Town of North Elba & Village of Lake Placid
Community Housing Needs Assessment

Who is preparing the Community Housing Needs Assessment?

Joint Community Housing Committee (JCHC)

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What are the Objectives?

➢ Assess Existing Housing Stock

➢ Examine Current and Future Housing Demand

➢ Identify Key Housing Issues and Challenges

➢ Identify Gaps in the Existing Housing Supply

➢ Create Strategies for Improving the Availability of Affordable and Workforce Housing

Key Issues and Trends

Year-Round Population is in Decline

North Elba Decline in Family Households and Student Enrollment (2009-2017)
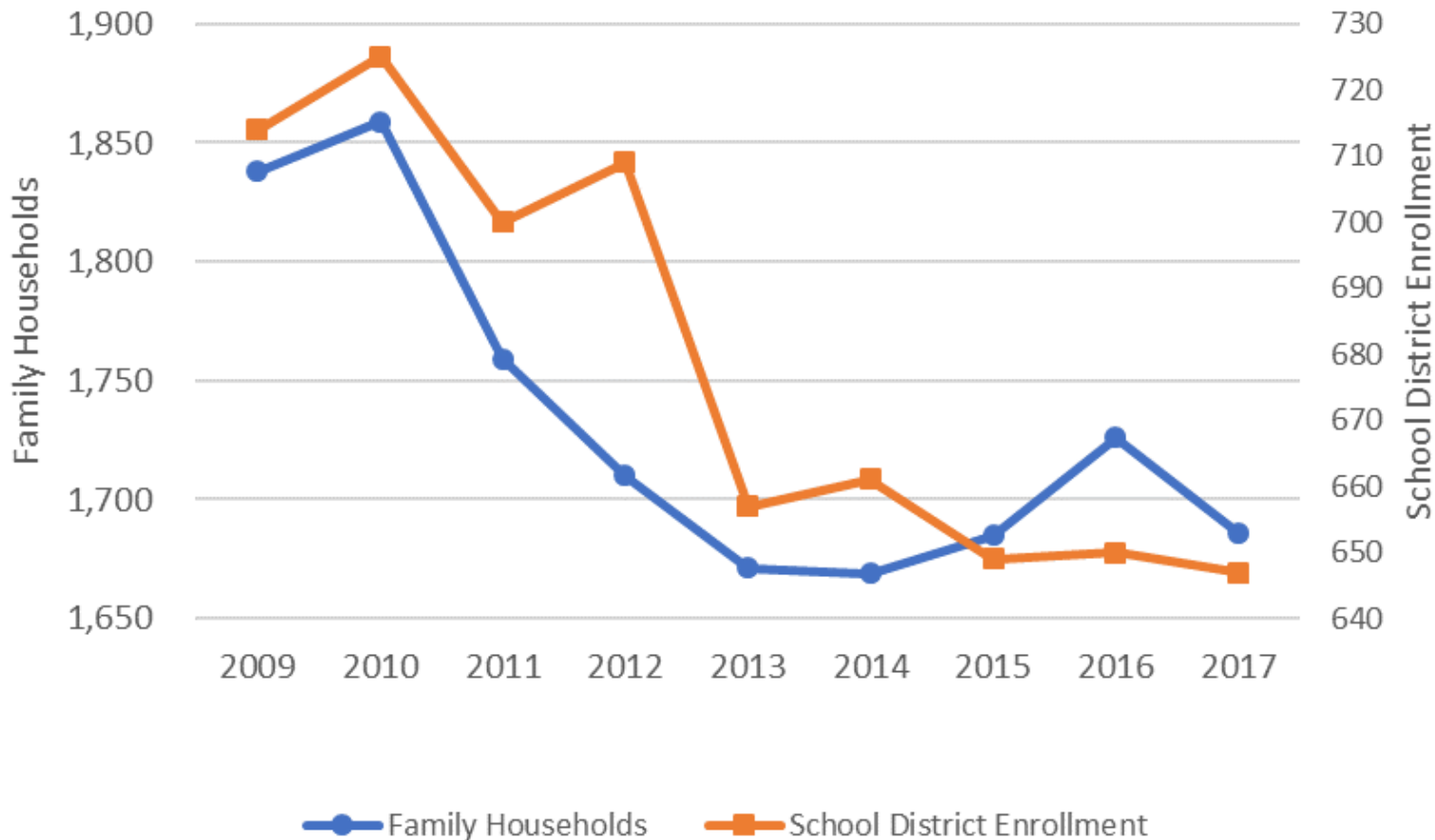
Village of Lake Placid Lost **1 out of every 5** families from 2009-2017

Community Population Trending Older

Town of North Elba Change in Households by Income and Age of Householder, 2019-2024								
	<25	25-34	35-44	45-54	55-64	65-74	75+	Total
<$15,000	0	(6)	(1)	(5)	(18)	3	1	(26)
$15,000-$24,999	(2)	(9)	(3)	(6)	(10)	3	(9)	(36)
$25,000-$34,999	(3)	(9)	(2)	(9)	(9)	5	8	(19)
$35,000-$49,999	(3)	(17)	(3)	(14)	(22)	6	8	(45)
$50,000-$74,999	(1)	(14)	0	(15)	(24)	18	7	(29)
$75,000-$99,999	0	(8)	3	(7)	(14)	13	(1)	(14)
$100,000-$149,999	0	(5)	9	(7)	(11)	19	0	5
$150,000-$199,999	1	3	16	7	11	14	5	57
$200,000+	0	(1)	1	1	(2)	4	1	4
Total	(8)	(66)	20	(55)	(99)	85	20	(103)

Source: Esri

Number of Age 65+ households expected to grow

Non-Local Home Ownership Increasing

Change in Home Ownership by Owner Location by Number of Homes (2010-2020)
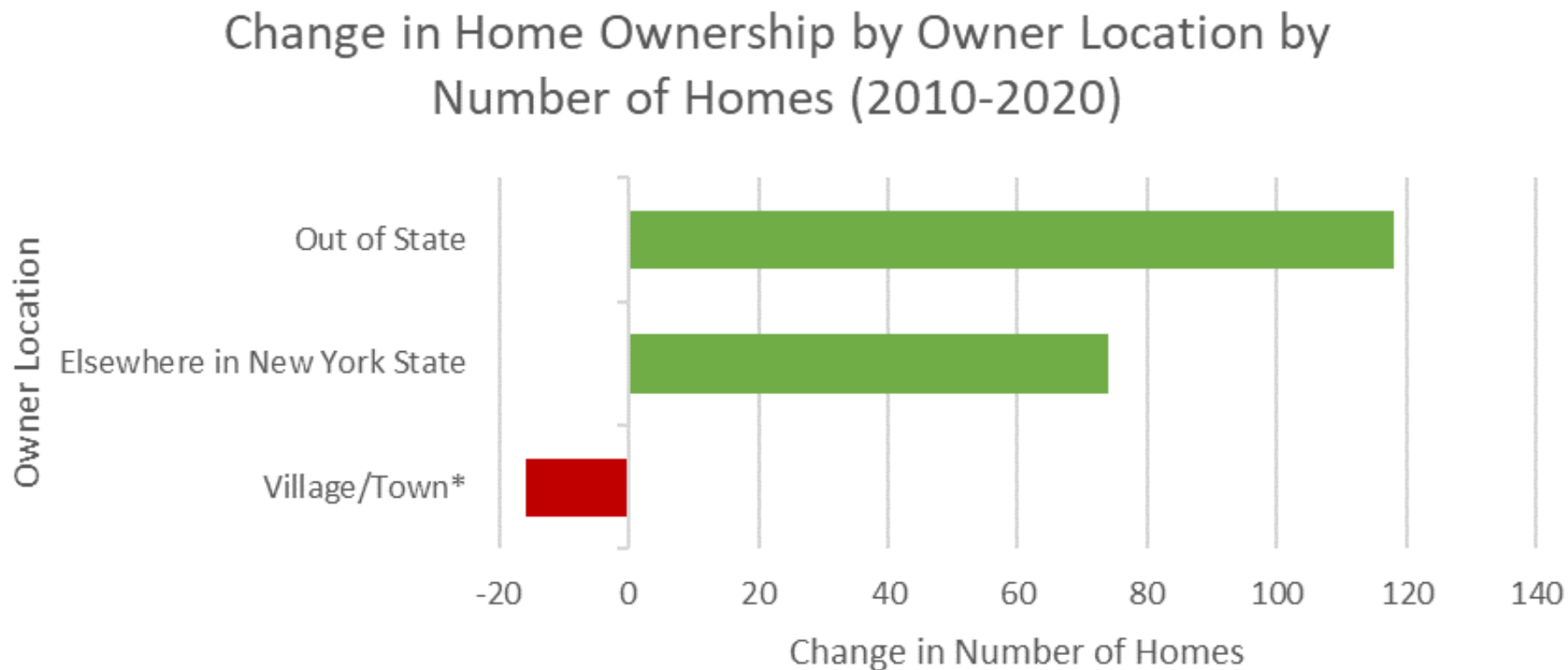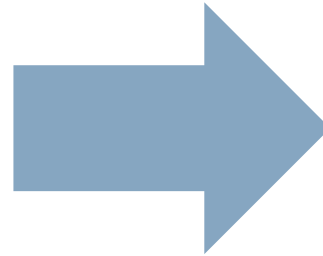

