

Tioga County Housing Study 2018



Tioga County Industrial Development Corporation
Tioga County Department of Economic Development and Planning
Tioga Opportunities, Inc.

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Purpose and Scope of the Study

- Understand the demographic and social factors impacting the housing market
- Assess the impact of economic factors and market trends on supply/demand for single-family, senior, moderate-income rental housing and market rate rental housing
- Identify barriers and challenges to housing and community revitalization
- Project gaps and realistic targets to meet demand (3-5 years) by target market group
- Recommend strategic priorities and action steps to position the county to address the housing needs

Housing: A key element of the short-term viability and long-term sustainability of Tioga County's economy

- Attract and retain a qualified workforce
- Strengthen the business sector
- Create a pathway to homeownership as a tool to achieve wealth and economic stability among all income households
- Stabilize and grow the tax base of the county and individual municipalities
- Attract private investment to stabilize and enhance the community centers

Study Topics

Ages of the population groups

Workforce retention and attraction issues

Workforce participation issues among those ages 20 – 25

Job classifications and wages

Household incomes

Capacity to pay rent and purchase single-family housing

Property taxes

Number, age and quality of the housing stock in all categories

Regulatory issues

Environmental issues such as flooding and need for flood insurance

Physical and financial barriers communities face in meeting housing needs



Key Facts

What do we know?

Households

Household Trends

- 19,872 households
- 50% headed by married couples
- 28% female headed
- 41% include one or more persons aged 60 or older
- 70% reside in single-unit structures
- 14% reside in structures including 2 or more units
- 15% reside in mobile homes

What do we know?

Aging Population and Outmigration

Shift in Population: 2010 - 2040

- ▶ Loss: 10,000+ residents ages 15-64
 - ▶ Gain: 1,800 residents age 65+
 - ▶ Median age: 43
- Increasing out-migration of younger population
 - Elderly residents aging in place leading to freeze in SF housing market and deterioration of already aged housing stock
 - Increasing economic burden for younger working population. For every 100 working age residents (ages 18-64) there are . . .
 - ✓ 65.7 dependents, both elderly (65+) and young (<18) – higher than the statewide estimate of 56.1 and national of 50.91
 - ✓ 28.8 elderly dependents (65+) – higher than the NYS estimate of 22.40 and national estimate of 22.31
 - ✓ 36.9 young dependents (<18) – higher than the NYS estimate of 33.7 and national estimate of 28.6

What do we know?

Workforce

Shrinking Workforce Pool

2015: 23,960 2016: 23,200 2017: 22,100

Unemployment

- ▶ 4.4% unemployment rate
- ▶ Only 1,000 unemployed
- ▶ 96% workforce participation rate
- ▶ Unanticipated closure of Sanmina Corporation 2018

Replacement of the Aging Workforce

- ▶ Need to replace nearly 30% of workforce in next 5-7 years
- ▶ Younger worker cohort not adequate to replace
- ▶ Participation rate <70% among those ages 20 – 25

What do we know?

Financial Burden

Growing financial burden on owners and renters

- ▶ What is housing burden? Greater than 30% of a household's annual income
- ▶ Highest among renters: 41%
- ▶ Less among homeowners: 21%
- ▶ Greatest financial burden: households with annual median household incomes of <\$35,000
- ▶ 86% of households with an annual income of <\$20,000 spend 30%+ of their income on rent

What do we
know?

*Financial
Burden*

Affordability for Low and Moderate-income Residents

- Median household income for renters: \$28,732
- 27% of renters have an annual income of \$50,000+
- 13% earn less than \$10,000 per year
- 33% earning less than \$20,000 annually
- *56% of households with an annual income of \$35,000 - \$50,000 spend 30%+ on rent*

What do we know?

