BINGHAMTON, NY

RESIDENTIAL MARKET ANALYSIS FOR THE BLUEPRINT BINGHAMTON COMPREHENSIVE PLAN

BLUEPRINT BINGHAMTON

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a citizen-driven plan for

BINGHAMTON'S FUTURE

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December 2013

Mr. Scott Page
Interface Studio LLC
340 N. 12th Street, #419
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Dear Mr. Page:

In accordance with our subcontract, Real Estate Strategies, Inc. (RES) is pleased to submit the accompanying residential market analysis for the City of Binghamton and delineated areas and neighborhoods in the City. The report describes the analyses conducted to assess market conditions influencing the potential for residential development in Binghamton. The work by RES has been to examine demographic, economic, demand, and supply factors that will influence residential development initiatives being considered for incorporation in Blueprint Binghamton, the update to the Comprehensive Plan for the City.

We appreciate the opportunity to work with representatives of the City of Binghamton as a member of the Interface Studio team. If there are any questions, please call us at (610) 240-0820.

Very truly yours,

REAL ESTATE STRATEGIES, INC.

Margaret B. Sowell

Margaret B. Sowell, CRE
President

Residential Market Analysis for the

Blueprint Binghamton Comprehensive Plan

Prepared by
Real Estate Strategies, Inc.

December 2013

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1. Introduction

Blueprint Binghamton is a citizen-driven initiative to plan for Binghamton's future. As an update to the City's Comprehensive Plan, *Blueprint Binghamton* will help guide decision making, funding, and improvements in the City. Along with community input, the Blueprint will be guided by an analysis of facts and data, including information about market conditions that will have a bearing on the future of the City and its neighborhoods.

Within that framework, present and prospective housing market conditions will influence the overall context within which the *Blueprint Binghamton* initiatives for the City's future will operate. Demographic and economic trends have shaped the City over the course of many years and these trends, positive and negative, will continue to exert influence in the future. An understanding of housing demand, housing supply, and housing market trends in the City overall and in individual neighborhoods is a key component in formulating workable, achievable directions for the future.

This report by Real Estate Strategies, Inc. (RES), a firm specializing in market, economic, and real estate financial analysis, presents information about the residential market including data, findings, and recommendations for the City and delineated neighborhoods that has informed the *Blueprint Binghamton* planning process.

Market Analysis Methods

The market analysis methods by RES were designed to evaluate current and prospective housing demand and supply conditions along with demographic and economic influences on residential markets. The market analysis has included the following procedures:

- A market-oriented inspection of the City and its neighborhoods to gain an understanding of the built environment and to assess development potential. RES has focused on such matters as land use and development patterns, transportation systems and ease of access, visibility, and proximity to employment, shopping, services, educational and recreational facilities.

- Interviews with stakeholders, local officials, representatives of community-based organizations, business representatives, Realtors, developers, property managers, and others familiar with real estate and housing in the City of Binghamton.

- Analyses of demographic data for the City in the context of data for Broome County and the Binghamton Metropolitan Statistical Area (MSA).

- Analysis of economic data addressing current conditions, future trends, and development potential.

- An analysis of the components of housing demand including demand for rental and for-sale housing, demand by special populations such as seniors and students, and affordability issues influencing demand for housing.

- An assessment of housing trends and the performance of the existing housing stock including sales and rental housing, affordable housing, housing for senior households, and student housing.

- A formulation of recommendations addressing market-based development initiatives that might be pursued and an assessment of "gaps" in the market that might indicate support for additional development.

- Analyses of neighborhoods delineated in the City of Binghamton including demographics, issues, and development potential.

Limitations

This market analysis by RES has not included ascertaining legal or regulatory requirements applicable to current and prospective residential development in the City of Binghamton and no effort has been made to determine the possible effects of present or future federal and state legislation.

The analyses contained herein are based on estimates, assumptions and other information developed by RES as a result of our research of the market, our knowledge of the real estate industry, and other factors, including information that has been provided by representatives of the City of Binghamton. The sources of information and bases of estimates and assumptions are stated in this market analysis report. Some assumptions inevitably will not materialize, and unanticipated events and circumstances may occur. Therefore, actual results will vary from those described in this report, and the variations may be material. Further, RES has not evaluated management's effectiveness nor are we responsible for future marketing efforts and other management actions upon which actual results will depend.

2. Demographic Trends in the City and Region

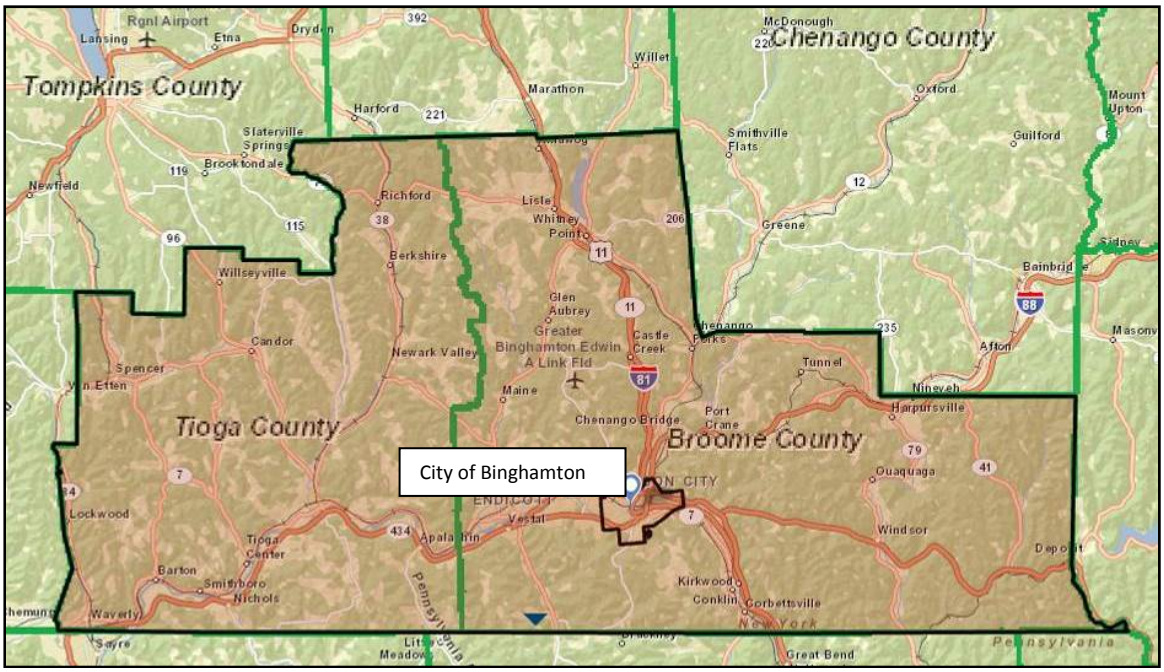
Changes in the demographic characteristics in Binghamton, Broome County, and the Binghamton MSA have influenced residential development patterns and demand for housing in the City of Binghamton. These demographic characteristics provide a baseline of information about current conditions, as well as market-related strengths and weaknesses that influence future housing demand.

The following paragraphs summarize recent demographic changes and their implications for residential development potential in the City. The data are from databases of the U.S. Bureau of the Census, Bureau of Labor Statistics, State of New York agencies, and ESRI, an on-line provider of data including proprietary current year estimates and five year projections.

Regional Context

The Binghamton MSA, which includes Broome and Tioga Counties, is located in New York's Southern Tier Region. The State of New York's border with Pennsylvania forms the southern boundary of the metropolitan area and, as might be expected, trends in Northeastern Pennsylvania exert some influence on development patterns in Binghamton and the MSA. Map 2.1 shows the location of the City within the Binghamton MSA.

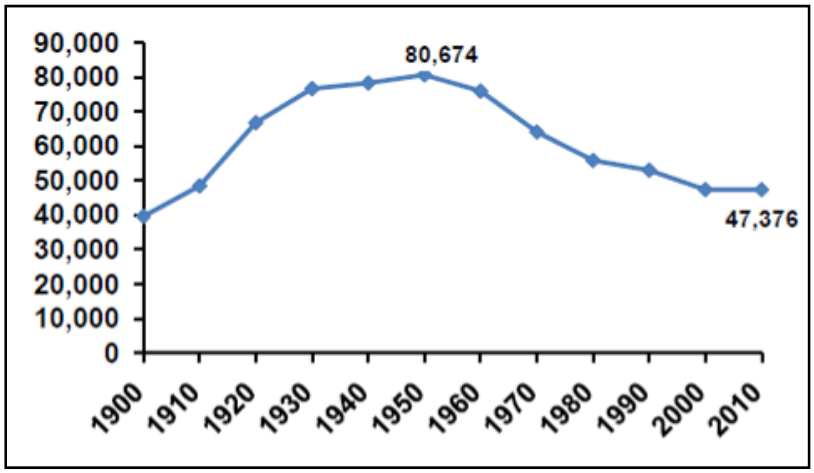
Map 2.1
City of Binghamton and the Delineation of the Binghamton Metropolitan Statistical Area



Population and Household Trends

Population decline in the City of Binghamton is a much-cited statistic. As with many older, northeastern cities with an economic base in manufacturing, Binghamton's population peaked at 80,674 in the 1950 Census. By the 2010 Census, the City's population had declined 41.3 percent, to 47,376, a loss of 33,298 people. Table 2.1 provides a chart showing the pattern of population change. The largest declines occurred during the 1960s and 1970s, when manufacturing jobs relocated to southern states and offshore locations. Binghamton's population loss also was fueled by new residential development in surrounding suburban communities and relocations of households to these nearby communities from older neighborhoods in the City.

Table 2.1
Population Change in the City of Binghamton



Source: U.S. Bureau of the Census; State of New York Division of Local Government and School Accountability

Table 2.2 (following page) presents data on population and household trends in the City, Broome County, and the MSA. The data show that after declining 11.1 percent from 1990 to 2000, the City's population remained stable from 2000 to 2010, as did the population of Broome County. While the population in the MSA overall continued to decline, the loss was smaller than in the 1990s. Estimates and projections by ESRI are for additional population loss from 2010 to 2018 in the City, Broome County, and the MSA with the annual rate of decline projected to be highest for Binghamton during the eight-year time frame. These projected population losses are a reflection of the adverse effects of economic conditions in the MSA that have been ongoing since the Great Recession.

Table 2.2 provides data on changes in the number of households. Since a household is, by definition, the people occupying a single housing unit, an increase in the number of households signals demand for additional housing units. Conversely, a loss of households translates into excess housing units and increased vacancy rates and abandonment.

Table 2.2
Population and Household Trend Data,
Binghamton City, Broome County, and the MSA

	Binghamton City	Broome County	Binghamton MSA
Population			
1990 Census	53,287	212,160	264,497
2000 Census	47,380	200,536	252,320
2010 Census	47,376	200,600	251,725
2013 Estimate	46,171	198,136	249,038
2018 Projection	44,801	194,573	244,660
Percent Change 1990-2000	-11.1%	-5.5%	-4.6%
Percent Change 2000-2010	0.0%	0.0%	-0.2%
Percent Change 2010-2018	-2.5%	-3.0%	-2.8%
Avg Annual Percent Change 1990-2000	-1.2%	-0.6%	-0.5%
Avg. Annual Percent Change 2000-2010	0.0%	0.0%	0.0%
Avg. Annual Percent Change 2010-2018	-0.7%	-0.4%	-0.4%
Households			
1990 Census	22,722	81,843	100,681
2000 Census	21,087	80,749	100,474
2010 Census	21,150	82,167	102,517
2013 Estimate	20,675	81,581	101,925
2018 Projection	20,110	80,317	100,478
Percent Change 1990-2000	-7.2%	-1.3%	-0.2%
Percent Change 2000-2010	0.3%	1.8%	2.0%
Percent Change 2010-2018	-4.9%	-2.3%	-2.0%
Avg Annual Percent Change 1990-2000	-0.7%	-0.1%	0.0%
Avg. Annual Percent Change 2000-2010	0.0%	0.2%	0.2%
Avg. Annual Percent Change 2010-2018	-0.6%	-0.3%	-0.3%
Percent Households by Size, 2010 Census			
1 person	40.5%	32.4%	30.9%
2 persons	30.2%	34.1%	34.8%
3 persons	13.4%	14.8%	15.0%
4 persons	8.7%	11.3%	11.6%
5 or more persons	7.3%	7.4%	7.6%
Average Household Size			
1990 Census	2.26	2.50	2.55
2000 Census	2.19	2.37	2.42
2010 Census	2.18	2.32	2.35
2018 Projection	2.17	2.30	2.33

Note: Percentages may not add due to rounding.
SOURCES: US Bureau of the Census; ESRI; RES.

As shown, the number of households in all three areas declined during the 1990s with the highest annual household decline occurring in the City of Binghamton. The broader MSA lost only 207 households in the 1990s; by comparison, the City lost 1,635 households. Household sizes became smaller during the 1990s, consistent with national trends; hence, household decline percentages actually were lower than losses of population.

The number of households in the City increased from 2000 to 2010. The increase in the City totaled 63 households (0.3 percent) over ten years. Based on ESRI projections, however, the downward trend will resume during the time frame from 2010 to 2018. The City is

projected to lose 4.9 percent of its households during this eight-year time frame, or a loss of 1,040 households. Losses also are projected for Broome County and the MSA overall, albeit at lower annual rates. Therefore, if actual losses are consistent with projections, household growth in the City and the broader region will not drive demand for new housing units.

Table 2.2 provides household size data from the 2010 Census, which reported a high percentage of small households in Binghamton. More than 70 percent of the City's households had either one or two people, an indication of demand for smaller sizes of housing units. Conversely, Broome County and the MSA had higher percentages of larger families, especially households with four persons, an indication of more demand for three-bedroom and larger residential units in areas outside the City of Binghamton.

The average household size in the City, which was 2.18 persons in 2010, has declined steadily since 1990. Declines also have occurred in Broome County and the MSA, although the average household size is smallest in Binghamton. Household size declines are consistent with the broader trend in the U.S., where the average household size was 2.59 in 2010, down from 2.63 in 1990. While the average household size is decreasing, households are larger in Broome County and in the MSA. Since statistics for the County and the MSA include households in Binghamton, portions of Broome County and the MSA located outside of the City actually have larger households than the data in Table 2.2 implies.

Age Characteristics

Table 2.3 provides data on the age characteristics of the population in the City, Broome County, and the MSA.

Table 2.3
Age Characteristics of the Population

	Binghamton City	Broome County	Binghamton MSA
2013 ESRI Estimates - Total Population	46,171	198,136	249,038
2013 Population by Age - Percent			
Under 5 Years	6.0%	5.0%	5.1%
5 to 9 Years	5.4%	5.2%	5.4%
10 to 14 Years	5.2%	5.6%	5.8%
15 to19 Years	5.4%	7.4%	7.2%
20 to 24 Years	11.7%	8.9%	8.2%
25 to 34Years	15.4%	12.2%	11.9%
35 to 44 Years	10.1%	10.5%	10.7%
45 to 54 Years	12.4%	14.2%	14.6%
55 to 64 Years	12.3%	13.6%	13.9%
65 to 74 Years	7.6%	8.6%	8.8%
75 to 84 Years	5.2%	5.7%	5.6%
85 and Older	3.3%	3.0%	2.8%
Median Age - (in Years)			
1990 Census	34.3	34.1	33.9
2000 Census	36.7	38.1	38.0
2010 Census	35.8	40.2	40.7
2013 Estimate	36.0	40.7	41.2
2018 Projection	37.0	41.3	41.9

Note: Percentages may not add due to rounding.
SOURCES: US Bureau of the Census; ESRI; RES.

The estimated 2013 median age in the City, 36.0 years, is far younger than in Broome County (40.7 years) and the MSA (41.2 years). Binghamton has higher percentages of children under five years old. In addition, the City has a lower percentage of population in age cohorts 45 years old and older (40.8 percent) in comparison with Broome County (45.1 percent) and the MSA (45.7 percent). Included are higher percentages of population age 65 and older in Broome County and the MSA than in the City.

Table 2.3 indicates projected increases in the median age in all areas. While the median age is projected to increase in Binghamton, the City's population is projected to remain younger overall than in the County and MSA. Of particular note is the dramatic change in the median age in the County and MSA during the time frame from 1990 to 2010. In 1990 the median ages in the City, County, and MSA were relatively similar – between 33.9 and 34.3 years of age. By the 2010 Census, the median age in Broome County and the MSA was above 40 years, and higher than the 37.1 median for the U.S. overall. Further increases are projected and probably will be accompanied by declines in workforce participation rates.

Data in Table 2.4 show Binghamton's population by age cohort from 1990 to 2010 and ESRI's projections for 2018. The data show changes in the percentages of population over time and, since housing preferences change with age, the patterns influence current and prospective demand for housing units in the City.

Table 2.4
Binghamton's Population by Age Cohort
In 1990, 2010, and Projected 2018

	Census 1990	Census 2010	ESRI Est 2018
Total Population	53,287	47,376	44,801
Population by Age - Percent			
Under 5 Years	6.8%	6.2%	6.0%
5 to 9 Years	5.6%	5.4%	5.2%
10 to 14 Years	4.8%	5.1%	5.1%
15 to 19 Years	5.3%	5.8%	5.2%
20 to 24 Years	11.5%	12.5%	10.4%
25 to 29 Years	9.0%	8.3%	8.5%
30 to 34 Years	8.1%	5.9%	7.3%
35 to 44 Years	12.6%	10.4%	10.4%
45 to 54 Years	8.6%	13.4%	11.1%
55 to 64 Years	8.6%	11.7%	12.5%
65 to 74 Years	10.0%	6.9%	9.3%
75 to 84 Years	6.8%	5.4%	5.7%
85 and Older	2.4%	3.1%	3.3%

Note: Percentages may not add due to rounding.
SOURCES: US Bureau of the Census; ESRI; RES.

As shown, the City's percentage of children younger than five and also in the age cohort from five to nine years old declined from 1990 to 2010. Additional declines are projected. Persons interviewed by RES attributed these changes to the relocation of households with children to suburban communities with newer housing and schools that are considered better. Nevertheless, the City still had a larger percentage of children younger than five years old, 6.0

percent in 2013. For the County and the MSA only 5.0 and 5.1 percent, respectively, of the 2013 population is estimated to be younger than five years old.

Another trend indicated in Table 2.4 is the change in the percentage of young people in age cohorts 15-19 and 20-24 in the City of Binghamton. As a percentage of the City's population, people in these two age cohorts increased from 16.8 percent to 18.3 percent from 1990 to 2010. By 2010 the total population in these two age cohorts totaled 8,653. The increase is a result of the higher number of Binghamton University students living in the City.

ESRI projects that the percentages of the City's population in these age cohorts will decline from 2010 to 2018. However, spring 2013 data compiled by Binghamton University reported a total of 8,116 students living off-campus in Broome County; of these, an estimated 58.4 percent – about 4,757 students -- lived in the City of Binghamton. These data, along with increases in rental housing units for students in the City, indicate the likelihood that the percentage of young adults will increase rather than decrease as projected. Further, planned increases in enrollment at Binghamton University will increase the percentage even further. A related issue is whether students were counted correctly in the 2010 Census, which would influence projections, and the possibility that undercounts affected the projections.[1] Based on the analyses, RES concludes that there will be ongoing increases in the absolute number of young adults living in Binghamton and that the percentage of population in age cohorts from 15 to 19 and especially from 20 to 24 will increase in future years consistent with increased enrollment at Binghamton University.

The percentage of the City's population 65 and older is projected to increase from 2010 to 2018, consistent with the aging of the Baby Boom generation. Nationally, the percentage of the population 65 and older also is increasing, from 13.0 percent in 2010 to 13.7 percent during 2012. By comparison, the 2010 Census reported 16.1 percent of Binghamton's population was 65 and older, and the percentages for the County and the MSA were 17.3 and 17.2 percent, respectively.

Racial Characteristics and Ethnicity

Binghamton's population has become more racially and ethnically diverse. While the City's population continues to be predominantly white, there have been increases in the minority and ethnic population, including people of two or more races and the Hispanic population (regardless of race). As shown in Table 2.5, further increases are projected from 2013 through 2018 in the City's population that is African-American, Hispanic origin of any race, some other race, and two or more races.

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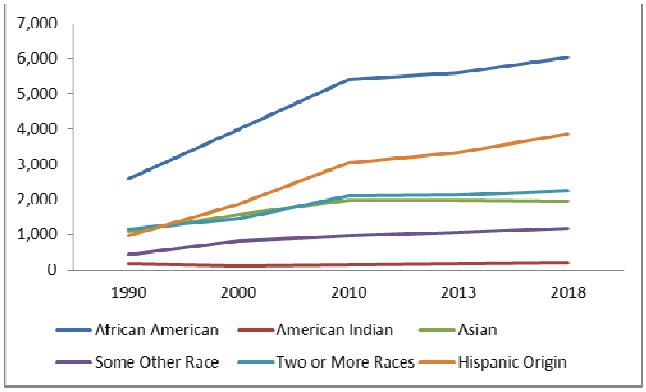
[1] Counts in the Census generally should include college students living in Binghamton and Broome County. Instructions for the 2010 Census from the U.S. Bureau of the Census were that college students living away from their parental home while attending college in the U.S. should be counted at the on-campus or off-campus residence where they live and sleep most of the time. However, a March 2010 article by Pew Research reported that some students are counted at their parents' homes while others are counted at their college address – and some are counted twice. Thus, it is possible that the number of students 20 to 24 years old in Binghamton, Broome County, and the MSA may be understated. The PEW article may be found on-line at http://www.pewsocialtrends.org/2010/03/15/college-students-count-in-the-census-but-where/

Table 2.5
City of Binghamton Change in Minority and Hispanic Population



Notes: Population of some other race includes Pacific Islanders; population of Hispanic origin includes all races.
Sources: U. S. Bureau of the Census; ESRI; RES.

The racial characteristics and ethnicity of the population during 2013 are presented in Table 2.6. The estimates by ESRI show that Binghamton's population of more diverse than in Broome County and the MSA. The City also has a higher percentage of population of Hispanic origin (regardless of race), 7.2 percent.

Table 2.6
Racial Characteristics and Ethnicity of the Population

	Binghamton City	Broome County	Binghamton MSA
2013 ESRI Estimates - Total Population	46,171	198,136	249,038
2013 Population by Race - Percent			
White	76.3%	87.3%	89.1%
African American	12.1%	5.1%	4.3%
American Indian	0.4%	0.2%	0.2%
Asian	4.3%	3.6%	3.0%
Some Other Race	2.3%	1.1%	0.9%
Two or More Races	4.6%	2.6%	2.4%
Hispanic Population (Any Race)	7.2%	3.8%	3.3%
Diversity Index			
2000	35.2	19.7	17.1
2010	45.7	27.4	23.8
2013	48.2	29.0	25.4
2018	52.1	32.0	28.4

Note: Percentages may not add due to rounding.
SOURCES: US Bureau of the Census; ESRI; RES.

Table 2.6 also presents scores on the ESRI Diversity Index, which measures the probability that two people chosen randomly from the population in each area (Binghamton, Broome County, or the MSA) would belong to a different race or ethnic group. While the City's scores indicate higher ethnic diversity, the County and MSA also are becoming more diverse. By comparison, the Diversity Index for the U.S. based on counts from the 2010 Census is 60.6, or much higher than in Binghamton, Broome County, and the MSA.

Educational Attainment

One of the advantages cited for the Binghamton MSA is the presence of a well-educated workforce. Educational attainment estimates for 2013 show that the City has a substantial percentage of adults with bachelor's degrees and higher attainment, 22.0 percent of adults 25 years old and older. While the City's percentage of adults with bachelor's degrees is lower than in the County and the MSA, Binghamton's percentage of adults with graduate/professional degrees is very similar to Broome County and slightly higher than in the MSA overall, which positions the City well to compete for businesses requiring higher levels of educational attainment.

As shown in Table 2.7, however, the City also has a sizeable percentage of adults 25 and older with low educational attainment. For 2013, ESRI estimates that 16.7 percent of adults in the City do not have a high school diploma. Adults with this low educational attainment often can benefit from adult education and workforce training programs to address issues of unemployment and to reduce the number of underemployed individuals. Since educational attainment of the workforce is a consideration by businesses and industries seeking new locations, training and workforce development programs might help the City to compete for new businesses and industries.

Table 2.7
Educational Attainment of the Population 25 and Older, 2013 Estimates

	Binghamton City	Broome County	Binghamton MSA
2013 Population Estimates			
Total Population	46,171	198,136	249,038
Population 25 Years Old and Older	30,679	134,411	170,084
Estimated Educational Attainment of the Population 25+			
Less than 9th Grade	5.0%	3.4%	3.1%
9th - 12th Grade, No Diploma	11.7%	7.9%	7.8%
High School Graduate	31.9%	33.0%	34.1%
Some College, No Degree	17.3%	18.0%	17.9%
Associate Degree	10.1%	12.0%	12.0%
Bachelor's Degree	12.2%	13.8%	13.7%
Graduate/Profesional Degree	11.8%	11.9%	11.4%

Source: ESRI; RES

Household Income Characteristics

Table 2.8 provides household income estimates by ESRI for 2013, together with median and average income trend data.[2]

[2] It is important to note that the 2010 Census did not collect any data on household income. Instead, the U.S. Bureau of the Census has been relying on data collected annually as part of the American Community Survey (ACS). A sample of 1.5 percent of households each year has replaced the former decennial census sample of 15 percent of all households. The ACS sample is used by ESRI and other date providers in the preparation of estimates and projections. The small sample size may affect the reliability of income-related estimates and projections used herein.