The Number of Homeowners Living Out-of-State Increased by 13% While Local Ownership Decreased (2010-2020)

More Vacation Homes

2010

2017

Approximately
1 in 5 Housing Units
is Seasonal / Vacation

Approximately
1 in 3 Housing Units
is Seasonal / Vacation

More Short-Term Rentals (STRs)

Number of STRs in Lake Placid Market Area
(June 2017-October 2019)
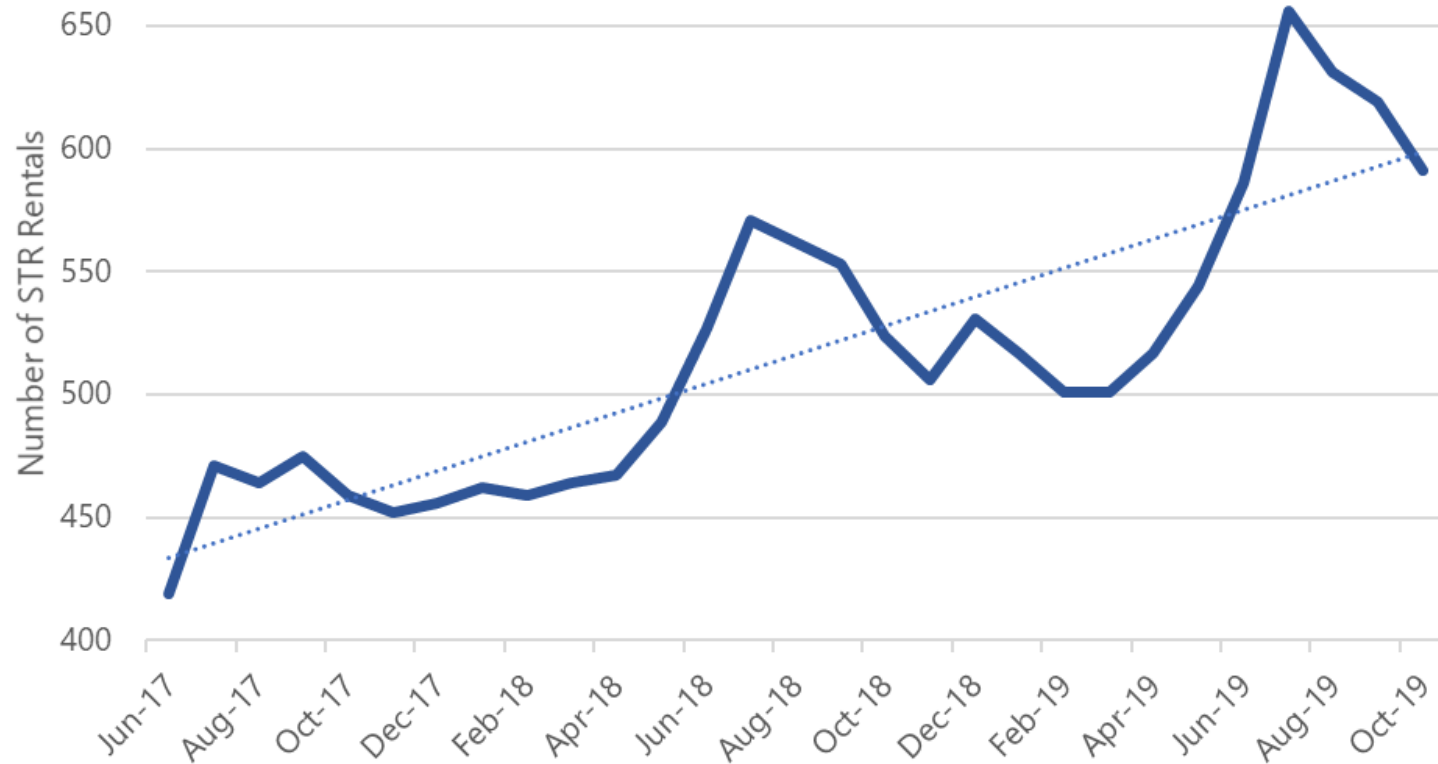
Source: AirDNA

Lake Placid Short-Term Rental Market at a Glance

Rentals Available: 620 (Dec. 2019)

Median Daily Rate: $360
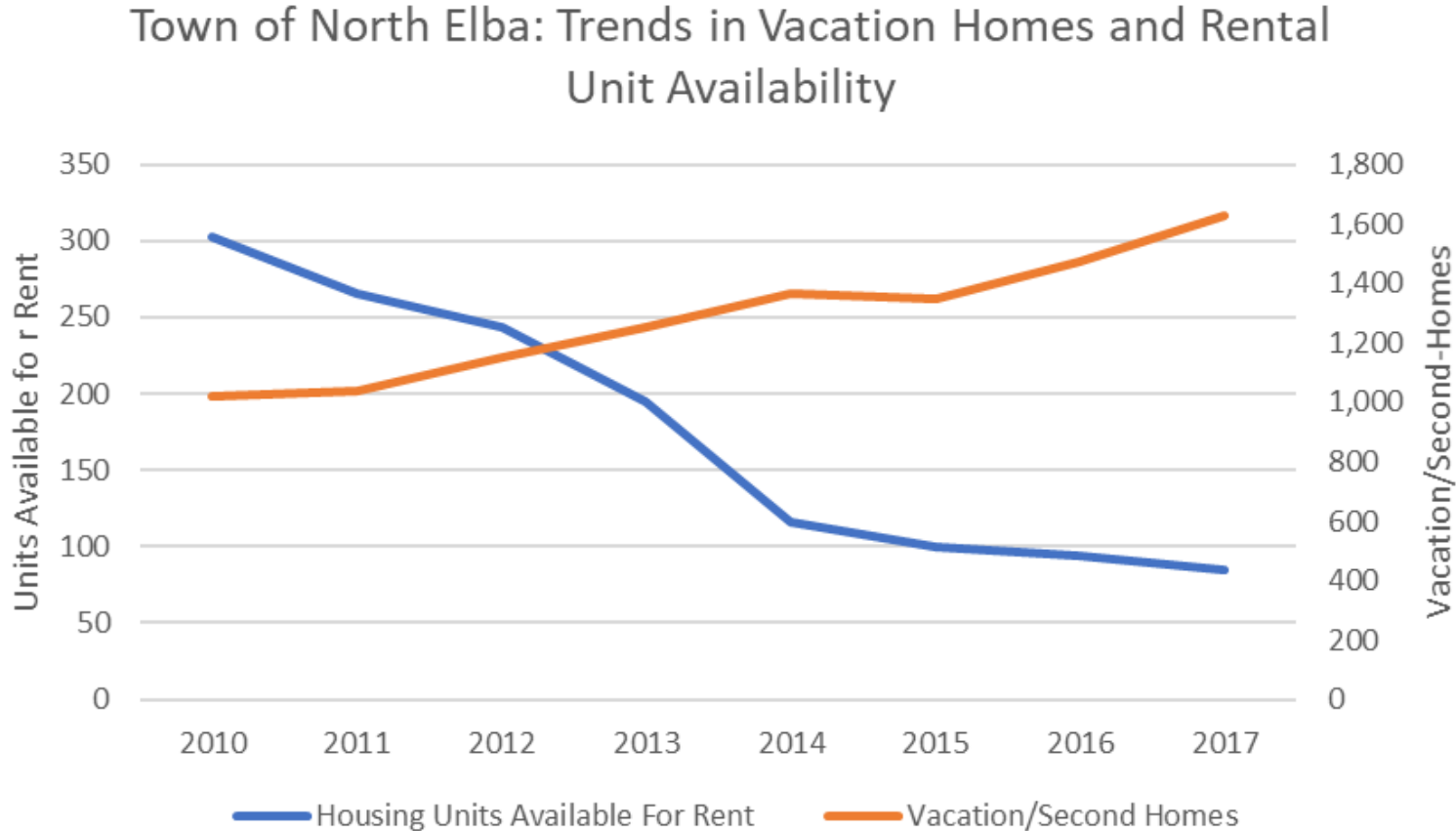
Median Monthly Revenue: $2,950 ($35,400 annual)

