



Integrated Housing Needs & Opportunities Study



OTSEGO COUNTY, NEW YORK



Executive Summary
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Executive Summary

Introduction

Otsego County is located in the Central Leatherstocking region of New York State. The County is bounded on the south by Delaware County, on the north by Herkimer County, on the west by Madison and Chenango Counties, and on the east by Schoharie County. With a total area of 1,015.1 square miles, Otsego County has a population of 61,676 according to the 2000 Census. Estimates from Claritas Inc¹ show that the County's population has grown 1.5% to 62,628 in 2008 and is projected to increase by less than 1% by 2013.



Otsego County, like many rural communities, continues to face the ongoing struggle of meeting the demand for available and affordable housing for its population. The lack of such housing affects a diverse demographic population with multiple needs. The economics of a community has a direct impact on the housing stock for all income levels.

Otsego County has experienced significant economic changes in the past decade that directly affect the housing stock. Economic growth in concentrated areas of the county has increased the need for a reliable work force base, which in turn requires housing. One unique and far-reaching change and challenge for the County has been the development of youth baseball camps that now bring in hundreds of families as weekly rentals in the summer. This single economic impact has seriously depleted the availability of year-round rental and for-sale properties in a large segment of the county. Many apartments and homes are now dedicated to summer rentals. Municipalities in the County are confronted with new zoning challenges and a shortage of year-round housing. Absentee

property owners are purchasing properties for investment purposes at prices unattainable and unaffordable for most county residents. In addition, the county has an aging population with changing demographics.

The Otsego County Planning Department has identified the following as the major housing issues and challenges it is currently facing:

- The County does not have a current comprehensive and community development plan. This factor limits the County's competitiveness for securing state and federal funds for housing

¹ Claritas develops population estimates based on the most recent estimates produced by the Census Bureau at the national, state, and county levels. Population growth is then projected using forecasts provided by WEF, an econometric forecasting firm. At smaller geographic levels, a variety of other sources, such as estimates from local agencies, household and consumer marketing databases, and other proprietary sources may also be used. While the estimates are useful for projections, it should be noted that the margin for error for small areas like small cities and census tracts is larger than for a state or region.

rehabilitation and promoting new and expanding business. This housing study will help in this regard.

- There is an overall shortage and development of affordable housing in Otsego County, but supportive data to document specific needs of diversified segments of the population do not exist.
- The impact of week-long family visits to the youth baseball camps in the area has had a major impact on the availability of year round rental housing and overall property costs. The challenge to find affordable homes and apartments is compounded by the challenge to find property owners willing to rent for a full 12 months.
- Many of the larger employers, Bassett and Fox Hospital, New York Central Mutual, Hartwick College and SUNY Oneonta, are at a loss to present affordable descent housing to attract employees to the area.
- Recent changes in rental housing continues to force lower moderate income, special needs, aging and disabled individuals to look further into rural parts of the county to satisfy their housing needs, forcing more expensive and difficult deliveries of public support services to this population.
- The County's economy and need for service employees is exceeding the availability of affordable housing and rental units in the area. People are forced to look for housing further from their jobs, compounding the difficulty and expense of transportation.

The purpose of this study is to prepare a comprehensive planning document that articulates housing needs within Otsego County. The Study identifies and addresses the needs of the diverse economic segments of the county's population as they relate to available and affordable housing. The study provides a comprehensive picture of population segments, housing costs, availability, and conditions for targeting housing assistance and other community development efforts. The study analyzes these factors for the County as a whole and for each of the five sub-regional areas that were identified by County Staff and the Ad Hoc Housing Committee.

Otsego County Integrated Housing Needs & Opportunities Study

As mentioned above, housing has become an increasingly significant issue facing Otsego County. In addition to analyzing numerous statistical data on socioeconomic and housing data, focus group meetings were held with housing service providers, community service providers, infrastructure stakeholders and economic development stakeholders who provided valuable insight into the housing issues and needs facing Otsego County. Further, the ad hoc committee reviewed draft documents and provided feedback throughout the planning process.

During the preparation of this plan, a number of key statistics and issues emerged that speak to why housing has become increasingly important to Otsego County² including the following:

Incomes in the County – Personal income is one of the most important indicators of the economy and one of the most important variables in creating a vibrant community for the future. Understanding the income characteristics of the community is also important in determining the community's wealth as well as the ability of residents to maintain housing, contribute to the local tax base, and participate in the economy. Approximately one-half of residents in Otsego County have low or moderate incomes (less than 80% of the Otsego County median), while nearly one-third of residents have incomes above 120% of the County median. According to HUD income limits for FY 2008, the median income for Otsego County is \$41,110. Households at 80% of income have an income of \$32,888 or lower, while households at 120% of median income have an income of \$49,332 or higher. The number of households with low

² Detailed tables on the statistics are presented in the Otsego County Integrated Needs & Opportunities Study Final Report.

incomes has increased, while the number of households over 120% of income has decreased in the Oneonta Area and Route 7/I-88 Corridor and has increased in the Route 51, Route 28 and Route 20 Corridors. This will be a challenging issue for a community's ability to provide a range of housing to meet the various income ranges of households and families. Further, residents with lower incomes face tough choices about how to spend their limited resources and subsequently are most likely spending a larger percentage of their income on housing.