Table 2.8
Households by Estimated 2013 Household Income
Binghamton City, Broome County, and the MSA

Household Income	City of Binghamton Number	City of Binghamton Percent	Broome County Number	Broome County Percent	Binghamton MSA Number	Binghamton MSA Percent
Estimated 2013 Income						
Under $15,000	4,745	23.0%	11,761	14.4%	14,031	13.8%
$15,000 - $24,999	3,284	15.9%	9,138	11.2%	11,090	10.9%
$25,000 - $34,999	3,059	14.8%	10,345	12.7%	12,465	12.2%
$35,000 - $49,999	3,083	14.9%	13,052	16.0%	16,372	16.1%
$50,000 - $74,999	2,941	14.2%	14,801	18.1%	19,375	19.0%
$75,000 - $99,999	1,406	6.8%	9,160	11.2%	11,938	11.7%
$100,000 - $149,999	1,361	6.6%	8,870	10.9%	11,264	11.1%
$150,000 - $199,999	429	2.1%	2,697	3.3%	3,297	3.2%
$200,000 and over	367	1.8%	1,757	2.2%	2,093	2.1%
Total Households	20,675		81,581		101,925	
Median Household Income						
2013 Estimate	$31,937		$44,936		$46,453	
2018 Projection	$34,494		$49,986		$51,574	
Average Household Income						
2012 Estimate	$48,523		$61,894		$62,357	
2017 Projection	$56,295		$71,054		$71,394	

NOTE: Numbers and percentages may not add due to rounding.
SOURCES: ESRI; RES.

Like many other older center cities, Binghamton has a much higher percentage of households with low incomes than Broome County as a whole and the MSA. ESRI has estimated that 23.0 percent of the City's households had annual incomes below $15,000 during 2013. Only 14.4 percent of Broome County households and 13.8 percent of all MSA households had incomes estimated to be below $15,000 in the same year.

Some of the disparity may be due to the higher percentage of the City's population with low educational attainment. In addition, student households add to the number of younger households with low incomes. The larger percentages of households with low incomes results in median household income estimates for the City that are also much lower than in Broome County and the MSA. Of concern are projections by ESRI that the income disparity will increase during the next five years.

Consistent with the income information in Table 2.8, poverty estimates for the time frame 2007 to 2011 reported in the Census Bureau's five-year American Community Survey (ACS) indicate that 30.0 percent of persons in the City of Binghamton were living below the poverty level compared with 16.2 percent of all persons in Broome County and 14.5 percent of all persons in the State of New York.

How Binghamton Compares

While Binghamton has some demographic issues, it is worthwhile to place the City in the context of other cities located nearby. Many of these communities are facing similar challenges. When compared with these other cities in New York, as well as nearby Scranton, Pennsylvania, Binghamton fares better on some demographic and economic factors and worse on others. Map 2.2 shows the location of selected comparison cities; Table 2.9 provides comparison data.

Map 2.2
Binghamton and Selected Comparison Cities

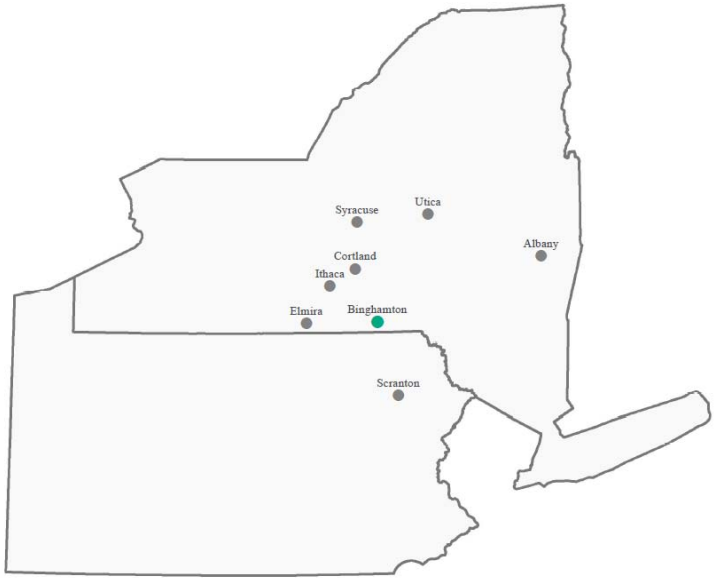


Table 2.9
How Binghamton Compares

	Population Change (2000-2013)	Median HH Income (2013)	Unemployment Rate (August 2012)	Unemployment Rate (August 2013)	BA or Higher for Age 25+ (2013)	Percent Below Poverty Line (2007-2011)
Binghamton, NY	**-2.54%**	**$31,937**	**9.6%**	**8.1%**	**24.0%**	**30.0%**
Albany, NY	1.73%	$38,964	9.3%	7.6%	36.4%	25.0%
Cortland, NY	0.96%	$36,255	7.0%	5.9%	25.9%	23.3%
Elmira, NY	-6.87%	$31,151	10.9%	9.4%	13.1%	29.7%
Ithaca, NY	3.72%	$30,193	7.0%	6.4%	61.6%	44.9%
Scranton, PA	-1.72%	$34,985	9.8%	9.4%	19.0%	20.4%
Syracuse, NY	-1.58%	$31,190	10.4%	8.9%	25.5%	32.3%
Utica, NY	3.42%	$32,010	10.0%	9.1%	15.1%	29.1%
Broome County, NY	-1.20%	$44,936	8.7%	7.6%	25.7%	16.2%
New York State	3.04%	$55,170	8.5%	7.5%	32.5%	14.5%

Sources: US Census; 2007-2011 American Community Survey; ESR;, NY Dept. of Labor; PA Dept. of Labor and Industry.

Based on the data –

- Population loss in Binghamton has been greater than in most other cities.
- Median household income in Binghamton is low, but is consistent with the median in Utica and higher than the median in Elmira, Ithaca, and Syracuse.
- Unemployment was higher in several comparison cities in August 2012, and by August 2013 unemployment in Binghamton was lower than in four of seven comparison cities.
- Educational attainment of adults in Binghamton, as measured by the percentage of adults with a BA or higher educational attainment, is higher than in Elmira, Scranton, and Utica.
- The percentage of the population living below the poverty level (2007-2011 time frame) was lower in Binghamton than in Elmira, Ithaca, and Syracuse.

3. Economic Trends and Quality of Life Influences on the Housing Market

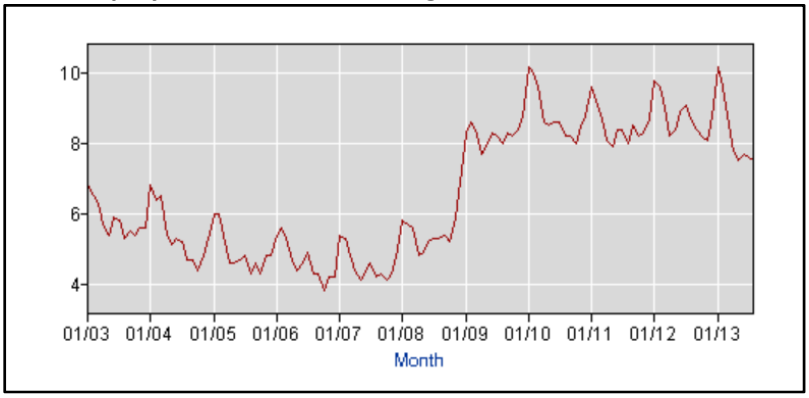
Economic conditions and quality of life factors are strong influences on the demand for housing. Household growth generally occurs as a result of job growth. In addition to demographics, employers typically consider the local economy and quality of life factors when selecting a location for a new business or an expansion of an existing operation. Household growth, in turn, results in demand for additional housing units. Moreover, households with stable employment in jobs with positive prospects are more likely to be comfortable making investments in new housing units. Finally, increases in income will generate "trade-up" demand for newer, larger, more expensive housing units.

This discussion of economic trends and quality of life focuses on factors that influence housing conditions in Binghamton and the recommendations presented in this housing market analysis.

Economic Conditions in the Binghamton MSA and Broome County[3]

Statistics compiled by the U.S. Bureau of Labor Statistics (BLS) for the Binghamton MSA (not seasonally adjusted) show that unemployment in the area declined to an annual rate of 4.7 percent during 2007, before the Great Recession. As shown in Table 3.1, unemployment began increasing in 2008 and rose to 8.2 percent by January 2009. Unemployment peaked at 10.2 percent during January 2010.

Table 3.1
Unemployment Rates in the Binghamton MSA, 2003 to 2013



Source: U. S. Bureau of Labor Statistics; RES

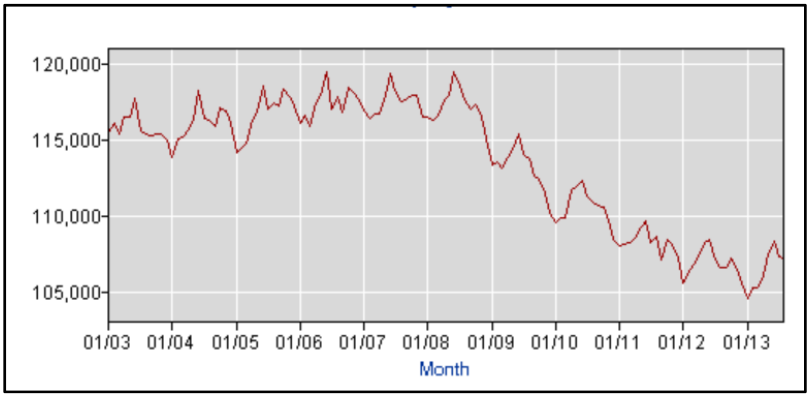
Since 2010, annual unemployment in the MSA has been 8.5 percent and higher, although monthly reports for May through August 2013 show rates (not seasonally adjusted)

[3] Most of the data gathered by the federal government and State of New York are available only for counties and metropolitan areas and are not published for cities such as Binghamton. Therefore, much of the discussion in this section relies on data for Broome County and the Binghamton MSA with references to the City of Binghamton where data are available.

ranging from 7.5 to 7.7 percent. Data for Broome County show a similar monthly pattern during 2013 with unemployment ranging from 7.5 to 7.8 percent.

A more critical statistic influencing current and prospective demand for housing is the total employment in the MSA, which is shown in Table 3.2. Total employment peaked at 119,549 during June 2008; the 2008 annual rate was 117,223. From mid-year 2008 through 2012, total employment in the MSA generally continued on a downward trajectory. The U.S. Bureau of Labor Statistics reported annual 2012 employment of 106,889 or a decline of 10,344 jobs from the annual rate in 2008.

Table 3.2
Total Employment in the Binghamton MSA, 2003 to 2013



Source: U. S. Bureau of Labor Statistics; RES

Total employment increased during the period from March through June 2013, reaching a monthly total of 108,336. While there has been growth in some sectors of the MSA economy, employment declines in the government sector in particular have not been offset by gains in other sectors, and total employment declined slightly during July and August 2013. The employment pattern in Broome County has been similar.

Most economic reports indicate that job losses in the Binghamton MSA have been adversely affecting housing demand. Recent forecasts indicate that layoffs declined earlier in 2013 and the unemployment rate also declined. However, economists note that a major weakness in the area's economy is its high exposure to a few corporations. Some of these are defense contractors that are downsizing because of reduced federal government budgets, as well as lower purchasing, including cutbacks related to sequestration. Another factor cited in relation to losses of jobs is productivity gains in the manufacturing sector, which have adversely affected employment levels. Economic reports for the MSA also cite government budget deficits and fiscal austerity that have resulted in decreases in government sector employment.

One positive economic factor in the MSA is the presence of Binghamton University, which is the region's largest employer with 5,493 employees reported in November 2012. The economy in Broome County and the City of Bingham is expected to continue benefitting from the University's growth, which is expected to include expansions of faculty and enrollment pursuant to the University's 2013 *Road Map to Premier.* A recent economic report by Moody's

Analytics[4] notes that the University will provide a stable and growing source of employment in the broader MSA. From 2009 through 2012 the University added about 1.5 million square feet to its campus and spent $600 million on construction projects.

More important for long-term economic development in the region is the University's investment in technology, including construction of an Innovative Technologies Incubator in downtown Binghamton. The incubator is expected to attract more students, grants, and industry participants; the proposed location in the City of Binghamton should help generate employment growth locally and regionally and also boost the image of the City as a place that can be home to additional high-technology companies.

Major Employers and Employment Growth

The Broome County Industrial Development Authority's most current list of the MSA's 25 largest employers was compiled during November 2012 and is presented in Table 3.3

Table 3.3
Major Employers in the Binghamton MSA

	Company	Location	Number of Employees	Description
1	Binghamton University	Vestal	5,493	Education
2	United Health Services	Binghamton	5,428	Healthcare
3	Lockheed Martin	Owego	2,700	Systems Integration
4	Broome County Government	Binghamton	2,500	Government
5	Lourdes Hospital	Binghamton	2,311	Healthcare
6	New York State	Binghamton	2,034	Government
7	Broome Developmental Center	Binghamton	1,400	Human Services
8	Amphenol Aerospace	Sidney	1,400	Electronic Devices
9	BAE Systems	Johnson City	1,350	Mission Systems
10	Raymond Corp.	Greene	1,200	Electric Products
11	Endicott Interconnect	Endicott	1,100	Electronics
12	Maines Paper & Food Service	Conklin	1,100	Food Distribution
13	Broome-Tioga BOCES	Binghamton	1,049	Education
14	NBT Bank	Binghamton	1,039	Financial Institution
15	IBM Corp.	Endicott	1,000	Technology
16	Weis Markets	Binghamton	1,000	Food Products
17	MeadWestvaco	Sidney	900	Office Products
18	NYSEG	Binghamton	800	Electricity & Natural Gas
19	Wegmans	Johnson City	774	Food Products
20	Chobani	Norwich	679	Food Products
21	United Methodist Homes	Binghamton	621	Senior Living
22	Frito-Lay	Kirkwood	540	Food Distribution
23	Time Warner	Vestal	500	Communications
24	Nationwide Credit Inc.	Vestal	500	Asset Recovery
25	Broome Community College	Binghamton	454	Education

Source: Broome County IDA, November 2012.

During the 12 months ending in July 2013, the largest share of employment in the Binghamton MSA was in government, which includes several different entries in Table 3.3 and

[4] Moody's Analytics, Précis Metro, Northeast, January 2013.

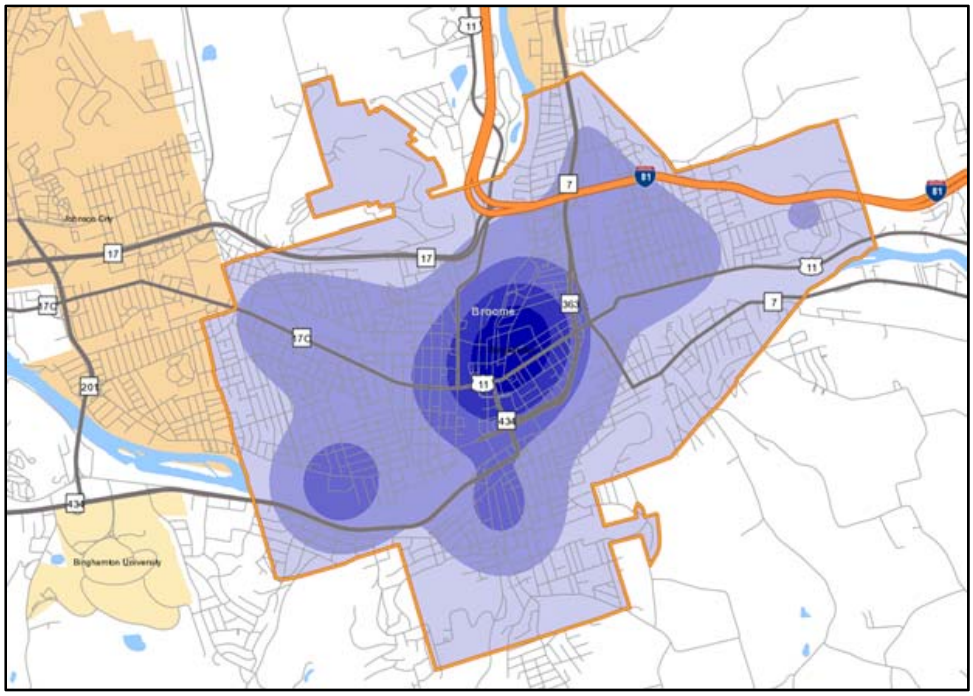
employment of about 20,100 during that month. However, this sector declined 6.9 percent from July 2012 to July 2013. The Trade/Transportation/Utilities Sector had the second-largest share of employment, 19,800 workers during July 2013, but also lost employees on a year-over-year basis. Third largest is the Education and Health Services Sector, for which employment increased 1.8 percent during the 12 months ending in July 2013. Other sectors in the MSA with year-over-year employment gains were Mining, Logging, and Construction (10.4 percent); Professional and Business Services (1.0 percent); Leisure and Hospitality (4.0 percent); and Other Services (5.8 percent).

Economic Conditions in the City of Binghamton

As would be expected, the City is affected by the economic and employment issues in the broader MSA that have adversely affected the City's housing market, as well. Binghamton benefits from the presence of two major medical centers, United Health Services (UHS) and Lourdes Hospital. While Binghamton University is not located in the City, the proposed Innovative Technologies Incubator will be built in Binghamton, and there is an off-campus center in the City.

The U.S. Bureau of the Census database, Longitudinal Employer-Household Dynamics (LEHD) OnTheMap, provides data for the City of Binghamton. Map 3.1 shows the location of jobs as reported in the database for 2011, the most recent year available.

Map 3.1
Location of Jobs in the City of Binghamton in 2011



Source: U.S. Bureau of the Census, LEHD OnTheMap, 2011; RES

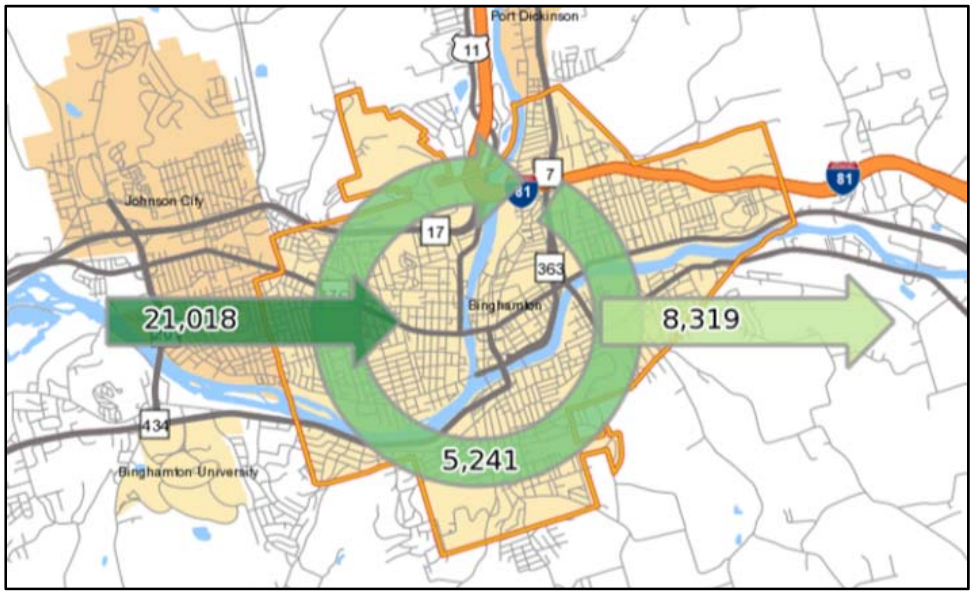
While there were concentrations of jobs in several areas of the City, most of the jobs were located in downtown Binghamton. Among other factors, Binghamton benefits from being

the county seat of Broome County and the location of County and State of New York offices in the City's downtown.

The OnTheMap database reported that the number of jobs in the City *totaled* 28,436 during 2011, including 26,259 *primary* jobs. The difference between total jobs and primary jobs are those classified as secondary or part time positions. While the job totals are impressive, 21,018 workers, or 80.0 percent of all workers who held *primary* jobs in Binghamton during 2011, lived outside of the City. By comparison, OnTheMap indicates that there were a total of 85,544 primary jobs in Broome County. Of these, a far higher percentage, 61.7 percent (52,777 jobs) were held by workers who also lived in Broome County.

Map 3.2 provides an illustration for the City of Binghamton of the inflow/outflow of jobs. Only 5,241 workers (20.0 percent of the City's primary workers) both lived and worked in Binghamton during 2011. From the perspective of housing demand, the LEHD OnTheMap data indicate that while the City is benefitting from having a sizeable number of jobs, it is not deriving the benefits workers could provide if they also lived in the City.

Map 3.2
Worker Flows Into and Out of the City of Binghamton during 2011



Source: U.S. Bureau of the Census, LEHD OnTheMap, 2011; RES

As the map shows, a total of 8,319 workers living in Binghamton commuted to primary jobs outside of the City during 2011. On a positive note, a comparison with LEHD OnTheMap data for 2010 shows that both the number of primary jobs in the City and the number of people both working and living in Binghamton increased on a year-over-year basis, a positive trend albeit for a limited time one-year time frame. However, the total number of primary workers in the City during 2011 remained below the 2008 level of 28,097.

Data on the characteristics of primary workers indicates differences in age and earnings for Binghamton workers living in the City in comparison with Binghamton workers living outside the City. Table 3.4 shows the statistics for 2011.

Table 3.4
Age and Earnings of Binghamton Workers
Living in the City and Outside the City in 2011

	Workers in the City Living in Binghamton		Workers in the City Living Outside the City	
	Number	Percent	Number	Percent
Total Workers, 2011	5,241	100.0%	21,018	100.0%
Age of Workers:				
29 or younger	1,266	24.2%	4,116	19.6%
30 to 54	2,645	50.5%	12,024	57.2%
55 or older	1,330	25.4%	4,878	23.2%
Earnings of Workers:				
$1,250 per month or less	1,399	26.7%	4,130	19.6%
$1,251 to $3,333 per month	2,331	44.5%	7,301	34.7%
More than $3,333 per month	1,511	28.8%	9,587	45.6%

Sources: U.S. Bureau of the Census, LEHD OnTheMap Database; RES

Just over half of the primary workers living *and* working in the City were 30 to 54 years old. About one-fourth of those living and working were 29 years old or younger and just over one-fourth were 55 and older. For Binghamton workers living outside the City, a higher percentage (57.2 percent) was 30 to 54 years old and just under 20 percent were 29 or younger. On an absolute basis, however, there were far more young workers living outside the City in 2011 than living in Binghamton. There should be ways to attract more of these young workers to live in in the City.

Workers living outside the City were more likely to earn more than $3,333 per month, or $39,000 annually, at jobs located in Binghamton. In 2011, 45.6 percent of workers living outside the City were in this highest earnings bracket; only 28.8 percent of workers living in the City were included. Further, a far higher percentage of the City's workers who also lived in the City during 2011 were in the lowest earnings bracket of $1,250 per month, or earning $15,000 or less per year. These data are consistent with household income data presented in the previous section of this housing market analysis; based on the LEHD data, workers with higher paying jobs in the City are not choosing to live in the City.

Statistics for all of the 26,259 workers holding *primary* jobs in Binghamton during 2011 show that almost one-fourth were employed in the Health Care and Social Assistance sector while 21.5 percent were employed in the Educational Services sector. Workers holding primary jobs in Binghamton are predominantly White and are and are not Hispanic or Latino. More than half are female workers, and 26.1 percent have a bachelor's or advance degree. Enticing higher percentages of these workers – and especially younger workers who find city living attractive -- would result in improvements in the City's housing market, including higher demand for both rental and for-sale housing units.

Quality of Life Factors

There are a number of potential quality of life factors influencing the relative attractiveness of a city as a place to live. While employment opportunities and housing affordability typically have top ranking, other factors also are important. Of particular note are the quality of schools and issues related to crime and safety.

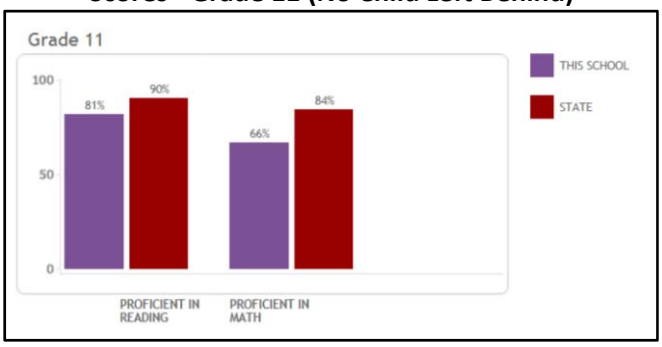
Education

Sperling's *Best Places to Live* (www.bestplaces.net) has assigned Binghamton University a ranking of 34th on their scale of most competitive public colleges, an impressive score. Sperling's did not rank Broome County Community College and does not rank elementary and secondary schools. Summary data included in *Best Places* indicate that the City spends $8,411 per student, compared with the U.S. average of $5,691, and that there are about 13.5 students per teacher in Binghamton. The National Center for Education Statistics reported a U.S. average pupil/teacher ratio of 15.4 during 2009 for public schools. These factors are positive indicators for the City.