Average Guests: 7.7

Average Bedrooms: 3.1

Average Nights per Year: 129

❖ 41% Increase Over 28 Months

STRs Reducing Supply of Long-Term Rentals

Town of North Elba: Trends in Vacation Homes and Rental Unit Availability

- ❖ Not the Root Cause of Workforce Housing Crisis

- ❖ But Contributing to the Problem

STRs Reducing Supply of Long-Term Rentals

Long-Term vs. Short-Term Rental Revenue Comparison		
	2 BR Long-Term Apartment Rental	2 BR Short-Term Apartment Rental
Monthly Rental Rate	$1,250	N/A
Avg. Per-Night Rate	$41	$271
Occupancy Rate	100%	37%
Annual Revenue	$15,000	$36,599
Number of STR nights to equal long-term rental revenue		56
Equivalent occupancy rate		15%
Monthly long-term rental rate to equal STR revenue		$3,050

Source: AirDNA. Based on median daily rate and occupancy rate for 2 bedroom units (last 12 months)

❖ Little incentive for landlords/ property owners to provide long-term rentals

Some Quality Issues for Multi-Family

Housing Stock Condition: Town of North Elba (2019)
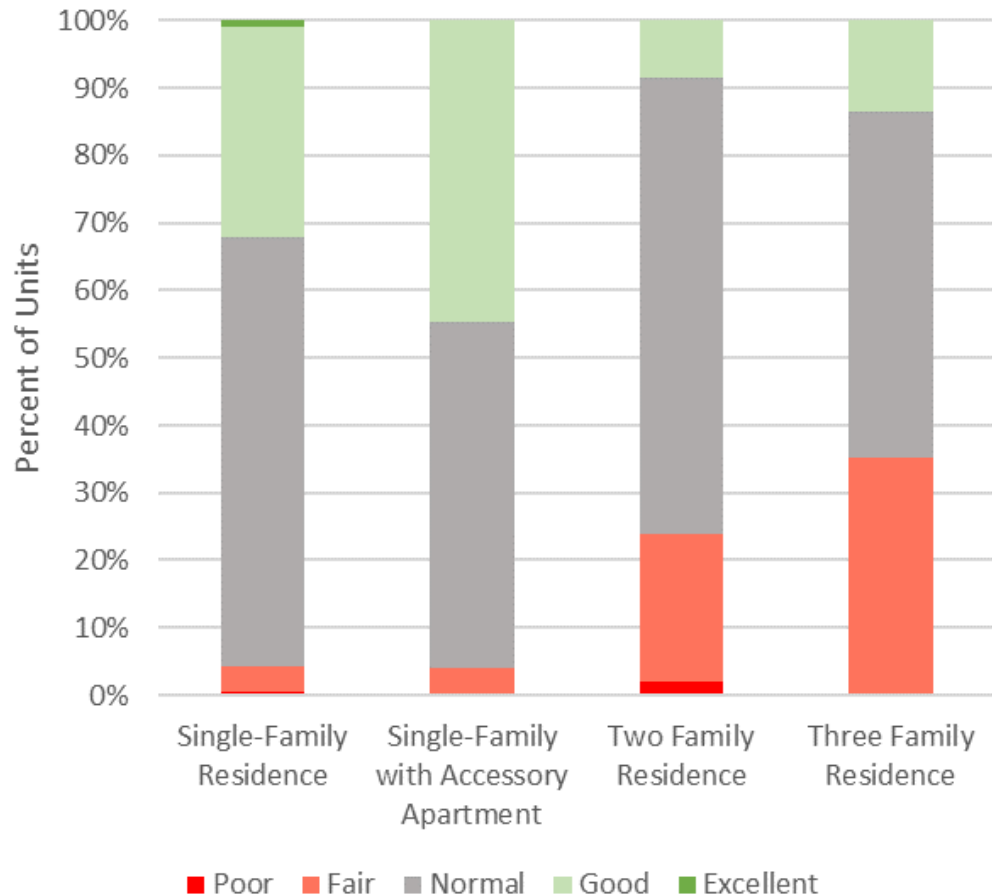
- ❖ **1 out of 4** Two-Family Properties are "Fair" or "Poor"

- ❖ More than **1 out of 3** Three-Family Properties are "Fair or Poor"

Concentration of Low-Wage Jobs

Top 15 Most Common Job Types in North Elba Area (2019)			
Description	# of Jobs	% of Jobs	Median Annual Earnings
Food and Beverage Serving Workers	838	9%	$ 25,766
Retail Sales Workers	563	6%	$ 25,427
Building Cleaning and Pest Control Workers	490	5%	$ 29,216
Health Diagnosing and Treating Practitioners	452	5%	$ 77,779
Other Personal Care and Service Workers	406	4%	$ 27,599
Cooks and Food Preparation Workers	398	4%	$ 27,179
Preschool, Primary, Secondary, and Special Education School Teachers	332	3%	$ 64,431
Information and Record Clerks	271	3%	$ 32,568
Construction Trades Workers	269	3%	$ 40,062
Counselors, Social Workers, and Other Community and Social Service Specialists	255	3%	$ 43,111
Law Enforcement Workers	251	3%	$ 61,583
Other Installation, Maintenance, and Repair Occupations	244	3%	$ 43,281
Other Food Preparation and Serving Related Workers	242	3%	$ 24,370
Health Technologists and Technicians	239	2%	$ 42,039
Other Office and Administrative Support Workers	235	2%	$ 31,053
All Occupations	9,685		