Struggling Families

Alice: Asset-Limited Income-Constrained Employed

Households that earn more than the U.S. poverty level, but less than the basic cost of living for Tioga County:

\$19,380 for a single person

\$56,965 for 2 adults and 2 young children

41% of households suffer the strain of poverty

Municipality by County	HHs	Poverty %	ALICE %	Above ALICE Threshold %	Poverty + ALICE %	Housing Burden: Renter Over 30%
Apalachin	492	15%	22%	63%	37%	31%
Town of Barton	3,553	15%	26%	59%	41%	45%
Town of Berkshire	566	11%	29%	60%	40%	50%
Town of Candor	1,995	11%	27%	62%	38%	54%
Village of Candor	283	17%	16%	67%	33%	36%
Town of Newark Valley	1,692	7%	32%	61%	39%	38%
Village of Newark Valley	449	11%	33%	56%	44%	47%
Town of Nichols	931	14%	26%	60%	40%	28%
Village of Nichols	172	22%	14%	64%	36%	54%
Town of Owego	7,665	7%	21%	72%	28%	37%
Village of Owego	1,699	14%	34%	52%	48%	48%
Town of Richford	480	14%	35%	51%	49%	14%
Town of Spencer	1,262	15%	36%	49%	51%	47%
Village of Spencer	391	21%	33%	46%	54%	42%
Town of Tioga	2,034	8%	33%	59%	41%	64%
Village of Waverly	1,885	14%	31%	55%	45%	46%

What do we know?

Buying Power: Homeownership and Renting

Median Incomes

- ▶ County-wide: \$57,514
- ▶ All homeowners: \$66,897
- ▶ 48% of homeowners: \$50,000
- ▶ Married couples with families at \$78,325
- ▶ People 25-64 years: \$66,259 - \$67,665
- ▶ Buying power: \$90,000 - \$175,000

Annual Wages

- ▶ Limited number of new jobs at management or professional levels seeking housing at \$250,000+ price point
- ▶ Majority of new jobs: \$35,000 – \$40,000 annual wage
- ▶ Household income: \$50,000 - \$70,000
- ▶ Limits demand for single-family housing to \$90,000 – \$150,000

Buying Power

Job Category	Median Annual Salary	Projected Median Household Income for Workers Age 25 – 45	Capacity to Purchase a House: Ideal Price Point Range
Administrative support	\$40,000	\$40,000 - \$70,000	\$125,000 - \$175,000
Business and financial operations	\$49,500	\$50,000 - \$85,300	\$175,000 - \$225,000
Clerical	\$31,200	\$31,000 - \$68,750	\$150,000 – \$200,000
Construction	\$42,930	\$43,000 - \$70,000	\$125,000 – \$175,000
Engineering support	\$49,610	\$50,000 - 75,000	\$150,000 - \$200,000
Grounds & maintenance	\$34,500	\$35,000 - \$50,000	\$95,000 – \$125,000
Lift drivers	\$24,500	\$25,000 - \$45,000	\$90,000 - \$120,000
IT	\$65,000	\$65,000 - \$90,000	\$175,000 - 220,000
Management	\$75,000	\$75,000 - \$100,000	\$200,000 – 250,000
Mfg installation & maintenance	\$35,700	\$36,000 - \$60,000	\$95,000 – \$125,000
Quality	\$46,800	\$47,000 - \$70,000	\$125,000 - \$175,000
Retail	\$22,000	\$22,000 - \$35,000	\$75,000 - 110,000
Semi-skilled production workers	\$34,650	\$35,000 - \$55,000	\$90,000 – \$125,000
Skilled production workers	\$45,760	\$46,000 - \$68,500	\$150,000 – \$175,000
Supervisors	\$45,000	\$45,000 - \$68,500	\$150,000 – \$175,000
Technical and professional sales	\$64,960	\$65,000 - \$90,000	\$200,000 – 250,000
Transportation/material handler	\$45,220	\$45,000 - \$70,000	\$125,000 – \$175,000
Warehouse	\$35,000	\$35,000 - \$55,000	\$85,000 - \$115,000

