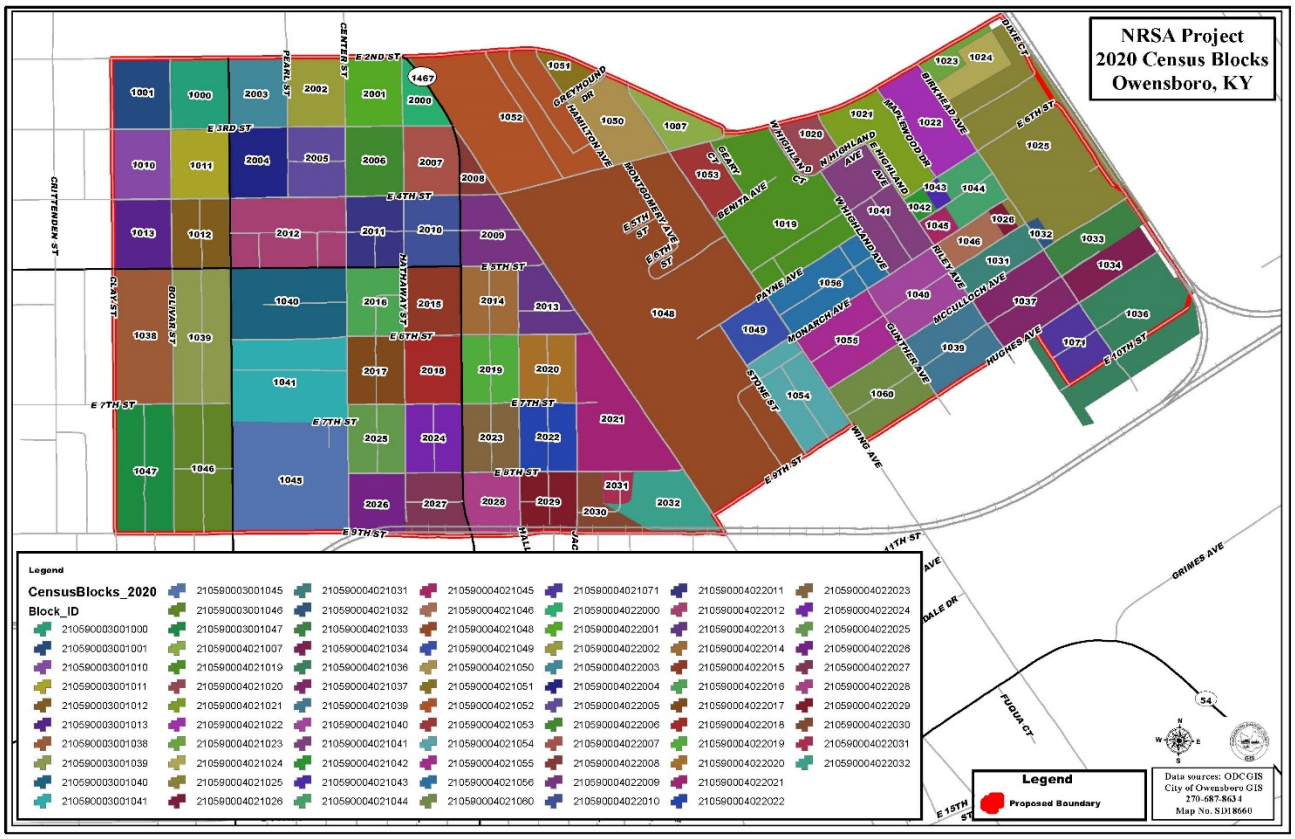
The Monarch NRSA is located within portions of Census Tract #300 - Block Group #1, Census Tract #400 - Block Group #1, and Census Tract #400 - Block Group #2, which consist of an average of 60.34% low-to moderate-income persons (see Table #1) (see Map #2). The data in Table #1 represents information for the entire block group and only portions of the block group are located within the Monarch NRSA boundary. According to the 2020 Census information, the total estimated population of the NRSA is 2,071.

Table #1: Monarch NRSA 2020 ACS HUD Census Information Low-to Moderate-Income Block Group Data

Block Group	Census Tract	Low/Mod Persons	Low/Mod Universe	Low/Mod %
1	300	680	890	76.40%
1	400	165	560	29.46%
2	400	1195	1590	75.16%
Totals		**2040**	**3040**	**60.34%**