Source: EMSI

5 of Top 6 Most Common Job Types Have Median Annual Earnings Under $30K

But "Typical" Income Levels Overall

Percent of Households by Income Level, 2019

Legend: Village of Lake Placid ■ Town of North Elba ■ Essex County ● North Country ●
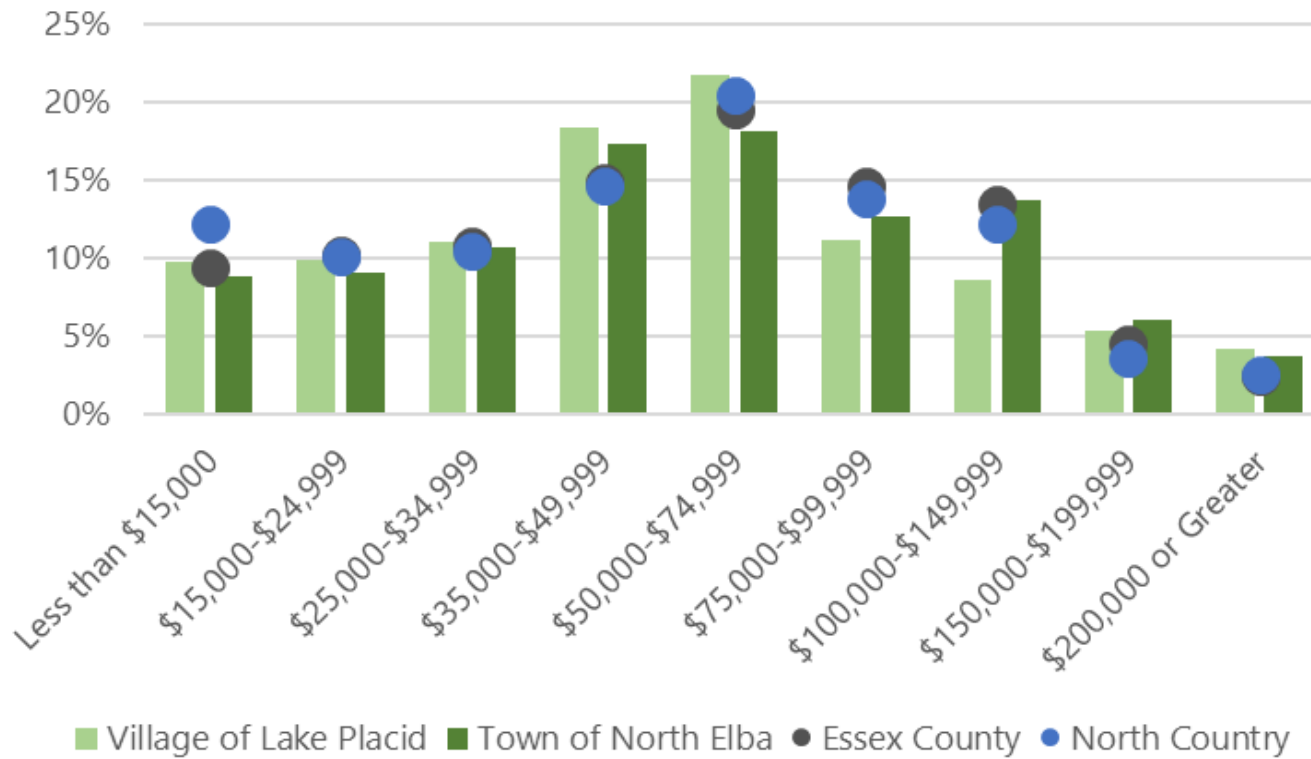
Source: Esri

Median Household Income:

Village: **$50,600**

Town (incl. Village): **$54,200**

County: **$54,200**

North Country: **$52,200**

Fewer Workers Living in the Community

Percent of North Elba Workers Living in North Elba, 2002-2017
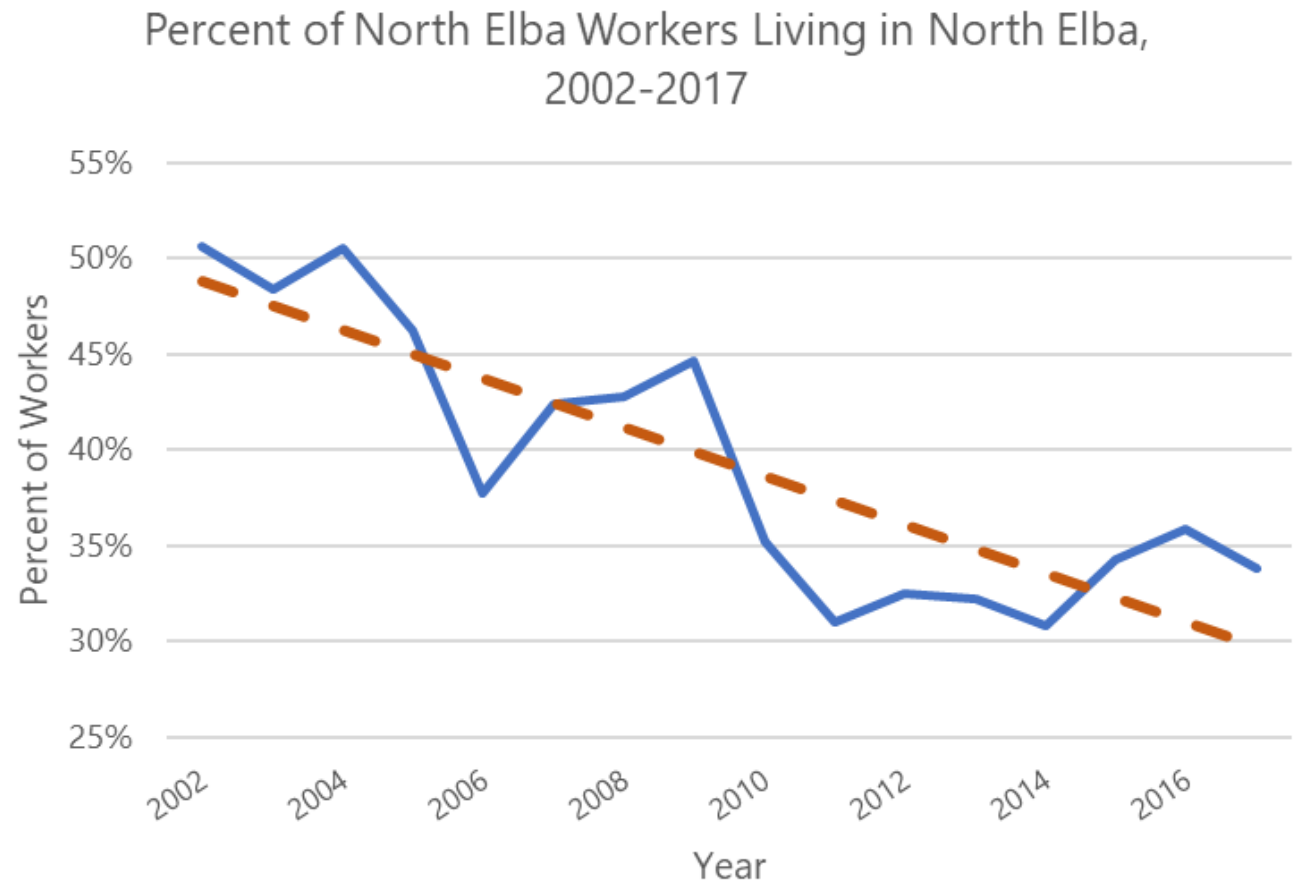
Source: US Census OnTheMap, 2002-2017

Today:
Only **1 out of 3** People Working in the Community Lives in the Community

(Down from more than **1 out of 2** in recent history)

Real Estate Market Findings

- ❖ <u>Challenging Market for Workforce Homebuyers</u>
    - ❖ Little inventory
    - ❖ Strong competition

- ❖ <u>Unmet Demand for Variety of Housing Types and Price Points</u>
    - ❖ Quality Long-term Rentals (apartments, townhouses, etc.)
    - ❖ Starter Homes for Families