Capacity to Rent

Job Category	Median Annual Salary	Projected Median Household Income for Workers Age 25 – 45	Maximum Monthly Rent: A Financial Burden on Households
Administrative support	\$40,000	\$40,000 - \$70,000	\$950 - \$1,350
Business and financial operations	\$49,500	\$50,000 - \$85,300	\$1,100 - \$1,700
Clerical	\$31,200	\$31,000 - \$68,750	\$700 - \$1,300
Construction	\$42,930	\$43,000 - \$70,000	\$850 - \$1,350
Engineering support	\$49,610	\$50,000 - 75,000	\$1,200 - \$1,450
Grounds & maintenance	\$34,500	\$35,000 - \$50,000	\$725 - \$1,100
Lift drivers	\$24,500	\$25,000 - \$45,000	\$650 - \$1,025
IT	\$65,000	\$65,000 - \$90,000	\$1,250 - \$1,750
Management	\$75,000	\$75,000 - \$100,000	\$1,200 - \$2,050
Mfg installation & maintenance	\$35,700	\$36,000 - \$60,000	\$750 - \$1,025
Quality	\$46,800	\$47,000 - \$70,000	\$700 - \$1,350
Retail	\$22,000	\$22,000 - \$35,000	\$600 - \$725
Semi-skilled production workers	\$34,650	\$35,000 - \$55,000	\$750 - \$1,150
Skilled production workers	\$45,760	\$46,000 - \$68,500	\$650 - \$1,200
Supervisors	\$45,000	\$45,000 - \$68,500	\$650 - \$1,200
Technical and professional sales	\$64,960	\$65,000 - \$90,000	\$600 - \$1,750
Transportation/material handler	\$45,220	\$45,000 - \$70,000	\$650 - \$1,350
Warehouse	\$35,000	\$35,000 - \$55,000	\$750 - \$1,150



Single-family Housing



Concerning Trends

Old Housing Stock

- ▶ Median age : 50 years
- ▶ > 30% constructed before 1949
- ▶ 9,782 built prior to 1960
- ▶ 7 housing units constructed in 2014 or later
- ▶ 200 units lack complete kitchen and plumbing facilities
- ▶ 3,335 mobile homes: 15% of the housing stock