According to 2008 Claritas estimates³, median household income for Otsego County is \$40,075. The median household income for the Oneonta Area is \$33,831 and for the Route 7/I-88 Corridor it is \$39,121. The lower median household income for the Oneonta Area is most likely due to the presence of the college students in the City of Oneonta. In comparison, the Route 51 Corridor had the highest median household income at \$45,717, followed by the Route 20 Corridor at \$45,081 and the Route 28 Corridor at \$40,506. In 2008, the estimated median household income for New York State is \$52,865. Among the surrounding counties, Schoharie County has the highest median household income at \$44,686 followed by Chenango County (\$40,714) and Delaware County (\$40,668).

Housing Units - The County has a variety of housing types – from the mobile home parks scattered throughout the county, to townhomes on Mill Street and upper floor apartments on Main Street in Cooperstown, to small bungalows, cottages and summer camps located along the lakes, to the Glimmerglass Condominiums on Route 80 overlooking Otsego Lake, to subsidized apartment complexes in Richfield Springs, and Oneonta, large single family homes with land in the rural areas to two family homes located side by side in the City as well as housing in various conditions from upscale residential developments, to older, run down homes, and deteriorating mobile homes.

According to 2008 Claritas data, Otsego County has 30,158 housing units. Of the total housing units counted, 24,061 or 79.8% were occupied. Owners make up 73.5% of the occupied housing in the County and renters 26.5%. Among the Regional Areas, the Route 51 Corridor, Route 7/I-88 Corridor and Route 20 Corridor have the highest rates of homeownership (above 80%), while the Oneonta Area has the highest rate of renters at 46.2% primarily due to the location of the colleges in the City of Oneonta. It also may be related to the demand for housing in the City given the limited supply of new units for those who choose to rent, but cannot afford a house or want one.

The predominant housing type in Otsego County is the single family structure, which makes up 68.0% of the market in 2008. Mobile homes and trailers account for 16.3% of the entire housing stock in the County, while Multi-family buildings of three or more units comprise 9.1%. Similarly, single-family homes comprised the majority of housing structures for each of the regional areas (ranging from 75.8% in the Route 20 Corridor to 55.8% in the Oneonta Area). The Oneonta Area also has a significant amount of two family homes (14.6%) and multifamily homes (23.7%), while the other regional areas have a large amount of mobile homes (ranging from 23.9% in the Route 7/I-88 Corridor to 14.6% in the Route 28 Corridor).

Housing Vacancy – Approximately 54.3% of the 5,190 vacant units in Otsego County were identified as seasonal, recreational or occasional use housing in 2000 (latest data available). Seasonal units comprise nearly 10% of the total housing units in Otsego County. Further, with the exception of the Oneonta Area, the other regional areas all have a significant number of seasonal and recreation housing units. Based on conversations with County Planning Staff and feedback received at the Focus Group Meetings held as part of this Housing Study, we expect that this number will increase in the next census. We also anticipate that the rental vacancy rates will decrease indicating a tighter housing market.

³ In order to provide more detailed analysis of median incomes by regional areas, the consultant purchased secondary source data from Claritas, Inc.

Rental Market – A recent survey of rental listings found that there were actually a limited number of year round rentals available in the County. Rentals are mostly seasonal rentals versus year round rentals because of the impact of the tourist season and attractions (baseball camps, opera, and lakes). While the average rent for one-bedroom is approximately the same as the Fair Market Rent (FMR) for the County, the current average rent for two-bedroom units are higher than the FMR (which include utilities). This can be a significant impediment to households receiving Section 8 assistance in the search for affordable housing. Subsidized units currently account for less than 2% of the County’s total housing units. Further, affordability of rental housing in Otsego County has become a significant problem for many households. At the current average asking rental price of \$657 per month, a minimum annual income of \$26,280 would be required by a household to afford a typical unit at 30% of income. Based on the income distribution, approximately 7,387 (30.0%) of the households within Otsego County have incomes below \$26,280 and would need to expend greater than 30% of their income for the average asking rent for housing currently available in the County.

Housing Sales - There are currently 534 single-family homes in Otsego County listed on the MLS for sale as of April 28, 2009. The Route 7/I-88 Corridor has the most homes listed at 149, followed by the Oneonta Area (112), Route 51 Corridor (108), Route 28 Corridor (107) and Route 20 Corridor (58). Overall median asking prices ranged from \$239,900 in the Route 28 Corridor to \$149,900 in the Route 7/I-88 Corridor. The majority of homes available for sale in the regional areas were three- and four-bedroom units. There appears to be plenty of homes available to purchase, but are generally not affordable to many local families.