Relatively Little New Housing Construction

Housing Unit Permits (2000 - 2018)
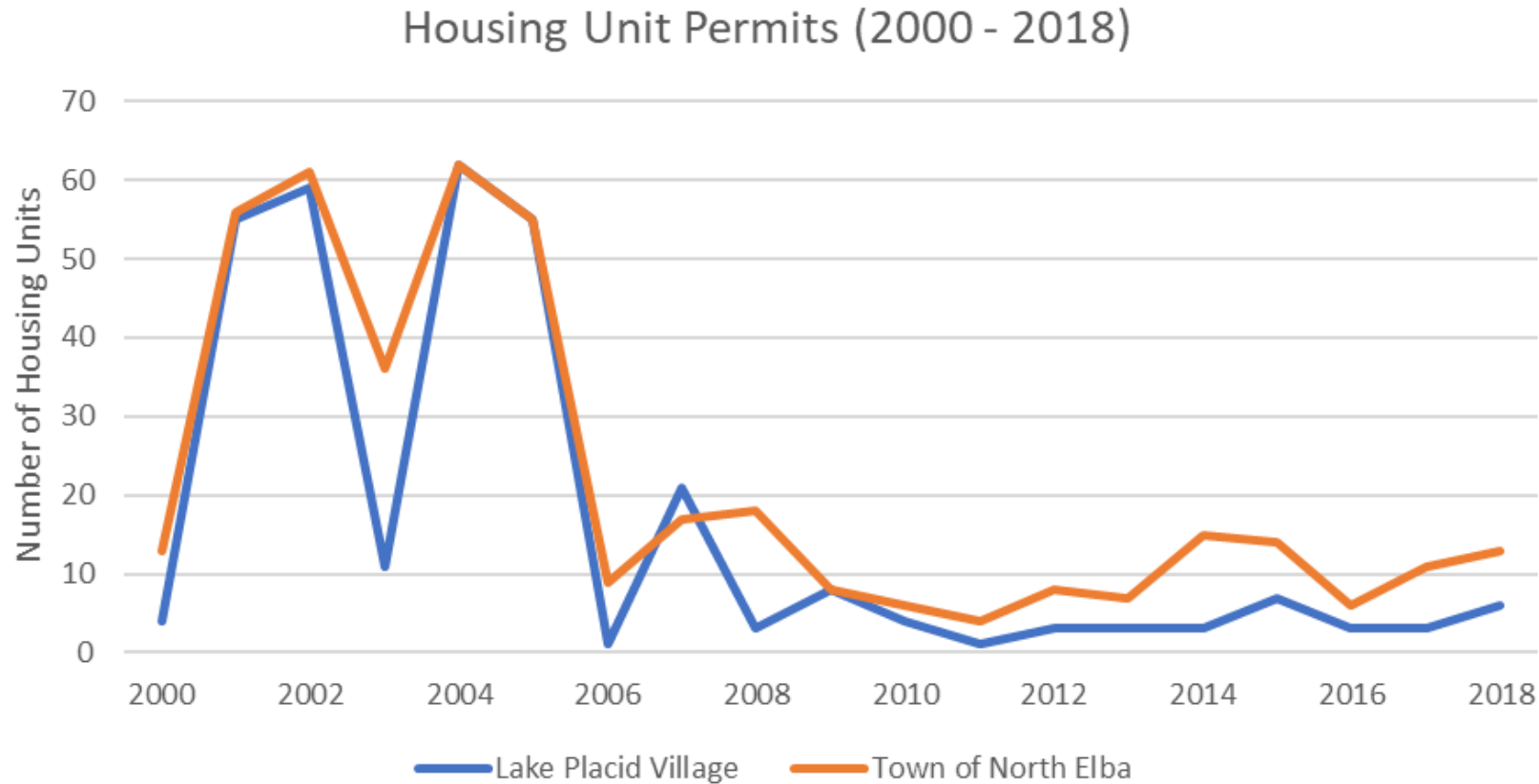
❖ Relatively Lower Levels of Housing Development in Recent Years, Particularly Multi-Family (Apartments)

High Housing Values

Town of North Elba: Single Family Home Values (2019)
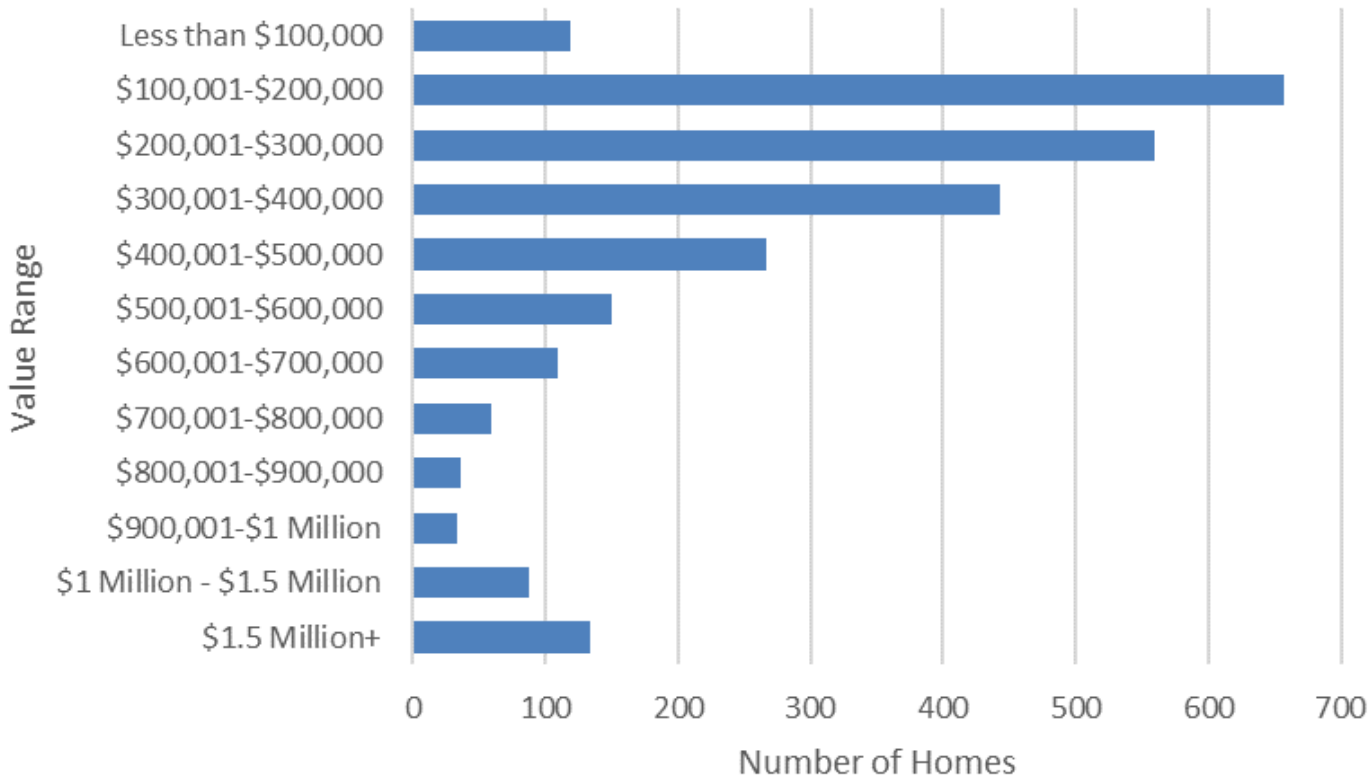
Median Home Value:

Single-Family: **$299,700**

Single-Family: **$285,000** (Non-Waterfront)

Median Owner-Occupied Unit is 40% Greater than in Essex County

Even Higher Housing <u>Prices</u>

Annual Sales and Average/Median Sale Price					
Year Sold	Number of Sales	Average of Sale Price	Median Sale Price	Average of Sale Price per SF	Median Sale Price per SF
2014	54	$ 596,570	$ 367,500	$ 231	$ 183
2015	54	$ 578,809	$ 381,000	$ 226	$ 170
2016	62	$ 640,910	$ 360,000	$ 251	$ 186
2017	67	$ 516,303	$ 450,000	$ 223	$ 184
2018	88	$ 665,460	$ 417,500	$ 227	$ 207
2019	60	$ 701,417	$ 400,000	$ 266	$ 199
Grand Total	385	$ 619,337	$ 401,000	$ 237	$ 189

Source: Multiple Listing Service Data (MLS)

Typical Single-Family Home Sale Price in 2019 = $400,000 (+$100K over median <u>value</u>)

Non-Waterfront Typical Home Sale Price = $343,500 (+$59K over median <u>value</u>)

And Trending Upwards...