Flooding

- ▶ Damaged housing stock and neighborhoods
- ▶ Costly flood insurance mandated

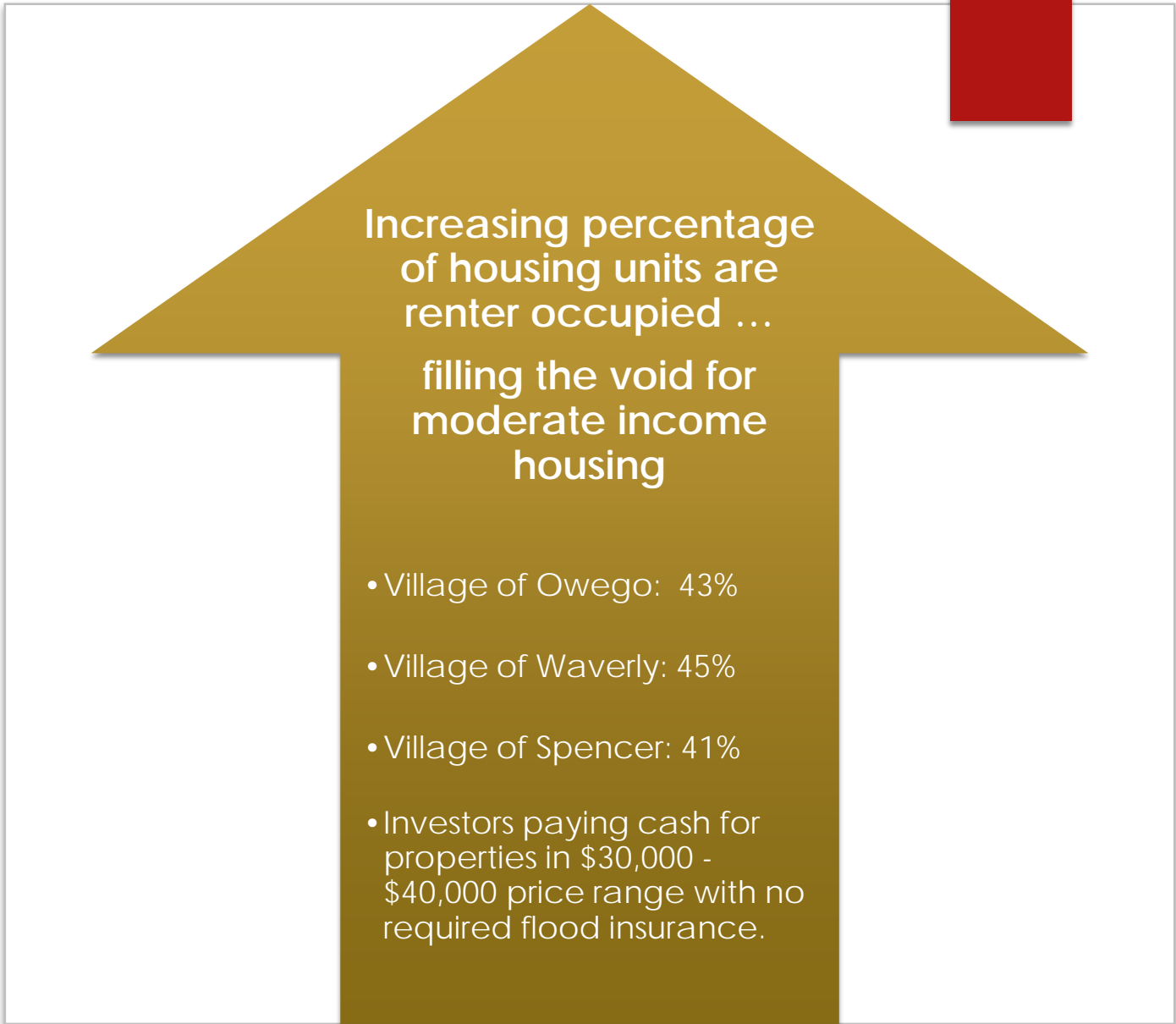
Vacant Houses Contributing to Blight

- ▶ Vacant housing stock: 10% (2,311)
- ▶ Highest rates:
 - ▶ Village of Candor: 18.6%
 - ▶ Village of Newark Valley: 18%
 - ▶ Town of Spencer: 17.2%



Concerning Trend

Single-family Rental Houses



Increasing percentage
of housing units are
renter occupied ...
filling the void for
moderate income
housing

- Village of Owego: 43%
- Village of Waverly: 45%
- Village of Spencer: 41%
- Investors paying cash for properties in \$30,000 - \$40,000 price range with no required flood insurance.

Concerning Trends

Seniors Aging in Place

- ▶ Not freeing up housing units for first-time home buyers
- ▶ Contributing to blight

Real Estate Taxes

- ▶ Housing units with a mortgage: \$3,000 No mortgage: \$2,400
- ▶ Village of Newark Valley (\$3,167), Town of Owego (\$3,792), Village of Owego (\$3,961), Town of Richford (\$3,226), Village of Spencer (\$3,182)

Flooding and Cost of Flood Insurance

- ▶ Flood insurance: \$2,000 - \$3,000 per year
- ▶ Cost of flood insurance PLUS property taxes higher than monthly mortgage payment

Property Appreciation

- ▶ Rate is flat line due to history of flooding and increasing property taxes

Single-family Housing Market

- ▶ Sales increased in 2017 over 2016
- ▶ Median sales price up 14% at \$143,000
- ▶ Majority of sales to first-time home buyers ages 28-38: \$120,000 - \$180,000
- ▶ Sales activity directly impacted by lack of inventory:
 - ✓ Number of new listings down 14%
 - ✓ Inventory of houses for sale down 25%
- ▶ Majority of listings: \$50,000 - \$150,000
- ▶ 50% of sales: \$75,000 - \$175,000
- ▶ *Only 50 houses, representing 15% of all houses for sale, are priced at \$200,000+*

Popular Market Area	For Sale	Median Listing Price
Apalachin	40	\$122,450
Barton	14	\$109,700
Candor	47	\$89,900
Lounseberry	19	\$94,900
Newark Valley	43	\$94,250
Nichols	20	\$102,400
Owego	86	\$117,250

Popular Market Area	Median Closing Price
Apalachin	\$142,000
Barton	\$108,000
Candor	\$108,000
Lounseberry	\$126,000
Newark Valley	\$65,000
Nichols	\$126,000
Owego	\$112,000

Barriers to Healthy Housing Market and Tax Base

Inadequate Single-family Housing Inventory: \$90,000 - \$175,000

- ▶ First-time home buyers
- ▶ Move-up middle income families
- ▶ Moderate-income renters on pathway to homeownership

Barriers to New Construction and Neighborhood Revitalization

- ▶ Lack of potential sites
- ▶ Environment issues such as flooding
- ▶ Local resistance to low-moderate income housing
- ▶ Limited land use regulations

