A PATHWAY FOR URBAN CENTER REVITALIZATION:
Community Development, Health and Housing

HUDSON VALLEY PATTERN for PROGRESS
Partnerships + Collaborations + Policy = Equitable and Comprehensive Community Development
## OUT OF REACH

<table>
<thead>
<tr>
<th>County</th>
<th>2 BR FMR FY 2018</th>
<th>Hourly Wage to Afford 2 BR</th>
<th>Annual Wage to Afford 2 BR FMR</th>
<th>Mean Renter Wage Rate</th>
<th># hours/week Renter Wage Rate to Afford 2 BR FMR</th>
<th>Monthly Rent Affordable at Renter Wage Rate</th>
<th>Gap in Monthly Rent</th>
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<tbody>
<tr>
<td>Columbia</td>
<td>$951</td>
<td>$18.29</td>
<td>$38,040</td>
<td>$10.33</td>
<td>71</td>
<td>$537</td>
<td>-$414</td>
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<tr>
<td>Duchess</td>
<td>$1,321</td>
<td>$25.40</td>
<td>$52,840</td>
<td>$13.41</td>
<td>76</td>
<td>$698</td>
<td>-$623</td>
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<tr>
<td>Greene</td>
<td>$918</td>
<td>$17.65</td>
<td>$36,720</td>
<td>$8.80</td>
<td>80</td>
<td>$458</td>
<td>-$460</td>
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<tr>
<td>Orange</td>
<td>$1,321</td>
<td>$25.40</td>
<td>$52,840</td>
<td>$10.53</td>
<td>97</td>
<td>$548</td>
<td>-$773</td>
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<tr>
<td>Putnam</td>
<td>$1,789</td>
<td>$34.40</td>
<td>$71,560</td>
<td>$11.19</td>
<td>123</td>
<td>$582</td>
<td>-$1,207</td>
</tr>
<tr>
<td>Rockland</td>
<td>$1,789</td>
<td>$34.40</td>
<td>$71,560</td>
<td>$11.13</td>
<td>124</td>
<td>$579</td>
<td>-$1,210</td>
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<tr>
<td>Sullivan</td>
<td>$948</td>
<td>$18.23</td>
<td>$37,920</td>
<td>$10.45</td>
<td>70</td>
<td>$543</td>
<td>-$405</td>
</tr>
<tr>
<td>Ulster</td>
<td>$1,155</td>
<td>$22.21</td>
<td>$46,200</td>
<td>$9.64</td>
<td>92</td>
<td>$501</td>
<td>-$654</td>
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<td>Westchester</td>
<td>$1,687</td>
<td>$32.44</td>
<td>$67,480</td>
<td>$18.38</td>
<td>71</td>
<td>$956</td>
<td>-$731</td>
</tr>
</tbody>
</table>

Source: National Low Income Housing Coalition
Housing and Economic Development

Housing Supports Economic Development

- Stable and reliable workforce
- Reduces employee turnover
- Lowers costs in training new employees

Housing is Economic Development

- Creates short and long term jobs
- Local building suppliers and construction firms benefit
- Increases economic value and creates a healthy community
  - Reduces vacant and underutilized parcels
  - New life for abandoned and blighted properties
  - Stabilizes marginal neighborhoods
Housing Development Pressure

Residential Housing Market for Homeownership

- Rising Home Prices + Low Inventory = Seller Market
- Low interest rates and more flexible underwriting

Rental Housing

- Rising rents in Westchester and NYC
- Luxury rental housing boom
- Conversions of affordable rentals to market rate

Exercise caution in this Market. We have seen it before... not that long ago.
Asset Limited, Income Constrained, Employed

Who is Alice?

- Your child care worker
- Your parent on Social Security
- The cashier at your supermarket
- The gas attendant
- A salesperson at a big box store
- Your waitress
- A home health aide
- An office clerk

ALICE cannot always pay the bills, has little or nothing in savings, and is forced to make tough choices such as deciding between quality child care or paying the rent. One unexpected car repair or medical bill can push these financially strapped families over the edge.
### Asset Limited, Income Constrained, Employed