Two other sources compile data on schools; unfortunately, both assign relatively low rankings to elementary and secondary schools in Binghamton. The first of these, Great Schools (www.greatschools.org), ranks public elementary schools in the City between two and five on a scale where ten is the best score. With a ranking of five, Thomas Jefferson (grades K-5) is the elementary school at the mid-scale of the ranking. Two middle schools (grades 6-8), West Middle School and East Middle School, have ranks of six and four, respectively. Great Schools assigns a rank of three to Binghamton High School. While they do not have numerical rankings, two private schools in Binghamton have community rankings. Seton Catholic Central (grades 7-12) has a community ranking of four on a scale of five; St. John the Evangelist School (grades preK-8) has a community ranking of three on a scale of five. In comparison, public elementary schools in Vestal and also the middle school have rankings of nine. Vestal High School is ranked eight on a scale of ten.

The web site Neighborhood Scout (www.neighborhoodscout.com) also ranks schools on a ten point scale. Table 3.3 provides a comparison of Binghamton High School test scores for eleventh grade students with those in New York State.

Table 3.5
Binghamton High School and New York State Test Scores - Grade 11 (No Child Left Behind)



Source: NeighborhoodScout.com; RES.

When Neighborhood Scout compared the Binghamton School District on quality with New York and U.S. schools, a rank of one was assigned. On a percentage basis, the Binghamton School District was rated better than 8.3 percent of New York school districts. Binghamton High School's rating of four was higher than the score assigned by Great Schools, and Neighborhood Scout rated the school's quality better than 39.7 percent of schools in New York. References to these rankings and links to the web sites often are found on real estate web sites, which may account for comments by Realtors during interviews that schools in Binghamton are an issue affecting the performance of the real estate market. Realtors and other stakeholders interviewed during the comprehensive plan process reported that neighborhoods in the City are at a competitive disadvantage because parents with children will select suburban homes over those in Binghamton based on school quality.

Crime and Safety

The Binghamton MSA as a whole receives good scores on crime and safety from Sperling's *Best Places*, ranking fifth of mid-size metros during 2011. In 2010, the metropolitan area ranked eighth most secure mid-size area in the U.S.

Again, however, the City fares worse in rankings than the MSA. Data compiled by Neighborhood Scout[5] for the City of Binghamton show a violent crime rate of 6.11 per 1,000 residents and a property crime rate of 55.47 per 1,000 residents. In comparison, the rates for New York State were 3.98 and 19.2, respectively. Of the violent crimes, 65 percent were assaults. For property crimes, almost 80 percent were thefts while the remainder was burglaries and motor vehicle thefts. Maps prepared by Interface Studio and presented in stakeholder meetings have shown locations of violent crimes and property crimes in the City during 2012.

[5] The web site is www.neighborhoodscout.com. FBI crime statistics for 2009 and 2010, which provide detailed data for violent and property crimes for the MSA and the City show similar results regarding higher crime rates in the City. The data are available on the HUD State of the Cities Data System at http://socds.huduser.org/FBI/violent_crime.odb.

Other Quality of Life Factors

The Binghamton MSA achieves good rankings on a number of competitive quality of life and location factors. Moody's Economy.com places both the cost of living and the cost of doing business in the MSA below the U.S. with the cost of living at 88 percent and the cost of business at 90 percent. The U.S. is 100 percent. Despite low employment growth projected through 2016, another positive is Binghamton's role as a regional healthcare center with increasing payrolls. From a business perspective, Economy.com notes that a strength in the MSA is the presence of a concentration of high-tech workers. Assuming that the proposed high-tech incubator by Binghamton University proceeds and is successful in spawning additional businesses, Binghamton should be able to enhance its competitiveness during future years.

4. Housing Stock Characteristics

The 2010 U.S. Census reported a total of 112,766 housing units in the Binghamton MSA and 90,563 housing units in Broome County. Of these, 23,842 units, or 26.3 percent of all County units, were located in the City of Binghamton. More recent ACS three-year 2010-2012 estimates place the number of housing units in the City at a similar level, 23,845 units.

Residential Permit Activity

As shown in Table 4.1, residential permit data compiled by the U.S. Bureau of the Census show low levels of permits for new private residential units in the City dating back to 2000. Permit activity was highest during 2003 for single-family homes with the issuance of 12 permits, and during 2004 for multifamily (5+ units) for a building with 13 units.

Table 4.1
Building Permits for New Privately Owned Residential Construction, City of Binghamton
2000 through October 2013

Year	Single Family			Two Family			3-4 Family	5+ Family			Totals	
	Buildings	Units	Const Cost	Buildings	Units	Const Cost	Buildings	Buildings	Units	Const Cost	Units	Const Cost
2000	4	4	$572,380	0			0	0			4	$572,380
2001	4	4	$509,000	0			0	0			4	$509,000
2002	6	6	$1,192,580	0			0	0			4	$1,192,580
2003	12	12	$1,733,760	0			0	0			12	$1,733,760
2004	1	1	$100,000	0			0	1	13	$1,309,944	14	$1,409,944
2005	5	5	$917,000	1	2	$193,000	0	0			7	$1,110,000
2006	4	4	$807,000	0			0	0			4	$807,000
2007	6	6	$895,000	0			0	0			6	$895,000
2008	5	5	$700,650	0			0	0			5	$700,650
2009	3	3	$420,390	0			0	0			3	$420,390
2010	1	1	$326,000	0			0	0			1	$326,000
2011	0	0		0			0	0			0	$0
2012	0	0		0			0	0			0	$0
Jan/Oct 2013	1	0	$190,000	0			0	0			0	$0

Source: U.S. Bureau of the Census, Building Permit Estimates, US, States and Metropolitan Areas; RES

The permit data in Table 4.1 are especially relevant for new single-family construction and show, clearly, the very low number of additions to the City's housing stock. For multifamily residential, however, the data do not present a complete picture of activity in the City because only permits for new construction are included. Data typically do not include rehabilitations and conversions of formerly non-residential buildings for residential use, a factor that has added new units to the City's multifamily inventory. Similarly, projects that have public financing, such as student housing, are not included.

Permit activity for new residential construction in Broome County overall has been far more robust since 2000, especially for new single-family homes. The higher permits are consistent with reports by Realtors about the availability of new homes in areas of the County outside of Binghamton. As shown in Table 4.2, single-family permit activity in Broome County continued through 2008 before tapering down. The Broome County data in Table 4.2 include permits issued for private residential construction in the City of Binghamton in addition to other permitting jurisdictions in Broome County. For the County overall, the largest amount of multifamily permit activity was from 2001 through 2005. Again, however, development of student housing with public financing is not included.

Table 4.2
Building Permits for New Privately Owned Residential Construction, Broome County
2000 through August 2013

Year	Single Family		Two Family			3-4 Family	5+ Family			Totals	
	Buildings/Units	Const Cost	Buildings	Units	Const Cost	Buildings	Buildings	Units	Const Cost	Units	Const Cost
2000	156	$22,514,152	1	2	$90,000	0	0			158	$22,604,452
2001	184	$28,253,564	0			0	3	24	$1,750,000	208	$30,003,564
2002	231	$38,892,793	1	2	$100,000	0	1	57	$1,000,000	290	$39,992,793
2003	204	$31,817,383	0			0	2	94	$17,100,000	298	$48,917,383
2004	196	$34,560,689	1	2	$60,000	0	1	13	$1,309,944	211	$35,930,633
2005	194	$36,699,123	2	4	$308,000	0	1	12	$300,000	210	$37,307,123
2006	201	$35,700,741	0			0	0			201	$35,700,741
2007	177	$32,747,831	0			0	2	18	$1,394,000	195	$34,141,831
2008	213	$37,200,418	0			0	0			213	$37,200,418
2009	92	$19,594,326	0			0	3	40	$2,400,000	132	$21,994,326
2010	60	$11,815,334	0			0	0			60	$11,815,334
2011	41	$7,249,180	2	4	$300,000	0	0			45	$7,549,180
2012	44	8077522	0			0	0			44	$8,077,522
Jan/Aug 2013	4	N/A	0			0	0			4	N/A

Note: Broome County permits are based on U.S. Bureau of the Census Estimates with Imputations.

Source: U.S. Bureau of the Census, Building Permit Estimates, US, States and Metropolitan Areas; HUD State of the Cities Database (for 2013); RES

Housing Units, Housing Tenure, and Vacancy Characteristics

Table 4.3 presents data for the City of Binghamton and Broome County on the total number of housing units, housing tenure and housing vacancies.

Table 4.3
Housing Units, Tenure, and Housing Vacancies in Binghamton and Broome County

	1990 Census	2000 Census	2010 Census	ESRI 2013 Estimate	ESRI 2018 Projection
City of Binghamton:					
Total Housing Units	24,734	23,971	23,842	23,878	23,719
Occupied Housing Units	22,722	21,089	21,150	20,675	20,110
Owner-Occupied					
Number	10,126	9,072	8,985	8,664	8,786
Percent of Occupied Units	44.6%	43.0%	42.5%	41.9%	43.7%
Renter-Occupied					
Number	12,596	12,017	12,165	12,011	11,324
Percent of Occupied Units	55.4%	57.0%	57.5%	58.1%	56.3%
Vacant Housing Units					
Number	2,012	2,882	2,692	3,203	3,609
Percent of Total Units	8.1%	12.0%	11.3%	13.4%	15.2%
Classified Other Vacant	512	659	1,035	N/A	N/A
Broome County:					
Total Housing Units	87,969	88,817	90,563	90,880	90,577
Occupied Housing Units	81,843	80,749	82,167	81,581	80,317
Owner-Occupied					
Number	53,520	52,566	53,260	52,451	52,923
Percent of Occupied Units	65.4%	65.1%	64.8%	64.3%	65.9%
Renter-Occupied					
Number	28,323	28,183	28,907	29,130	27,394
Percent of Occupied Units	34.6%	34.9%	35.2%	35.7%	34.1%
Vacant Housing Units					
Number	6,126	8,068	8,396	9,299	10,260
Percent of Total Units	7.0%	9.1%	9.3%	10.2%	11.3%
Classified Other Vacant	1,353	1,828	2,704	N/A	N/A

SOURCES: U.S. Bureau of the Census; ESRI; RES.

The number of *occupied* residential units in the City of Binghamton declined by 1,572 units from 1990 through 2010 with the decline being most severe -- a loss of 1,141 units -- for owner-occupied housing. During the 20-year time frame, the percentage of owner-occupied units in the City declined from 44.6 percent to 42.5 percent of all occupied units. From 2010 to 2013, ESRI has estimated that there was a net increase of 36 housing units added to the City's inventory. However, the number of occupied units continued to decline, a pattern projected to continue through 2018. One positive sign is a projected increase in the number and percentage of owner-occupied units from 2013 through 2018.

Of concern in the City is the increase in the total number of vacant residential units, which includes units offered for-sale and for-rent, units rented and sold but not occupied, seasonal units, and those classified as "Other Vacant Units". By definition, other vacant units typically are not habitable because they are in deteriorated or substandard condition. Recent estimates for vacant units are provided in the 2010-2013 ACS, which reported 3,518 vacant units including 1,869 "Other Vacant Units", or a decline from the total reported in the 2010 Census. If the ACS estimates are correct, there has been a decline of 835 units in the City that probably were not suitable for occupancy and also may have been a blighting influence.

Data for Broome County in Table 4.3 show increases in the total number of housing units from 1990 through 2013. However, there is a projected decline in the County from 2013 to 2018 of 303 residential units. The decline may be a result of demolitions of structures damaged during August 2011 by the flooding that accompanied Hurricane Irene along with the ongoing effects of the Great Recession and the area's slow economic recovery.

The percentage of owner-occupied units in the County is high, close to 65 percent in all years, and is projected to reach 65.9 percent during 2018. As in the City of Binghamton, the total number of vacant units in Broome County has increased steadily since 1990, and further increases are projected through 2018. Moreover, the number of Broome County units classified as Other Vacant Units increased from 1990 to 2010, and the ACS three-year estimates for 2010-2012 indicate a further increase to 4,535 units.

For comparison with the percentages of owner-occupied units in Binghamton (42.5 percent) and Broome County (64.8 percent) reported in the 2010 Census, 53.3 percent of housing units in New York State were owner-occupied and the percentage for the U.S. was 65.1 in 2010.

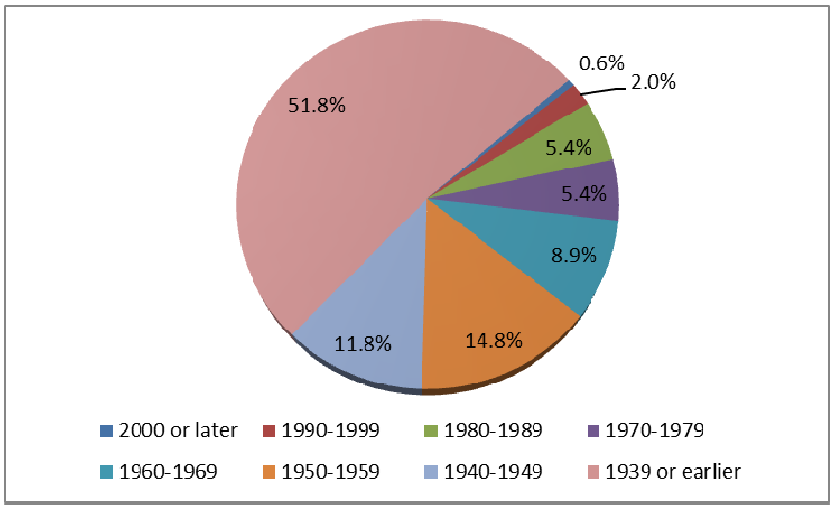
Housing Age and Units in Structure

The 2010 Census did not include data on housing age or the number of units in different types of structures; therefore, the three-year ACS for 2010-2012 is the most recent data source.

Based on the low numbers of permits for new residential construction, housing units in the City of Binghamton would be expected to be old, which is the case. More than two-thirds of the City's housing units – 77.7 percent – were built before 1960, including 51.1 percent built before 1940. Housing units built in 1960 are now at least 53 years old, if not older. Even if the units have been maintained well, many are likely to lack the features and amenities characteristic of newer housing units. The ACS reports that only 148 of the City's housing units,

or less than one percent of the housing stock, was been built in 2000 or more recently. Table 4.4 presents a chart showing the percentage of structures by the time frame built.

Table 4.4
Binghamton Housing Units by Time Period Built



Sources: 2010-2012 American Community Survey; RES.

Also as expected, Binghamton's housing stock is older than housing in Broome County overall. ACS three-year estimates for 2010-2012 indicate that 57.3 percent of all units in the County and 3.5 percent of the units, an estimated 3,188 units, were added during 2000 or more recently.

Housing by Units in Structures

Information about the number of housing units by units in structures also was omitted from the 2010 Census. Table 4.5 provides three-year ACS 2010-2012 estimates of housing units by units in structure Binghamton and Broome County.

Table 4.5
Estimated Housing Units by Structure Type

	Binghamton City		Broome County	
	Number	Percent	Number	Percent
Total Housing Units	23,845	100.0%	90,309	100.0%
Units in Structure				
1-unit detached	9,758	40.9%	55,056	61.0%
1-unit attached	659	2.8%	1,968	2.2%
2 units	5,357	22.5%	11,063	12.3%
3 or 4 units	2,419	10.1%	5,737	6.4%
5 to 9 units	2,230	9.4%	4,630	5.1%
10 to19 units	1,549	6.5%	2,866	3.2%
20 or more units	1,804	7.6%	4,391	4.9%
Mobile homes	69	0.3%	4,598	5.1%

Source: U.S. Census Bureau, 2010-2012 American Community Survey; RES.

The ACS estimates indicate that Binghamton has a lower percentage of single-family detached housing units, 40.9 percent of all units, than Broome County overall with 61.0 percent. Binghamton has higher percentages of structures with two to four units, and 23.5 percent of the City's units are in multifamily structures – those with five or more units. Only 13.2 percent of all units in Broome County are in multifamily structures, a low percentage. Broome County has a relatively large number of mobile homes, almost 4,600, while Binghamton has only 69.

5. Housing Demand

Demand for housing units typically is generated by one or more of the following conditions:

- Increases in the number of households either through new household formation or the in-migration of additional households.
- The need to replace deteriorated or functionally obsolete housing units.
- Changes in the age and income profiles of households and the resulting demand for housing different in size, style, pricing, and tenure. These patterns are reflected in tabulations of households by income band and age cohort and also by data systems containing information about the lifestyles of households.

Since the number of households in Binghamton is not expected to increase through at least 2018, household growth is not a driver of demand for housing units. Therefore, it is especially important to look to other potential drivers of demand. The paragraphs that follow discuss and quantify other components of housing demand and their influence on the housing market in the City.

Replacement Demand

Replacement demand results from the need to provide new housing because existing units are physically or functionally obsolete or housing units have been lost as a result of fires and natural disasters. The large number of units in the City that are classified by the U.S. Bureau of the Census as "Other Vacant Units" is one signal that there issues with obsolete housing. Another is the large percentage of units, 51.1 percent of the City's housing stock, constructed prior to 1940. Finally, interviews with stakeholders indicated that the City's existing housing stock may not be competitive. In particular, Realtors noted that many of the housing units in the City are not attractive to prospective purchasers because of age, poor condition, home size, insufficient bathrooms, and similar issues. Replacement demand also occurs when homes are in such poor physical condition that rehabilitation is not economically feasible.

A HUD document entitled "Components of Inventory Change: 2007-2009" (CINCH), uses the U.S. Census Bureau's American Community Survey data to analyze losses and gains in the U.S. housing stock and the reasons for the changes. Based on the findings, an overall replacement factor of 0.8 to 1.0 percent generally represents the need to replace the *occupied* housing stock annually in the U.S. However, in estimating replacement demand in the City of Binghamton, other factors are important to consider:

- <u>Age of Housing</u> - As indicated, the City's housing stock is old, and a sizeable percentage is likely to be physically and functionally obsolete, a signal that higher replacement demand might be appropriate. The median year built for all U.S. housing units is 1974 versus a median year built of 1939 for housing units in Binghamton.
- <u>Household Decline</u> - However, the number of households in the City is projected to decline from 2013 through 2018, meaning that there will be fewer households to

occupy existing housing units, including those presently occupied or offered for-sale and for-rent.

- Number of Vacant Units For-Sale and For-Rent - The 2010-2012 ACS estimated 3,515 vacant units in Binghamton, including 1,401 units that were being offered for-sale or for-rent and presumably would be available for households seeking new places to live. An additional 39 units were sold but not occupied and 127 units were rented but not occupied.
- Presence of Other Vacant Units - The 2010-2012 ACS also estimated a total of 1,869 other vacant housing units in the City. In estimating replacement demand, RES has assumed that, in general, these units are not suitable for rehabilitation and will be removed from the housing stock at some point in the future. The exception would be historic preservation of selected units.

Based on these considerations, RES has developed replacement estimates that deviate from the U.S. average and consider the above factors. Table 5.1 presents the estimates of replacement housing demand in the City of Binghamton.

Table 5.1
Estimated Replacement Housing Demand – City of Binghamton

	City of Binghamton
Estimate of Total Replacement Demand	
Occupied Housing Units - 2010-2012 ACS	20,327
Vacant Units for Rent & For-Sale 2010-2012 ACS	1,401
Total	21,728
Replacement Demand Percent	0.35%
Annual Housing Unit Replacement Demand	76
Five-Year Total Replacement Demand	380
Estimatd Replacement Demand: Owner-Occupied Units	
Owner-Occupied Housing Units - 2010-2012 ACS	9,445
Vacant Units Offered For-Sale - 2010-2012 ACS	445
Total	9,890
Replacement Demand Percent	0.35%
Annual Replacement Demand, Owner-Occupied Units	35
Five-Year Replacement Demand, Owner-Occupied Units	175
Estimated Replacement Demand: Renter-Occupied Units	
Renter-Occupied Housing Units - 2010-2012 ACS	10,882
Vacant Units Offered For-Rent - 2010-2012 ACS	956
Total	11,838
Replacement Demand Percent	0.35%
Annual Replacement Demand, Renter-Occupied Units	41
Five-Year Replacement Demand, Renter-Occupied Units	207

Sources: US Bureau of the Census, ACS 2010-2012; RES.

The calculations in Table 5.1 are based on CINCH data for percentage of the total stock of *occupied* housing units during 2007 and 2009, and the U.S. percentage of units lost for

reasons that are relevant in Binghamton.[6] RES then added *vacant units offered for-sale and for-rent* because we assume that these units are habitable and part City's total housing inventory. The resulting percentage for annual replacement demand in Bingham is 0.35 percent, or a lower percentage than for the U.S. overall. However, this result considers market conditions in the City while also recognizing that there should be some new housing development in the City to offer alternatives to obsolete housing units that are part of the City's the older housing stock.

Based on the above assumptions, the estimated replacement demand over a five-year time frame shown in Table 5.1 includes 175 new for-sale units for occupancy by owner-occupants and 207 new units housing units targeted for occupancy by renters.

It should be noted these revised replacement demand estimates are lower than the market analysts' preliminary estimates presented earlier in 2013 that applied the national replacement standard. The downward revision reflects updated ESRI estimates indicating additional declines in the number of households and data in the 2010-2012 three-year ACS showing ongoing vacancy rates higher than earlier projections. Revised ESRI projections of the number of households in the City of Binghamton, which previously indicated some household growth, were revised downward. In our opinion, new housing units should be a component of neighborhood revitalization and redevelopment in the City, and we anticipate that construction of new housing units at the levels estimated in Table 5.1 can be absorbed.

Household Age and Income Characteristics

In addition to replacement demand, household demographic trends and changing housing preferences will be key drivers of residential demand. ESRI has estimated that Binghamton has a total of 20,675 households in 2013, and that the number of households will decline to 20,110 households by 2018. Table 5.2 (following page) provides estimates of households by income band and age cohort in the City during 2013, projections for 2018, and changes in the number of households by income and age from 2013 to 2018. Some of the change in the number of households by income band can be attributed to so-called "bracket creep" resulting from inflation during a time frame of five years; changes in age reflect the aging of the City's households during the same time period. Nevertheless, the changes indicate the possibility of different housing preferences and they are useful in working with developers, Realtors, and others to position additional housing units in ways that can tap demand most effectively, retaining current households in the City and providing opportunities for city living to attract new households.

The estimates indicate the presence in Binghamton of two key age cohorts have been the most important consumer targets in other cities for new market-rate in-city residential units:

- Young, well-educated professionals (singles and couples) under 35 years old with relatively high earning power;
- More affluent mature adults (empty nesters and active retirees), generally 65 years old and older.

[6] The factor RES did not include was the movement of mobile homes or housing units from one location to another. The ACS reported only 69 mobile homes in the City and movement of other housing units is not considered likely.

The shading in Table 5.2 shows the number of households in the relevant income bands and age cohorts.

Table 5.2
City of Binghamton Households by Income Band and Age Cohort
2013 Estimates, 2018 Projections, and Estimated Five Year Change

2013 Households by Income Band and Age Cohort

Income Band	Age Cohort							Total
	<25	25-34	35-44	45-54	55-64	65-74	75+	Households
Under $15,000	766	899	488	691	730	428	743	*4,745*
$15,000 - $24,999	385	556	327	402	457	417	740	*3,284*
$25,000 - $34,999	299	578	376	454	491	427	434	*3,059*
$35,000 - $49,999	269	581	433	498	572	413	317	*3,083*
$50,000 - $74,999	149	596	442	581	576	314	283	*2,941*
$75,000 - $99,999	44	275	239	343	293	116	96	*1,406*
$100,000+	50	262	363	550	587	239	106	*2,157*
Total Households	*1,962*	*3,747*	*2,668*	*3,519*	*3,706*	*2,354*	*2,719*	***20,675***

2018 Households by Income Band and Age Cohort

Income Band	Age Cohort							Total
	<25	25-34	35-44	45-54	55-64	65-74	75+	Households
Under $15,000	676	894	451	568	692	486	785	*4,552*
$15,000 - $24,999	295	425	241	284	350	412	615	*2,622*
$25,000 - $34,999	267	552	356	375	463	514	468	*2,995*
$35,000 - $49,999	234	534	398	403	542	474	339	*2,924*
$50,000 - $74,999	121	513	363	413	469	313	241	*2,433*
$75,000 - $99,999	47	373	318	367	366	174	142	*1,787*
$100,000+	56	415	468	583	720	379	176	2,797
Total Households	*1,696*	*3,706*	*2,595*	*2,993*	*3,602*	*2,752*	*2,766*	***20,110***

Change in Households by Income and Age, 2013-2018

Income Band	Age Cohort							Total
	<25	25-34	35-44	45-54	55-64	65-74	75+	Households
Under $15,000	-90	-5	-37	-123	-38	58	42	*-193*
$15,000 - $24,999	-90	-131	-86	-118	-107	-5	-125	*-662*
$25,000 - $34,999	-32	-26	-20	-79	-28	87	34	*-64*
$35,000 - $49,999	-35	-47	-35	-95	-30	61	22	*-159*
$50,000 - $74,999	-28	-83	-79	-168	-107	-1	-42	*-508*
$75,000 - $99,999	3	98	79	24	73	58	46	*381*
$100,000+	6	153	105	33	133	140	70	*640*
Total Households	*-266*	*-41*	*-73*	*-526*	*-104*	*398*	*47*	***-565***

Sources: ESRI, RES.