Cost Burden – A total of 2,566 renter households in Otsego County reported housing costs in excess of 30% of income in 2000. This represented 42.9% of all renter households. Overall, a total of 2,156 owner-occupied households in Otsego County reported housing costs in excess of 30% of income. This represented 20.6% of all owner households in the County. The extent of cost burden was significantly greater on lower income households. Households with annual incomes under \$10,000 accounted for 80.7% of the owner households in Otsego County determined to be cost burdened and 80.8% of renter households.

Development of New Housing – The Regulatory Approval process for developing housing appears to be difficult – County should work with local boards to develop a “handbook” or guidelines to developing housing in Otsego County and try to streamline the process to some extent. Education of community members and local boards also appears to be critical. Particularly in terms of promoting new housing types to meet the changing needs of the population. Further, it appears that there is a lack of communication among municipalities, boards, etc. Intermunicipal cooperation should be encouraged among municipalities and school districts. Based on the participant response, there appears to be a need for a variety of additional housing by type, tenure, and income. Part of the problem (in developing housing in the County) is that services are not always available in areas where new housing is being proposed or built. Further, housing development in the County is astronomically expensive because of stormwater/sewer/septic system requirements, and regulations with Army Corp of Engineers, NYS Department of Environmental Conservation (location in the Susquehanna River Basin) and SHPO (historic preservation). These regulations significantly add to the cost of development.

Public Transportation – Public transportation is available in the County from Otsego Express (additionally the City of Oneonta also provides public transportation). Public transportation from Otsego Express is only available Monday – Saturday until 5PM which is a concern because employers, such as Otsego Manor and Bassett Hospital operate 7 days a week/24 hours a day. (Note: Otsego Express is currently updating their schedule). The limited availability of public transportation also affects the choices that low and moderate income families can make in selecting housing.

Employment – Residents can not afford to live where the jobs are (City of Oneonta and Village of Cooperstown). Then on the flip side, in finding more affordable housing in the rural areas of the County, residents may not have transportation to get them to the jobs or there may not be easily accessible public transportation available.

New Residents – There has been an influx of new residents from downstate who can afford to purchase homes (at higher prices) in the County. Data from the Internal Revenue Service (IRS) on migration trends based on tax returns submitted, show that from 2001-02 to 2006-07 tax years, there has been an average of 140 returns submitted annually by residents who previously lived in a downstate county (i.e. Suffolk, Nassau, Queens, Kings, New York, Westchester, Rockland, Dutchess, Orange, Ulster, and Bronx).

Public Infrastructure- Infrastructure upgrades are needed in Richfield, City of Oneonta, and Cooperstown according to public works officials in these communities.

Rental Market Analysis

As part of this study, original market research and analysis of the potential tenant base within Otsego County was conducted applying traditional market study concepts to determine the probable existing and future demand for various housing options in the County based on household size and income and other appropriate characteristics, and the present availability of commercial and community resources to serve the projected housing need.

River Street Planning analyzed the potential need for rental housing, including low and moderate income and market rate housing for the general population and for the elderly population for the Oneonta Area, Route 7/I-88 Corridor, Route 51 Corridor, Route 28 Corridor and Route 20 Corridor of Otsego County.

The low and moderate income rental analysis included households at 50% and 80% of the FY 2008 Otsego County median income as published by the US Department of Housing and Urban Development. The market rate analysis considered households at 100% and 120% of the Otsego County median income. Rents (including utilities) were proposed at \$586 (one-bedroom), \$689 (two-bedroom), \$916 (three-bedroom), and \$952 (four-bedroom) for the non-elderly low and moderate income group and \$586 (one-bedroom) and \$689 (two-bedroom) for the elderly low and moderate income group. For the market rate analysis rents were increased to \$636, \$739, \$966 and \$1002 for households at 100% and \$686, \$789, \$1,016, and \$1,052 for households at 120% of median income. Rents were based FY 2008 Fair Market Rents by bedroom size for Otsego County (which includes utilities). The income required was based on a maximum of 30% of income for rent.

The analysis estimated the number of households in each income category and subtracted out the number already served by the existing housing supply to estimate the number households not served by the current supply of one-, two-, three- and four-bedroom units to establish the target market for each income category and apartment size. Coverage ratios express the number of targeted households within a defined service area considered to be available for each of the proposed units in the study. The ratio is expressed as number of available households per unit proposed. As a general rule, housing developers look for coverage ratios of 5 to 1 or higher to ensure project marketability. A 5 to 1 coverage ratio means that 5 households are available for each unit. A higher coverage ratio means a better chance for project success. River Street used the minimum 5 to 1 coverage ratio to estimate the potential market demand for units in each income group and unit size category.

A brief summary of the findings of the rental housing need is as follows:

- Based on the proposed target rents, there is no market for affordable housing units targeting non-elderly or elderly households at 50% of median income. As mentioned above, the target rents were based on the 2008 fair market rents for Otsego County. Therefore households with the lowest incomes in the County are not able to afford housing.
- Overall, there was stronger market support for one-bedroom units, while four-bedroom units showed the weakest need.
- The analysis showed stronger need for units targeting non-elderly households than for elderly housing.
- Among the regional areas, the Oneonta Area showed significant housing need/strongest support (affordable and market rate one- and two bedroom units) targeting non-elderly households.

