TOMPKINS COUNTY HOUSING NEEDS ASSESSMENT MODEL

September 6, 2016

DANTER COMPANY

THE OBJECTIVE OF THIS PROJECT WAS TO PROVIDE…

- AN ASSESSMENT OF THE TOMPKINS COUNTY HOUSING MARKET SINCE 2000
- CURRENT UNMET HOUSING DEMAND
- A HOUSING NEEDS PROJECTION TO YEAR 2025

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KEY HOUSING INDICATORS FOR DEMAND MODEL

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- Employment trends & projections
- Labor force trends & projections
- Population and household trends & projections
- Total college enrollment trends & projections
- Student employment
- On-campus student housing
- Off-campus student housing

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SPECIAL REPORTS AND MARKET INDICATORS

- Field Survey of market rate apartments 24 units and over Including rentals net of student occupancy
- Field Survey of rental units under 24 units
- Survey of organizations serving special populations
- Internet survey of Tompkins County including tabulation of Tompkins County residents, commuters, respondents over age 65 and students

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SPECIAL REPORTS (Cont.)

- Peer market comparison for market rate rental housing support showing demand by price and tenant profile
- Single family housing demand analysis
- Condominium housing demand analysis
- Buyer/seller ratios for senior housing demand
- Migration analysis
- Purpose built student housing demand analysis
- Commuting characteristics

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SPECIAL REPORTS (Cont.)

- Multifamily demand analysis
- Survey of senior care facilities
- Senior care demand analysis
- Single family resale trends
- Renters by age and income
- Peer school comparison of on- and off-campus housing
- Senior renters by income
- Selected rental property indicators

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PRIMARY RESEARCH AND MARKET INPUT

- **Interviewed nearly 5,000 professionals, residents, major employers or key players in Ithaca**
  - **262 property owners or managers**
  - **41 other real estate professionals**
  - **15 special needs housing providers**
  - **4,509 respondents to our internet survey**
    - **2,812 who live and work in Tompkins County**
    - **439 in-commuters**
    - **886 students**

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THE HOUSING DEMAND MODEL

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COMPONENTS OF HOUSING DEMAND MODEL 2015

EMPLOYMENT (LOCATION BASED)	**2015**	**2025**
Employment	65,417	72,328
On-Campus Student Employment	9,064	10,186
Employment Net of On-Campus Student	56,353	62,142

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POPULATION	2015	2025
Population	105,160	110,705
Students in On-Campus Housing	13,112	13,531
Students in Purpose Built Student Housing	1,305	1,456
Students in Conventional Apartments	4,770	4,770
Students in Conventional Housing	12,068	15,366
Total Students	31,255	35,123
Population Net of Students	73,905	75,582
Students Employed Off-Campus – 4.9%	1,531	1,721
Effective Population	75,436	77,303

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EMPLOYMENT AS A PERCENT OF POPULATION	2015	2025
Current and Projected	76.3%	82.2%
U.S. Average	59.5%	
Tompkins County Target	60.0%	60.0%
Supportable Population	93,922	103,571
Population Deficit	18,485	26,268
Household Deficit Based on 2.6 Population Per Household	7,159	10,351