In other cities, households with middle and higher incomes in these young and older age cohorts have been drawn to urban locations because of the ease of access to employment, shopping and services, and entertainment and recreational amenities. Many young professionals are singles and couples without children; hence, decisions about a place to live are not influenced by the quality of public or private schools. Mature adults often consider downsizing to more maintenance-free, accessible housing; convenience and security are major considerations in their choice. Some of these households may spend part of the year in places

with warmer weather but want to maintain a home they own or rent near friends, family, religious, and social organizations. Experience with downtown housing in a number of cities has demonstrated that properties can be targeted to both young professionals and upscale empty nesters if they are properly designed and marketed.

The tabulations of households by income and age cohort in Table 5.2 also indicate a very large number of households with extremely low incomes living in the City of Binghamton, including households in all age cohorts. The large number of low-income households with householders younger than 25 includes student households. While the numbers of households in age cohorts 25-34, 35-44, and 45-54 are projected to decline from 2013 to 2018, the total number of households still remains very large and represents ongoing demand for affordable housing. Similarly, the number of senior households 65 and older in this lowest income band is projected to increase during the next five years, a sign of increased demand for affordable senior housing.

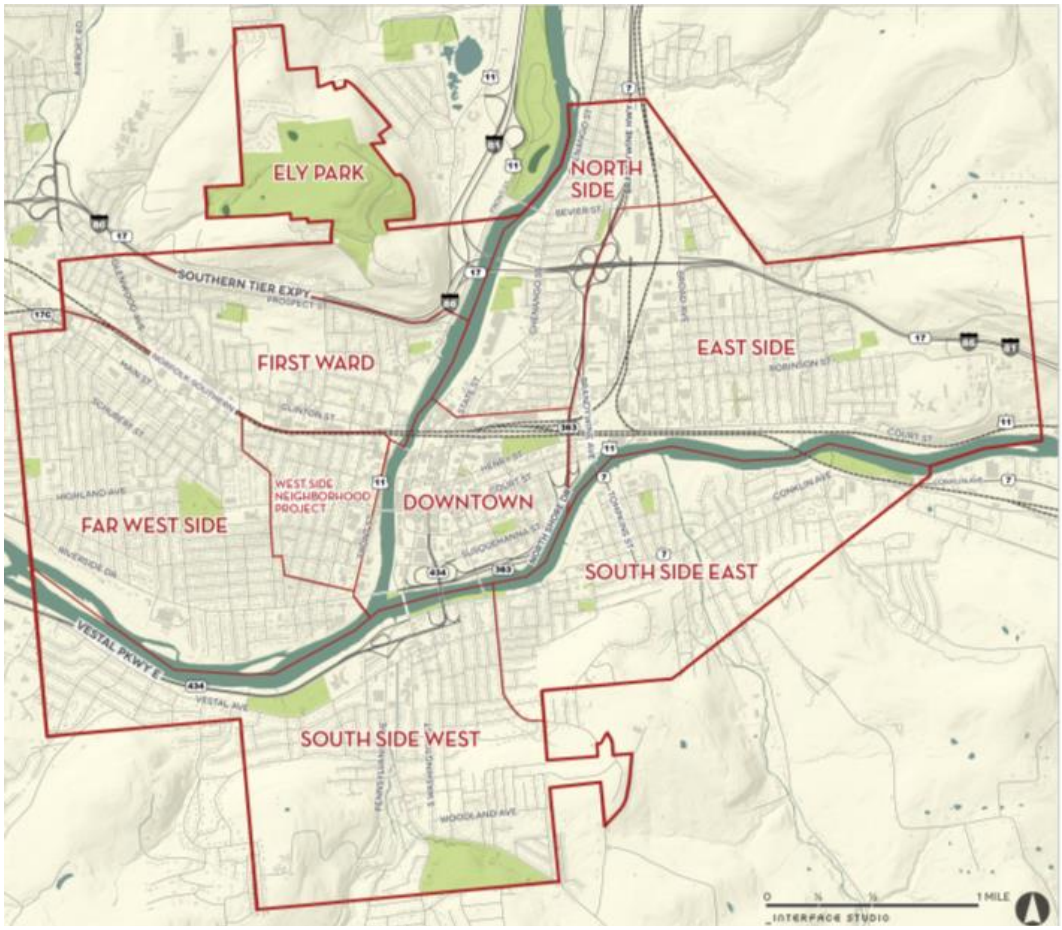
Demand Patterns in Tapestry Lifestyle Data

Lifestyle data can be especially useful in understanding the characteristics of households in Binghamton and their housing preferences. As such, they enhance the analysis of household income and age data by adding additional characteristics about the households and sources of income that help to quantify housing demand. They offer one additional advantage, which is to quantify the number of students and student households by providing a lifestyle that separates these households from other younger households and also show concentrations of households by neighborhoods in the City. The analysis is based on the ESRI Tapestry Segmentation System which divides households into different segments based on factors that consider age, income, employment, household demographics, consumer purchases, recreational and leisure time pursuits, and other factors. Segmentation systems operate on the theory that people with similar tastes, lifestyles, and behaviors seek others with the same tastes – "like seeks like"—and that the behaviors can be measured, predicted, and targeted.[7] Since households with similar lifestyles are concentrated in particular areas and neighborhoods, the discussion that follows references their presence in Binghamton neighborhoods.

Map 5.1 shows the boundaries of neighborhoods used in the discussion of lifestyle characteristics, as well as in discussions in other sections of this market analysis.

[7] The ESRI Tapestry Segmentation Reference Guide provides a more detailed description of each Tapestry lifestyle. It may be found at http://www.esri.com/library/brochures/pdfs/tapestry-segmentation.pdf

Map 5.1
Delineation of City of Binghamton Neighborhoods



Student Lifestyle

One Tapestry lifestyle, which is aptly called *College Towns,* is a student-only lifestyle. It provides an indication of the population, number of households, and housing locations of students living in Binghamton. As such, it is a useful measure of the current student demand. Most *College Towns* households range in age from 18 to 34; the median age is 24.4 years old. Most people in this lifestyle live in single-person or shared housing; one-fourth is married-couple households. Many households work only part-time and have low incomes. Therefore, the median income is low, $31,317 nationally for this lifestyle. In the U.S., 59 percent of the population in this lifestyle is enrolled in college or graduate schools; others are still affiliated with a college or university but are doing research or are teaching. Students live in dormitories or in low-income apartment rentals off-campus. Nationally, 30 percent of the housing is owner-occupied, usually by town residents who live with their families in single-family residences.

The *College Towns* population in Binghamton totals 5,188 people in 2,196 households, or an average household size of 2.4 persons per household. Of these, 1,473 households with 3,822 people live in the WSNP neighborhood and 482 households with 988 people live in the Far West Side neighborhood. *College Towns* households living in the WSNP neighborhood have a

larger average household size, 2.6 persons per household, while those living in the Far West Side neighborhood have an average household size of 2.1 persons. The remaining households live in Downtown Binghamton.

Lifestyle of Young Professionals

At the present time Binghamton has only limited housing options for younger households in middle and higher income bands, especially new housing options. Lifestyle data indicate that young professionals living in Binghamton are now concentrated in the Far West Side neighborhood, near Lourdes Hospital. Interestingly, the system that classifies households by their lifestyle characteristics shows that the young households living in this neighborhood are in a lifestyle with a preference for living in older neighborhoods. This lifestyle, called *Metropolitans* represents about one-fourth of households living in the neighborhood. These households have a median age nationally of 37.7, a median household income of $60,191 during 2013, and a preference for living in older neighborhoods. Approximately half of these households are singles or live with others; 40 percent are married-couple families. Nationally, about 60 percent of *Metropolitans* own their homes. Binghamton has 1,140 households in this lifestyle; all live in the Far West Side Neighborhood.

Lifestyles of the City's Middle- and Higher-Income Seniors

Lifestyle data show that older, empty nesters in three middle-income Tapestry lifestyles, *Prosperous Empty Nesters, Rustbelt Retirees,* and *Retirement Communities* presently are living in many different Binghamton neighborhoods: East Side near the Greater Binghamton Health Center; Far West Side, especially near the City's border with Johnson City; South Side West; and along Riverside Drive near Front Street. The descriptions of these lifestyles, which are based on data for all U.S. households, are as follows:

- *Prosperous Empty Nesters* – Approximately 60 percent of householders in this lifestyle are 55 years old and older and 40 percent are couples with no children living at home. The median household income is $67,295; 71 percent of households have some income from wages and salaries. Residents who are still working have professional and management careers in the education and health care sectors. Nearly 70 percent have attended at least some college. These households live in single-family residential neighborhoods where the majority of housing units were built before 1980. The City of Binghamton has 1,511 households in this lifestyle. They live in the Far West Side neighborhood near the border with Johnson City and in the South Side West neighborhood.
- *Rustbelt Retirees* - Most of the households in this lifestyle are married couples with no children or singles living alone. The median age is 45.6 years; more than one-third are 65 and older. The median household income is $52,216; 28 percent of households receive retirement income. However, the majority of households have income from wages, and the workforce participation rate is 58 percent. Of the people in this lifestyle, about 50 percent have attended college and 20 percent hold a bachelor's or graduate degree. Of the households, 84 percent live in single-family homes; 75 percent of the homes were built before 1970. These households are

settled in their homes and are not likely to move. Binghamton has 2,007 *Rustbelt Retiree* households. They live in the City's East Side and South Side East and West neighborhoods.

- *Retirement Communities* – The majority of households in this lifestyle are single seniors who live alone; only one-fourth is married couples with no children at home. The median age is 52.6 years; 31 percent of householders are 75 years old and older. The median household income for all U.S. households in this lifestyle is $49,174, which is higher than the estimated Binghamton 2013 median of $31,937. Nationally, some of these households live in congregate housing with meals and other services. However, 34 percent live in single-family dwellings and eight percent live in townhouses. Of all U.S. households in this lifestyle, 54 percent are homeowners. Binghamton households in this lifestyle total 699 and live in the East Side neighborhood near the Greater Binghamton Health Center and along Riverside Drive near Front Street.

Stakeholders reported that most of the alternatives for these older households as they age are located outside of the City. If seniors in these lifestyles want to downsize, the one alternative cited was East Side Senior Housing on Clapham Street. Other alternatives that were cited during interviews -- an age-restricted community or a retirement living community – are not available in the City.

Lifestyles of Middle-Income Families

Two lifestyles present in Binghamton have incomes that are best characterized as lower middle income:

- *Great Expectations* – This lifestyle represents young singles and married-couple families. The median age is 33.3; the ethnic diversity is similar to the U.S. overall. Median household income is $40,243. The labor force participation is 66 percent with most jobs in the manufacturing, retail, and service industry sectors. Half of households own their homes and more than half of all *Great Expectations* households live in single-family dwellings. Binghamton has 4,340 *Great Expectations* households with 10,093 people. They are in virtually all neighborhoods in the City, but with concentrations in the North Side, East Side, South Side East, and First Ward neighborhoods.
- *Old and Newcomers* – This lifestyle includes young and old households who live in transitional neighborhoods with more singles and shared housing units than families. The median income is $44,601; educational attainment, college and graduate enrollment are high. These households are mobile; more than half have moved in the past five years. More than 60 percent of households are renters. There are 1,411 *Old and Newcomer* households in Binghamton with 3,266 people. These households live in the Far West Side and South Side West neighborhoods.

Lifestyles of Low-Income Households

Binghamton households with low incomes are in four different lifestyles:

- *Inner City Tenants* – This lifestyle is very diverse racially and ethnically with a population that is African-American, White, and Hispanic. The median household income is $34,041; the median age is 27.8 years. Household types are mixed with a combination of singles, married couple families, single parents, and individuals sharing housing units. Many households are enrolled in college and are working part-time; 83 percent of households receive some income from wages and salaries. Only 20 percent of housing units are owner-occupied. In Binghamton, these households live in neighborhoods along Main Street, along the border of Downtown and the East Side, and in Ely Park.
- *Simple Living* – These households have a median income of $29,408. The median age is 41.3 years. Almost one-third is age 65 and older. Half are singles who live alone or share housing and about one-third are married couple families. This lifestyle has few households with children. Households live in older housing units, and more than one-half are renters. Binghamton has 2,289 *Simple Living* households with 4,913 people. These households live in the First Ward, South Side East, and South Side West neighborhoods.
- *City Dimensions* – Households in this lifestyle have a median income of $28,963 and a median age of 29.2 years. Nationally, ten percent of households receive Supplemental Social Security and 11 percent receive public assistance; unemployment is high, 20 percent. Households are racially and ethnically diverse; 30 percent are Hispanic. There is a mix of singles, married couple families, and single parents. These households are renters and more than half rent in multiunit buildings. Binghamton has 2,118 *City Dimensions* households with 5,033 people. Households live in neighborhoods along Main Street and in the First Ward, North, and East Side neighborhoods.
- *Social Security Set* – The median income for this lifestyle is $16,805 and unemployment is high among younger people in this lifestyle who are still in the workforce. The median age is 46.4 years, although 40 percent of householders are 65 and older. Most people live alone in rented apartments. There are 1,403 *Social Security Set* households in Binghamton with 2,178 people. These households live in Downtown Binghamton.

Demand Summary

While there is some demand for new housing units generated by the need to replace older, obsolete housing units, the need is not overly robust, especially for newly constructed units to be offered for-sale. Replacement demand for rental units assumes that the current high percentage of renter-occupied units will continue into the future, a matter that warrants further consideration as the City plans for the future.

Tabulations of households by income and age cohort and lifestyle data indicate the likelihood that there will be some gaps in the City's housing supply in the next five or more years. There will be less demand for housing units suitable for families with young children – barring major in-migration -- and accompanying lower demand for day care facilities and school classrooms. Since household sizes also are trending downward, demand will be higher for

housing units to accommodate smaller families, especially singles and households with two people.

The data and interviews that have been conducted have indicated a lack of housing in the City for younger professionals. An emphasis on providing additional employment opportunities in the City and the broader region could increase housing demand by retaining young adults in Binghamton and attracting new residents in younger age cohorts. These households will generate additional demand over and above current levels. LEHD data presented previously show that large numbers of young households working in the City already are living in suburban areas outside Binghamton. Increased opportunities for these households to live in Binghamton clearly are needed and estimated demand indicates that there is likely market support.

As expected, lifestyle data show a large population of *College Town* households living in the WSNP, Far West Side, and Downtown Binghamton neighborhoods. The number of students living downtown may be understated, especially since many student-oriented rentals have been completed recently. The lifestyle data indicate a higher number of students living in the City than indicated by survey data provided by Binghamton University for the spring 2013. However, some of the difference may be students attending Broome County Community College who are living in the City.

Finally, increases in the number of people 65 and older will result in added demand for smaller housing units and housing to accommodate middle- and higher-income seniors who are no longer able to cope with stairs and home maintenance responsibilities. Some of these households may be interested in independent living opportunities; stakeholder interviews also confirmed the need for residential projects for households requiring some assistance such as communities offering a continuum of care.

Demand for affordable housing is strong even though tabulations of households by income band and age cohort indicate declines in the number of households younger than 65 and with incomes below $50,000. Growth is projected in the number of extremely low income households 65 and older, however.

Studies increasingly show that affordable family housing is best provided in properties that provide units for households with a mix of incomes. In other cities, developers have successfully incorporated a component of housing units for very low-income households in new and substantially rehabilitated properties that include market-rate housing. Special financing programs that can be tapped for mixed-income housing also can help in creating financially feasible projects.

6. Housing Supply Analysis

Binghamton's For-Sale Housing Market

Data presented previously show that the percentage of owner-occupied units in Binghamton has declined steadily from 1990 through 2013 and, while ESRI projects a slight uptick by 2018, owners lived in only 41.9 percent of the occupied units in the City during 2013. The sections that follow present data on sales in the City based on interviews with Realtors, data and reports by the National Association of Realtors and Trulia, and a database of home sales during the time frame from January 2011 through October 2013 compiled by CoreLogic, a company that has been compiling property and financial records for more than 40 years.

Home Sales and Price Trends

One of the often-cited advantages of the Binghamton MSA as a positive quality of life consideration is the affordability of the housing stock. In comparison with other metropolitan areas in New York, data published by the National Association of Realtors (NAR) show that the median sales price of an existing single-family home is very affordable. Table 6.1 provides data for Binghamton and six other metropolitan areas for which NAR has compiled data. Only Elmira has had median home prices lower than in Binghamton, and the Elmira median home sales price in the second quarter 2013 actually exceeded the Binghamton median, which declined. By the second quarter 2013, median sales prices in all metros except Binghamton had increased above 2010 levels. While Binghamton reported a solid increase from 2010 to 2011, the median sales price declined during 2012 and recorded additional declines through the second quarter 2013.

Table 6.1
Median Sales Prices, Existing Single-Family Homes
In New York State Metro Areas

Metro Area	2010	2011	2012	Q1 2013*	Q2 2013*
Albany-Schenectady-Troy	$195.7	$193.8	$200.3	$194.2	$208.6
Binghamton	**110.3**	**113.8**	**109.5**	**109.1**	**109.3**
Buffalo-Niagara Falls	121.2	119.2	126.9	120.3	132.0
Elmira	101.0	103.4	106.9	99.2	124.9
Kingston	213.8	201.2	190.2	197.3	213.9
Rochester	118.9	119.7	124.2	118.1	126.8
Syracuse	125.1	122.9	124.8	114.7	126.1

*First Quarter 2013 data revised data are presented; Second Quarter data are preliminary.
Source: National Association of Realtors, September 2013; RES

Statistics compiled for Binghamton by another real estate source, Trulia (available at www.trulia.com), show a higher median sales price of $110,000 for a more recent time frame, September to December 2013. However, Trulia reported that this median represented a decline of 8.3 percent, or $10,000, from the second quarter 2013. The median sales price of $110,000 does, however, represent an increase of 12.8 percent from the median during the second quarter 2012, a positive sign albeit for a short time frame.

Table 6.2 shows the change in Binghamton's median sales price since 2000. While the data continue to indicate weakness in home sales, Trulia has reported that the City's median has increased 25.7 percent during the last five years, up from $87,500.

Table 6.2
Median Sales Price in the City of Binghamton, 2000 to 2013

Source: Trulia.com; RES

Sales of distressed properties, including foreclosed homes, have adversely affected prices in Binghamton. For September 2013 RealtyTrac, a web-based source of data and listings of foreclosed properties, reported that the median sales price for a non-distressed property in Binghamton was $118,750. The median sales price for a distressed home during the same month was $96,250 or 19 percent lower. A positive trend is a decline of 50 percent in foreclosure filings in Binghamton from October 2012 to October 2013.

The market for sales of existing homes continues to be weak in the City and the broader metropolitan area, a situation NAR attributes to ongoing job losses and poor economic growth. NAR cites lower unemployment signaling additional jobs and declining layoffs as factors that would help enhance consumer confidence and improve housing market conditions.

The NAR report for the second quarter 2013 also noted that low levels of new home construction might help with the absorption of existing homes that are offered for-sale. However, the Greater Binghamton Board of Realtors reported that the inventory represented a 10.5 month supply of homes for-sale during October 2013. Further, the MSA's inventory increased 12.0 percent from October 2012 to October 2013, reaching a total of 1,392 homes offered for-sale. A positive statistic was a decline in the number of days homes are on the market, from 113 days during October 2012 to 102 days during October 2013. For 2013 through October, homes were on the market an average of 98 days.

City of Binghamton Home Sales, 2011 through October 2013

Data on home sales during 2011, 2012, and 2013 through October 2013 provide insight about the number of homes sold in Binghamton, sales prices, and neighborhood locations. Also relevant are the number and location of homes sold to owner-occupants as opposed to those sold to investors offering them for-rent.

While rental units are an important component in the housing market in all cities, homeownership rates are lower in Binghamton than in New York State and the U.S. overall. Media articles and research reports have indicated that declines in homeownership rates can

have adverse effects on neighborhoods.[8] Therefore, the analyses that follow provide include data on the percentage of units occupied by the owners who purchased them.

Table 6.3 provides tabulations of data for 606 homes in the City of Binghamton that were sold from January 1, 2011 through October 28, 2013. Included are sales of single-family, duplex, and triplex homes by neighborhood. Sales of multifamily properties were excluded. For this and other neighborhood-related analyses, the neighborhood boundaries shown in Map 5.1, (page 32) were used to delineate neighborhoods in the City.

Table 6.3
Sales of Homes in the City of Binghamton, January 1, 2011 through October 28, 2013
Sales Price, Number of Sales, Owner-Occupied Sales by Neighborhood*

Neighborhood	Median Sales Price	Minimum Sales Price	Maximum Sales Price	Total Number Of Sales	Percent of All Sales	Number, Owner-Occupied Sales	Percent, Owner-Occupied Sales
Downtown	$78,750	$16,875	$106,250	7	1%	1	14%
South Side West	$114,250	$3,000	$413,125	144	24%	89	62%
South Side East	$78,750	$5,000	$345,000	67	11%	38	57%
East Side	$80,500	$3,000	$173,125	74	12%	46	62%
North Neighborhoods	$51,278	$5,600	$97,500	30	5%	14	47%
West Side Neighborhood Project	$70,000	$3,000	$500,000	30	5%	5	17%
First Ward	$47,872	$6,250	$94,375	63	10%	39	62%
Ely Park	$151,020	$60,000	$192,500	4	1%	1	25%
Greater West Side	$126,500	$3,865	$500,000	188	31%	106	56%
All Sales, 1/11 through 10/13	**$87,500**	**$3,000**	**$500,000**	**606**	**100%**	**339**	**56%**

*Excludes sales of multifamily properties.
Source: WIN2 Data by CoreLogic; RES.

The data show a median sales price was $87,500, but the range between the minimum and maximum sales price was substantial overall and in most neighborhoods. Many neighborhoods had sales at minimum prices of $3,000 to $5,000, a level indicating that the structure had little or no value over and above the value of the land at the time of purchase. At the top of the price range two neighborhoods, West Side Neighborhood Project (WSNP) and Far West Side each had one sale at $500,000. The median sales price was highest in the Ely Park neighborhood, $151,020, possibly because of the small number of sales. The second highest neighborhood median was for Far West Side ($126,500), followed by South Side West ($114,250).

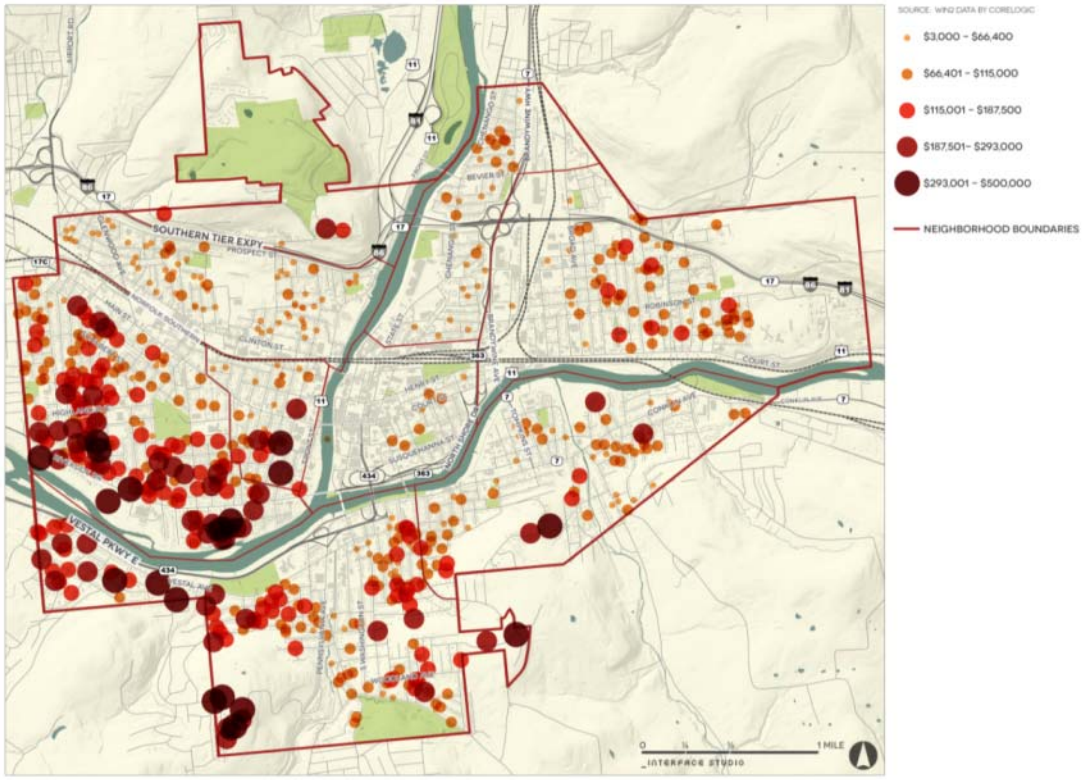
Of the 606 sales recorded, 339 homes (56 percent) were sold to owner-occupants and the remaining homes were sold to owners not occupying the homes. The neighborhood with the largest number of sales was Far West Side with 188 sales, or 31 percent of all Binghamton sales, followed by South Side West with 144 sales, or 24 percent of all sales. The percentage of sales to owner-occupants was highest in the South Side West, East Side, and First Ward neighborhoods, each with 62 percent of sales to owner-occupants. There were very few sales in

[8] One recent article, "As Renters Move in, Some Homeowners Fret" was in the *New York Times* on August 28, 2013. The article discussed the effects of larger numbers of renters in neighborhoods: …"(t)he decline in homeownership is also changing neighborhoods in profound ways, including reduced home values, lower voter turnout and political influence, less social stability and higher crime". The article referenced a working paper of the Joint Center for Housing Studies, Harvard University, by William M. Rohe and Mark Linblad, "Reexamining the Social Benefits of Homeownership after the Housing Crisis", August 2013, HBTL-04, and quoted Mr. Rohe: "When there are fewer homeowners, there is less 'self help' like park and neighborhood cleanup, neighborhood watch" .