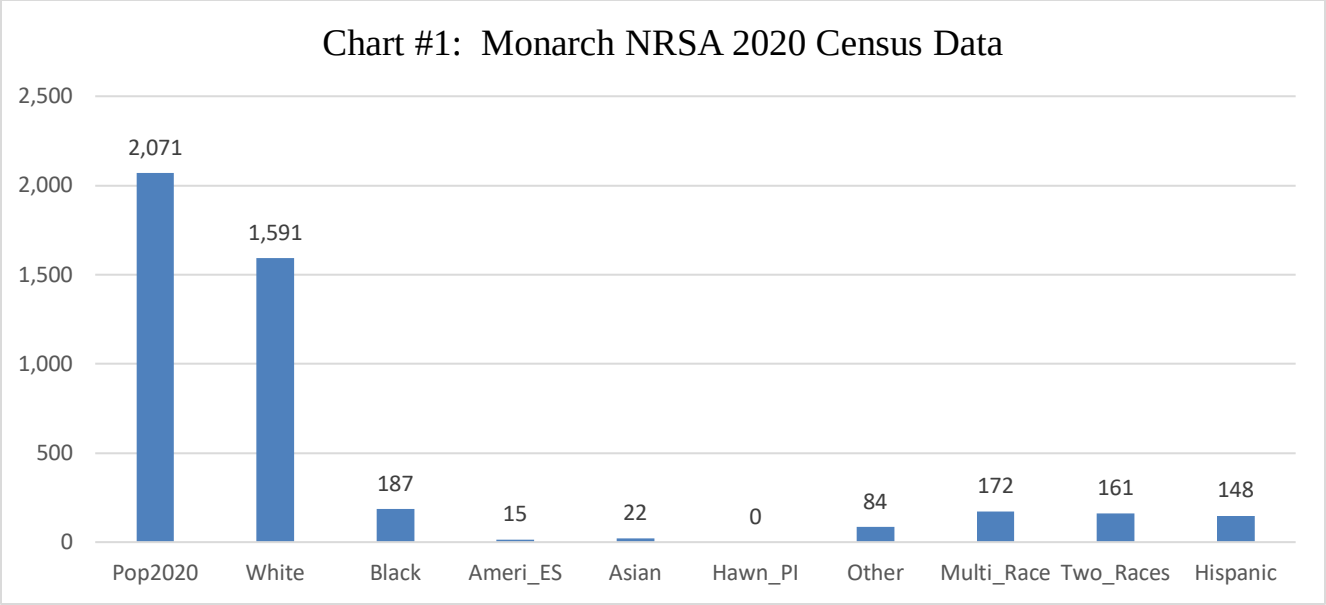
Source: ACS 2020 – HUD LMI Mapping

Map #2 Monarch NRSA Neighborhood Revitalization Strategy Area Census Blocks



Source: 2020 Census

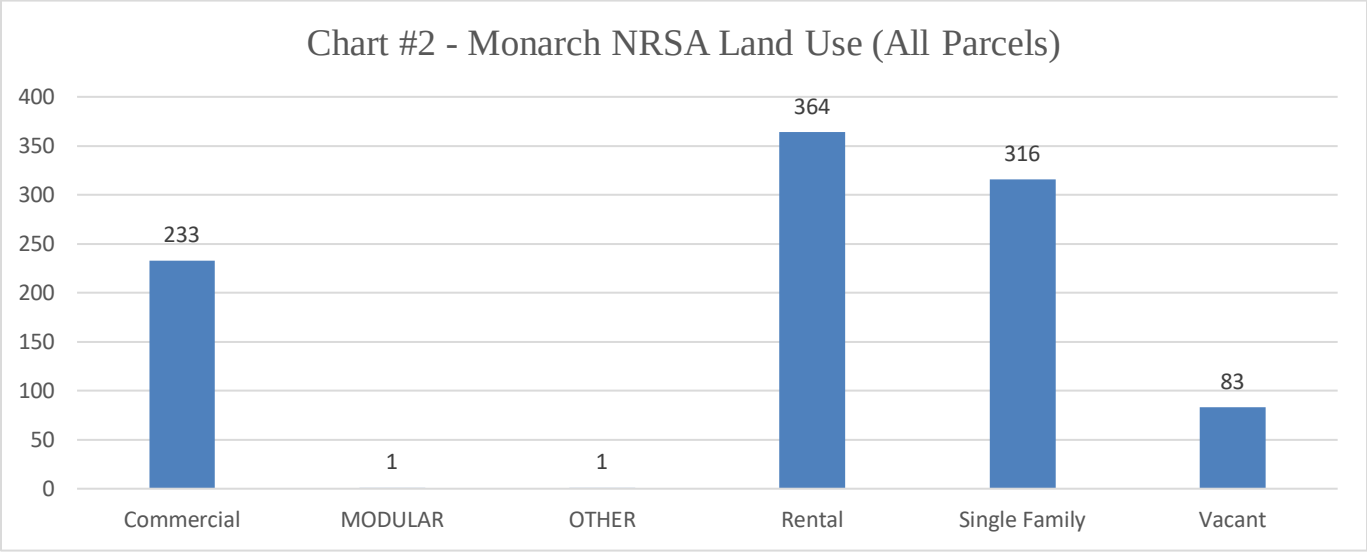
In reviewing the Census Tracts associated with the Monarch NRSA boundary, it is estimated that 77% of the total population are white and the minority population is estimated to represent 13% of the people that live in the area (see Chart #1) (see Map #2). Of the 13% minority population, 9% is African American, 1% is Asian and 3% are two or more races.