Dynamic Community Centers

- ▶ Lacking in attractive “gateway entrances and vibrant community centers” to attract buyers
- ▶ Lacking in basic lifestyle service expectations to retain buyers

Home Buying Demand

<p>First-time Homebuyers</p> <p>Married couples with families. MHI: \$75,000 - \$80,000</p> <p>Working people ages 25-55 years. MHI: \$60,000 - \$70,000</p>	<p>Family homes in community centers Preference for "move-in" condition</p> <p>Price Point: \$90,000 - \$175,000</p>
<p>First-time Homebuyers</p> <p>Young couples and families. MHI: \$50,000 - \$65,000</p> <p>On the cusp of having financial capacity to afford a "starter home"</p>	<p>Affordable starter homes in community centers Preference for "move-in" condition; possible interest in renovations.</p> <p>Price Point: \$50,000-\$80,000</p>
<p>Middle Income Move-up Households</p> <p>Married couples with families. MHI: \$65,000 - \$90,000</p> <p>Moving up from a current house at \$75,000 - \$125,000</p>	<p>Family homes that may require modest renovations and upgrades.</p> <p>Price Point: \$150,000 - \$225,000</p>
<p>Low-Moderate Income Renters on the Path to Homeownership</p> <p>Young couples and families. MHI \$35,000 - \$50,000</p> <p>Long-term renters, employed, lacking credit, limited down payment</p>	<p>Affordable starter homes.</p> <p>Price Point: \$40,000 - \$65,000</p>

Targets to Meet Demand

First-time Home Buyers Strategy	Targeted Level of Activity: Years 1-5
<p>\$75,000 - \$100,000</p> <ul style="list-style-type: none"> ✓ Identify target neighborhoods and inventory housing. ✓ Focus on revitalization of housing units with potential for modest rehabilitation and immediate acquisition price at \$40,000 – \$75,000, and a subsequent list \$75,000 - \$150,000. 	<p>Conservative: 40 - 65 Moderate: 65 - 80 Aggressive: 80 - 120</p>
<p>\$50,000 - \$75,000</p> <ul style="list-style-type: none"> ✓ Identify target neighborhoods and inventory housing. ✓ Focus on houses with potential for modest rehabilitation and immediate acquisition at \$25,000 – \$40,000, and a subsequent market list at \$50,000 - \$75,000. ✓ Requires: Home revitalization program, path for seniors to move into quality rental housing and free-up existing housing units, financial incentives for home buying families to renovate houses, property tax relief in select neighborhoods targeted for revitalization. 	<p>Conservative: 45 - 65 Moderate: 75 - 100 Aggressive: 100 - 150</p>

Targets to Meet Demand

Move-up Middle Income Families: Strategy	Targeted Level of Activity: Years 1-5
<ul style="list-style-type: none"> ✓ "Free-up" stock currently occupied by households in the 65+ age range. ✓ Consider relocation of the senior population to newly constructed rental housing and subsequently revitalize housing stock through a low-interest loan program 	<p>Conservative: 35 - 50 Moderate: 50 - 75 Aggressive: 75 - 100</p>

Pathway to Homeownership: Strategy	Targeted Level of Activity: Years 1-5
<p>Create tools:</p> <ul style="list-style-type: none"> ✓ Education and job training ✓ Counseling: how to become self-sufficient, get off of public assistance, accumulate savings, achieve good credit, and manage money to avoid future foreclosure. ✓ Restricted savings accounts. ✓ Financing mechanisms and housing options where the housing payments are less than 30% of a family's combined monthly income. ✓ Inventory of housing units that do not require a significant investment in repairs. <p>Single-family home purchase price point: \$40,000 - \$65,000.</p>	<p>Conservative: 25 - 40 Moderate: 45 - 60 Aggressive: 60 - 75</p>

Market Rate Housing

Market Rate Housing

Inventory: 280 units

Name	City
Gary Lynn Apartments	Apalachin
5900 State Route 434	Apalachin
6058 – 6060 State Route 434	Apalachin
Hamar Estates (mobile homes)	Candor
Hidden Valley Mobile Home Park	Newark Valley
Hickory Estates	Owego
57-59 North Avenue	Owego
Ivory Garden Apartments	Owego
3 Cooper Street	Waverly

Does not include the many houses and former commercial properties that are now rentals or have been subdivided into apartments.