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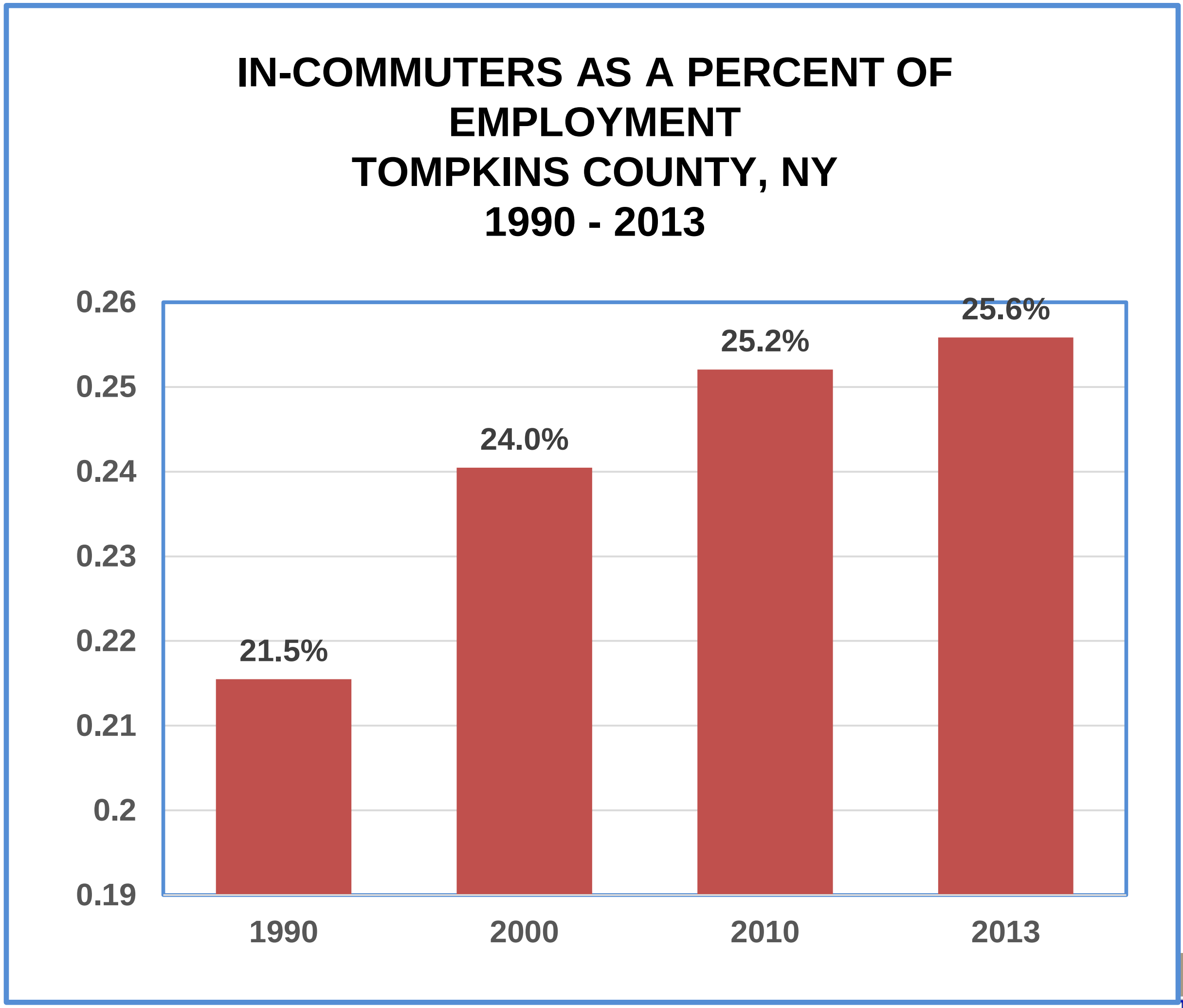
IN-COMMUTERS AS A PERCENT OF EMPLOYMENT
TOMPKINS COUNTY, NY
1990 - 2013
0.26
0.25
0.24
0.23
0.22
0.21
0.2
0.19
21.5%
24.0%
25.2%
25.6%
1990
2000
2010
2013
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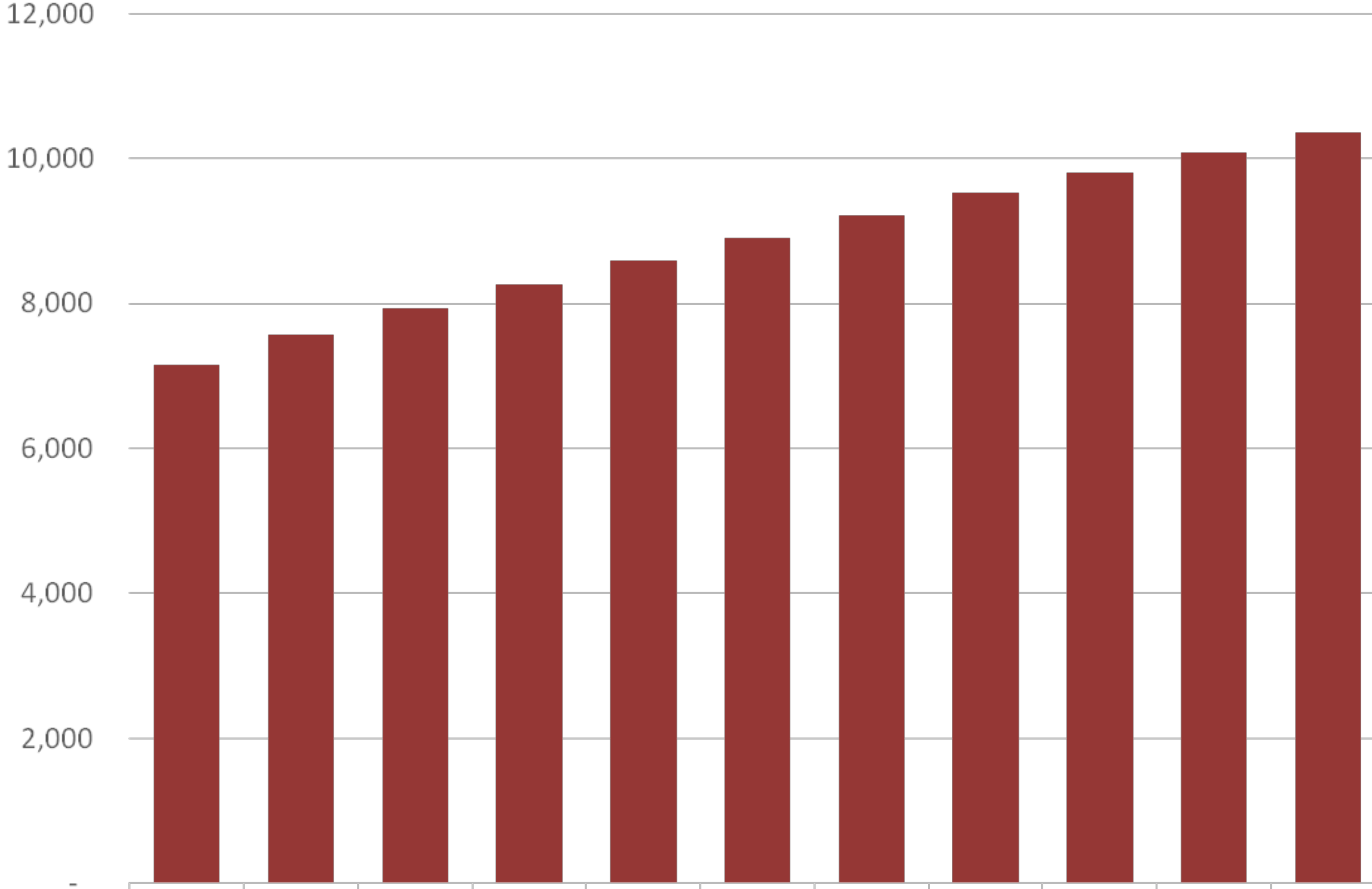
TOMPKINS COUNTY HOUSING DEFICIT
2015 - 2025