Homeownership Analysis

In assessing the market for a potential homeownership project, we analyzed the impact of a proposed affordable homeownership program design and how it would affect households of various size and income. In developing these affordability models, we looked at typical households and determined what they could afford for a private mortgage on the average home purchase price and the amount of grant subsidy needed to make homeownership financially feasible.

In developing these models, we assumed the following based on the program design:

- Housing price was based on the average price and the median price for homes listed for sale within each of the five regions by bedroom size in 2009 based on Otsego Delaware Multiple Listing Service data.
- Closing costs were estimated at 5% of the purchase price of the home.
- Cash down-payment assumed to be 5% of total cost (acquisition plus closing costs).
- Utility costs were based on the average monthly utility allowances estimated by the Section 8 program (i.e. 2BR=\$201; 3BR=\$241; 4BR=\$279; 5BR=\$322). See appendix for detailed breakdown of utility cost allowances.
- Property tax rates and equalization rates (2008) were averaged for each region based on the for sale listings for each community. A copy of the equalization and property rates for each Otsego county community is provided in the appendix.
- Two “affordability models” were utilized for each housing type (i.e. # bedrooms) within each of the regions. The first “model” assumed that affordable monthly housing costs are limited to 38% of household income and would include traditional PITI expenses (principal and interest on mortgage, taxes, and insurance) plus utilities. This model then determines the amount of subsidy needed to meet these parameters. The second model assumes that the maximum subsidy is \$25,000 and then calculates the percentage of housing costs to household income based on the parameters and various scenarios described above.
- In evaluating the results of the two affordability models, we considered a couple of key factors. In the first model, if the subsidy requirement exceeded \$50,000, the project is assumed to be unfeasible. Grant subsidies for homeownership programs available through funding sources such as Community Development Block Grant, Affordable Housing Corporation, and the Federal Home Loan Bank and Community Preservation Corporation are typically limited to \$50,000. In the second model, we limit the subsidy to \$25,000 (well within the funding

parameters of the program sources identified above). The key factor in this model is the percentage of housing costs to household income. According to most funding sources the maximum debt to income number to achieve a feasible and affordable project is 48%.

Based on the above parameters, we have prepared a number of “affordability models” for 3 person, 4 person, 5 person, and 7 person households at 60%, 80% and 100% of median household income. Essentially the affordability model calculates the amount of subsidy that each of these households would require in purchasing an existing home at the costs described. A sample Affordability Model is presented in the table below.

Homeownership Affordability Model					
Otsego County					
Route 51 Corridor Communities					
3BR home Median price April 2009 listings	Acquisition		\$139,000	Total Cost	\$145,950
		Closing costs @ 5%	\$6,950	less downpayment @ 5%	\$7,298
		Total Cost	\$145,950	Grant amount	\$7,000
				Financed amount	\$131,653
Purchaser:	4 person family earning 80% of median income Eligibility based on Otsego County Median Income (2008)				
Item	Amount	Explanation			
Gross income	\$42,150	4 person family earning 80% of median income			
Monthly income	\$3,513				
38% monthly income	\$1,335	Amount of income available for housing and utilities			
less insurance/PMI	\$83	Estimated monthly amount			
less taxes	\$263	Property taxes @ \$34.44 per \$1000			
less utilities	\$241	Based on assessed value of \$91,740			
Available for debt	\$747	Equalization rate = 66.0%			
Primary mortgage	\$131,653	Estimated current fixed rate of conventional mortgage			
Interest rate	5.500%	months			
Term of loan	360				
Monthly payment	\$748				
Total Housing costs	\$1,335	Basic PITI = \$1,094			
	38.0%	Total housing debt as a % of income			

In this example, we used the median asking price of 3BR homes in the Route 51 Corridor which was \$139,000 in April 2009. We estimated closing costs at 5% of the purchase price making the total purchase cost \$145,950. Further we assumed a minimum downpayment of 5% (in this example - \$7,298). The grant subsidy was calculated at \$7,000 in order to insure that the housing costs would not exceed 38% of income for the targeted family (in this example a 4 person household earning 80% of median income). At an annual income of \$42,150, this family could afford \$1,335 per month (38% of income) for housing costs. Subtracting estimated costs for insurance, property taxes and utilities would leave \$747 per month available for debt service. This monthly amount could afford a mortgage of \$131,653 at a fixed rate of 5.5% over a term of 360 months. The gap between what this household can afford in a mortgage and the actual purchase cost is \$7,000. That’s where the grant comes in.

This same methodology was used for a variety of different scenarios. A summary of these results is presented in the chart below.