Gap: 125 units

Targets to be Filled: Years 1 – 5

Conservative: 45 – 60 units

Moderate: 60 – 85 units

Aggressive: 90 – 125 units

Moderate/Affordable Rental Housing

Inventory in Projects: 38 units

Name	City	Total Units
Newark Valley Apartments	Newark Valley	18
Apartments at County Farm *	Owego	14
North Avenue Apts	Owego	6

Demand is being filled by landlords offering at or below quality rental housing in single-family units.

An estimated 40% of the single-family housing stock in both the villages of Owego and Waverly are rentals.

Gap: 300 units

Immediate gap: 150 - 225 units

Target to be Filled: Years 1 – 5

Conservative: 150 – 175

Moderate: 175 – 225

Aggressive: 250 - 300



Moderate-income and Affordable Rental Housing

Senior Housing – Independent Living Apartments

Inventory: 279 units

Name	Community	Rent Subsidies and Assistance
Candor Elderly Housing	Candor	LIHTC income based. Section 8 Housing.
Nichols School House	Nichols	HOME Rental Assistance. Section 8 Vouchers.
Owego Gardens Senior Community	Owego	LIHTC income based.
Owego Community Gardens II	Owego	LIHTC income based. Section 8 Vouchers. Rural Development Assistance.
Creamery Hills Apartments (55+)	Richford	SEPP Property, Section 8 Housing Choice Vouchers.
Spencer Elderly Housing	Spencer	LIHTC income based. Section 8 Vouchers.
Van Etten Senior Project	Van Etten	LIHTC income based.
Springview	Waverly	Section 8 Vouchers. Rural Development Rental Assistance.
Muldoon Gardens	Waverly	Income based. Section 8 Vouchers.
Elizabeth Square Apartments	Waverly	Section 8 Vouchers. Rural Development Rental Assistance.

Gap: 35 - 75

Target to be Filled: Years 1 – 5

Conservative: 35 – 50 units

Moderate: 50 – 65 units

Aggressive: 65 – 75 units

Strategic Priorities

Strategic Priorities

Revitalize neighborhoods in select villages. (Owego, Newark Valley, Waverly).

- ~Demolition and rehabilitation of housing in specific neighborhood blocks.
- ~New construction of moderate income rental properties to create mixed income neighborhoods.
- ~Street scape improvements in targeted neighborhoods.

Attract public and private investment.

- ~Housing rehabilitation and new construction of multi-family for middle/moderate income families and senior independent living.
- ~Revitalization of community cores including streetscape and façade improvement.
- ~Small business development.
- ~Upgrade existing market rate rentals.

A comprehensive revitalization strategy is essential and should involve enhanced regulatory controls and an injection of capital investment to

- ~Upgrade existing housing, replace housing jeopardized by environmental issues.
- ~Fill gaps in target market demand.
- ~Undertake new construction and revitalize community centers.

Such strategies should serve as the basis for decision-making and project development.

Enhance appearance and overall quality of life.

- ~Enforce codes and create other regulatory tools.

Proactively acquire properties.

- ~Reverse the trend of increasing numbers of single-family houses being purchased as investment properties for conversion into rentals.

Senior Population

- ~Provide a pathway to move seniors from single-family housing into safe and affordable rental housing.
- ~Unleash gridlock on the \$90,000 - \$125,000 single-family housing stock.

Moderate Income Renters

- ~Meet rental needs of moderate income households on their way to future home ownership, and free up low-mod rental housing for the neediest.
- ~Motivate existing property owners to upgrade existing market rate rental housing stock.
- ~Construct new moderate/middle-income rental housing to create mixed-income neighborhoods.
- ~Put in place a pathway to homeownership.



Vibrant Communities and Desirable Neighborhoods

- ~Revitalize and upgrade the existing housing stock in target neighborhoods*
- ~Simultaneously revitalize community centers.

Home Buyers

- ~Invest in updated and quality housing stock that is available in the \$90,000 - \$150,000 price point.

Housing Development Trajectory



Recommended Action Steps

Recommended Action Steps