Downtown Binghamton and Ely Park, and each had one sale to an owner-occupant. The percentage of sales to owner-occupants also was very low – five of 30 sales – in the WSNP neighborhood.

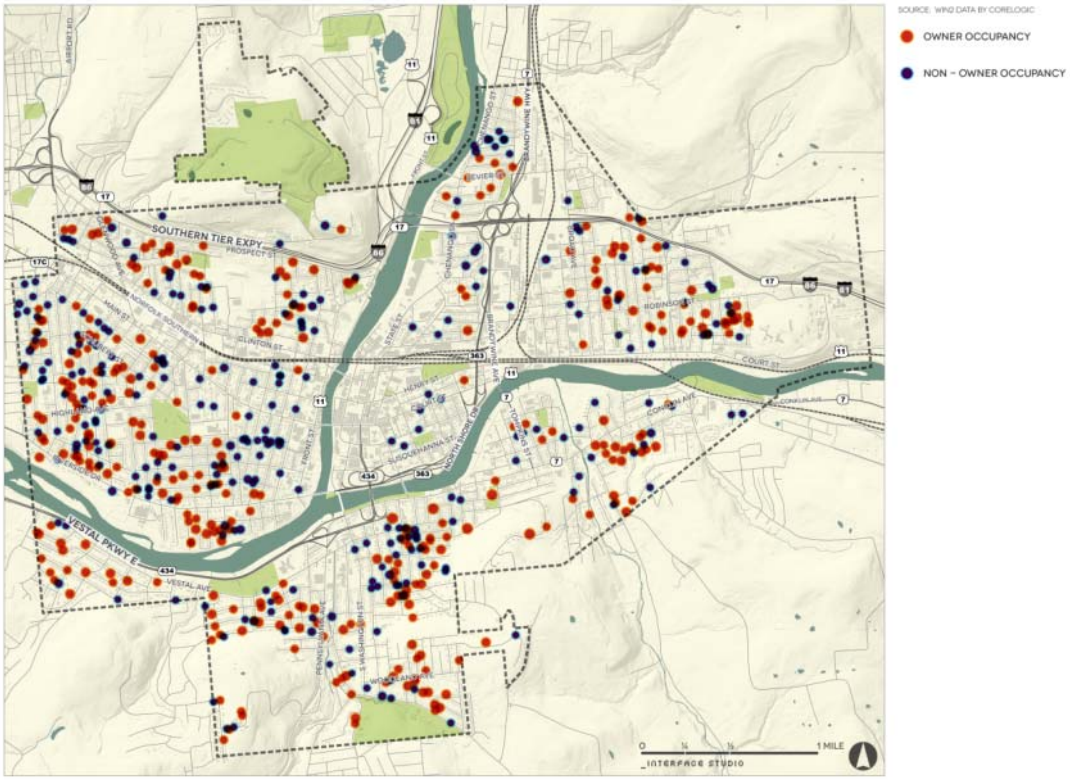
Map 6.1 shows the locations of properties sold from January 2011 through October 2013 and the sales price range.

Map 6.1
Home Sales by Price Range – January 2011 through October 2013



Map 6.2 shows the locations of properties sold during the same time frame, but with color coding to show sales to owner-occupants and non-owner occupants. While many of the sales that were not to owner-occupants were in the WSNP neighborhood, a neighborhood that has a high percentage of housing units rented to students, sales to non-owner occupants were scattered through all other Binghamton neighborhoods, as well.

Map 6.2
Home Sales to Owner-Occupants and Non- Owner-Occupants, 2011 to 2013



Since sales data were compiled for a time frame of three years, it is possible to analyze annual sales data and potential trends. Table 6.4 provides summary information for each year separately, and it shows increases in the median home price during each of the years, along with an increase in the number of sales. The data for 2013 are for ten months of the year; sales should be even higher for all of 2013.

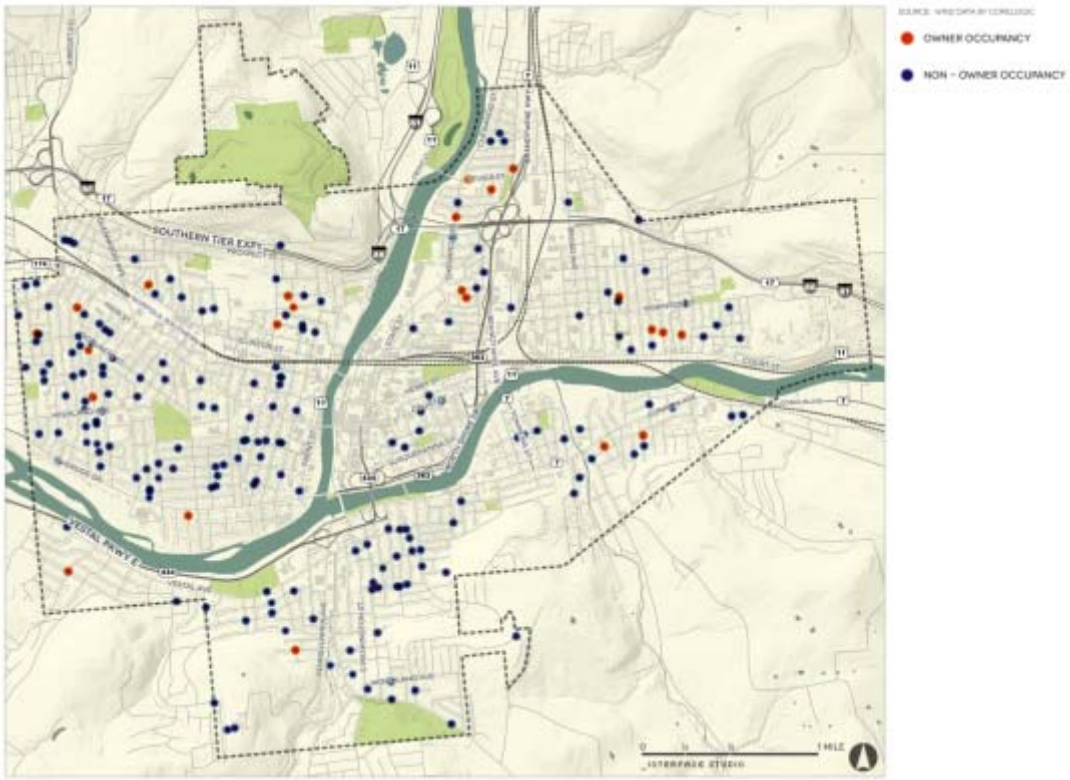
Table 6.4
Binghamton Home Sales by Year

	2011	2012	2013*
Median Sales Price	$85,000	$87,600	$91,250
Minimum Sales Price	$3,000	$5,000	$3,000
Maximum Sales Price	$500,000	$355,900	$413,125
Total Sales	188	207	211
Sales to Owner-Occupants	154	161	24
Percent Owner-Occupant Sales	82%	78%	11%

*2013 data are January 1 through October 28.
Source: WIN2 Data by CoreLogic; RES

Of concern is the very large decline shown in Table 6.4 of sales to owner-occupants during 2013. Map 6.3 shows the locations of homes sold during the first ten months of 2013 only, again with color coding to show sales to owner-occupants versus sales to non-owner occupants.

Map 6.3
Locations of Homes Sold during 2013 through October to Owner-Occupants And Non-Owner Occupants



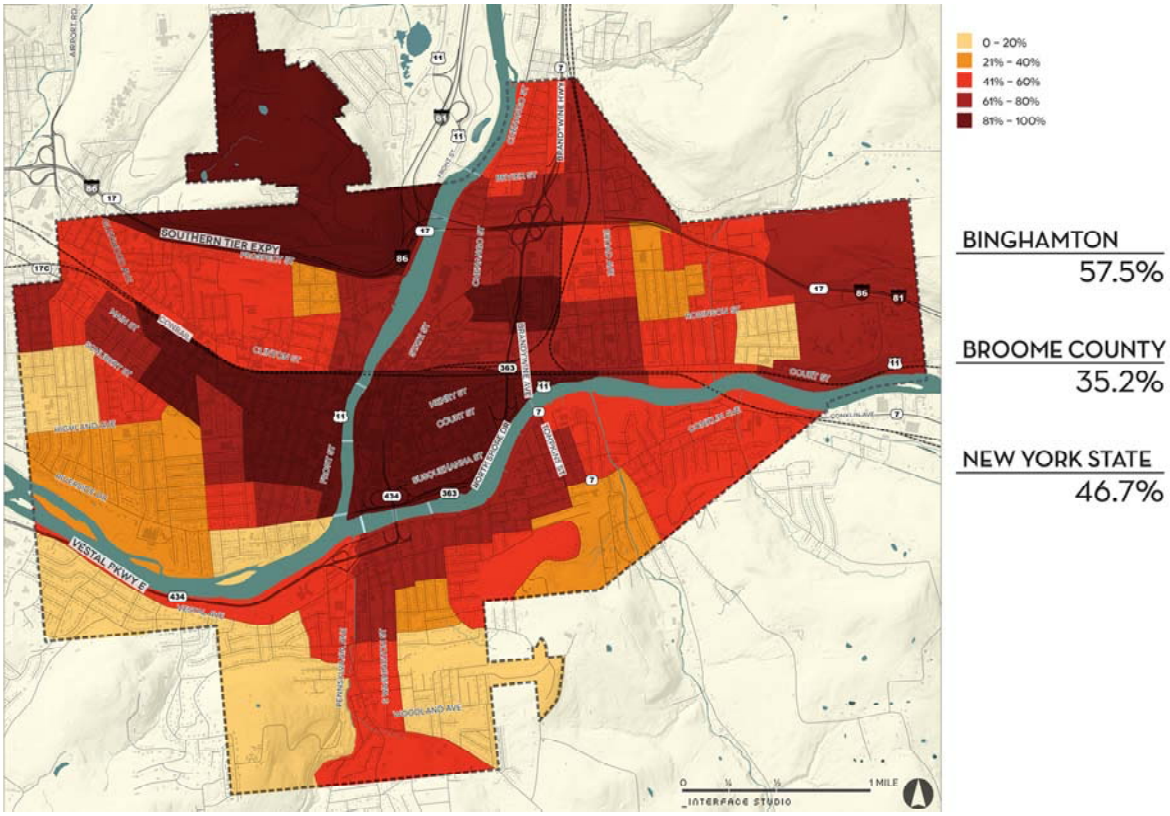
The high number and percentage of 2013 sales to non-owner occupants may be a result of an easing of financial requirements for investors, the general trend in U.S. housing markets of additional investor purchases of homes that are offered for-rent, or anticipated higher demand for student housing because of increases in enrollment at Binghamton University. Particularly noteworthy is the low number of 2013 sales to owner–occupants in the Far West Side neighborhood, only five of the 66 sales. Of the 187 sales to non-owner occupants, 104 of the 2013 purchasers had addresses in the City of Binghamton while 83 had addresses in other cities in the metropolitan area, in other areas of New York State, and in other U.S. states.

Binghamton's Supply of Rental Housing

Binghamton's rental housing consists of investor-owned single-family, duplex, and triplex units referenced in the above discussion of sales housing, as well as rental units in multifamily structures. Map 6.4 shows the percentage of renter-occupied units reported in the 2010 Census for different areas of the City. While there may have been some changes since 2010 as a result of sales to investors, the locations with concentrations of rental housing have not changed. The concentration of rental units in the WSNP neighborhood and in Downtown Binghamton is as expected, and the concentration along Main Street is consistent with the housing types, Tapestry lifestyle data, and condition of housing in the area. Concentrations in a

portion of the North Side neighborhood and Ely Park reflect the locations of large multifamily rental properties.

Map 6.4
Renter-Occupied Housing Units in Binghamton during 2010



Source: 2010 Census; Interface Studio.

The most recent data available on gross rents for residential units in Binghamton are three-year estimates in the 2010-2012 ACS. Table 6.5 presents the data, which show, clearly, that monthly gross rents in Binghamton are very affordable. Some – if not all – of the units at the low end of the range are likely to be subsidized properties, including public housing and housing with other subsidies that have gross rent based on 30 percent of the tenant's income.

Table 6.5
Number of Housing Units in Binghamton
By Gross Rent Charged

Monthly Gross Rent*	Number of Units
Less than $200	190
$200 to $299	408
$300 to $499	2,116
$500 to $749	4,144
$750 to $999	2,047
$1,000 to $1,499	1,464
$1,500 or more	196
Median Gross Rent	$643

*Gross rents include utilities.
Source: U.S. Bureau of the Census, ACS 2010-2012; RES

The paragraphs that follow provide data and analyses addressing the performance of different segments of the rental housing stock in the City, including rentals in smaller properties, larger market-rate multifamily properties, affordable rental housing for general occupancy and for seniors, and student housing.

Binghamton's Rental Supply in Smaller Properties

The three-year 2010-2012 ACS provides estimates of the total number of renter-occupied units in Binghamton by structure size. The ACS estimated a total of 10,882 renter-occupied housing units, of which 79.4 percent were in structures with fewer than ten residential units and are the major component of the City's rental housing stock.[1]

During April 2013, RES compiled listings of rentals that were advertised on a number of different real estate web sites to obtain additional information about the characteristics of rentals in smaller structures. The time frame was advantageous because larger numbers of households tend to move in the spring and summer, especially those with school-age children. Also, landlords often advertise units that are rented to students during the spring for occupancy during the next school year. RES analyzed data for a total of 67 rental properties.[2] The following summarizes the findings:

- Students were the target of marketing and advertising for the majority of units. Of the rentals advertised, 45 percent were marketed without specific reference to students while 55 percent were marketed for occupancy by students. Some ads specifically referenced student rentals and others quoted rents on a per-bedroom basis. Other units clearly were student rentals because they were furnished, offered

[1] The ACS estimate is lower than the count of 12,165 renter-occupied units in the 2010 Census and lower than the ESRI estimate of 12,011 renter-occupied units during 2013. Since ACS has a sample size of only 1.5 percent of households, sample variation may account for the difference. However, the margin of error reported in the ACS was 676, or a total that would be lower than the number of renter-occupied units in the 2010 Census or the ESRI 2013 estimate.
[2] A review of listings during November 2013 indicated that there had been few changes in the market since the April 2013 analysis in terms of asking rents and general locations of properties.

large screen televisions, or contained other language indicating that the unit was being marketed to students.

- The average rent per unit was $928 per month. Most of the units had one to four bedrooms; four units had more than four bedrooms. The average monthly rental on a more comparable per-bedroom basis was $406 per month.
- For units marketed to students, the asking rent for the unit was higher, $1,122 per month, in part because student rentals had more bedrooms. In comparison, units marketed without reference to students had an average rent of $689 per month. On a per-bedroom basis, however, rents were lower for units marketed to students. Monthly rents at student rentals averaged $386 per bedroom, per month. Monthly rents for units marketed without reference to students averaged $430 per bedroom, per month.

As reported in Section 5 of this report, which addressed housing demand, the 2010-2012 ACS estimated that there were 956 vacant housing units in the City offered for-rent, but not rented. In addition, the ACS reported 127 units that were rented but not occupied. After including these units, Binghamton's inventory of rental units would total 11,965; therefore, a rental vacancy rate of 8.0 percent is indicated for the City by the ACS data, and this is the percentage ACS has reported. This rental vacancy rate is much higher than the 4.2 percent and 4.6 percent U.S. vacancy rates reported by REIS for the third quarter 2013 and the third quarter 2012, respectively. Part of the difference may be the nature of the databases. The ACS reports on all rentals; the REIS data are based on an inventory of institutional grade market-rate multifamily residential properties.

Market-Rate Multifamily Rental Housing

As with sales housing, market-rate multifamily rental properties in Binghamton and environs are older, with most of the properties having been constructed during the time frame from 1965 to the early 1980s. The two newest market-rate multifamily complexes in the broader area were built in 1986 and 1989 and are now 27 and 24 years old, respectively.

The notable exception is the new construction of student housing complexes, including additional dormitories on the campus of Binghamton University, a new student housing development in Vestal, and Twin River Commons in Downtown Binghamton with a total of 371 beds. The other exception, also concentrated in Downtown Binghamton, is the substantial rehabilitation and conversion of structures to residential units. While the majority of these also are student rentals, a few residential units in converted buildings are for general occupancy.

Binghamton has only three larger multifamily complexes. Two are market-rate properties, River House and Legacy Bay Townhouses, and one is a mixed-income multifamily property, Town & Country Apartments. Interviews indicated that the competitive rental market includes properties located in other communities, including Johnson City, Endicott, and Vestal. Therefore, RES analyzed the inventory of market-rate complexes located within a broader ten-mile radius from downtown Binghamton. Map 6.5 shows the locations of market-rate properties located within a ten-mile radius.

Map 6.5
Location of REIS Market-Rate Properties within a Ten-Mile Radius of Binghamton

Source: REIS.com.

In analyzing the competitive market area and the characteristics of multifamily rental properties, RES tapped information available from REIS, a firm that compiles apartment market data for U.S. metropolitan areas and submarkets to supplement information obtained by the market analysts during interviews that were conducted with property managers. Initial interviews were conducted during April 2013; additional interviews were conducted during November 2013. REIS vacancy data for September 30, 2013 were used when property managers were reluctant to provide specific information about the number of vacant units during interviews.

The REIS database for a ten-mile radius included a total of 24 properties with market-rate rental units. The properties include Class A properties that are higher in quality and often have been upgraded since they were constructed, along with Class B/C properties that are older and often lack modern features and amenities. Average asking rents for both classes of properties ranged from $510 to $836 per month at the end of the third quarter 2013. For Class A properties within the ten-mile radius, vacancies at the end of the third quarter 2013 ranged from zero to 2.9 percent. Vacancies at Class B/C properties generally were very low also. Some of the properties in the database are marketed to students, especially those located in Vestal near Binghamton University, and most property managers reported that students rented units at the complex.

RES surveyed selected properties including the three multifamily properties located in Binghamton and other competitive properties within the ten-mile radius. Table 6.6 (following page) provides the information. Seven of the eight properties surveyed are included in the REIS database, which does not include Oakdale Arms in Johnson City.

There was a clear pattern of high occupancy rates at the multifamily properties surveyed. Most properties reported having one or two vacant units; several properties had waiting lists. The largest number of vacancies, four units, was at a complex with a total of 274 units; therefore, the occupancy rate was 98.5 percent.

As for the Binghamton rental market overall, rents at these larger multifamily complexes are very affordable. While this is an advantage for renters and also contributes to the high occupancy levels reported, the current rent levels are too low for new multifamily residential construction to be financially feasible. With rents at the levels shown in the table, subsidies -- tax credits, below-market financing, public sector grants – would be needed to help offset today's construction costs. Financial feasibility and related cost issues, no doubt, have been constraints in the development of new multifamily rental complexes. The exception is new student housing with higher per-bed monthly rentals that can generate sufficient rental income to be financially viable. However, even these properties typically have assistance in the form of special financing or Historic Preservation Tax Credits.

Table 6.6
Market-Rate Rental Apartment Complexes in Binghamton and within a Ten-Mile Radius

Project Name/Address	Number of Units	Year Built Style	Class (REIS)	Bedrooms/ Baths	Unit Sizes (sf)	Monthly Rent	Utilities Included	Occupancy Rate	Amenities/comments
River House 38 Front Street Binghamton 13905 (607) 772-0456	61	1965 High Rise	A	1/1 2/2 3/2	700 955 1,110	$949 $1,080-$1,118 $1,391	Water, Hot Water, Heat, Sewer, Trash	100%	A/C, private balconies, D/W, High Speed Internet, Garage Spaces, Resident Lounge, On-Site Laundry
Legacy Bay Townhouses 436 Glenwood Rd. Binghamton 13905 (607) 216-9084	414	1970 THs	A	1/1 2/1 2/1.5	N/A 959 1,193-1,406	$750 $775 $875-$925	Water, Sewer, Trash. 1BR includes Gas/gas heat	99.0%	A/C, D/W, Microwave, In-Unit W/D, High Speed Internet Available. They usually have a waiting list.
Town & Country Apts. 100 Roberts St. Binghamton 13901 (607)723-1194	159	1970 3-Story Flats	B/C	1/1 2/1 3/1	456 566 676	$525 $675 $750	Water, Sewer, Trash, Heat, HW, Gas for Cooking	99.0%	A/C, Laundry On-Site, Campus Shuttle, Cable Ready. Some Units Subsidized
Indian Ridge Apartments 1025 Reynolds Rd. Johnson City 13790 (607) 729-9641	274	1986 3-Story Flats	A	Studio 1/1 2/1-1.5	492 693-854 907-1,030	$625 $810-$1,100 $830-$1,175	Water, Sewer, Hot Water, Heat	98.5% 4 vacant	Thru wall A/C, D/W, Disposal, Microwave, Fitness Center, Laundry, Balconies, Extra Storage
Oakdale Arms 801 Reynolds Rd. Johnson City 13790 (607) 754-8330	36	1980s (est) 3-Story Flats	N/A	2/2	1,040	$750--$795	Water, Sewer, Trash	100%	A/C, D/W, In-Unit W/D.
Anthos at Kirkwood 933 U.S. Highway 11 Kirkwood 13795 (607) 775-3198	180	1968 3-Story Flats	B/C	1/1 2/1 3/2	780 800 920	$626 $735 $855	Water, Sewer, Trash, Heat	100%	CAC, Carpet, Laundry, Cable/Internet Available, Assigned Parking
The Meadows Apts. 439 Plaza Dr. Vestal 13850 (607) 238-3572	88	1970	A	1/1 2/1 2/1.5	700 720-751 1,000-1,050	$700 $750-$850 $900-$950	N/A	97.7%	Starting rents shown; 2 BR/1.5 BA is new building. Thru wall A/C, D/W, Carpet, Laundry On-Site, Assigned Parking. Student Rental near BU.
Summit Chase 1 Jane Lacey Dr. Endicott 13760	303	1979 Remodeled 2004 TH & Flats	A	1/1 Flat 2/1 Flat 2/1 TH 2/1.5 TH 2/2 Flat 3/1.5 Flat 3/2 TH	Not Provided	$660-$818 $800 $825-$925 $925 $799 $999 $1,200	Water, Sewer, Trash	99%	A/C, D/W,Disposal, Microwave, In-Unit W/D, Carpet, Pool, Tennis Court, Fitness Center, Garages Available.

Sources: REIS, Third Quarter 2013; interviews conducted by RES during November, 2013.

Market-Rate Senior Rental Housing

RES identified only one market-rate senior rental property located within the city limits of Binghamton. The property, Good Shepherd Fairview Home, is located at 80 Fairview Avenue and has 40 one- and two-bedroom independent living apartments that are rented to individuals

62 and older. Only private pay residents are accepted; additional services, including meals and housekeeping, are available for a fee. Good Shepherd also offers other levels of care including rooms for short stay rehabilitation, adult care rooms, assisted living, and skilled nursing care. An affiliated facility, Good Shepherd Village, is a Continuing Care Retirement Community (CCRC), located on a 120-acre site in Endwell.

The United Methodist Homes' Elizabeth Manor Campus is located at 863 Front Street, which is just north of Binghamton's city limits and near Broome County Community College. Elizabeth Manor offers market-rate independent living units, adult care, assisted living, skilled nursing, and short-term care for individuals 65 and older. Monthly rates for one- and two-bedroom apartments include at least one meal per day, housekeeping, and an emergency call system.

Participants at a stakeholder meeting that focused on seniors noted that options for seniors are limited. Waiting lists are long for affordable independent living properties, and there is a shortage of nursing homes. A matter of concern was the general perception that Downtown Binghamton is not a safe or desirable location, which affects the appeal of the area as a location for market-rate senior housing.

Assisted Rental Housing in Binghamton

As discussed above, market-rate housing units in Binghamton, including both sales housing and rental housing, are very affordable. Therefore, rents for market-rate units often are only marginally higher than some of the properties with housing assistance, in particular those with Low-Income Housing Tax Credits (LIHTCs). In today's more resource-constrained environment LIHTCs are the most widely available form of housing assistance, and there are a number of LIHTC properties in Binghamton. Some of these properties have other subsidies in addition to the tax credits, making units more affordable for households with extremely low incomes.

Rents for Assisted Units

Several assisted housing programs in Binghamton provide ongoing subsidies that enable residents to pay gross rents (including all utilities) that are based on 30 percent of income. These programs, which are provided through the U.S. Department of Housing and Urban Development (HUD), include public housing, Section 8, Section 202 Elderly and Handicapped Housing, and Housing Choice Vouchers. All of these programs have limits on the incomes that participating households can have and be eligible to receive assistance.