	2015	2016	2017	2018	2019	2020	2021	2022	2023	2024	2025
Series1	7,159	7,568	7,924	8,262	8,591	8,909	9,221	9,519	9,808	10,085	10,351

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THE APARTMENT MARKET

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MARKET RATE APARTMENT INVENTORY

	(100%) PROPERTIES 24+ UNITS	(Sample) PROPERTIES <24 UNITS
Total Units	5,727	13,158
Vacancy Rate	1.8%	6.0%
Average Rent		
One-Bedroom	$1,097	$881
Two-Bedroom	$1,375	$1,194
Three-Bedroom	$1,636	$1,774

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MARKET RATE APARTMENT INVENTORY – LARGE PROPERTIES

UNIT TYPE	TOTAL INVENTORY	STUDENT OCCUPIED	NON-STUDENT OCCUPIED
Studio	886	710	176
One-Bedroom	1,824	1,013	811
Two-Bedroom	2,073	1,068	1,005
Three-Bedroom	760	397	363
Four-Bedroom	184	153	31
Total	5,727	3,341	2,386

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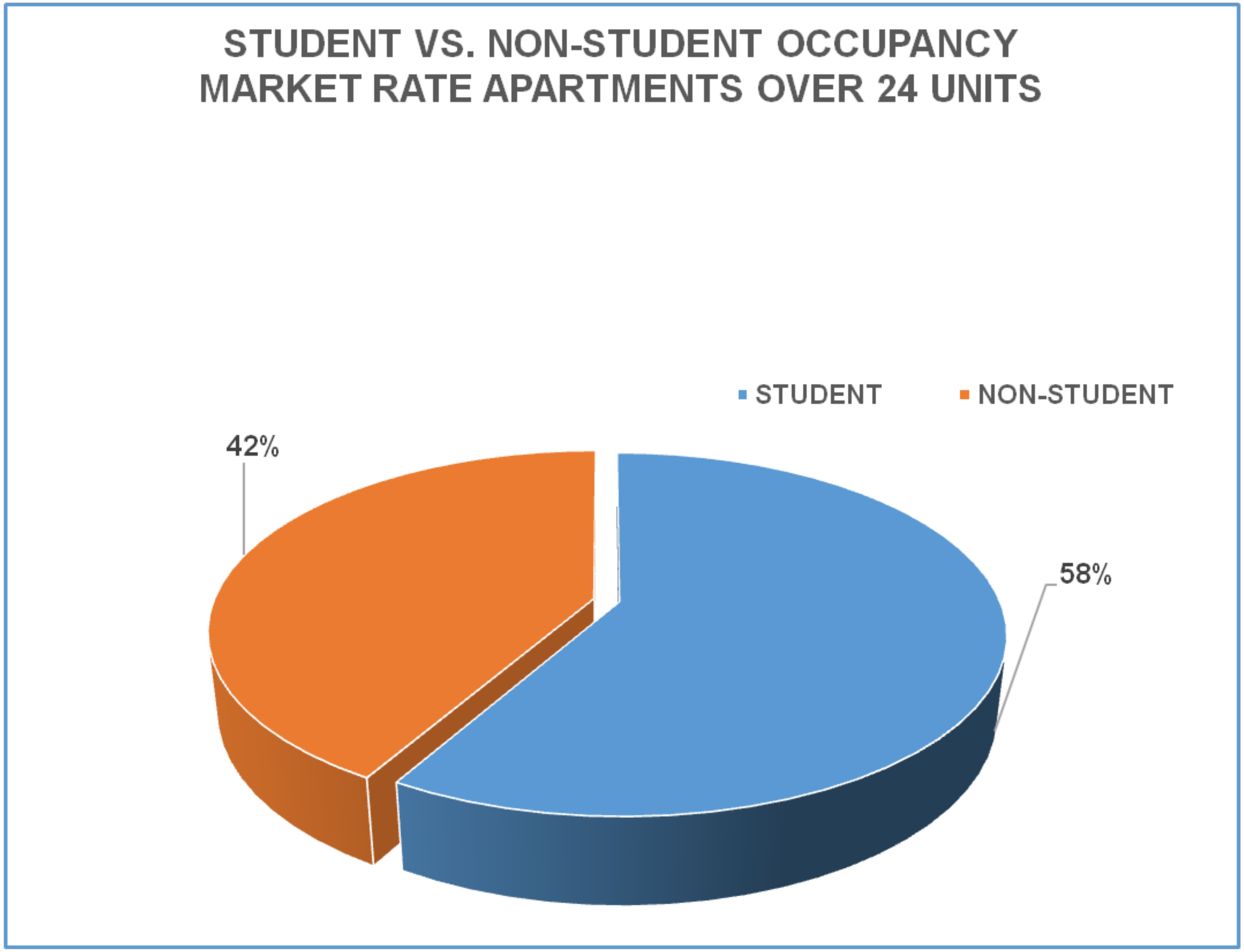

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MARKET DEMAND MODEL
NON-STUDENT
APARTMENTS

Unit Type	Existing Non-Student Inventory	Target Inventory	Net Unmet Demand for Non-Student Apartments
Studio	176	105	-71
One-Bedroom	811	1,229	418
Two-Bedroom	1,005	2,398	1,393
Three-Bedroom	363	282	-81
Four-Bedroom	31	16	-15
Total	2,386	4,030	1,644