Single-Family (Non-Waterfront) Home Price Trends:
Town of North Elba (2009-2019)

Median Price Trend:

+0.4%/year

Median Price Trend:

+5.2 %/year

average price — median price
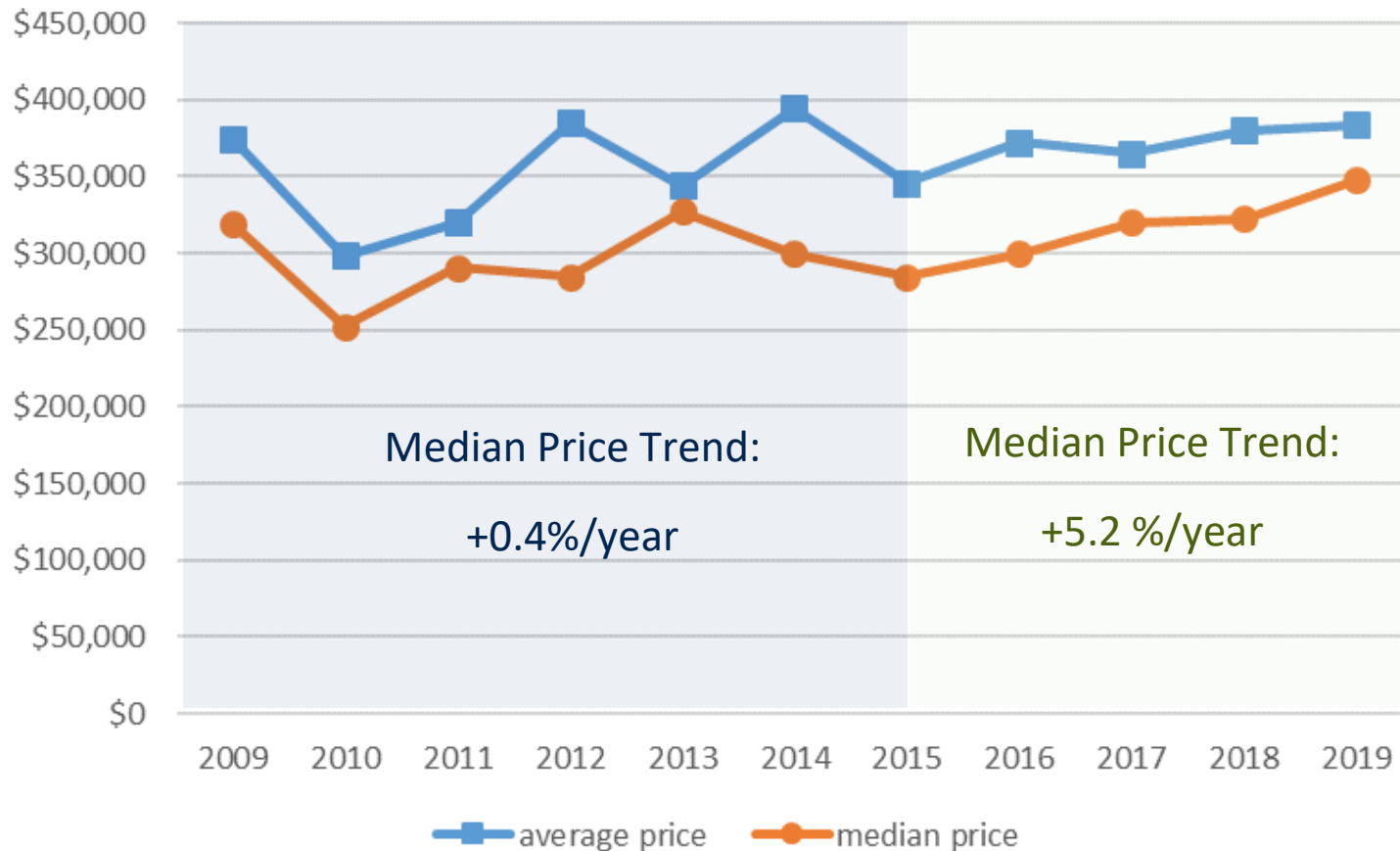
Home Sales Prices Are Increasing <u>Faster</u> in More Recent Years

Housing Affordability

Typical Household Out of Reach of Typical Income

	Median Value Single-Family	Median Value Non-Waterfront Single-Family	Medial Sale Price Single-Family	Median Non-Waterfront Single-Family
Median Home Value/ Price	$299,700	$285,000	$400,000	$343,500
Est. Monthly Payment	$1,816	$1,770	$2,424	$2,081
Household Income Threshold	**$72,640**	**$70,804**	**$96,948**	**$83,247**
Median Household Income	$54,200	$54,200	$54,200	$54,200
Income Gap	**-$18,440**	**-$16,604**	**-$42,748**	**-$29,047**

The typical household with an income of $54,200 would <u>need an additional $29,000</u> in income to afford the typical non-waterfront home sale price

Rental Units Also Out of Reach

Rent Affordability Gap: Town of North Elba (2019)			
	Median Apartment	Rental Scenario 1	Rental Scenario 2
Monthly Rent	**$ 860**	**$ 1,000**	**$ 1,200**
Yearly Rent	$ 10,320	$ 12,000	$ 14,400
Household Income Threshold	$ 34,400	$ 40,000	$ 48,000
Hourly Wage Threshold (full-time)	$ 16.54	$ 19.23	$ 23.08
Hourly Wage Threshold (3/4-time)	$ 22.05	$ 25.64	$ 30.77
Hourly Wage Threshold (1/2-time)	$ 33.08	$ 38.46	$ 46.15

Soruce: ESRI Business Analyst; Camoin 310

Very Difficult for Hourly Workers to Afford:

- 461 people work as building cleaning workers *(median hourly earnings = $14.09)*

- 342 people work as waiters and waitresses *(median hourly earnings = $12.60)*

- 308 people work as cooks *(median hourly earnings = $13.44)*

- 283 people work as retail salespeople *(median hourly earnings = $13.05)*

Thinking about Affordability by Income Brackets

Workforce Housing Income Brackets and Housing Affordability

Area Median Income (AMI) Income Bracket	Household Income Range	Max. Affordable Rent	Max. Affordable Home Value
Under 50% AMI	Less than $35,150	Less than $879	Less than $123,000
50%-80% AMI	$35,150 - $56,240	$879 - $1,400	$123,000 - $196,000
80%-120% AMI	$56,240 - $84,360	$1,400 - $2,100	$196.000 - $300,000
120%-200% AMI	$84,360 - $140,600	$2,100 - $3,500	$300,000 - $490,000

Essex County Area Median Income (AMI) is $70,300

Assumes maximum 30% of income spent on housing

North Elba Households by AMI, 2019

Under 50% AMI	50-80% AMI	80-120% AMI	120-200% AMI	Over 200 AMI	Total
28%	23%	17%	18%	14%	100%
913	730	550	580	434	3,207

Source: Esri

What Does the Community Have Now?

Housing Supply by AMI Range and Home Affordability (Excluding Apartments)

Housing Type*	AMI	50-80% AMI	80-120% AMI	120-200% AMI	Total
	Home Val.	$123,000-$196,000	$196,000-$300,000	$300,000-$490,000	
All Single-Family Homes		477	568	663	1,708
Two-Family Homes		50	51	16	117
Three-Family Homes		17	12	6	35
Condominiums		16	64	55	135
Total		560	695	740	1,995

Excludes non-winterized residences, rural residences with large lots, properties with multiple residences, mobile homes, and estates.

Source: 2019 Town Property Tax Records

Rental Housing Supply by AMI Range and Rent Affordability

Housing Type*	AMI	50-80% AMI	80-120% AMI	120-200% AMI	Total
	Rent	$879-$1,400	$1,400-$2,100	$2,100-$3,500	
Village of Lake Placid		253	63	22	338
Elsewhere in North Elba		174	47	35	255
Total		427	109	57	593

Source: ESRI Business Analyst; Camoin 310

Housing Needs

Housing Needs: "Focus Populations"

1. DISPLACED WORKERS

2. UNDERHOUSED RESIDENTS

3. OVERBURDENED HOUSEHOLDS

4. SEASONAL WORKERS

5. SENIOR HOUSEHOLDS

Housing Needs: Displaced Workers

❖ Generally Workers That Want to Live in the Community but Priced out

Displaced Worker Housing Need					
Worker Type	Under 50 AMI	50-80 AMI	80-120 AMI	120-200 AMI	Total
Single-Earner Households	217	126	37	15	396
Dual-Earner Households	15	70	59	30	174
Total	**232**	**196**	**96**	**45**	**570**

❖ Based on a **50% Target** "Resident Worker Rate" (i.e., 50% of workers living and working in the Community)

❖ 570 Estimated Housing Units Needed to Reach 50% Target

Housing Needs: Underhoused Workers

❖ People living with parents or others because they cannot find suitable/affordable local housing