Source: 2020 Census

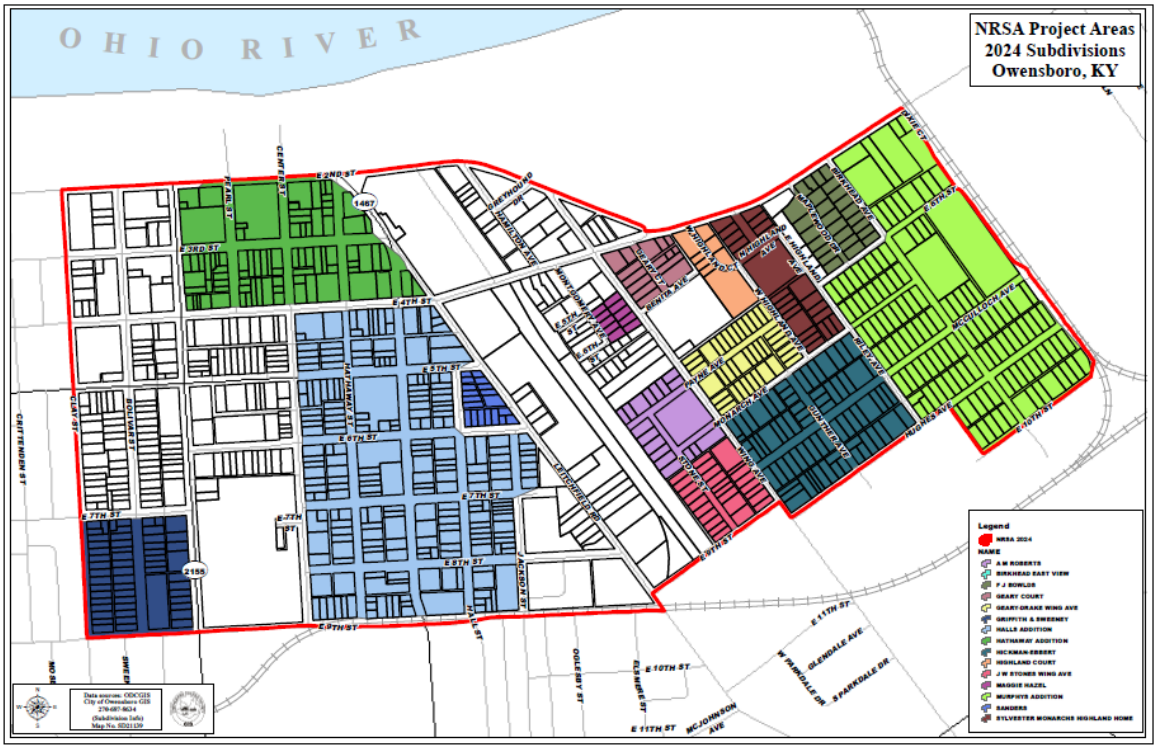
Existing Land Use

Of the 998 parcels in the Monarch NRSA, 32% are single-family, 23% are commercial, 8% is vacant land, 1% is modular and 36% is rental (see Chart #2 and Map #3). All combined residential uses make up more than 82% of total uses. The commercial and industrial corridor is mainly located on Second and Fourth Streets. The majority of the commercial is retail (See Chart #3). The Monarch NRSA also includes twenty-five (25) defined residential neighborhoods (see Map #3):



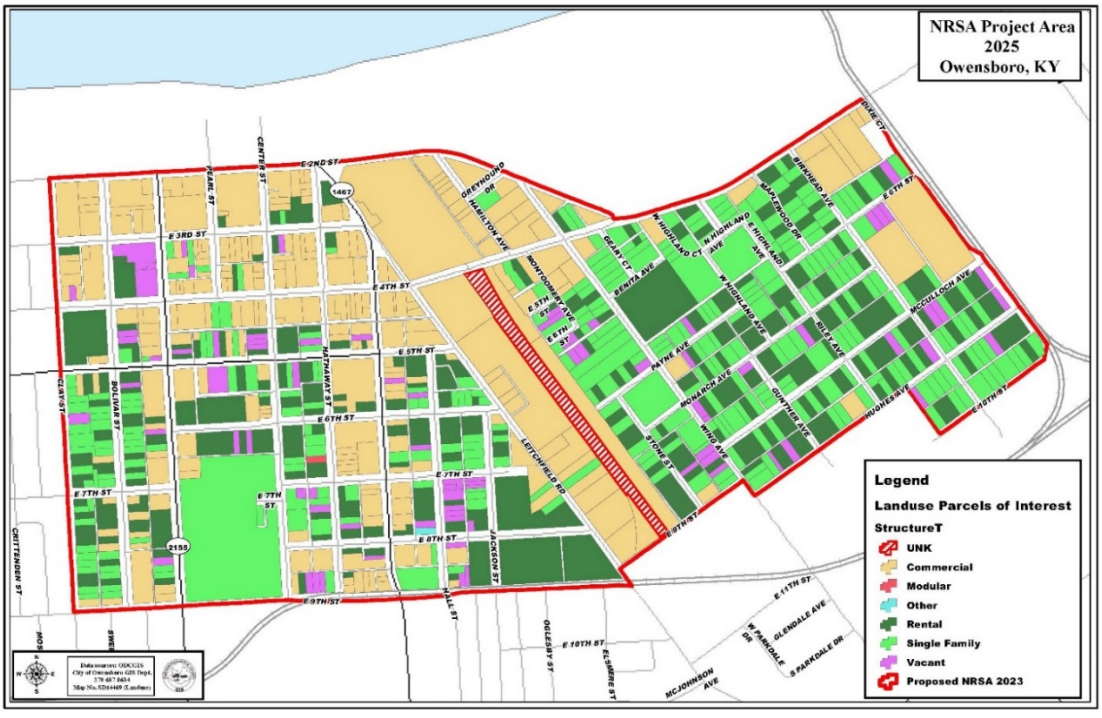
Source: Daviess County, Kentucky Property Valuation Office 2024