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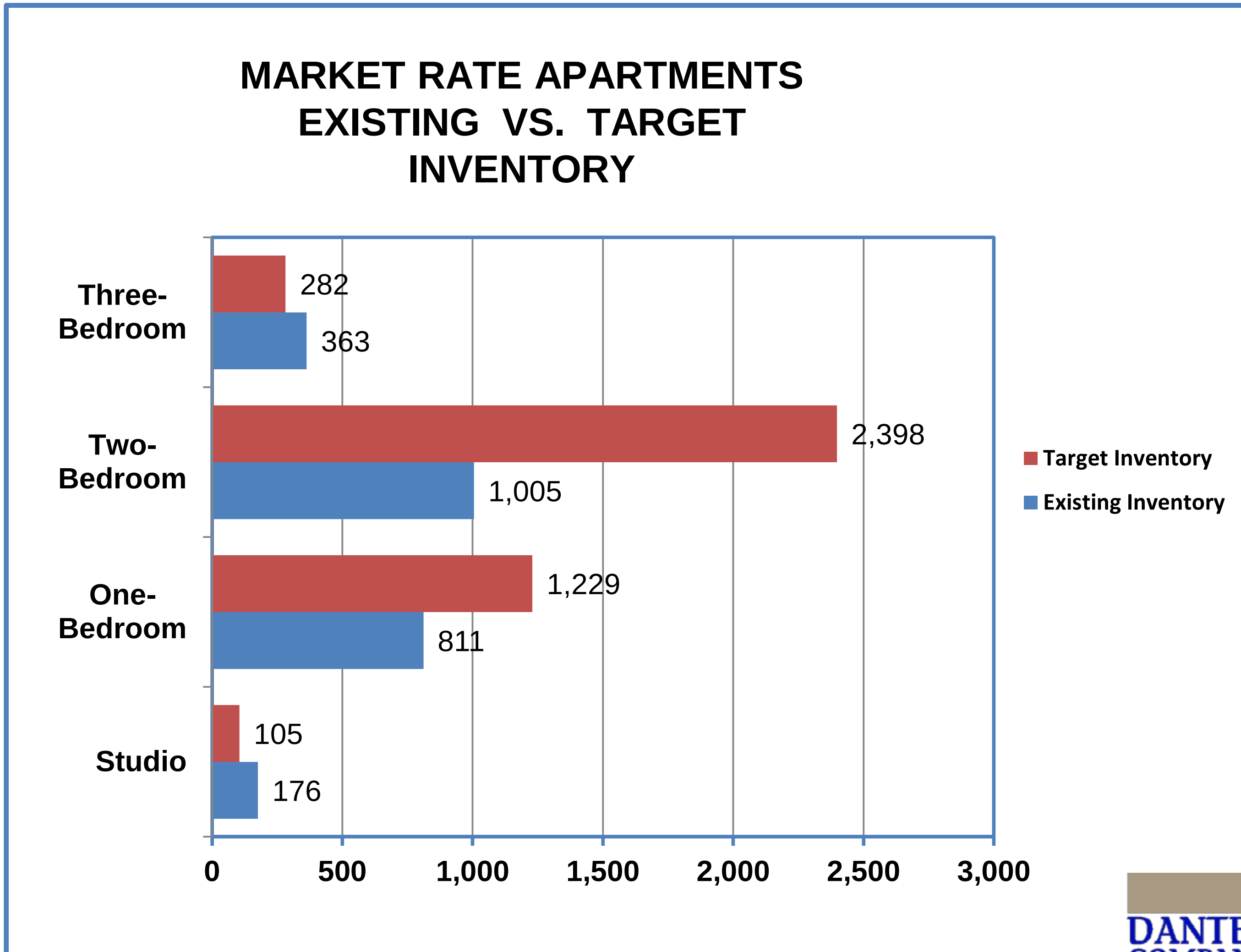

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SUPPORT FOR PURPOSE BUILT STUDENT HOUSING

	2015	2020	2025
Combined Enrollment	31,255	33,278	35,123
Combined Dorm Capacity	13,112	13,531	13,531
Enrollment Net of Dorms	18,143	19,747	21,592
Students in Purpose Built Housing	1,305	1,456	1,456
As a Percent of Net Enrollment	7.2%	7.4%	6.7%
Demand at 15% of Net Enrollment	2,721	2,962	3,239
Deficit	1,416	1,506	1,783

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PURPOSE-BUILT BEDS AS A PERCENT OF NET ENROLLMENT
SELECTED UNIVERSITIES

UNIVERSITY	CITY, STATE	PERCENT
Appalachia State University	Boone, NC	57%
Auburn University	Auburn, AL	44%
Brown University	Providence, RI	12%
Kent State University	Kent, OH	14%
Michigan State University	Lansing, MI	32%
Penn State University	State College, PA	29%
Rutgers University	New Brunswick, NJ	6%
Temple University	Philadelphia, PA	11%
University of West Virginia	Morgantown, WV	37%
University of Wisconsin	Madison, WI	22%
Virginia Tech	Blacksburg, VA	36%
Cornell University	**Ithaca, NY**	**8%**
Combined Ithaca Schools	**Ithaca, NY**	**6%**

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SINGLE FAMILY DEMAND ANALYSIS

CONSIDERS:

- **DISTRIBUTION OF HOUSEHOLDS BY INCOME**
- **DOWNPAYMENT AND MORTGAGE RATES**
- **AFFORDABILITY BY INCOME**
- **ESTABLISHED CAPTURE FACTORS BY INCOME**

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ANNUAL SINGLE FAMILY DEMAND BY PRICE RANGE TOMPKINS COUNTY

PRICE RANGE	ANNUAL DEMAND
$200,000 - $249,999	75
$250,000 - $299,999	37
$300,000 - $349,999	36
$350,000 - $399,999	37
$400,000 - $499,999	24
$500,000 and Over	16
Total	225