Route 51 Corridor Communities					Family	% median	% debt to
	# BR	Purchase \$	Financed amt	Grant amt	Size	Income	income
Average	2BR	\$156,960	\$107,568	\$49,000	3	80%	38.0%
Median	2BR	\$110,000	\$109,725	\$0	3	80%	38.0%
Median	2BR	\$110,000	\$75,225	\$34,500	3	60%	38.0%
Average	2BR	\$156,960	\$156,298	\$0	3	100%	38.0%
Median	2BR	\$110,000	\$109,725	\$0	3	100%	38.0%
Average	3BR	\$162,309	\$121,403	\$40,500	4	80%	38.0%
Median	3BR	\$139,000	\$131,653	\$7,000	4	80%	38.0%
Median	3BR	\$139,000	\$72,653	\$66,000	4	60%	38.0%
Average	4BR	\$197,724	\$117,730	\$79,500	5	80%	38.0%
Median	4BR	\$177,000	\$126,558	\$50,000	5	80%	38.0%
Average	5BR	\$256,943	\$121,801	\$134,500	7	80%	38.0%
Median	5BR	\$239,000	\$129,903	\$108,500	7	80%	38.0%
Median	5BR	\$239,000	\$202,403	\$36,000	7	100%	38.0%

Source: The Multiple Listing Service of the Otsego Delaware Multiple Listing Service (April 2009 MLS data). Affordability analysis prepared by River Street Planning & Development LLC (May 2009).

In the Route 51 Corridor Communities, the average and median price of homes ranged from \$110,000 to approximately \$257,000 depending on number of bedrooms. Based on the analysis, a number of the 3BR, 4BR and 5BR scenarios would require excessive subsidies (i.e. greater than \$50,000) and therefore would not be feasible. All of these scenarios affected low and moderate income households. On the positive side, there are a number of models that require either no subsidy or a grant subsidy within the acceptable limit (\$50,000).

Route 51 Corridor Communities				Family	% median	% debt to	
	# BR	Purchase \$	Financed amt	Grant amt	size	income	income
Average	2BR	\$156,960	\$131,568	\$25,000	3	80%	42.4%
Median	2BR	\$110,000	\$84,725	\$25,000	3	80%	30.2%
Median	2BR	\$110,000	\$84,725	\$25,000	3	60%	40.3%
Average	2BR	\$156,960	\$156,298	\$0	3	100%	37.4%
Median	2BR	\$110,000	\$109,725	\$0	3	100%	27.8%
Average	3BR	\$162,309	\$136,903	\$25,000	4	80%	40.5%
Median	3BR	\$139,000	\$138,653	\$0	4	80%	39.1%
Median	3BR	\$139,000	\$113,653	\$25,000	4	60%	46.8%
Average	4BR	\$197,724	\$172,230	\$25,000	5	80%	46.2%
Median	4BR	\$177,000	\$151,558	\$25,000	5	80%	41.7%
Average	5BR	\$256,943	\$231,301	\$25,000	7	80%	52.3%
Median	5BR	\$239,000	\$213,403	\$25,000	7	80%	48.9%
Median	5BR	\$239,000	\$213,403	\$25,000	7	100%	39.1%

Source: The Multiple Listing Service of the Otsego Delaware Multiple Listing Service (April 2009 MLS data). Affordability analysis prepared by River Street Planning & Development LLC (May 2009).

Using the second affordability model for the Route 51 Corridor Communities, we limited the maximum subsidy to \$25,000 and then evaluated the debt to income percentage. In this analysis there were only two scenarios that exceeded the 48% threshold of debt to income (5BR homes at 80% median income).

In the Route 20 Corridor Communities, the average and median price of homes ranged from \$156,500 to approximately \$730,000 depending on number of bedrooms. Based on the analysis, there were no feasible scenarios that would benefit low and moderate income persons at 38% debt to income ratio. In fact there was only one model where a household earning 100% of median income could afford the home purchase.

Route 20 Corridor Communities					Family	% median	% debt to
	# BR	Purchase \$	Financed amt	Grant amt	size	income	income
Average	2BR	\$237,442	\$65,048	\$171,800	3	80%	38.0%
Median	2BR	\$156,500	\$103,109	\$53,000	3	80%	38.0%
Median	2BR	\$156,500	\$50,109	\$106,000	3	60%	38.0%
Average	2BR	\$237,442	\$118,448	\$118,400	3	100%	38.0%
Median	2BR	\$156,500	\$156,109	\$0	3	100%	38.0%
Average	3BR	\$196,017	\$101,027	\$94,500	4	80%	38.0%
Median	3BR	\$185,000	\$106,338	\$78,200	4	80%	38.0%
Median	3BR	\$185,000	\$47,538	\$137,000	4	60%	38.0%
Average	4BR	\$301,419	\$63,665	\$237,000	5	80%	38.0%
Median	4BR	\$218,950	\$102,403	\$116,000	5	80%	38.0%
Average	5BR	\$730,257	n/a	n/a	7	80%	38.0%
Median	5BR	\$269,000	\$109,128	\$159,200	7	80%	38.0%
Median	5BR	\$269,000	\$182,128	\$86,200	7	100%	38.0%

Source: The Multiple Listing Service of the Otsego Delaware Multiple Listing Service (April 2009 MLS data). Affordability analysis prepared by River Street Planning & Development LLC (May 2009).