Other housing programs have income limits related to the median income in the area, which is established annually by HUD. Depending on the program, income limits can range from 120 percent of the median income in the area, to 50 percent of the median income. References to median income, or Area Median Income (AMI), are based on a four person household, but there are adjustments based on family size (number of persons in the family).

Table 6.7 provides 2013 income limits and rents for the Binghamton area at 50 percent and 60 percent AMI. These income limits and rents are for LIHTC units and are gross rents that include utilities. As reported previously, the median household income in the City was $31,937 during 2013 (see Table 2.8, page 11), which is just above the $31,800 income limit for a

household with three persons at 60 percent AMI. Similarly, the gross rent estimated for the City of Binghamton in the 2010-2012 ACS was $643 per month. A comparison with the LIHTC rents in Table 6.7 shows that the LIHTC rents are slightly lower, but near the amounts charged for many of Binghamton's market-rate rental units.

Table 6.7
2013 Income Limits and Rents for Low-Income Housing Tax Credit Properties in Binghamton

	Maximum Incomes	
Household Size	**50% AMI**	**60% AMI**
1 Person	$20,600	$24,720
2 Person	23,550	28,260
3 Person	26,500	31,800
4 Person	29,400	35,280
5 Person	31,800	38,160
6 Person	34,150	40,980
	Maximum Rents	
Unit Size	**50% AMI**	**60% AMI**
Studio	$515.00	$618.00
One-Bedroom	551.88	662.25
Two-Bedroom	662.50	795.00
Three-Bedroom	765.00	918.00
Four-Bedroom	853.75	1,024.50

Source: HUDuser.org; RES

Inventory of Assisted Units

RES used multiple sources of information to estimate the inventory of assisted housing units in Binghamton. Table 6.8 on the following page presents the listing of properties, which totals 1,491 units and includes those for families/general occupancy, as well as units for older households and those with handicaps and disabilities. The number of units for families is estimated to be 634 units. In addition, an estimated 857 assisted units are offered for occupancy by households 55 or 62 years old and older, disabled persons, and handicapped persons.

Occupancy generally is high at assisted properties and most have waiting lists that are used to fill any vacancies. The exception is efficiency units, which were reported to be more difficult to fill than one-bedroom units even when rents are based on 30 percent of income. Overall, demand is reported to be strongest for housing units that have rents based on 30 percent of households' gross income.

In addition to the assisted properties listed in Table 6.8, the Binghamton Housing Authority also administers the Housing Choice Voucher program for the City, which includes just under 1,500 vouchers. Households receiving Housing Choice Vouchers are responsible for locating a rental unit to lease and making arrangements to move to the unit.

Table 6.8
Estimated Inventory of Assisted Rental Units in the City of Binghamton

	Occupancy	Subsidy/ Income Targeting	Number Of Units	Unit Sizes	Occupancy/ Availability
Binghamton Housing Authority:					
Carlisle Hill 150 Moeller St., 13904	Family	Public Housing	150	1, 2, 3, 3+ BR	99% Occ. Wait List
North Shore Towers & Village 24 Isbell St, 13 Isbell St. 45 Exchange St., 13901	62+, Handicapped any age	Public Housing	224	Efficiency, 1BR	97.4% Occ. Wait List
Saratoga Apts. 60 Saratoga Ave., 13903	Family	Public Housing	164	No efficiencies	November 2013: 1 Vacant Unit - All of Saratoga
Saratoga Apts. Felters Rd., 13903	Family, Elderly	Public Housing - 30 Eld., 73 Family	103	No efficiencies 0-5 BR	
ABC Housing 100 Chenango Place, 13901	62+	236/Sec. 8	143	Studio, 1BR	Units Available
Crandall Hall 2 Crandall St., 13905	55+, Handicapped any Age	Chenango Hsg Improvement	24	Studio	N/A
East Hills Senior Housing 30 E. Clapham St., 13904	55+, Handicapped any Age	LIHTC 50% & 60% AMI*	32	1, 2 BR	Wait List
First Ward Action Council Housing Program 167 Clinton St., 19305 Binghamton 13905	All Ages	LIHTC 30-80% AMI	29	1-4 BR Scattered Sites	First Ward has a consolidated wait list for their properties
Historic Dwightville Gateway Apts. (First Ward Action Council) Scattered Sites in First Ward, 19305	All Ages	LIHTC 30%, 50%. 60% AMI	13	1-3 BR	
Schoolhouse Apts. (First Ward Action Council) 144-146 Clinton St.	55+	LIHTC 50%-60% AMI	13	1-2 BR	
Hamilton House Apts. 16 St. John Ave., 19305	55+	LIHTC 50% & 60% AMI	37	1, 2 BR	Wait List
Henry Apartments 94 Henry St., 19305	62+, Handicapped	LIHTC	12	1 BR	Wait List
Lincoln Court Apts. 21 New St., 13903	55+, Handicapped any age	Sec. 202	45	1 BR	98% Occ. Wait List
Metro Interfaith Scattered Site Units	Family & Elderly	LIHTC	57	1, 2 BR	Wait List
Metro Plaza Apts. 110 Chenango Place, 13901	62+, Mobility impaired any age	HUD Subsidized	150	1 BR	N/A
Town & Country Apts. 100 Roberts St. 19301	Family	Sec. 8	98	Affordable; there are 255 total units.	98% Occ.
Woodburn Court 1 21-23 Exchange St., 19301	62+	Sec. 8	147	1 BR	90% Occ. Wait List
Woodburn Court II 100 Susquehanna St., 19301	Family	Sec. 8	50	1, 2, 3 BR	Wait List

Note: AMI in the table is the abbreviation for Area Median Income, which relates to maximum income for eligibility.

Sources: HUD LIHTC Database; HUD Affordable Apartment Search, NY; New York Housing Search; Senior Apartment Housing Guide Broome County; Binghamton Housing Authority; Interviews by RES during January, April, and November 2013.

Student Housing

Although Binghamton University's main campus is located in Vestal, the City has attracted students choosing to live off-campus, as indicted by the large number of people in Binghamton in the *College Towns* lifestyle. The lifestyle data presented previously show that student rentals generally are concentrated in the WSNP neighborhood, the Far West Side Neighborhood, and Downtown Binghamton.

It is difficult to estimate the supply of rental housing units in Binghamton that are available for occupancy by students, in part because a large percentage of the units also can be marketed to non-student households. However, there are several components of the rental supply that can be the basis for rough estimates.

Components of the Supply of Student Housing

The following lists the components and estimated number of residential units.

1. Downtown Student Housing – Land Use Review data for downtown projects during the time frame from 2009 through the first half of 2013 showed completed and planned student housing additions. The two new student housing complexes, Twin Rivers Commons (127 units, 371 beds) and 20 Hawley (61 units, 197 beds), are included in the listing. An additional 222 Downtown Binghamton units with 349 people/beds were occupied by households in the *College Town* lifestyle. The newer student housing units in Downtown Binghamton have a large number of bedrooms in a single unit. For example, 20 Hawley has units with six bedrooms; other properties have, or are proposing units with five to ten bedrooms.

Net existing and proposed units/beds – 694 units/1,420 beds

2. Student Housing Units in WSNP Neighborhood – ESRI has estimated that the neighborhood had 1,664 renter-occupied units in 2013. ESRI Tapestry lifestyle data for the neighborhood indicate that 75 percent of WSNP households are in the *College Town* lifestyle; all of these households are presumed to be renters. Assuming that 75 percent of the renter units are occupied by student households would result in a conservative estimate of 1,248 residential units for students. This estimate is conservative because it excludes all owner-occupied units from the calculation. The calculation also excludes vacant units offered for-rent for which the most recent neighborhood data are in the 2010 Census, and totaled 192 units. Applying the same 75 percent factor to these vacant units would produce 144 additional units for students. Applying the citywide average *College Towns* household size of 2.4 persons per unit would provide a rough estimate of number of beds/students.

Net existing units/beds – 1,392 units/3,341 beds

3. Student Housing Units in the Far West Side Neighborhood – ESRI's 2013 estimates of renter-occupied housing units in the neighborhood is 2,176. *College Towns* households occupy only 10.4 percent of the units in the Far West Side Neighborhood; applying this factor to the renter units produces

an estimated 226 student housing units. The 2010 Census reported 192 units offered for-rent; applying the same percentage to these vacant units produces an estimated 20 additional units that might be rented to students. The average student household size in the Far West Side Neighborhood is only 2.1 persons per household, which is applied to the total units to generate an estimate of the number of beds.

Net Existing Units/Beds – 246 Units/517 Beds

Based on the above rough calculations, the supply of student rentals in Binghamton probably is 2,250 to 2,350 residential units with about 5,200 to 5,350 beds. Binghamton University reported 8,116 students living off-campus during the spring of 2013; based on a sample, 58.4 percent of these students were living in Binghamton, or about 4,740 students. The rough estimates show that there are sufficient beds in the City of Binghamton to house all of these students, and about 450 to 500 more.

7. Reconciliation of Housing Demand and Supply; Recommendations

Demand for Additional Housing Units

Demand for additional housing units in the City of Binghamton, including newly constructed units and units added to the residential inventory as a result of rehabilitations and conversions from other uses, is relatively small. Binghamton has vacant housing units that are being offered for-sale and for-rent and household growth is not projected in the next five years. Assuming a continuation of the current tenure patterns, the need to replace housing units will generate demand for 175 for-sale units and 207 rental units during the next five years. These estimates assume that the City's economy will improve and the number of households will begin to stabilize.

New for-sale units that are added in the City could be on infill sites in existing neighborhoods, especially when property values can be maintained or enhanced by providing new units with features and amenities that are comparable to suburban alternatives. Examples would be the development of new units in the Far West Side, South Side West and East, and Ely Park neighborhoods. These are stable neighborhoods that can benefit from initiatives to enhance their competitiveness.

New market-rate or mixed-income rental units might be developed in Downtown Binghamton through new construction or substantial rehabilitation/conversion. Other alternatives would include a larger multifamily development on a redevelopment parcel in the East Side, First Ward, or South Side East neighborhoods. Another possibility might be a new mixed-income rental development in the North Side neighborhood as part of a larger redevelopment program.

Rental Housing Targeted for Young Professionals

Binghamton does not have a supply of market-rate rental housing units for young professionals, including those already working downtown but living outside of the City. There is solid evidence of household demand in the City based on tabulations of households by income band and age cohort. From 2013 to 2018, the number of households 25 to 34 in Binghamton with incomes of $75,000 and higher is projected to increase by 251 households. Some of these households will seek opportunities to buy housing; others are likely to want rental units.

Other cities have attracted young professionals with higher incomes to downtown rental properties in rehabilitated historic buildings and by working with private developers to convert buildings from other uses. Some of this activity already is occurring in Binghamton, but more is needed. Working with developers to tap financing sources and special programs such as Historic Preservation and New Markets Tax Credits, and other financing mechanisms might generate higher levels of development.

The development pattern in other cities relative to additional housing downtown has been to start with rehabilitations and conversions of existing properties for market-rate and mixed-income rentals. When a market has been established, rents have escalated and new housing has been developed, albeit often with subsidies. A next step has been sales housing,

usually condominiums or townhouses on infill sites. Importantly, an essential first step has been to focus on offering a safe environment so that households are comfortable living downtown. While young households – students and young professionals – are the first to move downtown, empty nesters and seniors may follow as perceptions change.

Housing for Senior Households

Demand for additional housing for seniors at several different income levels is evident from the tabulations of households by income band and age. Moreover, the low vacancies and long waiting lists for senior housing with deep subsidies and LIHTCs and the general lack of alternatives for higher income seniors all indicate that Binghamton's supply of housing for seniors should be increased. An objective should be to work with one or more private developers to identify potential sites and submit applications for funding. Based on the long waiting list and the appropriateness for Binghamton of the income targeting, a good first step would be to pursue a LIHTC development for seniors.

Assuming that a potential site In Binghamton can be identified for an assisted living or nursing home development, there is apparent market support for this type of development because of the projected increases in the number of seniors 75 and older. Since these developments are staff-intensive, they also are a good source of additional jobs. A cooperative working relationship with one or both of the City's hospitals would be beneficial, as would a location near a medical center.

Although funding can be difficult to obtain, it would be useful to pursue assistance programs to renovate older subsidized senior housing reported to be in poor condition. One such program for older subsidized properties would be the preservation provisions of the LIHTC program, which can assist with modernization, including conversions of efficiencies to larger residential units. HUD also has worked with property owners to convert a component of units in a subsidized senior property to assisted living.

Student Housing

Recent additions to the supply of student housing in Binghamton may have resulted in a larger supply of units for students than demand warrants. The projected growth in the number of students at Binghamton University will add some additional demand for student housing. However, the pace of student housing additions may outstrip future demand. Some of the student rentals have five to ten bedrooms and are not suitable for occupancy by non-student households. Further, statistics indicate that investors increasingly have been purchasing existing homes for conversion to student rentals. Overall, the increased student-oriented activity may result in a larger number of vacant rental units in the City.

With the apparent demand for housing downtown for young professionals and others, the City might want to encourage the development of rental housing with broader market appeal. Rental properties, especially conversions of existing structures, might be designed to attract a broader range of households that would include young professionals and other households interested in living downtown rather than targeting only students.

Low-Income/Assisted Housing

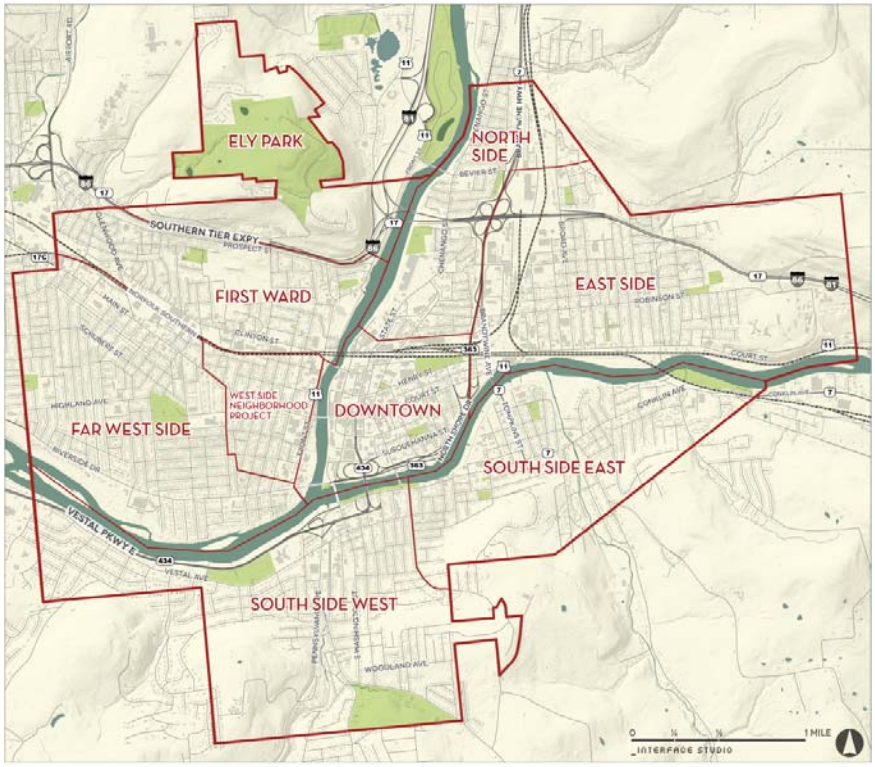
It is recommended that the City work with investors to offer units for-rent to households with Housing Choice Vouchers, especially when residential units are not easily marketable to the three aforementioned demographic groups. Project-Based Vouchers might be offered to encourage owners to improve the condition of housing units and provide enhanced maintenance on an ongoing basis. A counseling program to assist low-income households to understand their responsibilities as tenants might help to alleviate some of the reported reluctance to leasing units to households with vouchers.

8. Binghamton Neighborhoods – Existing Conditions, Issues, and Potential

The City of Binghamton is comprised of different neighborhoods, each with its own unique characteristics, issues, and development potential. The prior sections of this market analysis have addressed some of the differences as they relate to housing demand and supply in the City. A discussion of the characteristics of each neighborhood is warranted, however, to highlight aspects of each neighborhood that influence its potential as a location for housing and also as a place for people to live.

With the assistance of representatives in the City's Department of Planning, Housing, and Community Development, boundaries were delineated for nine neighborhood areas to be addressed in this market analysis. Although a map was provided in an earlier section of this market analysis report, it is provided again to show neighborhood boundaries and to provide a convenient reference for neighborhood demographic data.

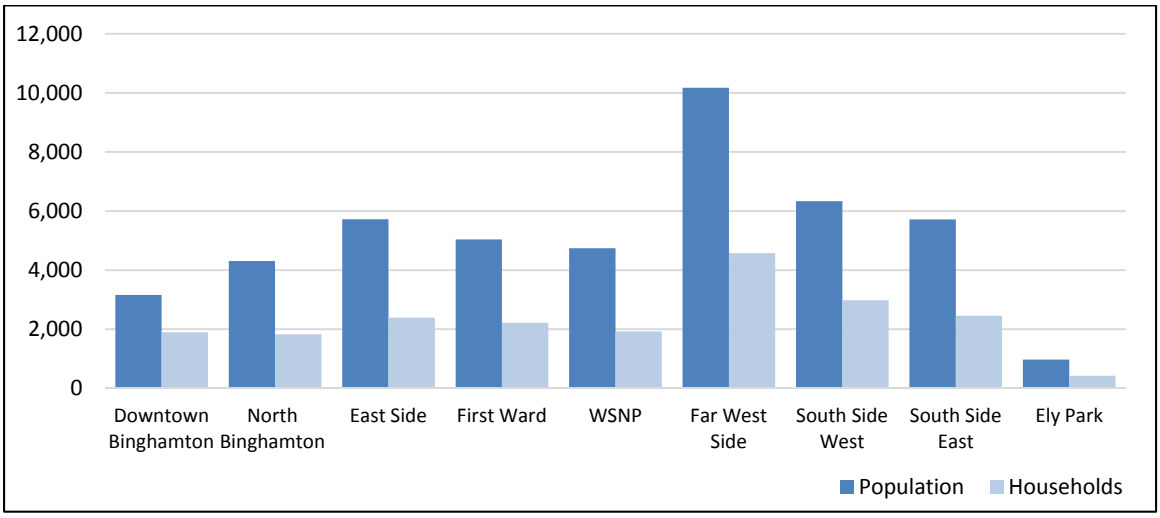
Map 8.1
Boundaries of Binghamton's Nine Neighborhoods



Neighborhood Demographic and Housing Comparisons

Binghamton's neighborhoods vary in population and number of households living within each. Table 8.1 compares the neighborhoods on these factors based on 2013 estimates prepared by ESRI. The Far West Side neighborhood has the largest number of people and households; Ely Park has the lowest number of people and households.

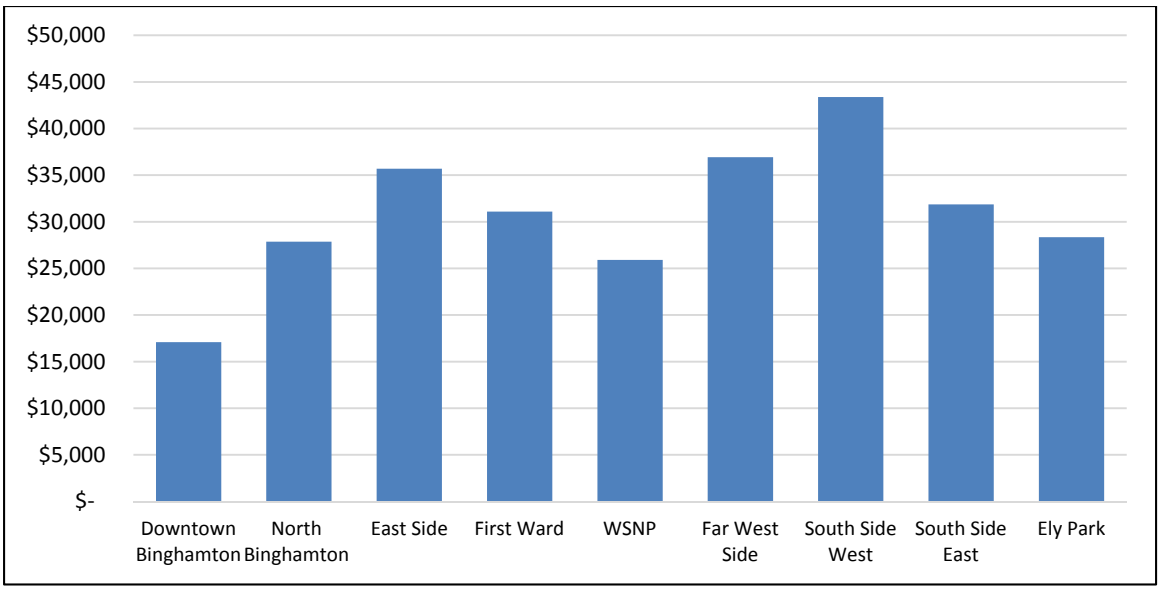
Table 8.1
Estimated 2013 Population and Number of Households in Binghamton Neighborhoods



Source: ESRI; RES

Table 8.2 provides estimates by ESRI of the 2013 median income in each Binghamton neighborhood. As shown, the median income was highest in the South Side West neighborhood, followed by Far West Side. The median income was lowest for Downtown Binghamton because of the combination of households living in subsidized housing including elderly on fixed incomes, and students living downtown.

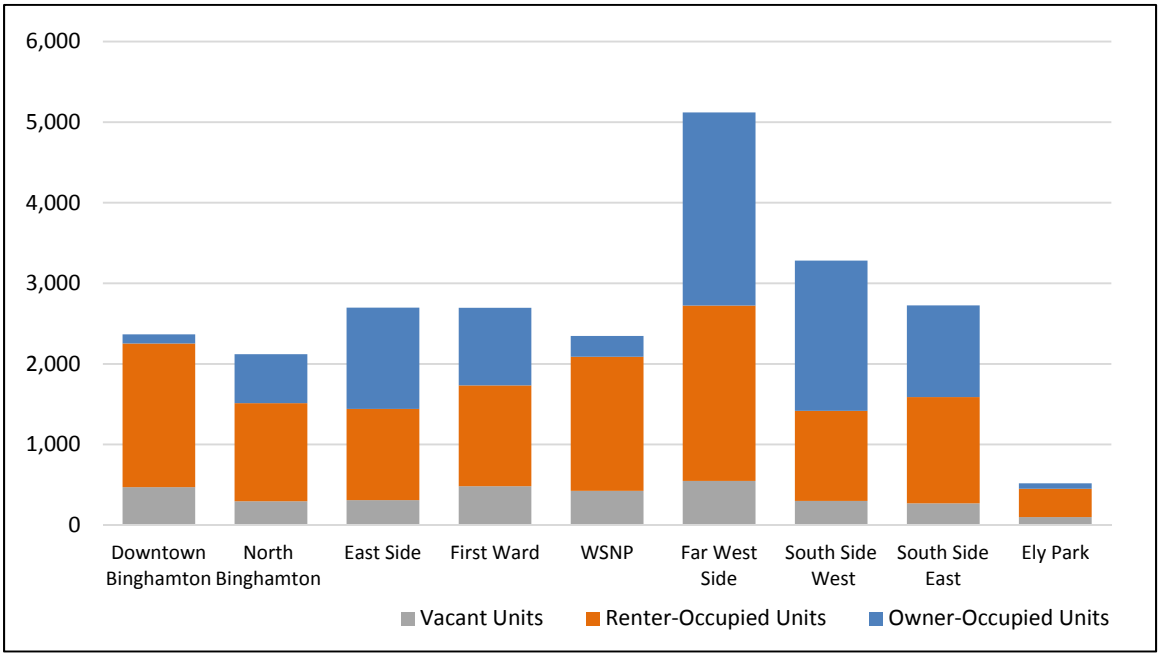
Table 8.2
Median Income in Binghamton's Neighborhoods – 2013 Estimates



Source: ESRI; RES

Table 8.3 provides a breakdown of owner-occupied, renter-occupied, and vacant housing units in each Binghamton neighborhood. As shown, the Downtown Binghamton and Ely Park neighborhoods have very low numbers of owner-occupied housing units, as does the WSNP neighborhood. However, the number of vacant units is highest in the Far West Side neighborhood, followed by the First Ward and Downtown Binghamton neighborhoods.