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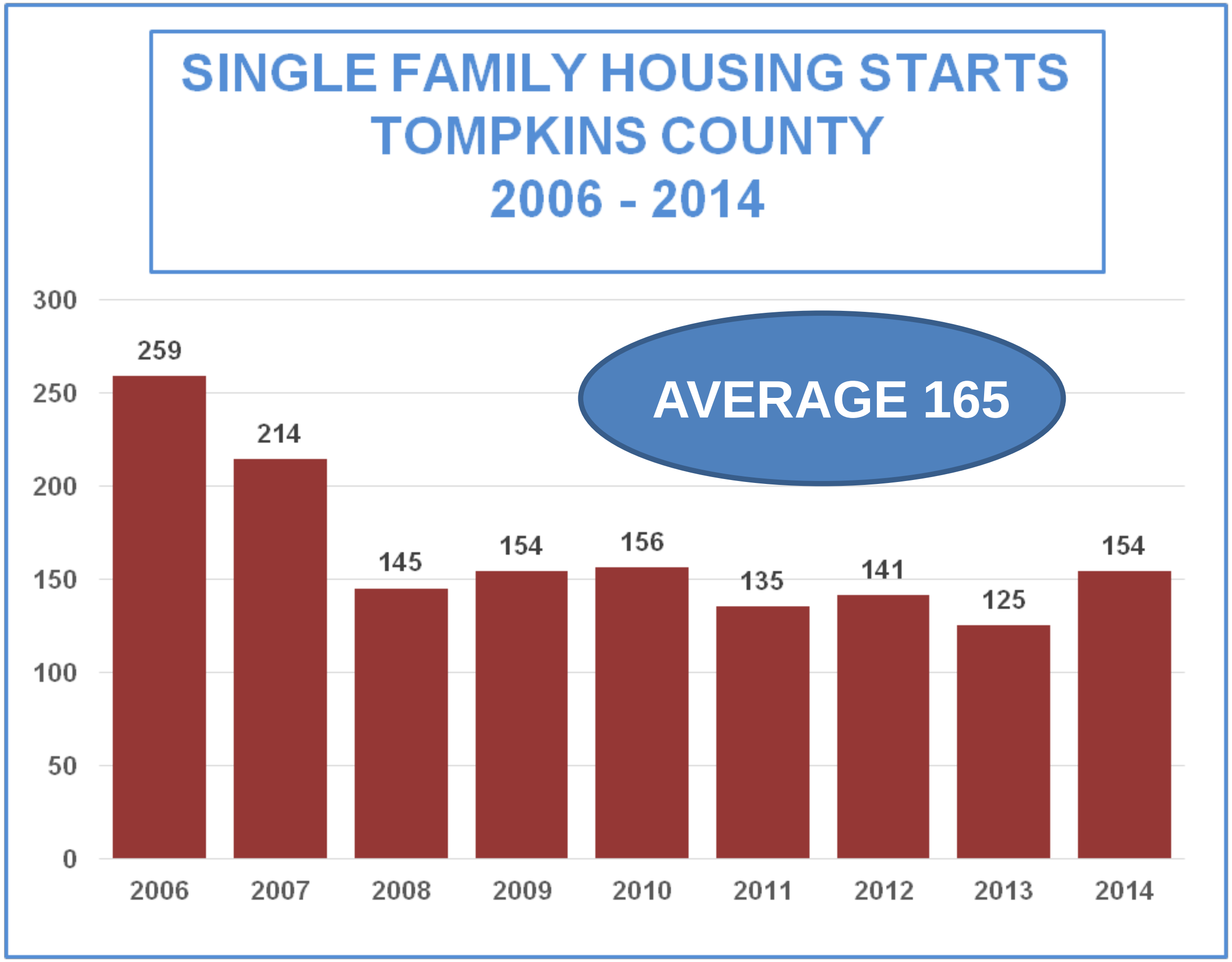

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UNMET SINGLE FAMILY DEMAND ANALYSIS

Average Single Family Starts Since 2006	165
Sustainable Starts Based on Capture Analysis	225
Sustainable Starts Based on Peer City Analysis	217

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CONDOMINIUM DEMAND ANALYSIS

CONSIDERS:

- **DISTRIBUTION OF HOUSEHOLDS BY INCOME**
- **DOWNPAYMENT AND MORTGAGE RATES**
- **AFORDABILITY BY INCOME**
- **ESTABLISHED CAPTURE FACTORS BY INCOME**

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ANNUAL CONDOMINIUM DEMAND
BY PRICE RANGE
TOMPKINS COUNTY

PRICE RANGE	ANNUAL DEMAND
$200,000 - $249,999	16
$250,000 - $299,999	12
$300,000 - $349,999	9
$350,000 - $399,999	8
$400,000 - $499,999	2
$500,000 and Over	0
Total	47

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UNMET DEMAND FOR SENIOR ASSISTED HOUSING 2015 - 2025

	2015	2020	2025
INDEPENDENT LIVING			
Estimated Demand	316	392	546
Existing Supply (2015)	250	250	250
(Surplus)/Deficit	66	142	296
ASSISTED LIVING			
Estimated Demand	239	282	382
Existing Supply (2015)	217	217	217
(Surplus)/Deficit	22	65	165
MEMORY CARE			
Estimated Demand	127	155	194
Existing Supply (2015)	36	36	36
(Surplus)/Deficit	91	119	158
NURSING CARE			
Estimated Demand	541	573	657
Existing Supply (2015)	455	503	503
(Surplus)/Deficit	86	70	154

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BETWEEN 2010 AND 2020 IN TOMPKINS COUNTY……….