Using the second affordability model for the Route 20 Corridor Communities, we limited the maximum subsidy to \$25,000 and then evaluated the debt to income percentage. In this analysis there were only two scenarios that came under the 48% threshold of debt to income for low and moderate income households (2BR and 3BR homes at median purchase).

Route 20 Corridor Communities					Family	% median	% debt to
	# BR	Purchase \$	Financed amt	Grant amt	size	income	income
Average	2BR	\$237,442	\$211,848	\$25,000	3	80%	64.3%
Median	2BR	\$156,500	\$131,109	\$25,000	3	80%	43.0%
Median	2BR	\$156,500	\$131,109	\$25,000	3	60%	57.4%
Average	2BR	\$237,442	\$211,848	\$25,000	3	100%	51.4%
Median	2BR	\$156,500	\$156,109	\$0	3	100%	38.0%
Average	3BR	\$196,017	\$170,527	\$25,000	4	80%	49.2%
Median	3BR	\$185,000	\$159,538	\$25,000	4	80%	46.6%
Median	3BR	\$185,000	\$159,538	\$25,000	4	60%	62.2%
Average	4BR	\$301,419	\$275,665	\$25,000	5	80%	69.7%
Median	4BR	\$218,950	\$193,403	\$25,000	5	80%	51.7%
Average	5BR	\$730,257	n/a	n/a	7	80%	52.3%
Median	5BR	\$269,000	\$243,328	\$25,000	7	80%	55.5%
Median	5BR	\$269,000	\$243,328	\$25,000	7	100%	44.4%

The following property tax rates were used for the affordability models:

Route 51 Corridor Communities		<u>Tax Rates</u>			
Location (Town)	Cnty	Muni	School	Total	
Burlington	\$4.92	\$11.66	\$19.13	\$35.71	
Burlington Flats	\$4.92	\$11.66	\$19.13	\$35.71	
Butternuts	\$4.19	\$7.71	\$19.16	\$31.06	
Edmeston	\$4.38	\$8.18	\$21.09	\$33.65	
Garrattsville	\$5.80	\$12.89	\$29.92	\$48.61	
Gilbertsville	\$4.19	\$7.71	\$19.16	\$31.06	
Laurens	\$2.71	\$0.67	\$18.95	\$22.33	
New Lisbon	\$5.80	\$12.89	\$29.92	\$48.61	
Morris	\$4.47	\$7.76	\$25.51	\$37.74	
Mount Vision	\$2.71	\$0.67	\$18.95	\$22.33	
Pittsfield	\$4.85	\$7.12	\$25.89	\$37.86	
South Edmeston	\$4.38	\$8.18	\$21.09	\$33.65	
West Edmeston	\$4.38	\$8.18	\$21.09	\$33.65	
Route 20 Corridor Communities		<u>Tax Rates</u>			
Location (Town)	Cnty	Muni	School	Total	
Cherry Valley	\$6.81	\$19.47	\$31.19	\$57.47	
East Springfield	\$4.23	\$4.27	\$19.27	\$27.77	
Exeter	\$5.18	\$8.39	\$20.06	\$33.63	
Plainfield	\$3.80	\$8.69	\$22.75	\$35.24	
Richfield	\$2.93	\$2.95	\$11.75	\$17.63	
Richfield Springs	\$2.93	\$10.85	\$11.75	\$25.53	
Roseboom	\$4.84	\$5.96	\$22.41	\$33.21	
Springfield Center	\$4.23	\$4.27	\$19.27	\$27.77	
Middlefield	\$3.39	\$2.03	\$13.65	\$19.07	
Springfield	\$4.23	\$4.27	\$19.27	\$27.77	
Route 28 Corridor Communities		<u>Tax Rates</u>			
Location (Town)	Cnty	Muni	School	Total	
Cooperstown	\$7.63	\$13.90	\$28.79	\$50.32	
Fly Creek	\$7.63	\$13.90	\$28.79	\$50.32	
Hartwick	\$8.58	\$9.04	\$26.75	\$44.37	
Milford	\$4.72	\$7.76	\$26.94	\$39.42	
Otsego	\$7.63	\$2.09	\$28.79	\$38.51	
Middlefield	\$3.39	\$2.03	\$13.65	\$19.07	
Springfield	\$4.23	\$4.27	\$19.27	\$27.77	

Route 7 / I-88 Corridor Communities				
Location (Town)	<u>Tax Rates</u>			
	Cnty	Muni	School	Total
Decatur	\$4.79	\$12.68	\$24.70	\$42.17
East Worcester	\$4.55	\$6.74	\$23.32	\$34.61
Maryland	\$4.23	\$6.55	\$24.66	\$35.44
Otego	\$4.13	\$6.73	\$24.00	\$34.86
Schenevus	\$4.23	\$6.55	\$24.66	\$35.44
Unadilla	\$4.88	\$10.11	\$28.10	\$43.09
Westford	\$5.65	\$8.05	\$30.08	\$43.78
Worcester	\$4.55	\$6.74	\$23.32	\$34.61
Oneonta Area Communities				
Location (Town)	<u>Tax Rates</u>			
	Cnty	Muni	School	Total
Oneonta (City)	\$5.45	\$12.34	\$25.42	\$43.21
Oneonta (Town)	\$4.37	\$3.44	\$27.71	\$35.52

Action Plan

The action plan component of the Otsego County Integrated Housing Needs & Opportunities Study is intended to provide County leaders and other stakeholders, both current and future, with guidance regarding what kind of place residents would like Otsego County to be in the future, provide a set of strategies for achieving that future vision, and provide a set of implementation actions that will facilitate the accomplishment of each strategy. A funding catalog to assist this effort is provided in the appendix of this report.