<table>
<thead>
<tr>
<th>County</th>
<th>Median Household Income (2016)</th>
<th>% of ALICE Households</th>
<th># of ALICE Households</th>
<th>% of Poverty Households</th>
<th># of Poverty Households</th>
<th>Total % of Households Struggling to Meet Basic Needs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Columbia</td>
<td>$59,916</td>
<td>28.5%</td>
<td>7,220</td>
<td>10.8%</td>
<td>2,735</td>
<td>39.3%</td>
</tr>
<tr>
<td>Dutchess</td>
<td>$74,115</td>
<td>27.5%</td>
<td>29,702</td>
<td>9.0%</td>
<td>9,699</td>
<td>36.5%</td>
</tr>
<tr>
<td>Greene</td>
<td>$51,013</td>
<td>36.5%</td>
<td>6,249</td>
<td>12.0%</td>
<td>2,048</td>
<td>48.5%</td>
</tr>
<tr>
<td>Orange</td>
<td>$73,025</td>
<td>35.6%</td>
<td>44,334</td>
<td>10.7%</td>
<td>13,368</td>
<td>46.3%</td>
</tr>
<tr>
<td>Putnam</td>
<td>$96,992</td>
<td>27.6%</td>
<td>9,583</td>
<td>4.6%</td>
<td>1,600</td>
<td>32.2%</td>
</tr>
<tr>
<td>Rockland</td>
<td>$85,515</td>
<td>37.4%</td>
<td>37,088</td>
<td>11.0%</td>
<td>10,888</td>
<td>48.4%</td>
</tr>
<tr>
<td>Sullivan</td>
<td>$50,652</td>
<td>32.5%</td>
<td>8,123</td>
<td>17.7%</td>
<td>4,432</td>
<td>50.2%</td>
</tr>
<tr>
<td>Ulster</td>
<td>$62,790</td>
<td>29.8%</td>
<td>20,352</td>
<td>11.2%</td>
<td>7,644</td>
<td>41.0%</td>
</tr>
<tr>
<td>Westchester</td>
<td>$89,709</td>
<td>29.0%</td>
<td>99,254</td>
<td>10.6%</td>
<td>36,130</td>
<td>39.6%</td>
</tr>
</tbody>
</table>

Average % ALICE Households outside of NYC = 29%
Average % of Households in Poverty outside of NYC = 13%
A SAMPLE HOUSING PROFILE
Population & Demographics

Since 2000, Poughkeepsie has experienced limited population growth, increasing from 29,871 in 2000 to 30,511 in 2016, just a 2.1% increase over 16 years. The number of households in the city has increased 4.6% over that period.

There have been significant shifts in the racial and ethnic makeup of Poughkeepsie since 2000. The White population in the city has decreased by 3,408 people since 2000, falling from 49% to 37% of the total. In contrast, the Hispanic population grew significantly, adding 2,981 people since 2000 and rising from 11% to 20% of the total. The Black population also increased slightly, from 35% to 37%.

Among Poughkeepsie residents born outside the United States, the largest immigrant population is from Central America. There is also a sizable Mexican and Jamaican population in Poughkeepsie.

Data Notes
- Population by Race & Ethnicity: The “Other” category includes Native Americans, Pacific Islanders, those who checked “Other” on the Census, and individuals with two or more races.
- Share of Population by Age and Sex:

- 24% Population under age 20
- 61% Population ages 20-64
- 15% Population 65 and older
- 38 Median Age

Source: 2010 American Community Survey, 2000 Decennial Census
city of Poughkeepsie
Housing Characteristics

Analysis
The housing stock in Poughkeepsie is relatively old and is majority (68%) multifamily housing. 70% of units were built before 1970 and 39% was built before 1930. Most of the households (57%) in the city are rented. This is in contrast to Dutchess County where only 29% of households are rented and 64% are owner occupied. Over 20% of rental units are public housing or subsidized affordable housing.

Data Notes
Housing Statistics – Figures on public and subsidized housing come from local, state, and federal housing databases. Detailed data on these categories is on page 11 of this profile.
Housing Occupancy – Vacant units do not include seasonally occupied units but do include both vacant homes and unrented apartments.

Housing Statistics
- 32% Single Family Housing
- 4% Public Housing
- 68% Multifamily Housing
- 18% Other subsidized affordable housing
- 70% Housing built before 1970
- 77% Market-rate housing

Age of Housing Stock
- Built 2010 or Later: 5%
- Built 2000 to 2009: 5%
- Built 1990 to 1999: 7%
- Built 1980 to 1989: 12%
- Built 1970 to 1979: 15%
- Built 1960 to 1969: 15%
- Built 1950 to 1959: 12%
- Built 1940 to 1949: 12%
- Built 1930 to 1939: 11%
- Built 1929 or Earlier: 30%

Units in Structure
- 10 to 19 Units: 12%
- 5 to 9 Units: 10%
- 3 to 4 Units: 15%
- 2 Units: 26%
- 1 Unit: 28%
- Detached: 38%

Housing Bedroom Count
- No Bedroom: 1,435 (13%)
- 1 Bedroom: 2,968 (21%)
- 2 Bedrooms: 4,042 (28%)
- 3 Bedrooms: 4,133 (29%)
- 4 Bedrooms: 1,047 (7%)
- 5+ Bedrooms: 190 (1%)

city of Poughkeepsie
Occupant Characteristics

Analysis
Median income in Poughkeepsie has decreased slightly from $41,248 in 2000 (adjusted for inflation) to $39,067 in 2016. This represents a 5% decrease in median household income. Similarly, the median household income in Dutchess County dropped slightly from $74,508 in 2000 (adjusted for inflation) to $72,706 in 2016, a 2% decrease.