Housing Need for Underhoused Residents by AMI Bracket					
	Under 50% AMI	50-80% AMI	80-120% AMI	120-200% AMI	Total
Percent of Underhoused 18-34 year olds	62%	22%	15%	1%	100%
Number of Housing Units	38	13	9	1	61

Source: Emsi, Camoin 310

❖ Focus on age 18-34 (31% live with parents)

❖ 61 estimated housing units needed

Housing Needs: Overburdened Workers

❖ Households spending more than 30% of their income on housing (HUD definition of cost-burdened)

Housing Need for Overburdened Households by AMI Bracket	Under 50% AMI	50-80% AMI	80-120% AMI	120-200% AMI	Total
Percent of Overburdened Households	77%	14%	7%	2%	100%
Number of Housing Units	543	97	53	11	704

Source: ACS 2013-2017 5-Year Estimates, Camoin 310

❖ 20% of homeowner households & 32% of renter households are cost burdened

❖ 704 estimated housing units needed

Housing Needs: Seniors and Seasonal Workers

❖ Many Low-Income Seniors; relatively little supply of affordable senior housing

Households Over 65 by AMI					
Under 50% AMI	50-80% AMI	80-120% AMI	120-200% AMI	Over 200 AMI	Total
41%	21%	16%	13%	8%	100%
425	221	164	134	87	1,031

Source: Esri

❖ Unmet Need for Seasonal/Temporary Worker Housing

 ❖ Approximately 920 seasonal jobs

 ❖ Estimate at least 200 housing units needed ("dormitory" style)

Housing Needs: Summary by Population & Income

North Elba Housing Needs by Household Type and Income Bracket					
Household Type	Number of Households by Income Bracket				Total
	Under 50% AMI	50-80% AMI	80-120% AMI	120-200% AMI	
In-Commuters	232	196	96	45	569
Underhoused Residents	38	13	9	1	61
Overburdened Households	543	97	53	11	704
Seasonal Workers	200	-	-	-	200
Total	1,013	306	158	57	1,534
Total Workforce-Level		306	158	57	521

❖ Approximately 1,530 Workforce/Affordable Housing Units Needed

❖ Overburdened & In-Commuters (displaced workers) Greatest Need
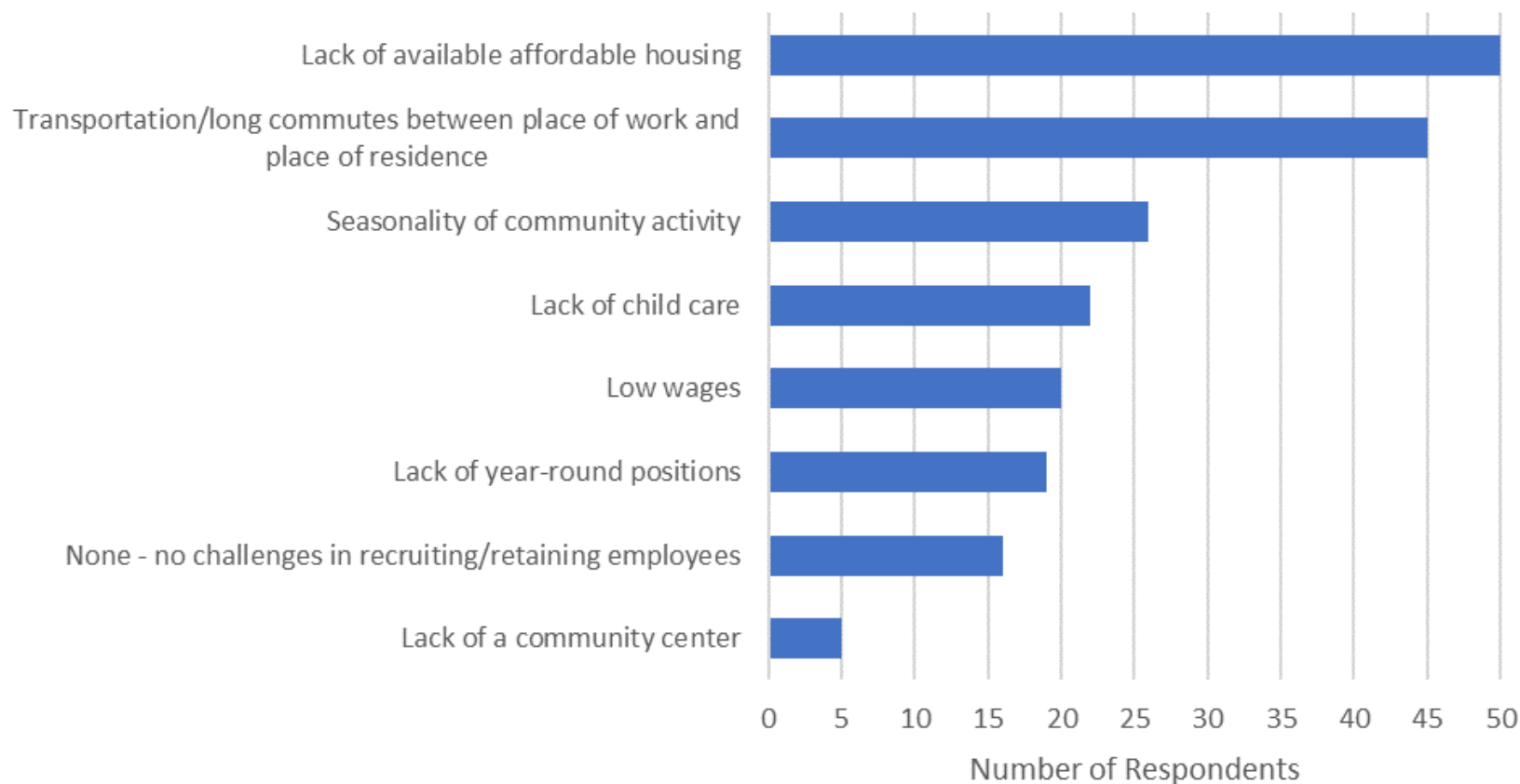
Housing Needs: Summary by Housing Type & Income

North Elba Housing Needs by Household Type and Income Bracket						
Unit Type	Number of Households by Income Bracket				Total	Total Workforce-Level
	"Affordable" Income Bracket	"Workforce" Income Bracket				
	Under 50% AMI	50-80% AMI	80-120% AMI	120-200% AMI		
	Rent Range: <$879 Home Value Range: <$123	Rent Range: $879-$1,400 Home Value Range: $123-196k	Rent Range: $1,400-$2,100 Home Value Range: $196-$300k	Rent Range: $2,100-$3,500 Home Value Range: $300-$490k		
1 BR Apartment	224	48	13	2	287	63
2 BR Apartment	207	44	12	3	266	59
3 BR Apartment	138	30	8	1	177	39
Sub-Total: Rental units	**569**	**122**	**32**	**6**	**729**	**160**
2 BR Owner Occupied	141	106	73	30	350	209
3 BR Owner Occupied	85	64	44	18	211	126
4 BR Owner Occupied	18	13	9	4	44	26
Sub-Total: Owner Occupied	**244**	**184**	**126**	**51**	**605**	**361**
Dormitory	200	-	-	-	200	-
Total	**1,013**	**306**	**158**	**57**	**1,534**	**521**

Employer Housing Survey

Housing a Major Concern for Employers

Negatively Impacted Ability to Recruit/Retain Employees

- Lack of available affordable housing
- Transportation/long commutes between place of work and place of residence
- Seasonality of community activity
- Lack of child care
- Low wages
- Lack of year-round positions
- None - no challenges in recruiting/retaining employees
- Lack of a community center

Number of Respondents

❖ More than 50% Report Lack of Available Affordable Housing Negatively Impacts Ability to Hire or Keep Workers

❖ 62% say it's a serious or critical issue in the community

Source: ROOST

# Housing a Major Concern for Employers

❖ **3 out of 10 employers** had prospective employees turn down job offers due to availability of affordable housing