POPULATION OVER AGE 65 WILL INCREASE	44%
HOUSEHOLDS OVER AGE 65 WILL INCREASE	50%
HOUSEHOLDS OVER AGE 65 WITH INCOME OVER $75,000 WILL INCREASE	50%

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INTERNET SURVEY

TOTAL RESPONDENTS	4,509	100%
TOMPKINS COUNTY RESIDENTS	3,185	71%
IN-COMMUTERS	439	10%
STUDENTS	886	29%

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QUICKIE FACTS

22% OF TOMPKINS COUNTY RESIDENTS MOVED BACK TO TOMPKINS COUNTY AFTER LIVING ELSEWHERE
ONLY 18% PLAN TO LEAVE TOMPKINS COUNTY AFTER RETIREMENT
58% OF IN-COMMUTERS WOULD MOVE TO TOMPKINS COUNTY IF HOUSING WERE AVAILABLE AND AFFORDABLE
42% OF IN-COMMUTERS ARE PLANNING TO MOVE WITHIN 5 YEARS AND • 26% ARE EXTREMELY OR SOMEWHAT LIKELY TO MOVE TO TOMPKINS COUNTY • 83% WOULD PREFER TO OWN

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STUDENTS

If suitable off-campus housing were available, where would you prefer to live?

- Collegetown 47%
- Downtown Ithaca 27%
- Elsewhere in Ithaca 13%
- Other 13%

30% of students would consider remaining in Ithaca if suitable employment were available

Students live on-campus because……

- Proximity to classes and activities 81%
- Campus atmosphere 49%
- Meal plan 36%
- Unable to find suitable off-campus housing 32%

Students would consider living off-campus if………

•Units were more affordable	87%
•Better quality units were available	61%
•More units available in Collegetown	54%
•Housing was easier to find	54%
•Leases were less restrictive	49%
•Available/affordable parking	44%
•More units available downtown	12%

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RESPONDENTS RESIDING IN TOMPKINS COUNTY LESS THAN 5 YEARS

Age <25	69%
25 – 34	58%
35 – 44	27%
45 – 54	14%
55 – 64	7%
65And Over	6%
Total	26%

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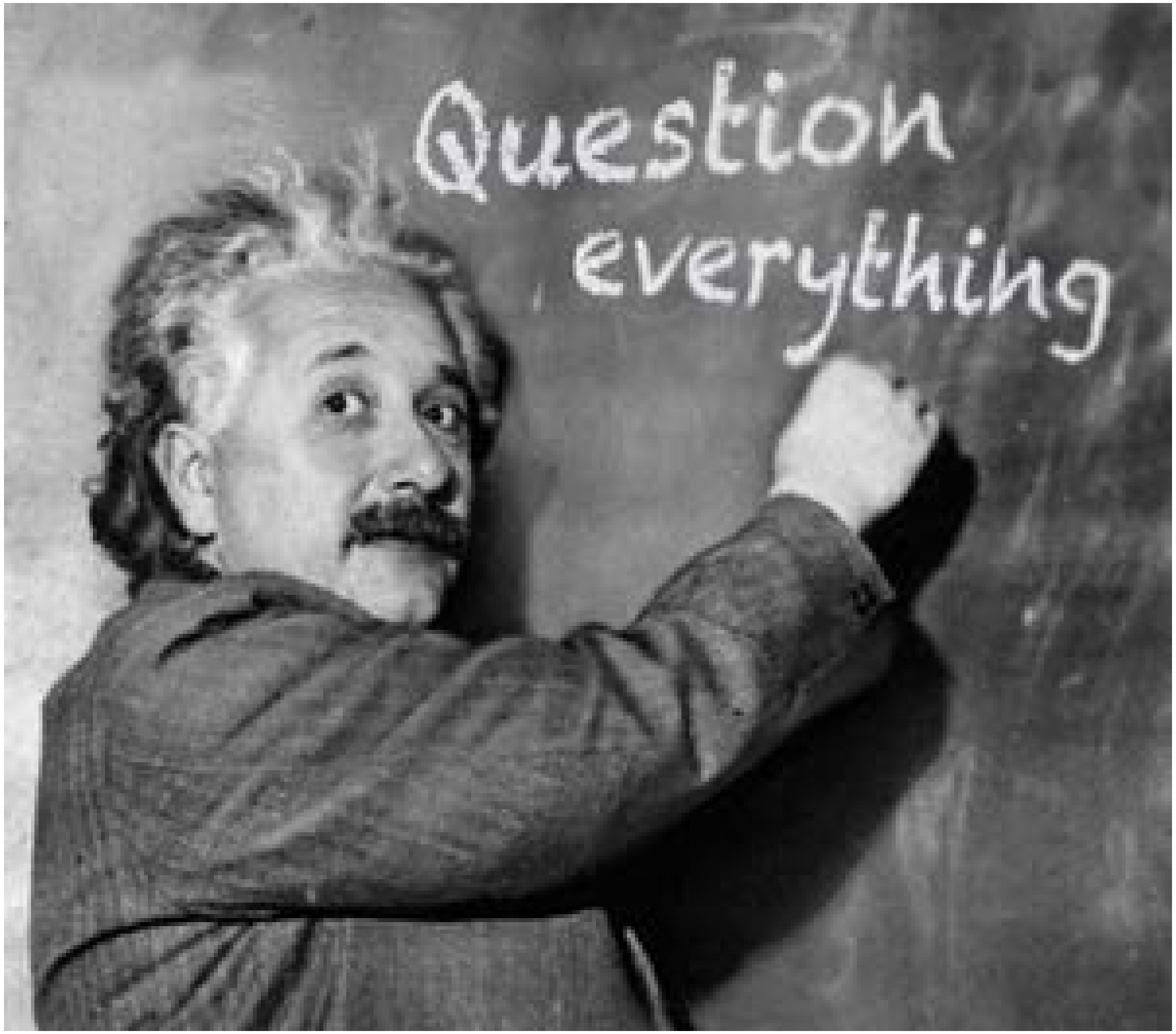
ANY
QUESTIONS
?