Renters in Poughkeepsie earn a median income of just $27,040. Home owners with a mortgage in Poughkeepsie earn a median income of $74,466, more than double the median income earned by renters.

Poughkeepsie’s average household size for owners and renters are among the lowest in the UAA.

Data Notes

Year Moved to Current Home

<table>
<thead>
<tr>
<th>Year Moved</th>
<th>Dutchess County</th>
<th>Poughkeepsie</th>
</tr>
</thead>
<tbody>
<tr>
<td>1979 or Earlier</td>
<td>11%</td>
<td>7%</td>
</tr>
<tr>
<td>1980 to 1989</td>
<td>20%</td>
<td>5%</td>
</tr>
<tr>
<td>1990 to 1999</td>
<td>12%</td>
<td>5%</td>
</tr>
<tr>
<td>2000 to 2009</td>
<td>17%</td>
<td>12%</td>
</tr>
<tr>
<td>Since 2010</td>
<td>55%</td>
<td>45%</td>
</tr>
</tbody>
</table>

Average Household Size

- Owners: 2.3
- Renters: 2.4

Median Income by Tenure

<table>
<thead>
<tr>
<th></th>
<th>Poughkeepsie</th>
<th>Dutchess County</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owners with a mortgage</td>
<td>$41,248</td>
<td>$103,143</td>
</tr>
<tr>
<td>Owners without a mortgage</td>
<td>$74,466</td>
<td>$52,351</td>
</tr>
<tr>
<td>Renters</td>
<td>$27,040</td>
<td>$39,889</td>
</tr>
</tbody>
</table>

Sources: 2016 American Community Survey; 2000 General Census (inflation adjusted)
city of Poughkeepsie

Rental Housing

Analysis
Since 2000, the median rent in Poughkeepsie has increased by 21% (adjusted for inflation). Although the increase was smaller, this trend was mirrored in Dutchess County which experienced a 15% increase in median rent since 2000. As of 2016, more than half (54%) of rental units have a monthly rent of $1,000 or more.

57% of renters are spending at least 30% of their income towards housing costs, and 56% of renters are spending more than half of their income on housing costs. The lowest-income residents are the most impacted by high housing costs. Among renters earning less than 30% of area median income, 69% of households are spending more than half of their income on housing costs.

Data Notes
Rental Statistics - Cost burdened renter households do not include the category of severely cost-burdened households.
Median Rent - 2000 figures are adjusted for inflation using CPI inflation tables from the U.S. Bureau of Labor Statistics.
Housing Affordability - HAMFI stands for HUD Area Median Family Income, which is the median family income calculated by HUD for each jurisdiction.

Distribution of Rents

<table>
<thead>
<tr>
<th>Amount ($)</th>
<th>2000</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>$250 or more</td>
<td>6%</td>
<td>7%</td>
</tr>
<tr>
<td>$2000 to $2400</td>
<td>7%</td>
<td>6%</td>
</tr>
<tr>
<td>$2500 to $2999</td>
<td>6%</td>
<td>5%</td>
</tr>
<tr>
<td>$3000 to $3499</td>
<td>8%</td>
<td>7%</td>
</tr>
<tr>
<td>$3500 to $3999</td>
<td>10%</td>
<td>8%</td>
</tr>
<tr>
<td>$4000 to $4499</td>
<td>15%</td>
<td>14%</td>
</tr>
<tr>
<td>$4500 to $4999</td>
<td>20%</td>
<td>18%</td>
</tr>
<tr>
<td>$5000 to $5499</td>
<td>25%</td>
<td>23%</td>
</tr>
<tr>
<td>$5500 to $5999</td>
<td>30%</td>
<td>29%</td>
</tr>
<tr>
<td>Last $6000</td>
<td>20%</td>
<td>18%</td>
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</table>

Distribution of Owner Costs

Housing Affordability

With Mortgage

- 30% or less MAMFI: 10%
- 31% to 50% MAMFI: 15%
- 51% to 70% MAMFI: 20%
- 71% to 90% MAMFI: 25%
- 91% to 100% MAMFI: 30%
- >100% MAMFI: 40%

Without Mortgage

- 30% or less MAMFI: 20%
- 31% to 50% MAMFI: 25%
- 51% to 70% MAMFI: 30%
- 71% to 90% MAMFI: 35%
- 91% to 100% MAMFI: 40%
- >100% MAMFI: 50%