Many communities become frustrated with planning efforts that do not lead to concrete results. Too often, a laundry list of recommendations is filed away, and communities lose the momentum generated in the planning phase, missing out on valuable funding opportunities to launch proposed initiatives. To avoid this dilemma, this plan proposes a combination of strategies to implement this Housing Plan.

Establishing a clear organizational framework for implementation of the Otsego County Integrated Housing Needs & Opportunities Study will be important. Some actions will be appropriate for implementation by the County, while others will be better suited for the municipalities of Otsego County and/or County Housing Service Providers.

GOAL ONE: PROVIDE FOR A VARIETY OF HOUSING IN OTSEGO COUNTY

Otsego County has experienced significant economic changes in the past decade that directly affect the housing stock. Economic growth in concentrated areas of the county has increased the need for a reliable work force base, which in turn requires housing. One unique and far-reaching change and challenge for the County has been the development of youth baseball camps that now bring in hundreds of families as weekly rentals in the summer. This single economic impact has seriously depleted the availability of year-round rental and for-sale properties in a large segment of the county. Many apartments and homes are now dedicated to summer rentals. Municipalities in the County are confronted with new zoning challenges and a shortage of year-round housing. Absentee property owners are purchasing properties for investment purposes at prices unattainable and unaffordable for most county residents.

Strategy 1: Identify and improve residential development within city, town and village centers.

- Action 1.1** Encourage second floor housing on Main Streets to create mixed-use buildings in the city, town and village centers. Mixed use buildings in the urban centers could increase the rental market in Otsego County, increase foot traffic in these vital commercial cores, as well as encourage reinvestment in the existing buildings and businesses.
- Action 1.2** Encourage new housing development that fills identified gaps in the housing inventory including in the city, town and village centers such as single family homes, market rate apartments, town homes, condominiums, lofts, and live/work space.
- Action 1.3** Identify and encourage infill development around population centers so residents can get to commercial services easier and public transit can improve.
- Action 1.4** Pursue funding opportunities for affordable homeownership and rental development projects through State and Federal Housing Programs.
- Action 1.5** Review current land use regulations and building codes in the city, towns and villages and revise (if necessary) to allow for mixed-use opportunities in the urban centers.

Strategy 2: Encourage the development of mixed income housing projects.

- Action 2.1** Work with developers to encourage “mixed-income” rental projects to serve a wide range of households. Communities may want to provide density bonuses to encourage an “affordable housing” mix in market rate housing projects. [See Goal 4 Strategy 1 below]
- Action 2.2** Identify potential sites for major residential projects and plan for their development or redevelopment.
- Action 2.3** Encourage municipalities to issue a RFP (Request for Proposal) for housing development.
- Action 2.4** Approach the colleges about their plans for developing additional student housing
- Action 2.5** Meet with each municipality to determine how far they would be willing to go to develop housing in their community
- Action 2.6** Conduct a community housing trust (CHT) feasibility study for towns and villages that are interested in the CHT. Typically Housing Trusts acquire and hold land and sell off any residential or commercial buildings that are on the land. A feasibility study is needed to determine whether or not the CHT model would work in the interested municipalities.

Strategy 3: In partnership with both county organizations and non-profit housing organizations promote housing rehabilitation and homeownership programs.

- Action 3.1** **Formally establish the Ad Hoc Housing Committee into an Otsego County Housing Action Network**
- Action 3.2** **Develop a rehab/redevelopment program targeting the mobile home parks in the County.**
- Action 3.3** **Utilize financial incentives available under NYS law to encourage home reinvestment in existing substandard housing.**
- Action 3.4** **Promote rehabilitation programs and incentives to upgrade existing housing in the communities.**
- Action 3.5** **Work with municipalities, non-profits and county agencies to implement homeownership assistance programs.**
- Action 3.6** **Develop/Expand a county homebuyer education program to educate first-time homebuyers on things like saving for a downpayment, closing costs and improving credit scores, etc.**

Strategy 4: Encourage employer sponsored worker housing initiatives.