Map #3: Monarch NRSA Neighborhood Subdivisions 2024

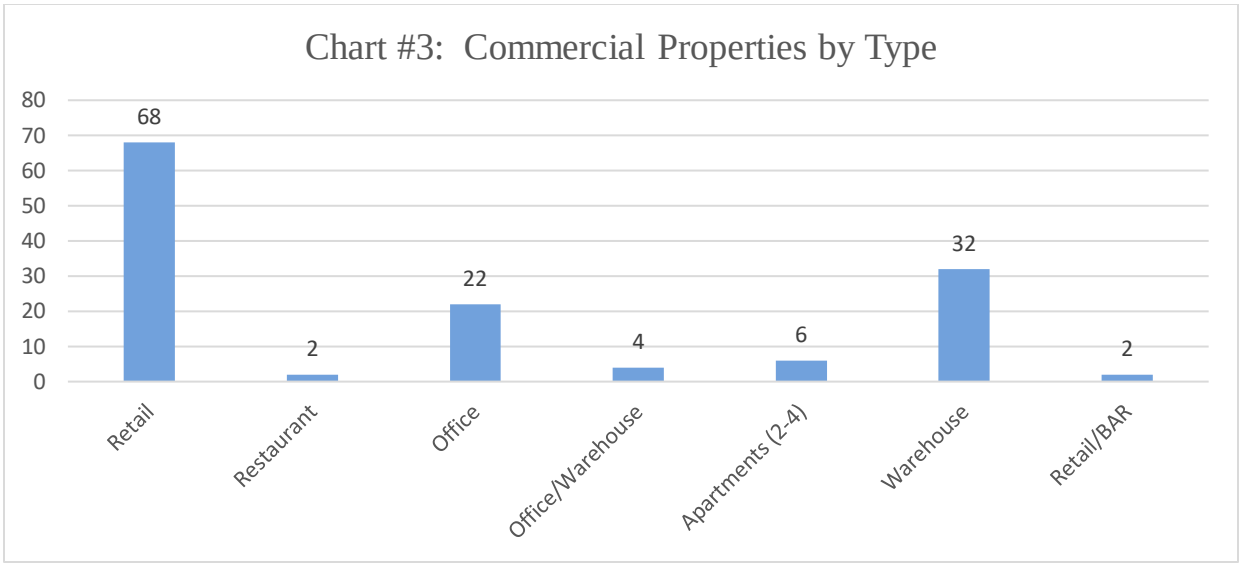


Source: Daviess County, Kentucky Property Valuation Office 2024

Map #4: Monarch NRSA Existing Land Uses

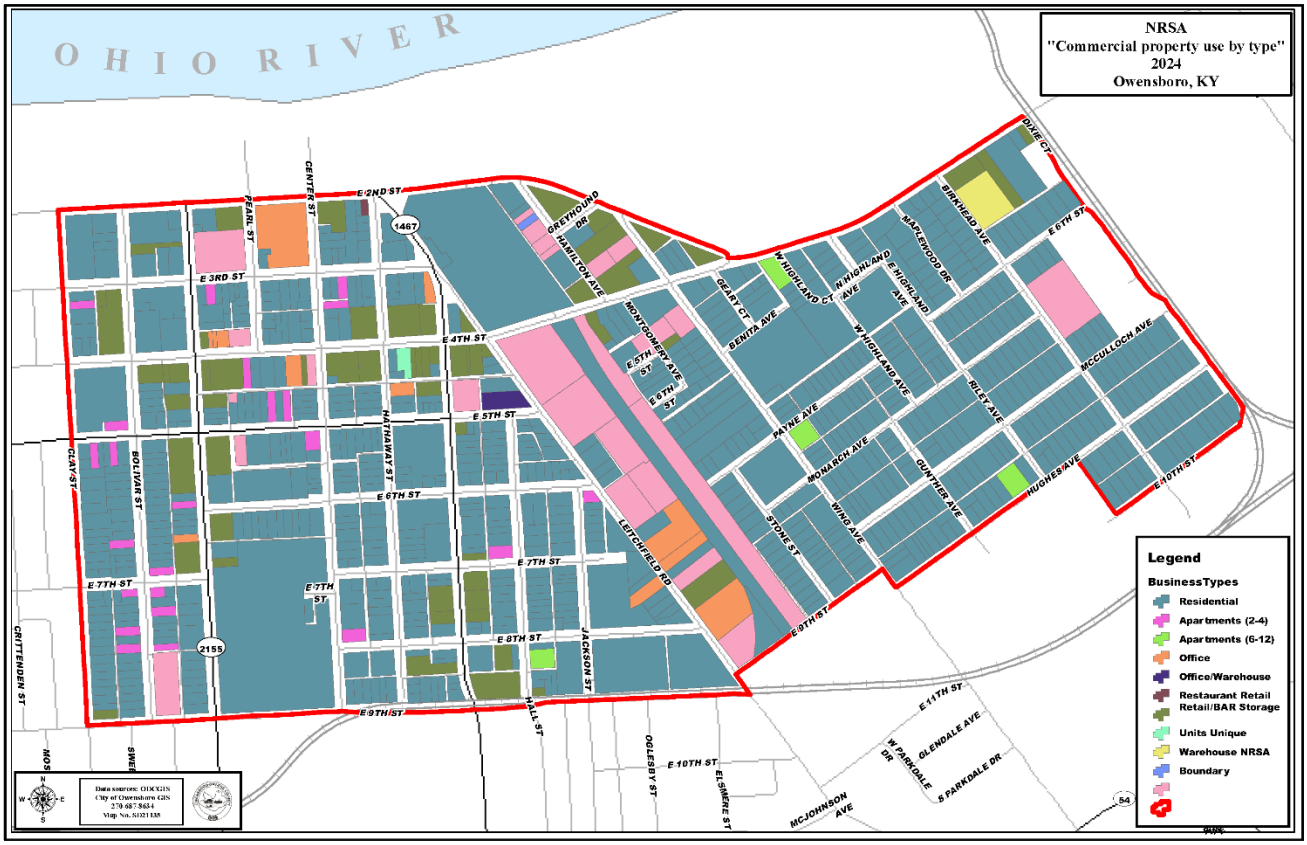


Source: Daviess County, Kentucky Property Valuation Office 2024



Source: Daviess County, Kentucky Property Valuation Office 2024

Map #5: Commercial Property by Use – PVA 2024 Data



Source: Daviess County, Kentucky Property Valuation Office 2024

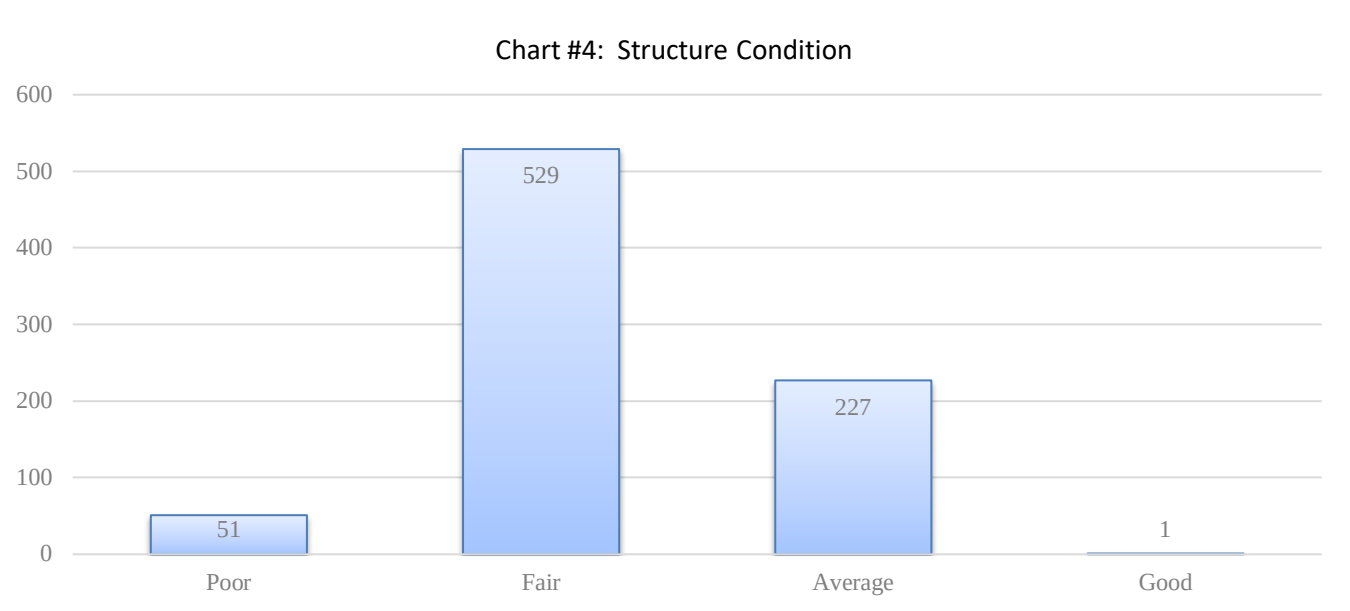
Condition and Age of Structures