❖ **3 out of 4 employers** open to idea of assisting with housing

Source: ROOST

Community Input

Community Input

- ❖ Open House ~**100** *people in attendance*

- ❖ Community Housing Survey *Over* **500** *responses*

- ❖ Engaging and willing interviews with stakeholders
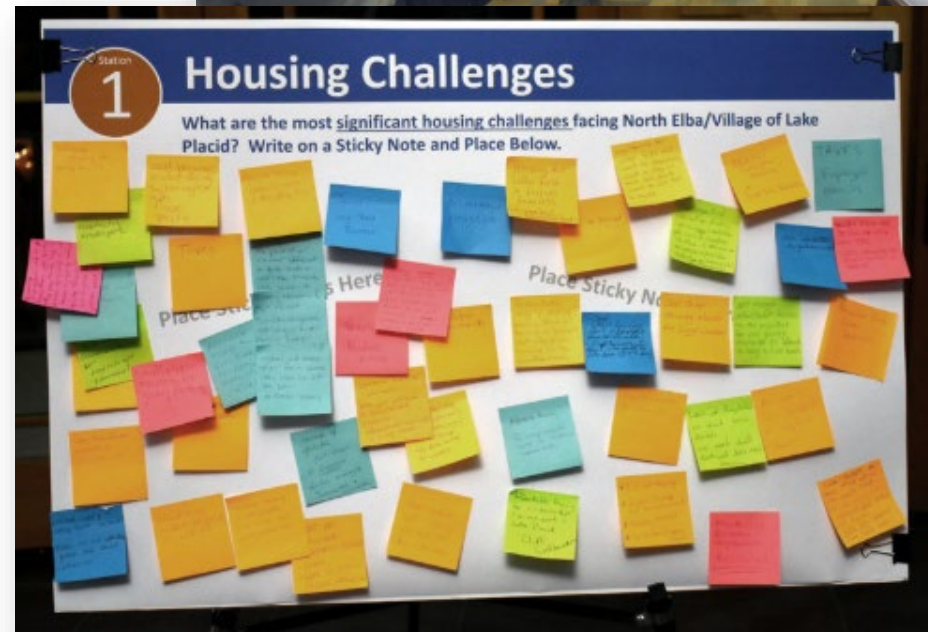
*Source: Adirondack Daily Enterprise*

Community Input Themes

❖ The community recognizes the lack of workforce housing as a major problem

❖ Some STR regulation is needed, although opinions vary

❖ Supportive of a mixed-income, year round population
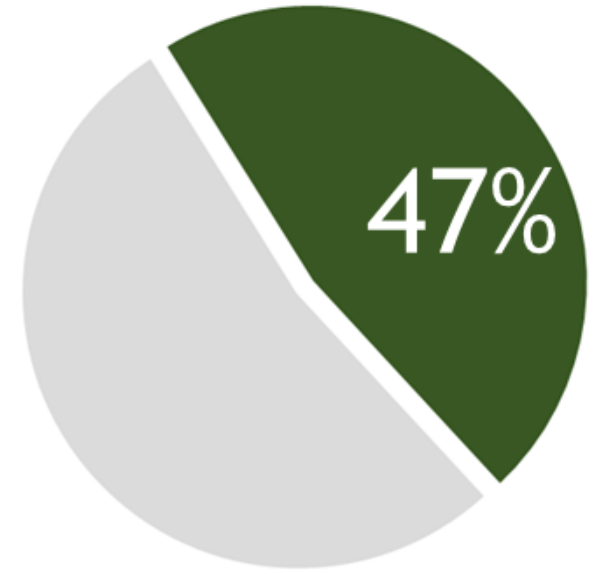
❖ Transportation is an important consideration

What Strategies Does the Community Support?

67%
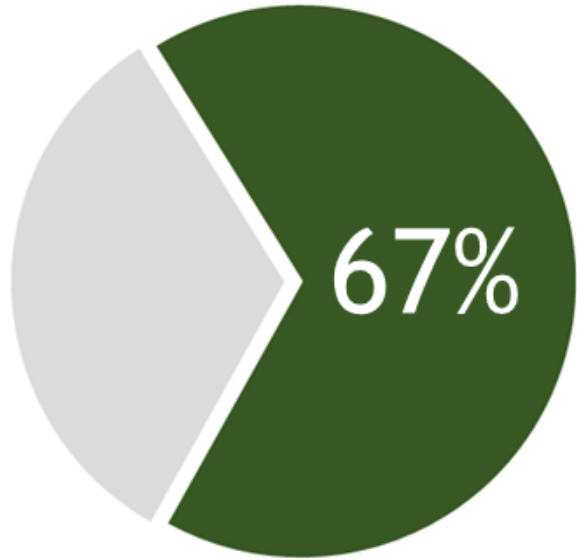
❖ Support regulating STRs

51%
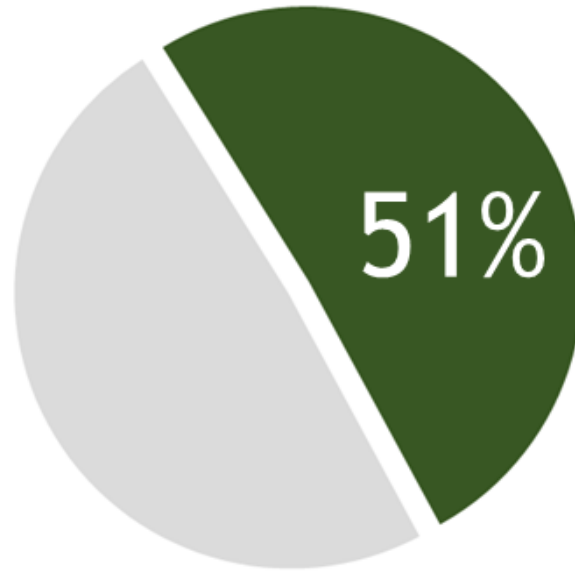
❖ Support incentives to build the housing needed

47%

❖ Support creating a homebuyer assistance program

Housing Strategy

Housing Strategy

- **Why Isn't Much Workforce/Affordable Housing Being Built Now?**
  - Strong Market Demand at Higher Price Levels
  - Lack of Development Incentives for Middle-income Range
  - Limited Availability of Building Sites
  - High Land Costs
  - High Construction Costs

- **What are the Keys to Success?**
  - A Multi-Pronged Approach: No Silver Bullet Solution
  - Public Sector Involvement: Resources, Partnerships, Leadership
  - New Resources/Capacity Needed: New & Creative Sources

Overview of Goals

Goals:

1. Increase the Availability of Year-Round Workforce Housing in The Community

2. Assist Local Residents and Workers Secure Quality Housing at Nonburdensome Prices

3. Expand Capacity for Addressing Community Housing Issues

Goal 1: Increase Availability of Workforce Housing

Strategies

A. Examine and Modify Existing Land Use Regulations

B. Build an Athlete's Village for World University Games and Transform Into Community Housing

C. Policies & Incentives to Encourage Workforce Housing Developments

D. Short Term Rental Registration Program & Health/Safety/Nuisance Regulations

E. Identify and Acquire Priority Sites for Workforce Housing

F. Partner with Affordable Housing Developers

Goal 2: Assist Residents/Workers Secure Housing

Strategies

A. Public Employee Housing Assistance Program

B. Rent-to-own Program

C. Employer-Assisted Housing (EAH) Program

D. Residential Property Rehabilitation Assistance Program

Goal 3: Expand Capacity for Housing Needs

Strategies

A. Joint Housing Committee as Implementation Committee

B. Explore Creating a Land Bank to Acquire Properties for Housing

C. Re-Evaluate the Town's Inclusionary Zoning Regulations

D. Create a Community Housing Trust Fund with Dedicated Funding

E. Explore new Municipal Staff Person Focused on Community Housing

F. Increase Awareness of Relationship Between Housing and Economic Development

Concluding Remarks

Key Takeaways

➢ North Elba is facing a workforce housing crisis

➢ The community is continuing to transition into a vacation home community, but wants to be a year-round mixed-income community

➢ Lack of affordable/workforce housing is a threat to local economy

➢ Over 1,500 units of affordable/workforce housing needed of various types

➢ Addressing the need will be challenging and take a significant effort

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