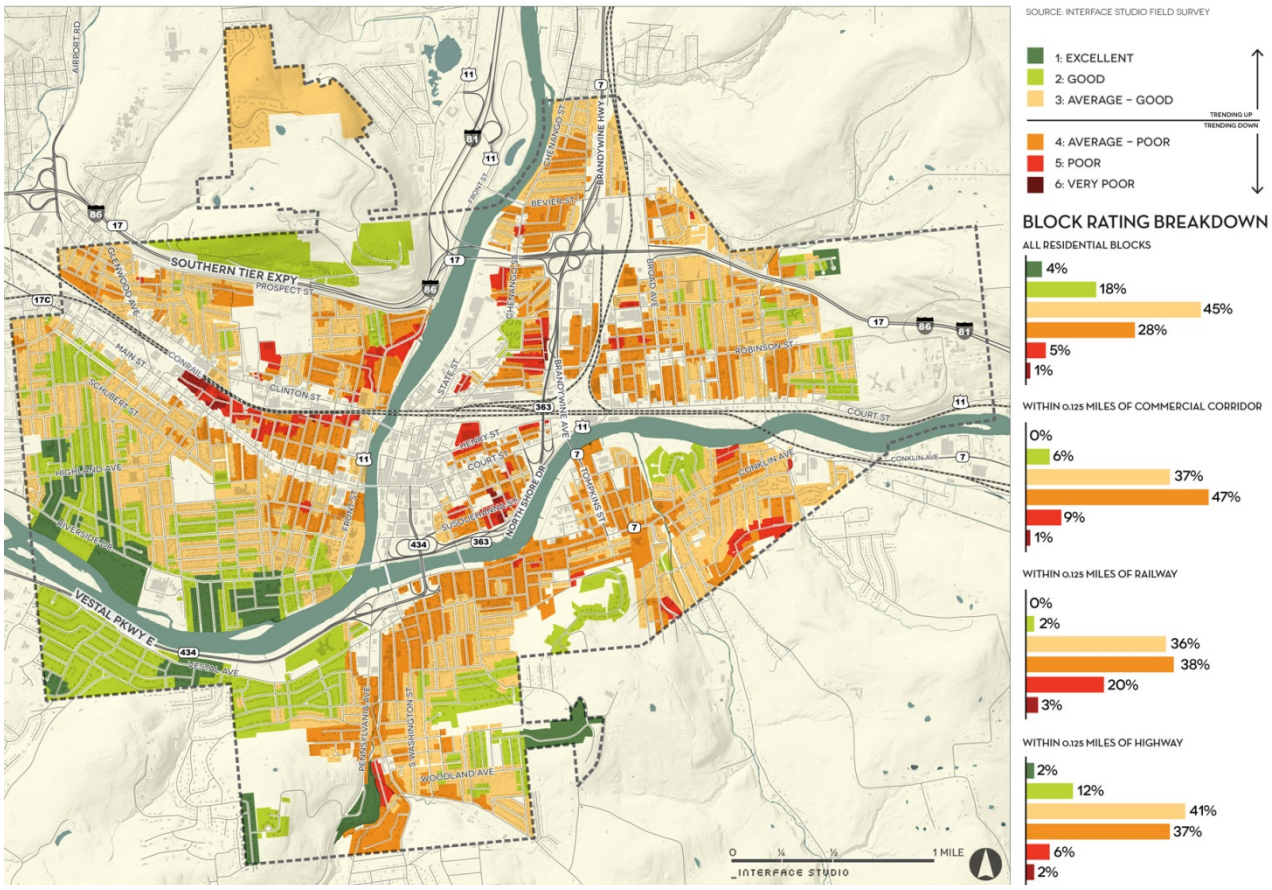
Table 8.3
Housing Tenure and Vacant Housing in Binghamton Neighborhoods – 2013 Estimates



Source: ESRI; RES

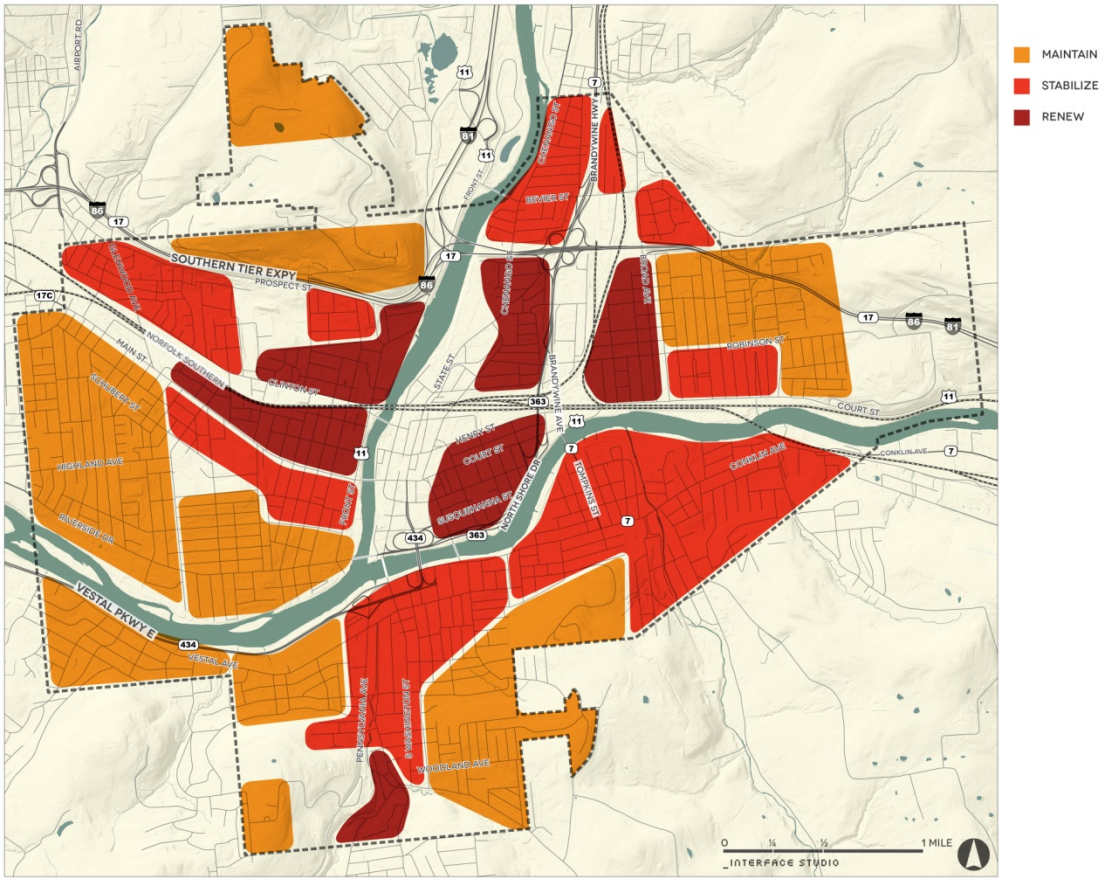
Housing conditions affect the pricing of housing, as well as housing occupancy and vacancy. To obtain information for specific blocks in Binghamton, Interface Studio conducted property-by-property assessments that were used to assign residential block ratings indicating the condition of housing in the City. Map 8.2 shows the data and provides a key to the colors that are used. Although there are variations within the delineated neighborhoods, it is useful to have a graphic indication of housing conditions in the City and its neighborhoods. These data are a useful starting point for the design and targeting of programs to rehabilitate and upgrade existing residential units and also to make decisions about blocks where infill housing might be a viable approach to strengthen neighborhoods. Thus, for example, an infill housing program targeted for blocks with existing homes in excellent or good condition would be more likely to be successful than a similar program in blocks with existing homes in average – poor or poor condition.

Map 8.2
Residential Block Ratings Based on Housing Condition



How neighborhoods are perceived is another important component in planning for the future. Map 8.3 on the following page, which is based on discussions with stakeholders, presents perceptions for different areas of the City and whether the approach should be to maintain, stabilize, or renew each area. As with data on block condition, the delineated areas do not necessarily follow delineated boundaries of neighborhoods. If implemented, however, the different treatments indicated can influence the overall perception of a neighborhood and also help to reposition it for long-term viability. For example, stabilizing the central area of the South Side West neighborhood will support the Good to Excellent housing conditions in nearby areas on an ongoing basis. Moreover, areas in the North Side and East Side neighborhoods indicated for renewal might be candidates for open space or additional locations for job-generating businesses and industries.

Map 8.3
Neighborhood Perception



The neighborhood descriptions that follow provide additional detail about the nine neighborhoods and offer market-based assessments of issues and concerns along with recommendations of development initiatives anticipated to have market support. Many of the initiatives are derived from interviews with stakeholders and offer suggestions to address concerns that have been raised.

Two attachments are relevant to this section of the market analysis. Attachment 1 provides additional data on demographic and housing characteristics for all of the neighborhoods in summary form to facilitate an understanding of the different characteristics of the neighborhoods and how they compare. Attachment 2 summarizes research conducted by RES of initiatives to address the impacts of student housing in other U.S. cities.

Neighborhood Descriptions

Downtown Binghamton Neighborhood

The Downtown Binghamton neighborhood is generally bounded by the Susquehanna River to the south and east and Eldredge Street to the north. Consistent with the western boundary established by the Commission on Downtown Binghamton Development (CDBD) in their November 2012 report, the neighborhood also encompasses the area along Front Street on the western side of the Chenango River. Included are the Court Street, State and Henry, and most of the Railyard Historic Districts. However, as delineated herein, Downtown Binghamton <u>does not</u> include areas south of the Susquehanna River that were included within the 2012 Commission's boundaries.

Land uses in the delineated neighborhood include a mix of retail stores, hotels, restaurants, offices including government offices, commercial and service establishments, institutional and entertainment uses (performing arts, museums, ballpark, etc.), parking structures and surface lots, parks and open space along the rivers, and multifamily housing largely occupied by students and households needing affordable housing units. There also are areas where industrial uses still predominate. Downtown Binghamton is a neighborhood that is urban in character as defined by its population density. Three Tapestry lifestyles represent most of the households*: Social Security Set*; *Inner City Tenants*; and *College Towns*. ESRI estimates for 2013 show that over 23 percent of the neighborhood's population is between the ages of 15 and 24 while almost 22 percent of the population is 65 years old and older. Downtown Binghamton is ethnically diverse with 15.1 percent African-American and 10.1 Hispanic population estimated during 2013. The neighborhood has the highest concentration of Hispanic popualtion of the nine Binghamton nieghborhoods.

Housing Market Conditions

Of the nine neighborhoods in the City of Binghamton, Downtown Binghamton had the highest concentration of renter-occupied households (75.3 percent) and the highest percentage of vacant units (21.2 percent) in 2013. Less than five percent of all housing units were owner-occupied, which was far lower than the percentage in the City. Based on data in the 2005-2009 ACS,[1] just over 70 percent of housing units were in structures containing five or more units.

[1] The 2010 Census did not collect information about the year housing units were built, the number of units in structures, sales prices, and rents. While American Community Survey data for more recent years is available for larger geographic areas including the City of Binghamton, the most recent data for the City's neighborhoods is 2005-2009 ACS data available through ESRI. In addition, ESRI provides estimates of household income and housing values for Binghamton neighborhoods for 2013 that have been used herein.

Households are small, with an average household size of 1.62 persons, the lowest of the nine neighborhoods. All other Binghamton neighborhoods averaged a household size larger than two persons.

Downtown Binghamton has added a very significant number of units since 2009, largely as a result of conversions of buildings to student housing. One new construction project for students, Twin Rivers Commons, with 371 beds in 127 units, also has been added to the inventory downtown.

Sales Housing

The estimated 2013 median value of owner-occupied units in Downtown Binghamton, $115,348 was among the highest of all neighborhoods and was higher than the median of $107,652 for the City. This may be because Downtown Binghamton had only 95 owner-occupied units in 2013, a very low number. Despite the higher value estimates, the median sales price based on property transfer records for seven Downtown Binghamton properties sold from January 2011 through October 2013 was only $78,750; the highest price was $106,250. Of these seven sales, only one property was sold to an owner-occupant. Market support for additional sales housing is limited.

Rental Market

Rental housing in Downtown Binghamton consists primarily of subsidized housing for low-income families and seniors and student rentals. Subsidized senior housing is in high-rise structures. Other rental housing consists of a mix of residential units over first floor commercial, units in small and large buildings including historic structures that have been converted from other uses, and units in low-rise apartment complexes and formerly single-family structures. One of the City's two Class A rental properties, River House, is located on Front Street in Downtown Binghamton; occupancy was 100 percent during November 2013. Planned additions to the housing stock downtown largely are additional student rentals. With the exception of an addition at 20 Hawley Street, most of the planned rentals will be in converted older buildings.

Affordable properties include the Binghamton Housing Authority's 224-unit North Shore Project for the elderly and disabled, located on Exchange and Isbell Streets. Other subsidized housing complexes for seniors and general occupancy are located nearby while there also are complexes are located near the NYSEG Stadium. Properties targeting students, such as Twin River Commons and 20 Hawley Street have rents per bed at the top of the market. Older properties rented to students command lower rents. Overall, occupancy levels are high for affordable, market-rate, and student rental units.

Issues and Concerns

The large number of student rentals in Downtown Binghamton is an issue. As indicated previously, the supply of student rentals in the City of Binghamton may exceed current demand, and additional student rentals are being added at a more rapid pace than increases in enrollment at Binghamton University. The concern is that vacancy rates in the City, which are already somewhat high, may escalate as additional units are added. From a practical perspective, units being developed downtown as student rentals often have five to ten bedrooms and cannot be rented readily to households other than students. While expenditures by students provide revenues for local businesses and income for the City, the perception that

downtown establishments cater to students may be deterring others from patronizing downtown restaurants and retail establishments.

Another issue relates to the perception that Downtown Binghamton is unsafe, a concern cited by stakeholders and also in responses to surveys conducted during prior years about issues downtown. Unfortunately, crime data for 2012 indicate that property and violent crimes are high in parts of Downtown Binghamton. Other concerns include the current concentration of subsidized housing downtown, the condition of the housing stock, and number of vacant units and buildings in some blocks.

Recommendations and Development Potential

Downtown Binghamton needs a stock of housing that is suitable for occupancy by households of varying ages and with incomes at different levels. The neighborhood has been the focal point for major additions to the City's stock of student rentals. However, as the 2012 report of the Downtown Commission noted, there are few units targeted for other demographics such as younger professionals working downtown, empty nesters seeking opportunities to downsize, or seniors with incomes too high for affordable housing. To maximize development potential, officials will need to recruit a grocery to locate either downtown or nearby. This is a particularly important consideration in making Downtown Binghamton more appealing to seniors who can benefit from being able to walk to stores, services, and entertainment venues.

The senior population at virtually all income levels is growing, as is the number of more affluent older households in the City overall. Assuming that problems with crime and safety can be addressed, Downtown Binghamton could be a very attractive location for a new senior housing property for middle-income households, possibly one offering different levels of service. There are several underutilized parcels that might be sites for this type of housing.

There is market support for rental housing for young professionals, and it is likely that these households would find both new construction and newly rehabilitated units in historic structures to be attractive alternatives. This is especially applicable for young households with a member working downtown but now living in suburban neighborhoods. Since rents downtown are low, incentives will be needed for developments to be financially feasible and provide adequate investment returns to property developers and owners. A new residential development – possibly one offering units for both young and older households and to households with a mix of incomes – might be developed in the portion of Downtown Binghamton shown as an area for renewal. One advantage of this area of Downtown Binghamton is its proximity to the forthcoming Binghamton University High Technology Incubator.

Other cities, both large and small, have followed a somewhat similar pattern in pursuing downtown residential development. The first step has been to use Historic Preservation Tax Credits and other subsidies and tax incentives to develop rental units in converted buildings that appeal initially to young professionals. As revitalization takes hold and the downtown develops an identity, additional rehabilitation projects have been undertaken, and older households have then been attracted because of the revitalization that has occurred. Some of the projects have then been condominiums rather than rentals, and some buildings initially developed as rentals have been converted to condominiums. As pricing has increased, new infill development

projects have been added because the downtown (or some portions) has become stable and desirable. Because of cost constraints, new construction projects may be townhouses initially, which also has the advantage of offering a different type of housing and producing infill development of former industrial areas and vacant parcels. This established pattern of downtown revitalization is likely to meet with good success in Binghamton, and it has the advantage of building on the positive aspects already in place because of the student housing downtown such as retail stores, restaurants, and nightlife.

North Side Neighborhood

The North Side neighborhood is positioned directly north of the Downtown Binghamton neighborhood. It is bounded by the Chenango River to the east, the Brandywine Highway, Bevier Street and the City's boundary to the west, and the City's boundary to the north. North Side is effectively divided in half by Interstate 81/86, which travels east/west through this area of the City. Uses in the southern half of the neighborhood include manufacturing and light industrial along the Brandywine Highway (Route 7) and near the neighborhood's border with the Downtown Binghamton neighborhood. This southern part of the neighborhood also has commercial and institutional uses, as well as older homes, newer townhouses, and a large multifamily mixed-income rental property.

The southern portion of the neighborhood contains the core area of a designated Brownfield Opportunity Area (BOA) and two subareas. Binghamton Plaza, an older shopping center anchored by a K-Mart, is constructed on a former landfill and is in the BOA core area. Redevelopment of the property has been discussed. The northern portion of the neighborhood includes single-family residential to the west and industrial uses to the east, including much of the area east of the Brandywine Highway. The area north of I-81/86 to Bevier Street is a subarea of the BOA. Some areas in this portion of the neighborhood were flooded by Hurricane Irene.

Based on its population density, North Side is an urban neighborhood. ESRI Tapestry data show more than 70 percent of households are in the *City Dimensions* lifestyle, and are young, ethnically diverse households that are a mix of singles, married-couple families, and single parents with low incomes. The remaining North Side households are in the *Great Expectations* lifestyle, which also is comprised of ethnically diverse singles and married couples, but with an older median age, 33.3, and a higher median income of $40,243. Of the nine Binghamton neighborhoods, North Side is among those with the lowest 2013 median household income, above only the Downtown and WSNP neighborhoods. North Side has the highest

concentration of African-American residents, 17.4 percent during 2013. The 2010 Census reported that 35.4 percent of households had only one person.

Housing Market Conditions

The North Side neighborhood is second lowest in the total number of housing units, and the flooding that occurred as a result of Hurricane Irene may have contributed to a decline in the number of occupied residential units in the neighborhood. However, the percentage of vacant housing units in North Side (13.9 percent in 2013) is similar to the overall vacancy rate in the City, 13.4 percent. The percentage of renter-occupied units (57.4 percent) is twice the percentage of owner-occupied units (28.6 percent). Housing units in North Side are single-family detached homes (28.7 percent) and in structures with two or more units. Just over 18 percent of the housing units are in multifamily structures with five or more units. This relatively high multifamily percentage results from the presence of Town and Country, a 149 unit mixed-income rental complex, and a 50-unit Volunteers of America project providing transitional housing and housing for parolees and the homeless.

Rental Market

The Neighborhood Scout web site reports an average rent of $466 in the southern part of the neighborhood and $486 in its northern part. Rents at Town and Country Apartments, which is located in the southern part of the neighborhood, range from $525 for a one-bedroom apartment to $750 for a three-bedroom unit. Strong occupancy of 99.0 percent was reported during November 2013.

Sales Housing

ESRI's 2013 estimate of the median value of owner-occupied homes in North Side is $80,514. The median sales price in the North Side neighborhood during the time frame from January 1, 2011 through October 2013 was $51,278 based on 30 sales. Prices ranged from $5,600 to $97,500. Of the sales, 14 were to owner-occupants.

Issues and Concerns

The 2005-2009 ACS reported that 61.1 percent of all housing units were built prior to 1940. In addition to high vacancies, many occupied homes evidence signs of deterioration and deferred maintenance. The housing stock in the northern half of the neighborhood was rated in Average-Good condition based on the field survey by Interface Studio, with pockets that are in Average–Poor condition. Flooding adversely affected the area east of Brandywine Highway and north of Bevier Street, and some of the properties in part of this area are in poor condition. In addition, residential properties in the northeastern portion of the neighborhood are mixed with industrial uses that depress residential prices and values.

The southern half of the neighborhood between Interstate 81/86 and Downtown Binghamton has concentrations of housing stock in poor condition located in several different areas including a concentration along the western side of the Brandywine Highway. The Restore New York program was used to substantially rehabilitate a few houses in the southern portion of the neighborhood, but the impact was limited because the poor condition of many other homes nearby was not addressed. The delineated BOA is an indication that there are brownfields requiring attention.

Recommendations and Development Potential

As shown in the Neighborhood Perception map, the perception of the North Side is stabilization in the northern half and renewal in the southern half of the neighborhood near the Downtown Binghamton. North Side enjoys a significant advantage, which is its excellent access to major highways and also to rail lines of four different railroads. Improvements to Interstate 81 will improve the neighborhood's access, potentially making some portions very desirable locations for job-generating businesses and industries instead of residential renewal.

One exception might be a larger scale mixed-use residential and retail redevelopment of Binghamton Plaza, possibly encompassing other nearby areas. As indicated in a September 2013 market analysis of the BOA area prepared by HR&A, the financial feasibility of new construction is an issue. However, with the BOA designation it may be possible to tap redevelopment assistance programs for a mixed-use development with uses that would include the grocery that is a priority of neighborhood residents. The development also might include HR&A's recommended long term strategy of a senior housing development in the neighborhood. These uses at the Binghamton Plaza site would reinforce and strengthen existing residential uses located nearby, most notably Town and Country Apartments. RES findings and recommendations are consistent with the recommendations in the HR&A market analysis calling for rehabilitation and redevelopment of commercial areas along major thoroughfares together with street and infrastructure improvements and connections to the riverfront.

East Side Neighborhood

The East Side neighborhood is located directly east of, and borders the North Side and Downtown Binghamton neighborhoods. East Side is bordered by the Susquehanna River to the south and the boundaries of the City of Binghamton to the north and east. While this neighborhood also is divided by Interstate 81/86, virtually all residential areas are located south of the highway's right-of-way. The New York, Susquehanna and Western (NYSW) railroad tracks are located near the western border of the neighborhood; Canadian Pacific railroad tracks are located east of NYSW's tracks. As delineated for this market analysis, the neighborhood is larger than the area delineated during 2010 for the study, "Binghamton's East Side: An Inventory of Current Conditions and Strategies for Revitalization" prepared by the Binghamton University Department of Geography.[2]

[2] Department of Geography, Binghamton University, Binghamton, NY 13902-6000 - Mark Reisinger, Burrell Montz, and Lucius Willis. The study was prepared for the City of Binghamton Department of Planning, Housing and Community Development.

Another BOA, the Brandywine Corridor is located in this portion of the East Side neighborhood. It is bounded by Brandywine Highway to the west, the Canadian Pacific rail line to the east, another rail line (Norfolk Southern) to the south, and Bevier Street to the north. This portion of the neighborhood consists of industrial uses and vacant land.

Court Street, which was affected by flooding from Hurricane Lee, and Robinson Street are major east-west roadways in the neighborhood; Broad Avenue is a major north-south roadway. Neighborhood-serving commercial is located near the intersection of Robinson and Broad, including a Weis Market and a CVS Pharmacy. The surveys and discussions in connection with the 2010 study indicated that almost 100 percent of residents shop in the neighborhood. The Greater Binghamton Health Center, a State of New York facility offering comprehensive inpatient and outpatient services for adults and children who are mentally ill, is located near the southeastern edge of the neighborhood. The center was targeted for closure, but Governor Cuomo announced during December 2013 that it will remain open. Another notable institutional use in the East Side neighborhood is the Binghamton Alumni Stadium, home field for the Binghamton High School Patriots football team that also has an all-weather track.

The East Side neighborhood is third most populous of the nine Binghamton neighborhoods and is fourth in the number of households. The 2013 median household income is estimated to be $35,685. Median incomes and home values are highest to the east of Garden Avenue; incomes are the lowest near the neighborhood's western boundary. A second area with low incomes is north of I-81/86, the location of the Binghamton Housing Authority's 150-unit Carlisle Hill public housing property.

Estimates by ESRI are a 2013 median age in the East Side neighborhood of 42.5 years, which is the highest of all Binghamton neighborhoods. Among other factors, the high median age reflects the presence of the East Hills Senior Living Center and the Good Shepherd Fairview Home complexes for seniors 55 years old and older. The presence of older households also is reflected in ESRI Tapestry lifestyles. Over 46 percent of households are in the *Rustbelt Retirees* lifestyle, which includes older married couples and singles with a median income of $52,216. An additional 28 percent of households are in the younger and more ethnically diverse *Great Expectations* lifestyle and about 15 percent are in the *Rustbelt Traditions* lifestyle for which the median age is 36.7 years and the median income is $51,378.

Housing Market Conditions

There has been little change in the total number of housing units since 2000. However, the number of <u>occupied</u> housing units has declined since 2000 and vacancy rates have increased. The 2010 Census reported a total of 243 vacant units; of these, 138 were "other vacant" units, a sign of poor condition. ESRI estimates that the 2013 vacancy rate for the neighborhood is 11.5 percent and projects an increase to 13.3 percent by 2018. Nevertheless, the 2013 vacancy rate is the fourth lowest of all Binghamton neighborhoods and is nearly two percent lower than the vacancy rate for the City.

Since 2000, the number and percentage of owner-occupied units has declined, dropping from 50.4 percent in 2000 to an estimate of 46.6 percent in 2013. The percentage of renter-occupied units has fluctuated between 40.7 and 42.9 percent during the 13-year period. The 2005-2009 ACS reported that 60 percent of the housing structures in this neighborhood were built prior to 1940 and 89.7 percent were built prior to 1960. Over half of the housing units in

the East Side neighborhood are single-family detached homes. The Interface field survey of housing condition shows that the housing stock in the East Side neighborhood largely is in Good and Average–Good condition. The exception is residential blocks west of Broad Avenue, which largely are in Average–Poor and Poor condition.

Rental Market

Neighborhood Scout data for areas in the East Side neighborhood placed the average rent at $500 per month. In addition to the two senior living facilities, the other multifamily apartment complex in the East Side neighborhood is a complex of the Binghamton Housing Authority, Carlisle Hills Apartments. There are a total of 150 family housing units; there was only one vacant unit during November 2013.