Currently, the condition of all structures within the Monarch NRSA is as follows:

- 529 parcels (65%) are in fair condition.
- 227 parcels (28%) are in average condition.
- 51 parcels (6%) are in poor condition (refer to Chart #4).

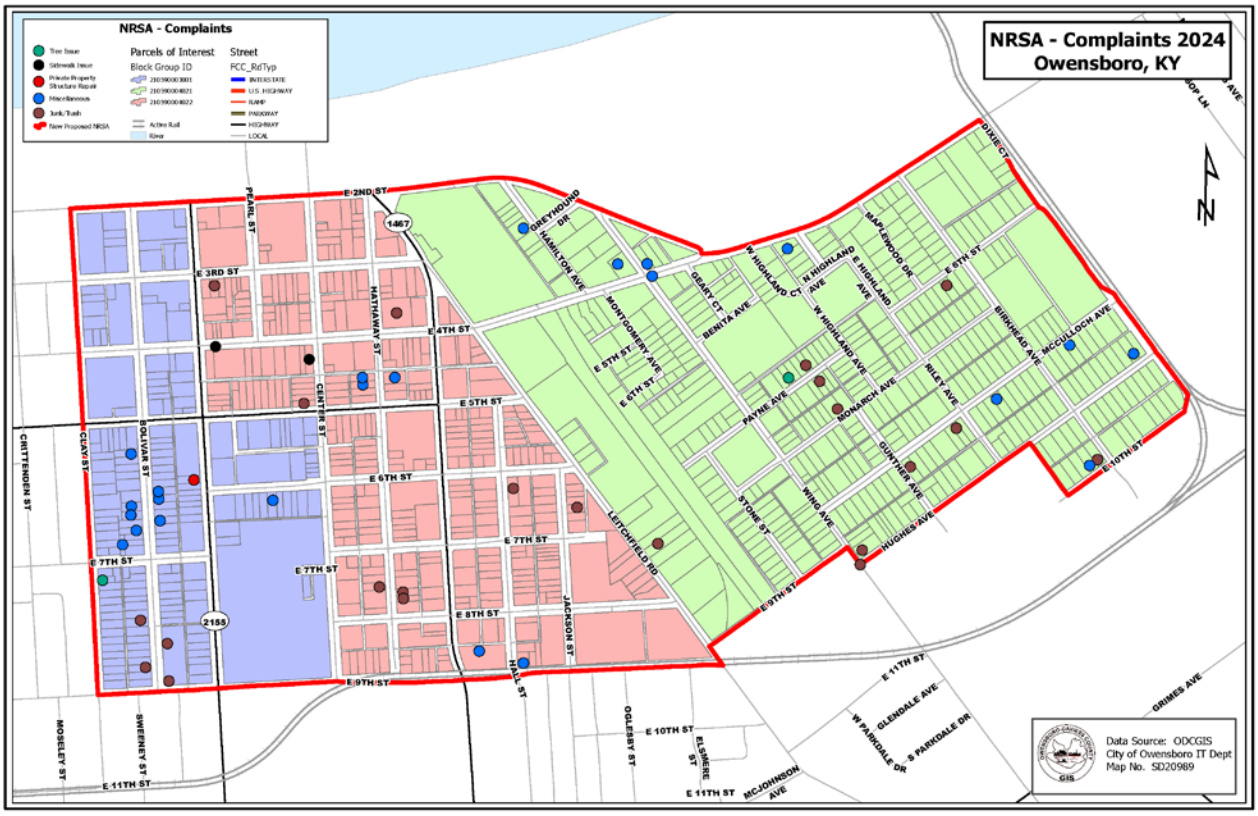
The fact that a majority, 72% of the parcels, require some form of rehabilitation is a strong indicator of the overall structural instability in the area. This highlights the urgent need for substantial investment to improve the quality and safety of these structures, which is crucial for fostering a stable and thriving community.