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NOTE: The following slides pertain to the Danter Company's Downtown Ithaca Housing Market Study conducted for the Downtown Ithaca Alliance. Slides previous to this one pertain to the Tompkins County Housing Needs Assessment.

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ANNUAL UNITS OF SUPPORT – RENTAL HOUSING
DOWNTOWN EMA

RENTAL PRODUCT TYPES	AVERAGE MONTHLY RENTS*	ANNUAL DEMAND TOTAL UNITS	5-YEAR DEMAND TOTAL UNITS
Luxury	$1,800+	20 - 25	100 - 125
Upscale	$1,400 - $1,700	35 - 45	175 - 225
Affordable-Moderate	$1,000 - $1,300	60 - 70	300 - 350
Tax Credit (50% - 60%) Family And/Or Senior	$800 - $1,000	60 - 70	300 - 350
	Overall Support	*180 - 225*	*900 - 1,050*

*Based on a two-bedroom unit net rent (includes water, sewer, and trash removal only)
The overall mix would include other unit types at proportional rents.

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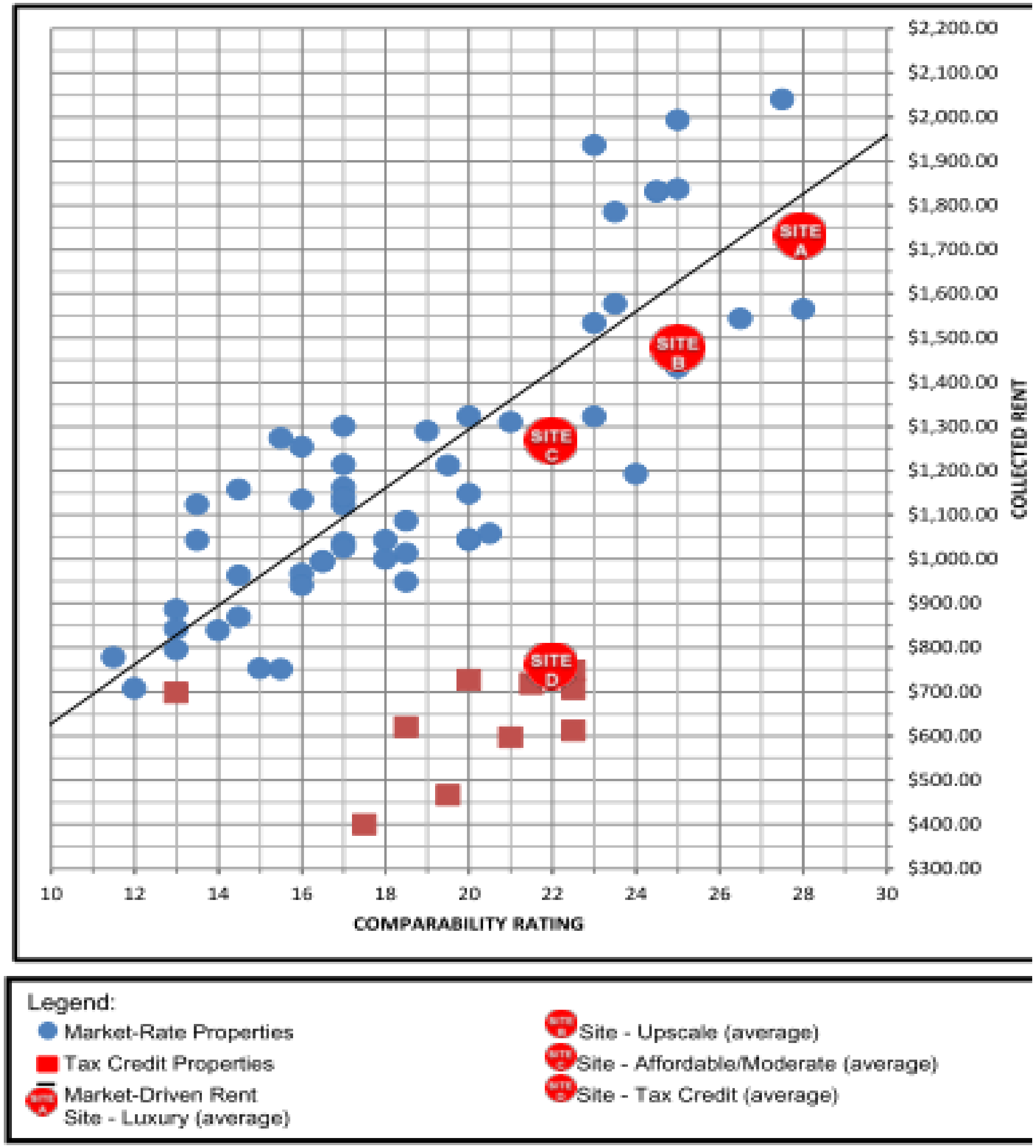
ONE-BEDROOM UNITS BY COLLECTED RENT AND COMPARABILITY INDEX



