

Study: Apartments to be Needed in City's Uptown Over 4-5 Years

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Martinsville Bulletin
July 22, 2010*

(Editor's note: This is the first part in two-part package on a recently released study of housing needs. The next part will focus on reaction to the study's projections.)

A new study projects a market for 262 to 296 more apartments in uptown Martinsville over the next four to five years.

The study, by the Danter Co. of Columbus, Ohio, was paid for largely by the Harvest Foundation, with some matching funds from the city of Martinsville.

Piedmont Community Services was the fiscal agent, said Jim Tobin, executive director of PCS. He hopes the study will be used as a tool to help with uptown redevelopment efforts and by private developers.

The study cites a market for a total of 150 to 184 multifamily apartments: 8 to 12 upscale, 20-24 moderate-upscale, 40-48 moderate and 82-100 affordable.

In addition to multifamily apartments, the study cites a market for 52 student rental units (a total of up to 132 beds) in a mix of one-, two- and four-bedroom units, which would be developed over two to three years, said Kenneth Danter, the chief executive officer of the Danter Co.

In the next few years after that, Danter foresees a market for apartments for up to nearly 370 more students.

Danter said his student market projections are based on the foreseeable needs of students at Patrick Henry Community College, National College and New College Institute, which have a combined enrollment of 4,500 students. If NCI becomes a four-year institution, the student apartment projections would change, he said.

"It is our opinion that housing for up to 132 students could be supported in a mix of (one-, two-) and four-bedroom units. The 132 student support is very conservative and represents market development starting from near zero. Within an established residential environment, we would anticipate eventual support for up to 500 student accommodations," the study states.

The study also identifies a market for 60 apartments for people with special needs (26 frail elderly and 34 people with other special needs).

Among the other findings or observations of the study are:

- There has been a lack of apartment, condominium and single-family development in the last 20 years, so "renters have few options for high-quality rental units and are limited by the older, less modern alternatives that are currently available."
Timing for new development in the uptown area is "right," the study says. "Cities of all sizes are experiencing a renaissance in downtown development, especially housing and entertainment ..."

Danter said he would like to see Martinsville's uptown become more of an entertainment center.

- Much of the potential development of uptown would be by adapting historic buildings for new uses.
- It is important to reduce the number of vacant uptown buildings, or at least the first floors of those buildings, to enhance uptown with a vibrant feel. "An incentive from (the) city may be necessary to encourage building owners to lease space to smaller tenants and maintain a positive appearance of vacant buildings," the study says.
- Adding services such as "restaurants, convenience shopping, small retail and a pharmacy would greatly enhance the perception of downtown as a residential area," the study says.
- Based on research of Martinsville and some comparable cities, the study found that 40 percent "of all renters and homeowners either desire or would consider living in a downtown area."

"Traffic and congestion, lack of night-life opportunities and adequate (parking) space represent the greatest drawbacks to urban living. Other negatives noted from our research were the presence of vacant buildings and vagrants. Many issues identified in our research are also due to perception of issues and not necessarily reality," the study says.

"Additional information, marketing and advertising of uptown attractions and commercial opportunities may make a dramatic difference in the way Martinsville residents would perceive the uptown neighborhood," the study says.

- Area attractions and events such as festivals would help draw people to uptown, the study said. Danter said some events and programs already offered uptown "have been extremely strong," adding that TheatreWorks' black box theater "is a real strong advantage."
- A total of 1,266 conventional apartment units in Henry County and Martinsville were surveyed for the study, with the vast majority of the apartments being in Martinsville. Of those, 708 units are in 26 "market-rate" (unsubsidized) developments. The remaining 558 units are in eight subsidized developments.

Of the 708 unsubsidized rental units, six are studio apartments, 136 are one-bedroom, 539 are two-bedroom and 27 three-bedroom. The vacancy rate for the studio apartments was 0 percent; one-bedroom apartments, 4.4 percent; two-bedroom apartments, 5.2 percent; and three-bedroom apartments, 0 percent, the study says.

The study also found a lack of amenities among many of the existing apartment complexes. "The standard amenities featured in at least 60 percent of the apartments in Henry County and Martinsville ... include a refrigerator, range, carpeting, air conditioning and window coverings," the study states. "While washer and dryer and/or hookups are relatively uncommon, so too are laundry rooms. Common amenities seldom offered in Martinsville are dishwashers (only 34.6 percent) and disposals (38.5 percent), typical of older properties."

The study also finds a four-to five-year market exists for 28 to 36 condominium units within the uptown area: four to six upscale condos (\$200,000-plus sales price), eight to 10 moderate condos (\$150,000-\$200,000) and 16-20 affordable condos (\$120,000-\$150,000).

"All-in-all, we anticipate a relatively strong (apartment) rental opportunity over the coming five years while the condominium market potential is not likely to be achieved without a change in current economic conditions," the study says.