One hundred sixty-seven properties within the area were identified to have property maintenance issues within the past three years (see Chart #5, Map #6). There were 41 major structural violations, 74 junk and trash violations and 48 tall grass violations found within the area. There is a strong need for attention to property upkeep, as well as structural rehabilitation and/or demolition.

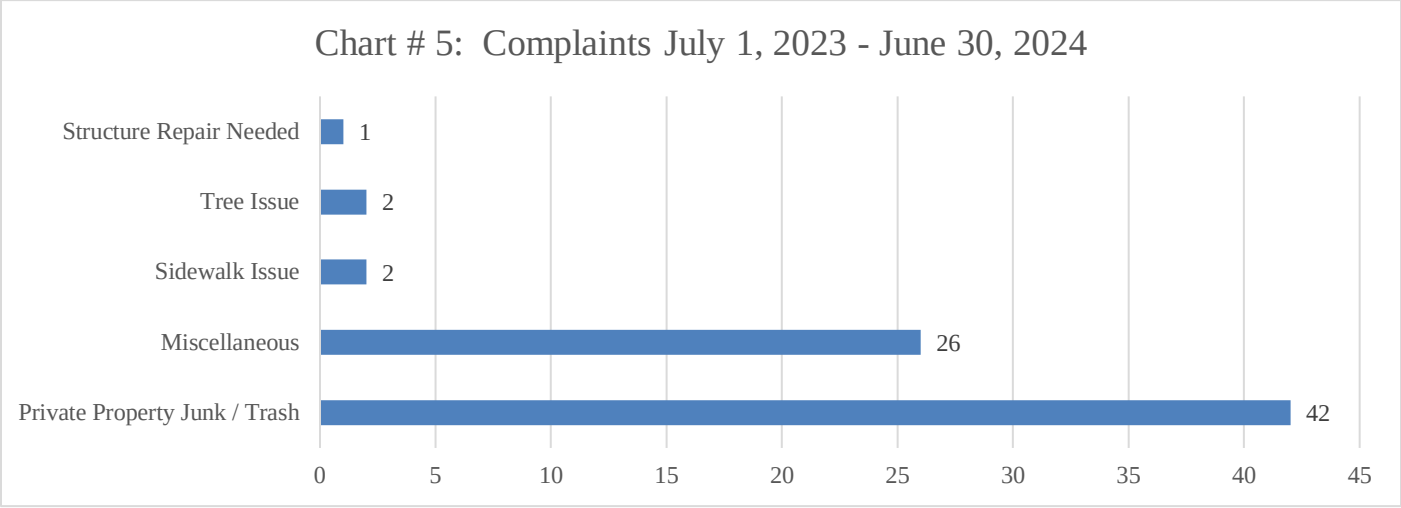


Source: Daviess County, Kentucky Property Valuation Office 2024

Map #6: Monarch NRSA Property Maintenance Issues

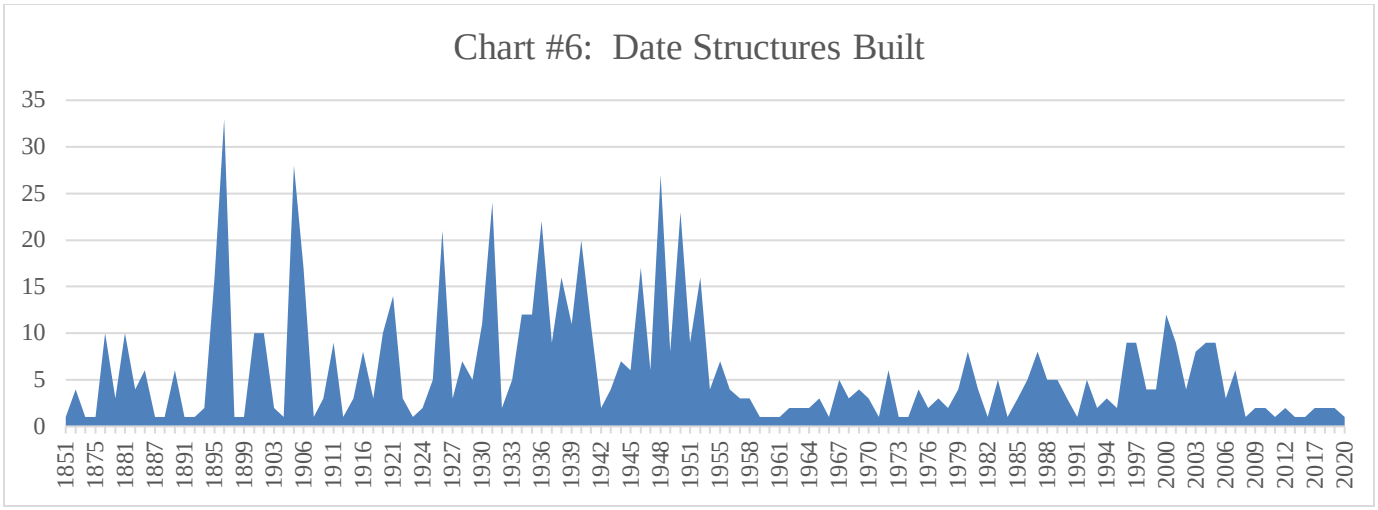


Source: Daviess County, Kentucky Property Valuation Office 2024



Source: City of Owensboro Property Maintenance Department

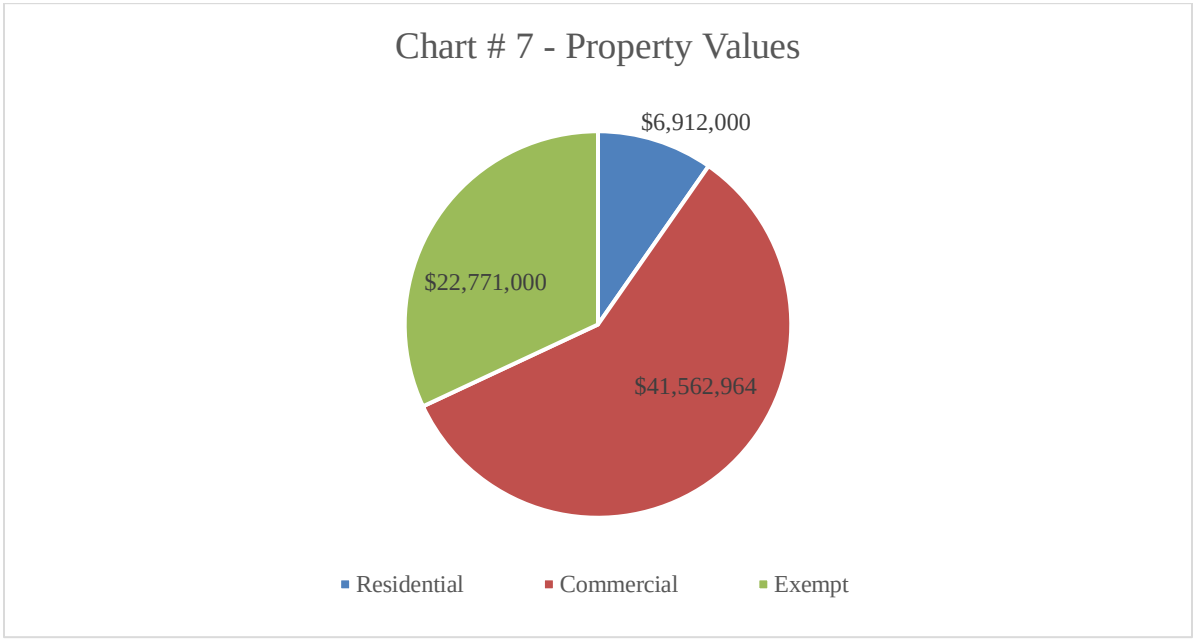
The original construction dates of existing residential structures range from 1851 to 2019 (see Chart #6). The majority of all commercial buildings were constructed from 1940 to 1970. The oldest commercial building was constructed in 1890 and the newest was constructed in 2016. There are a few industrial buildings that are included within the commercial numbers.



Source: Daviess County, Kentucky Property Valuation Office 2024

Property Values – All Uses

The current total assessed value for property within the boundary of the Monarch NRSA is $71,245,964 (see Chart #7). The valuation of existing nontaxable properties total $22,771,000 (32%). The valuation of residential properties is $6,912,000 (10%), and the valuation of commercial properties is $41,562,964 (58%).