Median Monthly Owner Costs

- $2,225 Poughkeepsie (Mortgage)
- $842 Dutchess County (No Mortgage)
- $1,898 Poughkeepsie (Mortgage)
- $786 Poughkeepsie (No Mortgage)

Median Home Value

- Poughkeepsie: $120,000 (2000), $155,000 (2016)
- Dutchess County: $130,000 (2000), $160,000 (2016)

Home Values

- $100,000 or more: 1%
- $100,000 to $199,999: 5%
- $200,000 to $299,999: 32%
- $300,000 to $499,999: 32%
- $500,000 to $999,999: 32%
- $1,000,000 or more: 1%

Source: 2010 American Community Survey, 2016 Dutchess County Census (Inflation Adjusted)
city of Poughkeepsie

A Changing Housing Environment

Located along the banks of the Hudson, Poughkeepsie is the largest urban community in Dutchess County with a population density of 7,986 people per square mile. Like many older municipalities in the Hudson Valley, in the 19th century Poughkeepsie was a bustling industrial city with factories and mills taking advantage of the shipping routes provided by the Hudson River.

In the late 1980s IBM opened a manufacturing plant just south of the city. More buildings soon followed, expanding into a large campus that provided high paying jobs and a significant economic boost to the Poughkeepsie area. The city also benefits from the nearby anchor institutions of Marist and Vassar College, although both colleges are located just outside the city’s boundary. Unfortunately for the city, IBM is also outside of the city, and as a result Poughkeepsie misses out on badly needed tax revenue.

Poughkeepsie is in the midst of a development boom as the city seeks to market itself to young professionals. Over the past two years more than 150 new housing units have been added and there are almost 800 more in the pipeline. Many of these units are designated as affordable housing. Despite this new construction, the data does not support a conclusion that gentrification is occurring in the city.

Poughkeepsie’s median rent has risen steadily in recent years, increasing by 21% from $555 in 2000 (adjusted for inflation) to $1,033 in 2016. This increase in rent has occurred while median household income has remained largely unchanged since 2000. Despite the close proximity of Marist and Vassar, the percent of adults over age 25 with a bachelor’s degree or higher lags behind Dutchess County and New York State, reflecting the difficulty Poughkeepsie has faced in convincing students to remain in the city after graduation. This trend may change in the coming years if the city is successful in its efforts to attract young professionals.

Median Home Values

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Poughkeepsie</td>
<td>$35K</td>
<td>$60K</td>
<td>$134K</td>
</tr>
<tr>
<td>Dutchess</td>
<td>$50K</td>
<td>$75K</td>
<td>$147K</td>
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</tbody>
</table>

% of Residents Age 25 and up with Bachelor’s Degree or Higher

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2009</th>
<th>2016</th>
</tr>
</thead>
<tbody>
<tr>
<td>Poughkeepsie</td>
<td>12%</td>
<td>13%</td>
<td>12%</td>
</tr>
<tr>
<td>Dutchess County</td>
<td>22%</td>
<td>21%</td>
<td>22%</td>
</tr>
</tbody>
</table>

A Toolkit for Housing Policy

Top 10 “Best Practices”

1. Provide zoning incentives such as a density bonus for developments that set aside a percentage of units as affordable housing.
2. Streamline the permit process to reduce fees for developers of affordable housing and establish a single point of contact to facilitate the approvals.
3. Establish a local Housing Trust Fund for the creation or preservation of affordable housing.
4. Update local comprehensive plans to prioritize affordable housing and establish a framework to support new construction and adaptive reuse of vacant and blighted buildings for housing.
5. Establish strong support from elected officials, school, planning and other local boards, community organizations and economic development agencies.
6. Consider using publicly owned buildings and property to develop affordable housing.
7. Establish tax incentives, phase-ins and PILOTs for developers of affordable housing.
8. Conduct vigorous code enforcement to improve poorly maintained housing.
9. Support workforce training and education to facilitate employment and higher wages.
10. Support and require energy efficiency and green building techniques to reduce housing costs for owners and renters.

Median Household Incomes

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2009</th>
<th>2016</th>
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<td>Poughkeepsie</td>
<td>$45K</td>
<td>$70K</td>
<td>$100K</td>
</tr>
<tr>
<td>Dutchess County</td>
<td>$75K</td>
<td>$90K</td>
<td>$120K</td>
</tr>
</tbody>
</table>

Sources: 2000 Census (Inflatio Adj.); 2009 (Inflatio Adj.) & 2014 American Community Survey
Joe Czajka
Senior Vice President
Research, Development & Community Planning
jczajka@pfprogress.org

Thank you!