



DOWNTOWN WICHITA

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November 16, 2021

FOR IMMEDIATE RELEASE

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Economic analysts provide updated market data for downtown Wichita

Market forecasts indicate strong opportunities for growth

A core function of the Downtown Wichita organization is to provide the public and private sectors with market-based data that allows the community to make strategic investment decisions based on research. The organization first contracted with economic firms to develop market projections for Project Downtown: The Master Plan for Wichita, adopted in 2010.

The market-based economic analysis and forecasts have been updated regularly over the past decade, and the information provided has helped drive investment that has led to a more vibrant urban center for Wichita.

Downtown Wichita recently contracted with three firms to conduct analyses for market-based projections to determine how the COVID-19 pandemic affected the overall downtown market as well as the Riverfront Legacy Master planning area. The results of the three forecasts indicate strong opportunities for growth over the next seven to ten years.

Economic firms include Zimmerman/Volk Associates for residential, W-ZHA for office and RCLCO for residential, office, retail and hotel, including a forecast focused on the Riverfront Legacy Master planning area.

One consistent theme from the analysts is that vibrant downtowns have become even more important for talent recruitment and retention.

“Talent was already becoming a story before, but if there’s anything the pandemic showed us, is that need for vibrant downtowns is even more acute. You must have mixed-use, walkable downtowns to attract the highly sought after 25 to 34-year-old workforce. It’s the way cities compete and attract talent in today’s labor environment,” said Sarah Woodworth, W-ZHA

Forecast General Summary

(for both downtown Wichita district and Riverfront Legacy Master Plan planning area)

- Residential – Continued strong opportunity in downtown overall and Riverfront Legacy Master planning area
- Office – Moderate/strong opportunity in downtown overall and Riverfront Legacy Master planning area
- Retail – Continued moderate opportunity in Riverfront Legacy Master planning area
- Hotel – Continued moderate opportunity in downtown overall and Riverfront Legacy Master planning area

View the full reports and executive summaries at downtownwichita.org/toolkit.

“There’s been a dramatic increase in the size of the potential residential market with almost double the demand from three years ago, which is stunning,” said Laurie Volk, Zimmerman/Volk Associates.

The firms each use different processes/methodology. Downtown Wichita contracted with these analysts to ensure robust



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market information as well as the ability to compare to previous forecasts. Though the firms use different processes, the forecast projections landed in the same general ranges with minimal differences based on definitions.

The reports will be used to inform potential projects. In addition, the reports will be used to conduct an updated financial analysis for the Riverfront Legacy Master planning process when it resumes.

Please find additional resources and summaries of the report findings as well as direct quotes from the analysts included in this press packet. The full reports can be found at downtownwichita.org/toolkit.

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About Downtown Wichita

Downtown Wichita is a private 501(c)(3) non-profit corporation that amplifies the energy, capital, and growth of downtown by empowering residents, visitors, and businesses to explore the possibilities of our city's core. Downtown Wichita is an affiliate of the Greater Wichita Partnership. Learn more at downtownwichita.org.

Downtown Wichita District – Market Forecast Summary

(Based on original Project Downtown geographic boundaries)

Overall Summary

Based on market-data analysis, the firms provided ranges for the capacity that downtown Wichita overall has for the next seven to ten years for residential units and office space.

Residential

Residential has increased in the forecast for downtown Wichita.

“Residential has been a very strong market demonstrated by the leasing pace and absorption rate of high-quality new apartments.” Erin Talkington, RCLCO

Zimmerman/Volk _____ RCLCO _____

3,101 – 3,724 (over 7 years)
(443 – 532 units/year total all housing)

3,100 (over 10 years)

Office

Office space has become more important in talent recruitment/retention. Office space future patterns are changing somewhat, but less so for Wichita-sized markets.

“Recruiting talent is the issue. Wichita brokers were saying that HR directors are going on tours and that the benefits of high-quality office to recruit and retain talent is more important than downsizing the office.” Sarah Woodworth, W-ZHA

“While the pandemic changed trends, Wichita is pretty immune with short commute times and little public transit

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use.” Sarah Woodworth, W-ZHA

“The market continues to build on the fundamentals we observed two years ago with COVID a temporary interruption in the momentum of retail and office.” Erin Talkington, RCLCO

<u>W-ZHA</u>	<u>RCLCO</u>
515,000 – 601,000 sq. ft.	572,000 – 665,000 net new (806,000 – 900,000 gross)

Hotel

Analysis projects downtown Wichita could support an additional 235 keys.

“Demand is more moderate than in 2019 because two new hotels have delivered since the last study that have satisfied some of that demand in both downtown overall and the study site area.” Erin Talkington, RCLCO

RCLCO

235 keys

Additional hotels referenced: Home2Suites (completed) and Broadway Plaza AC Marriott Hotel (underway)

Downtown Wichita area: General area South of Murdock Street, West of Washington Street, North of U.S. 54/Kellogg and East of Sycamore Street (Residential includes Government Center, Renaissance Square, Old Town, Arena Neighborhood, WaterWalk, Century II, and the West Bank and includes portions of several others—Historic Midtown, McAdams, Central Northeast, the Douglas Design District, South Central, and Delano)

Riverfront Legacy Master Planning Area – Market Forecast Summary

Summary

Based on market data analysis, the firms provided the following ranges as the capacity that the riverfront planning area would have for the next seven to ten years for residential units, office space, retail, and hotel rooms (keys).

Forecast data included from when the Riverfront Legacy Master Plan process began in 2019 and the recent market forecast updated in 2021 to compare how the COVID-10 pandemic impacted market potential. The forecast demonstrates continued strong to moderate market opportunity.

	<u>RCLCO 2021</u>	<u>RCLCO 2019</u>
Residential	775 units (through 2032)	800 units
	<u>RCLCO 2021</u>	<u>RCLCO 2019</u> <u>W-ZHA - 2021</u>
Office	280,000 sq. ft. gross	335,000 sq. ft. gross 137,000 – 190,000 net
	<u>RCLCO 2021</u>	<u>RCLCO 2019</u>
Retail	100,000 sq. ft.	117,000 sq. ft.
	<u>RCLCO 2021</u>	<u>RCLCO 2019</u>

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Hotel

130 Keys

240 Keys

Riverfront Legacy Master planning area: South of Douglas Avenue, West of Main Street, North of U.S. 54/Kellogg and East of the Arkansas River (Residential does not include any units outside the 55-acre study site such as Riverfront Village)

Stay informed with real time data

We know your decisions require real-time data. That's why we've created a digital [Development Toolkit](#) where accurate, up-to-date information and resources are available. The toolkit documents the exciting transformation occurring in Wichita's urban center. [View and download the reports.](#)