Based on the summarized information above, the economic conditions of the Monarch NRSA are as follows:

1. Aging Infrastructure: The existing infrastructure in these neighborhoods is outdated and in disrepair, requiring significant investment to meet modern standards and support new development.
2. Blight and Vacant Properties: The presence of blighted and vacant properties not only detracts from the area's aesthetic appeal but also discourages potential investors and homebuyers.
3. Limited Access to Capital: Residents and local businesses may face difficulties in accessing capital for home purchases, renovations, or business expansions, stifling economic growth.
4. Crime and Safety Concerns: Higher crime rates and safety concerns can deter new residents and businesses from moving into the area, impacting overall economic vitality.
5. Insufficient Public Services: Inadequate public services, such as sanitation, street lighting, and public transportation, can negatively affect the quality of life and attractiveness of the area for both residents and businesses.
6. Lack of Affordable Housing: A shortage of affordable housing options can lead to displacement of existing residents and deter new residents from moving in, limiting the area's economic potential.
7. Community Disengagement: Low levels of community engagement and participation can lead to a lack of support for redevelopment efforts and hinder the successful implementation of economic development initiatives.
8. Low Median Income**:** Residents of the Monarch NRSA have a lower median income compared to the citywide average, reflecting economic disparities and the need for income-generating opportunities.

Several economic development opportunities have been identified within the area:

2. Residential Redevelopment: Investing in the renovation and construction of affordable and quality housing can attract new residents, reduce blight, and increase property values.
2. Small Business Support: Providing grants and technical assistance to small businesses can stimulate entrepreneurship, create jobs, and enhance local economic activity.
3. Mixed-Use Development: Encouraging mixed-use projects that combine residential and retail spaces can create vibrant, walkable neighborhoods and attract diverse businesses.
4. Infrastructure Improvements: Upgrading roads, sidewalks, public transportation, and utilities can improve connectivity and accessibility, making the area more attractive for residents and businesses.
5. Public-Private Partnerships: Leveraging public-private partnerships can facilitate large-scale redevelopment projects, share risks, and pool resources for greater impact.

NRSA Consultation

Numerous meetings were held with all stakeholders involved over several months. These stakeholders included the following:

1. Citizens
2. Business owners and interest
3. Financial institutions
4. Non-profit organizations
5. Neighborhood Advisory BoardRepresentatives

In conjunction with the Consolidated Plan process, consultations with stakeholders interested in inner city redevelopment have been held. The area includes four older residential neighborhoods that are at risk of blight and in need of quality investment. The Economic Empowerment of the Strategy Area rests in the parallel revitalization of older residential neighborhoods and the commercial areas. Promoting home ownership and business investment within this area will stimulate economic development and secure a stable quality of life for residents. Several public hearings are being held to give residents the opportunity to comment on the proposed Monarch NRSA Redevelopment Strategy Plan.

NRSA Assessment

The economic conditions of the Monarch NRSA are as follows:

1. Deterioration exists in the area and development activities are almost non-existent.
2. The area has a tremendous amount of potential economic improvement that could have major impacts on other adjacent residential and business areas.

The following economic development opportunities have been identified within the area:

1. The renovation and construction of single-family homes will bolster and stabilize the neighborhood as a strong community, thus spurring future expenditures in the construction industry, and providing jobs for local workers.
2. The investment in commercial façade renovations will further stabilize the business areas and bring additional investment and job opportunities for low-to moderate income individuals.

Possible problems that have been identified that could deter economic development within the area are:

1. The continued conversion of single-family homes into rental investment property.
2. Stagnant commercial investment.
3. Problems associated with two hotels located within the area.
4. Incorrect perceptions related to crime in the area.

NRSA Economic Empowerment

The following development strategy will promote the area's economic progress and the creation of meaningful jobs for the unemployed and low-to moderate-income residents:

1. Focus resources in small areas to provide the maximum leverage and make greatest impact.
2. The stabilization of the older residential neighborhoods and associated commercial areas will strengthen the overall bankability of the downtown area, leading to new jobs and investment.
3. The renovation and construction of affordable housing will stimulate the local economy, provide new jobs and restore pride to older neighborhoods and the citizens that live there.

Table #12 shows the Benchmarks will be set for the Monarch NRSA to be completed by 2030:

Table #12 Monarch NRSA Performance Measurements 2025-2030

Table #12: Monarch NRSA Performance Measurements 2025-2030				
Measurable Item	# of Projects	Budgeted	City Match	Private Match
EXHO Rehab	53	$1,060,000	$0	$0
Downspout Removal	90	$85,500	$0	$0
Public Service	1	$500,000	$0	$0
Commercial	22	$550,000	$0	$137,500
CHDO	1	$260,000	$75,000	$110,000
DPA Program	30	$450,000	$0	$3,600,000
City Home Build	3	$690,000	$225,000	$330,000
Totals	200	$3,595,500	$300,000	$4,177,500

Other Documents by Reference

This Plan refers to specific portions on the 2025-2030 Consolidated Plan for the City of Owensboro, as well as the Analysis of Impediments for Fair Housing. The following are specific references covered by these two documents:

1. Certifications
2. Monitoring
3. Fair Housing

Consultation with KENTUCKY HUD CPD Field Office

The State Field Office was consulted, and assistance was received on the formulation of the Neighborhood Revitalization Strategy Area submission. It is the City of Owensboro's commitment to work with HUD in creating meaningful documents that further the quality of life for the low-to moderate-income residents of Owensboro.

Annual Action Plan Reference

The City of Owensboro is not formally committing itself to use federal funds for future years; it will show in each year's Annual Action Plan the specific activities it plans to assist with any of the HUD formula program funds covered in the Consolidated Plan for that year. Projects that will pursue the strategy to revitalize the Strategy Area will be clearly identified.

Annual Performance Reporting on Approved Neighborhood Revitalization Strategy Area

A year-end report of accomplishments within the Strategy Area will be prepared and sent to HUD for their review. The report will compare actions taken during the previous year and what progress has been made toward the benchmarks established.

END