- Action 4.1** **Encourage major employers to provide homeownership assistance. This can include but not be limited to low-interest financing, down-payment subsidies, or closing cost assistance, to employees who purchase homes in targeted areas.**

GOAL TWO: ENCOURAGE DEVELOPMENT OF SENIOR HOUSING

There is concern about senior housing in Otsego County for those residents who cannot keep up with their home, but want to stay in the local area. Many seniors want to age in their own homes. It was also mentioned by housing developers and municipal supervisors that there is a need for senior housing in the County. Additionally, the Plains at Parish Homestead, an active adult community is currently under development and offers patio homes for sale and independent apartments for lease and plans to offer assisted living and memory care apartments for lease. Approximately one-third of residents at The Plains are local people, one-third used to live in the County and moved back, and one-third moved here because their children now live in the County.

The range in types of senior housing includes active adult communities to full nursing care facilities. There are also senior apartments, elder cottages, independent living facilities, and continuing care retirement communities, which combine independent living, assisted living, and nursing care in one campus.

Strategy 1: Identify specific subsidized or market rate senior housing developments that will assist the senior population in Otsego County.

- Action 1.1** **Work with local municipalities on their land use regulations to allow various housing development for seniors.**
- Action 1.2** **Work with local municipalities to allow seniors to stay in their home by permitting accessory apartments.**
- Action 1.3** **Allow seniors to live independently with the support of family by allowing elder cottages so seniors can live independently, but enjoy the support of family.**

Strategy 2: Provide opportunities for seniors to continue to age in place.

- Action 2.1** **Work with the Office for the Aging to continue to allow seniors to age in place**

GOAL THREE: MITIGATE OR ELIMINATE BARRIERS TO AFFORDABLE AND WORKFORCE HOUSING INITIATIVES THROUGH A PROGRAM OF PUBLIC EDUCATION AND SUPPORT ADVOCACY.

During the focus group meetings, it was mentioned by various participants that either local residents were generally against certain types of housing (i.e. townhomes, condominiums, mobile homes, etc) or that they did not believe there was a need for additional housing in the community. It will be important for the Otsego County Planning Department to share the outcomes of this Housing Study with County Legislatures, Local Municipalities and Local Residents.

Strategy 1: Provide assistance to local municipalities to mitigate and eliminate barriers for housing.

- Action 1.1** **Work with local municipalities to streamline permitting process to develop housing.**
- Action 1.2** **Encourage/educate local boards on the importance of developing housing in their community.**

Strategy 2: Undertake a public education campaign to raise public official and citizen awareness about the importance of housing choice and representing a complete life-cycle of housing.

- Action 2.1** **Propose essential criteria for effective actions on housing policy.**
- Action 2.2** **Educate local officials and planners to understand how and why they should encourage mixed use, cluster development, inclusionary zoning etc.**

GOAL FOUR: ENCOURAGE OTSEGO COUNTY MUNICIPALITIES TO ADOPT LAND MANAGEMENT TOOLS THAT CREATE OPPORTUNITIES FOR AFFORDABLE AND LOCAL WORKFORCE HOUSING.

Strategy 1: Encourage municipalities to adopt sound development principles.

- Action 1.1 Implement manufactured housing guidelines and design standards.**
- Action 1.2 Encourage municipalities to update subdivision and road standards.**
- Action 1.3 Educate the local municipalities on inclusionary zoning regulations.**
- Action 1.4 Encourage municipalities to adopt conservation subdivision standards.**
- Action 1.5 Develop design standards and model development guide for townhomes/condominiums/garden apartments.**

GOAL FIVE: CONTINUE TO EXPAND OR IMPROVE PUBLIC INFRASTRUCTURE AND TRANSPORTATION ACCESS TO FACILITATE MORE ADEQUATE HOUSING.

Lack of public infrastructure appears to be an issue in portions of the County. Assist municipalities without public infrastructure in identifying funding sources that could create water and sewer systems for their communities. For the municipalities with public water and sewer systems (such as Oneonta, Cooperstown and Richfield Springs), local officials acknowledge that they have existing problems and are working to solve them. Money is an issue as most of these communities cannot afford to make needed improvements with their own resources. Perhaps encourage communities to communicate with each other on expanding systems from communities with capacity to those surrounding municipalities without sewer and water.

Public transportation is available in the County from Otsego Express (additionally the City of Oneonta also provides public transportation). Public transportation from Otsego Express is only available Monday – Saturday until 5PM which is a concern because employers, such as Otsego Manor and Bassett Hospital operate 7 days a week/24 hours a day.

Strategy 1: Work with local municipalities with existing public water and sewer to upgrade their facilities and explore expansion opportunities.

- Action 1.1 Facilitate the development of homeownership and rental housing options that more efficiently utilize existing public infrastructure.**
- Action 1.2 Use county owned land (both vacant and tax sales parcels) as part of the leveraging strategy to encourage private development to assist in public facilities development.**
- Action 1.3 Work with municipalities to identify public infrastructure needed to support higher density housing projects.**
- Action 1.4 Work with municipalities on appropriate water and sewer expansion projects.**
- Action 1.5 Consider/evaluate the development of a regional water and sewer authority.**

Strategy 2: Expand public transportation system to accommodate new housing development.

Action 2.1 Review existing “public transportation” options and identify ways to improve system, particularly to the more rural areas in the County where public transportation is limited or non-existent.