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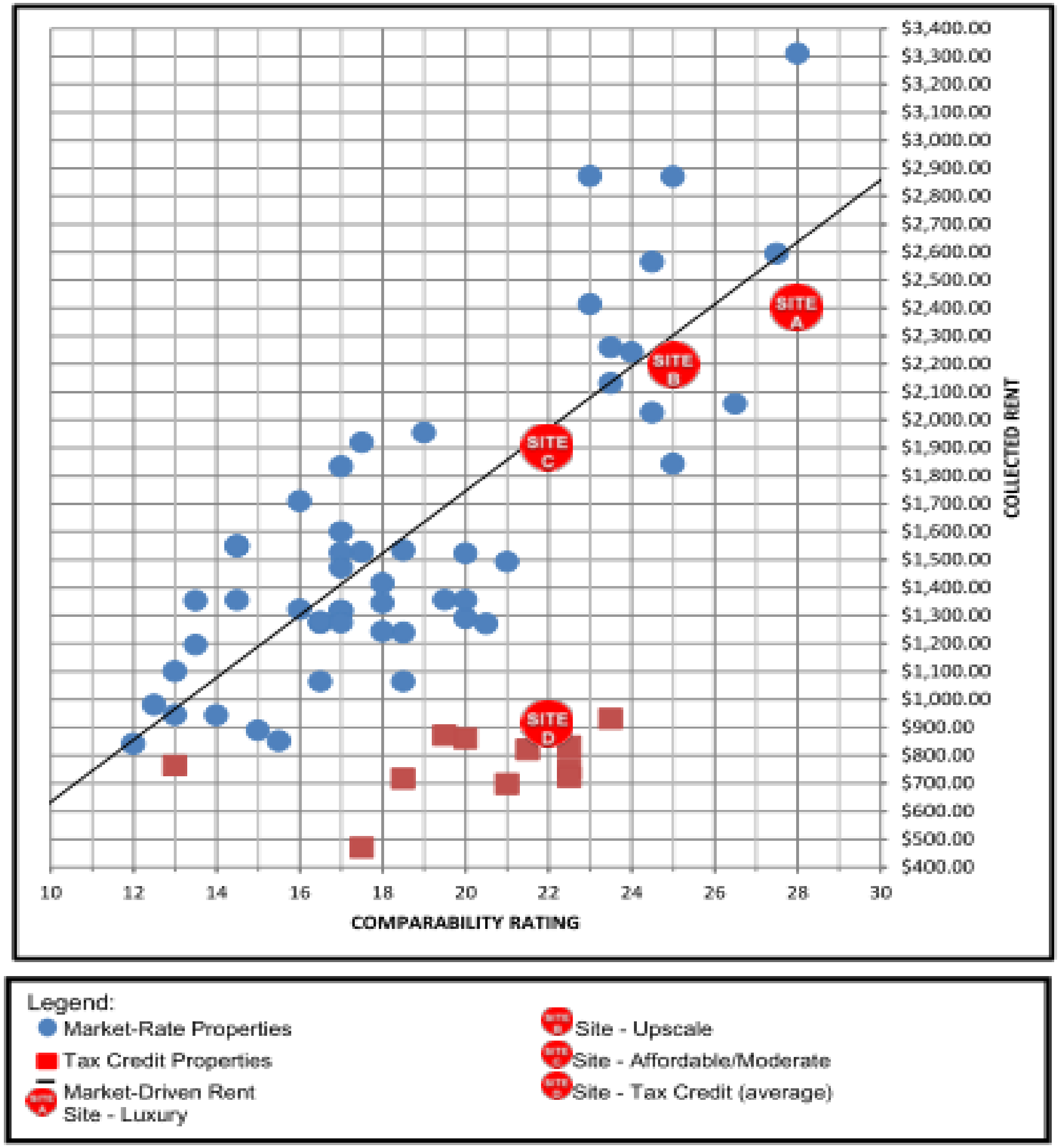
TWO-BEDROOM UNITS BY COLLECTED RENT AND COMPARABILITY INDEX



DISTRIBUTION OF STEP-DOWN SUPPORT LUXURY DEVELOPMENT			
	STEP-UP SUPPORT	**STEP-DOWN SUPPORT**	**TOTAL**
Studio	160	151	311
One-Bedroom	120	268	388
Two-Bedroom	114	74	188
Total	394	493	887
Total Step-Up/Step-Down Support Base	887		
Annual Units Recommended	20 - 25		
Ratio Of Recommended Units To Potential Step-Up/Step-Down Support Base	2.3% - 2.8%		

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DISTRIBUTION OF STEP-DOWN SUPPORT UPSCALE DEVELOPMENT			
	STEP-UP SUPPORT	**STEP-DOWN SUPPORT**	**TOTAL**
Studio	56	195	251
One-Bedroom	238	204	442
Two-Bedroom	58	93	151
Total	352	492	844
Total Step-Up/Step-Down Support Base	844		
Annual Units Recommended	40 – 45		
Ratio Of Recommended Units To Potential Step-Up/Step-Down Support Base	4.7% - 5.3%		

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<u>Bedrooms</u>	BEDROOM TYPE			
BEDROOM TYPE	**LUXURY**	**UPSCALE**	**MODERATE**	**TAX CREDIT**
Master Bedroom	160+	150+	150+	140+
Second Bedroom	140+	140+	130+	130+
Third Bedroom	130+	130+	120+	120+

Closets **BEDROOM TYPE**	**CLOSET LINEAL FEET** **LUXURY**	**UPSCALE**	**MODERATE**	**TAX CREDIT**
Studio	12	10	7	-
One-Bedroom	16	14	12	12
Two-Bedroom	26	22	20	18
Three-Bedroom				24

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