Sales Market

ESRI's 2013 estimate of the median value of owner-occupied homes in the neighborhood is $92,761. There were a total of 75 home sales between January 2011 and October 2013; the median sales price was $81,000, or lower than the median of $87,500 for all sales in the City. The majority of sales were at prices ranging from $60,000 to $100,000; the highest sales price was $173,125. Of all sales, 61 percent of purchasers were owner-occupants, a percentage higher than for Binghamton overall.

Issues and Concerns

Residential blocks located west of Broad Avenue generally have ratings of Average–Poor and lower on the survey by Interface Studio, a result that is influenced by the industrial uses and vacant land located nearby. Consistent with these ratings, this area of the neighborhood had a perception of Renew. One other area of the neighborhood located east of Broad Avenue and south of Robinson Street requires actions to stabilize and improve housing conditions. However, other areas of the East Side neighborhood are very stable with blocks rated as Good and Excellent. The East Side also has viable community shopping areas to support the needs of neighborhood residents.

Recommendations and Development Potential

Actions to maintain the East Side neighborhood and to help stabilize blocks south of Robinson Avenue would be useful in ensuring the long-term viability of the neighborhood. Infill development in stronger blocks also would be beneficial and would offer a new housing alternative in a neighborhood with a concentration of older homes. Should larger parcels along the periphery of the Greater Binghamton Health Center become available for development, new residential development would be an appropriate addition in the neighborhood.

Data for the City presented previously indicate strong demand for senior housing and increasing demand in the next five years. If sites can be identified, the City might want to discuss the possibility of additional housing for seniors in this neighborhood with developers and non-profit senior housing providers. The East Side neighborhood is the location of one very successful senior housing development, the 32-unit East Hills Senior Housing, which is fully occupied and maintains a very long waiting list. Another senior complex, Good Shepherd, also has a presence in the neighborhood. An additional senior housing development with income targeting similar to East Hills should enjoy quick absorption and strong occupancy.

First Ward Neighborhood

First Ward derives its name from the original City Council District boundaries which split the City in separate Wards; this neighborhood is the only neighborhood in the City to still retain the "Ward" identity. The neighborhood delineation herein includes the heart of the current First Council District. However, the northern boundary is The Southern Tier Expressway (Route 17), which forms a barrier between the First Ward neighborhood and Ely Park to the north, which is addressed separately herein. Thus, the boundaries used for this market analysis are the Chenango River to the east, the Norfolk Southern Railway tracks to the south, the City's border to the west, and the Southern Tier Expressway to the north. These boundaries are similar to those established by the City for the First Ward BOA, for which the City has received a grant to complete a Nomination Study.

Consistent with early development patterns in the City, older industrial and commercial uses are located along the rail right-of-way fronting on Clinton Street, which is the neighborhood's major thoroughfare. The eastern end of Clinton Street has a concentration of antique stores and is known as "Antique Row". An area along Front Street north of Gaines Street has a number of older commercial and light industrial businesses. Part of this area was flooded by Hurricane Irene during 2011. A new industrial park, the Charles Street Business Park, has parcels available for new businesses; the park's first occupant is a 40,000 square foot facility by Emerson Network Power. Next to the business park and also in the center of the neighborhood is the Spring Forest Cemetery. First Ward has two parks, Veteran's Memorial Park, located at the intersection of Seymour and Charles Street, and Valley Street Park at 8 Valley Street.

Demographic trends in the First Ward neighborhood since 2000 show increases in population and households from 2000 to 2010, but with a decline from 2010 to 2013 based on estimates by ESRI. For 2013 the population in the First Ward neighborhood is estimated to be 5,040 people in 2,215 households, an average household size of 2.26 persons. The estimated 2013 median income is low, $31,085; 20.0 percent of households are estimated to have incomes below $15,000. The median age in the First Ward neighborhood is estimated to be 37.0. The majority of the population, 53.1 percent, is in age cohorts from 25 to 64 years old.

Historically, the First Ward neighborhood was settled largely by immigrants from Eastern Europe. The 2009 document, "First Ward Redevelopment Plan"[3], reported that the ancestries in the neighborhood identified by residents in the 2000 Census included Polish,

[3] The Plan was prepared by the City of Binghamton during 2009 and was the Step 1 – Pre-Nomination Study for the New York State Brownfield Opportunity Program.

Ukrainian, and Slovakian heritage and residents of Irish descent. The importance attributed to this ancestry in the Plan is the presence of strong family ties and a strong sense of culture. The ESRI Tapestry segmentation system places households primarily in two lifestyles: *Great Expectations* households (44.1 percent) who are young singles and married-couple families with a median age of 33.3 years; and *Simple Living* households (40.4 percent) with a median age of 41.3 and lower median income of $29,408. *Great Expectations* have a higher percentage of owners; more than half of *Simple Living* households are renters. Racially, the neighborhood is predominantly White (74.8 percent); ethnically, 6.8 percent of the population is Hispanic. The 2010 Census reported that households are small, including 38.5 percent with one person and 30.7 percent with two people.

The First Ward benefits from the presence of the First Ward Action Council, a community-based non-profit organization providing housing and housing-related services. First Ward Action Council was founded in 1980 and manages 120 housing units in Binghamton's First Ward and other nearby communities, including housing for families, seniors, and those with disabilities. First Ward Action Council also has a home-repair program for seniors and has provided grants for owners to renovate their homes when funds have been available.

Housing Market Conditions

The total number of housing units in the First Ward neighborhood has remained just under 2,700 from 2000 to 2013. During this 13-year period, the percentage of owner-occupied units has steadily decreased. In 2013, 35.7 percent of housing units were owner-occupied and 46.4 percent were renter-occupied. The percentage of vacant units in the neighborhood remained relatively stable from 2000 to 2010, but increased an estimated 2.5 percent in 2013 to 17.9 percent. During 2010, the largest number of vacant units was in the center of the neighborhood, between Mygatt Street and Colfax Avenue. At that time, many of the vacant units were dilapidated based on their classification as "other vacant" units and were not being not offered for-sale or for-rent. Ironically, conditions along many streets in this part of the First Ward neighborhood were Average–Good and Good on the block survey by Interface Studio, an indication of strong potential for a housing rehabilitation program to be targeted to this part of the neighborhood.

Overall, the majority of the First Ward blocks were classified by Interface Studio as Average–Good and Average-Poor in condition. There are two concentrations of residential blocks classified as Poor. The largest is an area north of Clinton Street between Oak and Front Streets, which includes Hurricane Irene-affected areas, and the perception of this area is shown as Renew. A second smaller area with blocks in poor condition is located just south of Spring Forest Cemetery. Both of these concentrations are near blocks with homes that are in Average–Good and Good condition. Addressing these areas should help to stabilize and possibly enhance the nearby blocks that are in better condition.

<u>Rental Market</u>

According to Neighborhood Scout, the average rent in the First Ward and Ely Park neighborhoods combined is $527. ACS data on the number of units in First Ward structures indicates that there are no larger rental complexes in the neighborhood. However, First Ward Action Council has developed and manages units in small multifamily projects and scattered-site affordable rental units. Occupancy is reported to be high; there is a consolidated waiting list.

Sales Housing Market

ESRI has estimated a 2013 median value of $78,450 for a total of 962 owner-occupied homes during 2013. Of the owner-occupied homes, 631 (65.6 percent) had estimated values ranging from $100,000 to $149,999. During the time frame from January 2011 through October 2013 there were 66 home sales in the First Ward neighborhood with a median sales price far lower than the estimates of value, $47,000, which is the second lowest median of all Binghamton neighborhoods. Sales prices ranged from $6,250 to $94,375. Of all sales, 41 (62 percent) were to owner-occupants. With 62 percent of sales to owner-occupants, First Ward, East Side, and South Side West (all with 62 percent) had the highest percentages of sales to owner-occupants.

Issues and Concerns

The First Ward housing stock is old with 63.7 percent of housing structures having been built before 1940. ACS data indicate that almost 80 percent of residential units in the neighborhood are in structures with one or two units; many of these structures are in need of improvements ranging from correcting problems related to deferred maintenance to likely replacement. A related issue is the adverse effects of non-residential properties and vacant land in the neighborhood on nearby residential properties and residential property values.

A second issue affecting housing and residential development is the proposed change in the FEMA floodplain to designate a large portion of the First Ward neighborhood within Zone A, the 100-year floodplain, also known as a Special Flood Hazard Area (SFHA). By definition, this is the area with a one percent chance of being inundated by a flood each year. The area formerly was within Zone B, the 500-year floodplain.

Recommendations and Development Potential

Many areas of the First Ward neighborhood can benefit from programs involving the rehabilitation of existing single-family and two-family structures that are in poor condition and in need of rehabilitation and upgrades. Properties in poor condition and vacant lots are blighting influences in First Ward blocks that have housing stock in Average-Good, Good, and Excellent condition on the block survey by Interface Studio. To obtain maximum impact, rehabilitation and redevelopment must be concentrated in specific areas and blocks – to create a “critical mass” of activity addressing both owner-occupied and rented properties, as well as vacant properties and sites and, if possible, infrastructure improvements to enhance curb appeal. This kind of concentration of revitalization and improvement can make an impact and change the nature of an area of the neighborhood.

The presence of the First Ward Action Council in the neighborhood, a non-profit organization with housing development and management expertise, offers an opportunity for the City to continue combining resources and targeting them for First Ward housing rehabilitation. A concentration of activity in areas of the neighborhood that are not affected by the floodplain modification would be appropriate initially, while planning is underway for more comprehensive redevelopment.

The First Ward Action Council is experienced in rehabilitating properties for both owner-occupants and renters. Therefore, a program with the flexibility of offering homes for-sale initially and renting those not sold within a reasonable period of time could be an option. Since

sales prices and rents in the neighborhood are low, subsidies will be needed to help cover rehabilitation costs, consistent with past practice. Sources to cover funding gaps might include a combination of State of New York Affordable Housing Corporation funding, City of Binghamton CDBG and HOME funding, and an allocation of LIHTCs. If funding becomes available and applications are accepted again, another option would be the Restore New York program.

A second focus is development of additional affordable rental housing. Based on market research, there is market support for additional rental units developed either through substantial rehabilitation or new construction. Projects for general occupancy are recommended in the First Ward neighborhood to help meet stronger demand for affordable housing for families. An allocation of Project-Based Section 8 Vouchers from the Binghamton Housing Authority would be useful in providing rental housing for extremely low-income families having incomes too low to afford rents at LIHTC-only properties.

West Side Neighborhood Project (WSNP) Neighborhood

The West Side Nieghborhood Project (WSNP) neighborhood derives its name from a grassroots initiative with the stated objective of "building a safe, vibrant, diverse, and student-friendly community on Binghamton's West Side."[4] WSNP is the smallest of the nine Binghamton neighborhoods in terms of total area but it is fourth smallest in total 2013 population. The higher population results from the large percentage of multifamily housing in this primarily residential neighbothood. The WSNP neighborhood is bordered on the north by the Norfolk Southern Railway tracks and the First Ward neighborhood. The eastern border is the Chenango River north of Main Street and the west side of Front Street south of Main. The western border is Jarvis Street north of Main Street, Chestnut Street to Leroy Street and St. John's Street to the WSNP southern border, which is Ayres Street. Binghamton's Far West Side neighbohood is located south and west of the WSNP neighborhood.

Main Street is the WSNP Neighborhood's major east/west thoroughfare with commercial and insitutional uses, including Binghamton High School. Safe Streets, a Binghamton community organization working to improve neighborhood conditions, has focused on reducing crime in the area of WSNP located north of Main Street near the Edwards Street intersection.

The demographic characteristics of the neighborhood reflect the concentration of student rentals in WSNP. The 2010 Census reported that 52.0 percent of the WSNP population

[4] Source: WSNP's web site, at http://binghamtonwsnp.org/, which also has a neighborhood map showing the boundaries of delineated districts comprising WSNP, and other materials about the issues affecting the areas, accomplishments of the organization, and events sponsored.

lived in non-family households, defined as unrelated people sharing housing units and people living alone. ESRI's 2013 estimates show the neighborhood's total population at 4,743 in 1,923 households, an average household size of 2.23 persons. As with the high percentage of non-family households, this larger household size reflects students living in shared rental units. Another indication of the presence of students is the median age, 27.5 years, the lowest of the nine Binghamton neighborhoods and much lower than the City as a whole. In 2013 an estimated 32.4 percent of the neighborhood's population was in the 15 to 24 age cohort. The population is racially and ethnically diverse with 68.2 percent White, 15.0 percent African-American, and 7.6 percent Asian population; 9.6 percent of the population of all races reported Hispanic origin. Median household income during 2013 is low, $25,907, second only to the Downtown neighborhood.

Spring 2013 data from Binghamton University on the distribution of students living off-campus showed concentrations of students living in the census blocks comprising WSNP. As discussed previously, ESRI lifestyle data help to quantify the number of students living in the WSNP neighborhood. A total of 1,473 households with 3,822 people are in the *College Towns* lifestyle, or 75.4 percent of the WSNP households and 79.0 percent of the population. An additional 18.6 percent of households were in the *Inner City Tenants* lifestyle, which consists of racially and ethnically diverse young households with a median income of $24,041 during 2012.

Housing Market Conditions

Between 2000 and 2013, the number of housing units in the WSNP has generally remained the same, about 2,300 units. An overwhelming majority (70.9 percent) of the units were renter-occupied; only 11 percent were owner-occupied during 2013. Since 2000, the percent of renter-occupied units has remained relatively stable. The percentage of owner-occupied units has been decreasing slowly with a related increase in vacant units. The 2010 Census reported 274 owner-occupied units and 376 vacant units; by 2013, there were an estimated 258 owner-occupied units and 425 vacant units. The 2013 vacancy rate of 18.1 percent was the third highest of the nine Binghamton neighborhoods.

The WSNP neighborhood has a concentration of housing units in multifamily structures. Estimates in the 2005-2009 ACS are that almost one-fourth of housing units are in structures with three or four units (570 housing units), while 20.0 percent are in structures with five to nine units (457 housing units). An additional 14.2 percent of the housing stock is in structures with ten or more units. Based on the Residential Block Rating by Interface Studio, the condition of the housing stock in the WSNP neighborhood generally is Average–Poor to Poor with a few blocks in Average– Good condition. Housing condition is worse in the Safe Streets area north of Main Street; this area includes many blocks rated Poor. As would be expected, the neighborhood perception is that the area north of Main Street should be renewed while the area south of Main Street should be stabilized.

<u>Rental Market</u>

Neighborhood Scout notes that particularly unique features of the WSNP and First Ward neighborhoods, combined, are the large number of three-deckers, duplexes, and old Victorian homes that have been cut into apartments and the large number of two, three, and four unit apartment buildings – more than in almost any other U.S. neighborhood. According to Neighborhood Scout, the average rent in a broad area north of Main Street is $539 and $578 in an area south of Main Street that includes part of the Far West Side neighborhood. The 2005-

2009 ACS rent estimates for the WSNP Neighborhood, alone, were an average contract rent of $551 and a median contract rent of $487.

Sales Housing Market

The ESRI 2013 median value estimate for 259 owner-occupied units in the WSNP is $112,189. Between January 2011 and October 2013, the median sales price for 31 homes sold was $70,000. Prices ranged from $3,000 for a property near the rail right-of-way, to $500,000 paid by an investor for a single-family home located at 8 Seminary Avenue. Only five of the 31 sales were to owner-occupants.

Issues and Concerns

Housing issues and concerns in the neighborhood are varied, but most relate to the concentration of student housing in the WSNP neighborhood and the delineated districts comprising it. One of the most pressing concerns has been the requirement in the City's zoning code that housing units in areas with residential zoning to be occupied by "families" or "functional family equivalents", referred to as the "Functional Family" requirement.[5]

Other issues cited include the condition of housing units rented to students, concerns about students' behavior and party noise, and parking issues. To address some of the concerns, the City has enacted legislation recently to require registrations of rental units citywide, along with payments of fees. In addition, rental units will be subject to inspections every three years with penalties for non-compliance.

In addition, data for 2012 on property and violent crimes indicate that WSNP has a high number of incidents in both categories.

Recommendations and Development Potential

Binghamton is not alone in seeking ways to address issues of student housing in traditional residential neighborhoods. Attachment 2 provides additional information on techniques that have been adopted in other communities located in different parts of the U.S. that have a similar issue. Establishment of a new zoning classification where student housing will be an allowable use will be a positive step. The past practice of enforcement when complaints have been filed has not been useful in establishing effective controls on student housing and investments by landlords wanting to rent units to students. The process of establishing a new zoning classification will build on prior debates and analyses in connection with an Urban Village Overlay District while also enabling local officials and organizations to

[5] There has been an ongoing discussion and extensive debate about the application of the "Family" and "Functional or Factual Equivalent of a Family" definitions by local officials, WSNP, the Broome County Landlords Association, and others who have been working to address the issue of how best to address concerns related to students living in Binghamton neighborhoods and decisions by courts in the State of New York related to this issue. The City has enacted, but has not implemented legislation authorizing an Urban Overlay District that would exempt delineated areas. Corporate Counsel has advised that establishing a new zoning category and rezoning selected areas would be a better approach to address the issue. In lieu of having co-tenancy standards for an Urban Overlay District, requirements could be established for the zoning district and enforced. It should be noted that issues related to Functional Family affect only areas with residential zoning. Because the Downtown neighborhood has commercial zoning, issues related to Functional Family are not applicable.

establish positive requirements for this new classification to address such matters as parking, setbacks, occupancy standards, and other matters related to the intensity of use associated with student housing. Fees associated with rental registration should generate additional revenue for use in covering added costs associated with inspections of properties. The clear identification of areas where student housing is a permitted, along with registrations and inspections may result in better maintenance and upkeep of properties by property managers and investor-owners. Added attention to code enforcement in the WSNP neighborhood to address properties that are in poor condition and a blighting influence in the area also would be of benefit.

The Safe Streets organization has emphasized the urgent need for additional attention to crime and safety in WSNP areas north of Main Street. Suggestions by stakeholders to address issues of crime and safety have included having police bicycle patrols, improved lighting in areas where there have been concentrations of incidents, and better screening and enforcement activity of households with Section 8 Housing Choice Vouchers by the Binghamton Housing Authority. Active and engaged Neighborhood Watch organizations have been very effective in providing relationships between the community and the police in other U.S. neighborhoods throughout the country.

Far West Side Neighborhood

Binghamton's Far West Side nieghborhood borders both the First Ward neighborhood and the West Side Neighborhood Project to the north and east. The Susquehanna River forms the neighborhood's southern border, and the City's boundaries form the western and a portion of the northern border. More than one-fifth of the City's population (22 percent) resides in the Far West Side, the neighborhood with the largest population.

Similar to the WSNP, Main Street travels east/west through the Far West Side and is lined with commericial uses. A newer retail center, Price Chopper Plaza, is located near the intersection of Main Street and Glenwood Avenue. Other regional and national retail chains including pharmacies, auto-related retailers, restaurants, and other groceries are located nearby.

Riverside Drive is the other major east/west thoroughfare and provides access to Lourdes Hospital, which is located in the southern portion of the neighborhood along the Susquehanna River. Other institutional uses are scattered throughout the neighbohood. There a four public and private schools in the area, Seton Catholic High School, Horace Mann Elementary School, Thomas Jefferson Elementary School, and West Middle School. In the center of these schools and the nieghborhood is Recreation Park, a public park with active fields, a swimming facility, and a playground. There is also a miliary and naval facility on the neighborhood's

westernmost boudary. Overall, the nieghborhood is primarily residential, and the majority of structures are single-family detached homes.

ESRI Tapestry data for the Far West Side indicate that almost one-fourth of households are in the *Metropolitans* lifestyle, a lifestyle with a median income of $60,191 with high educational attainment, a median age of 37.1, and a preference for living in older city neighborhoods. Other middle-income lifestyles with strong representation in the neighborhood include *Old and Newcomers* (22.7 percent of households) a younger, more transient lifestyle with a median income of $44,601; and *Prosperous Empty Nesters* (17.3 percent of households) with a median income of $67,295. These households also have high educational attainment. *Metropolitans* and *Prosperous Empty Nesters* usually have a strong interest in their community and neighborhood. The Tapestry system shows the presence of *College Towns* student households who comprise 10.4 percent of Far West Side households.

Housing Market Conditions

Of the nine Binghamton neighborhoods, Far West Side has the largest number of housing units during 2013, surpassing other neighborhoods by about 2,000 or more units. Similarly, the neighborhood also has greatest number of households, and nearly half of all households (48.6 percent) were classified as family households in the 2010 Census. Homeownership in the Far West Side neighborhood is among the highest, and the vacancy rate is among the lowest. In 2013, the percent of owner-occupied units in the neighborhood was 48.9 percent of all units and higher than the percent of renter-occupied units, which is not typical in most of the City's neighborhoods.

Also unique to this neighborhood is high educational attainment. More residents in the Far West Side neighborhood have Bachelor's or graduate degrees than in any other Binghamton neighborhood, a likely contributor to the neighborhood's higher median household income of $36,922 based on ESRI's 2013 estimate. In 2013, the Far West Side neighborhood had the second highest median household income of all Binghamton neighborhoods, behind South Side West.

The Interface Studio survey of housing condition classified the majority of the neighborhood as Good or Excellent, especially along streets near the Susquehanna River and in the historic Abel Bennett Tract. However, the condition of blocks near Main Street, most notably north of Reservoir Park and north of Schubert Street is Average-Good and Average-Poor and residential blocks north of Main Street and west of Jarvis Street rated Poor on the block survey. Not unlike the other areas of the City, the majority of the housing stock was built prior to 1940, according to the 2005-2009 ACS. Although the stock is older, the ESRI median value of owner-occupied units in the neighborhood, $134,752 during 2013 was the highest of all nine neighborhoods. This is nearly $30,000 more than the median value for all owner-occupied units in Binghamton.

<u>Rental Market</u>

According to Neighborhood Scout, the average rent is $649 in the heart of the Far West Side, excluding the portions of the neighborhood north of Schubert Street and east of Laurel Avenue. The areas excluded are those identified by Binghamton University during April 2013 as having higher concentrations of housing occupied by students, most notably in multifamily structures along both Chestnut Street and Grand Boulevard. However, the data from

Binghamton University confirms that a few student households are living in the majority of Far West Side block groups. There are no larger market-rate multifamily rental properties located in the neighborhood.

Sales Housing Market

In addition to having the highest estimated 2013 median home value based on ESRI estimates ($134,752), the Far West Side had the highest median sales price, $126,500, during the time frame from January 2011 through October 2013 based on data recorded for actual sales. With 188 sales during this time frame, Far West Side also had the highest number of sales and 31 percent of all Binghamton sales of one- to three-family properties during this time frame. Sales prices ranged from $3,865 to $500,000. Investors were active in the neighborhood, however, with only 56 percent of sales to owners who are occupying properties that were purchased. There is one multifamily cooperative in the Far West Side neighborhood, 5 Riverside Towers, located in the southeastern corner of the neighborhood. Some of the units in the building are rented; many are owned and occupied by seniors. A recent listing of a one-bedroom apartment with 850 square feet was at an asking price of $39,000. A double apartment with two bedrooms, 2.5 baths, and a great room is available at an asking price of $115,000.

Issues and Concerns

A major issue in the neighborhood has been the perception that groups of students increasingly are renting houses in the Far West Side. Concerns cited during interviews with stakeholders related to the willingness of investor-owners and property managers to rent homes to students and not enforce any standards relating to occupancy or behavior. The result in many cases was reported to be poorly maintained properties and unacceptable public behavior in blocks occupied largely by traditional families.

Another issue cited by stakeholders is the quality of schools. Families with school-age children reportedly are moving to suburban locations such as Vestal that have better schools, posing a problem in attracting potential buyers. As indicated elsewhere in this market analysis, the quality of schools is an issue affecting housing markets citywide.

Recommendations and Development Potential

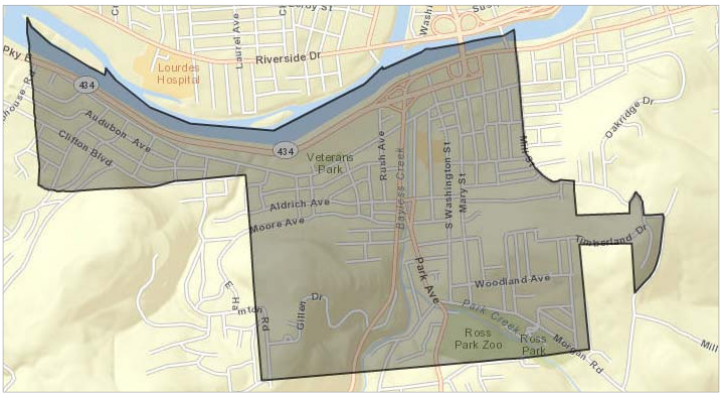
A resolution of the ongoing uncertainty and debates regarding the Functional Family issue will be very beneficial for the Far West Side neighborhood. Addressing this issue will establish clear rules limiting Far West Side neighborhood rentals to students and possibly activity by investors intending to rent houses to groups of students. Therefore, if a change in zoning to add an additional zoning district is the preferred approach, action should be taken as quickly as possible. Both property owners and students can then be advised that residential properties in a large portion of the Far West Side cannot be rented by groups of students. Enforcement of violations is essential; information on the Binghamton University Off-Campus College web site advising students about changes that are made is a critical component of notification and outreach, as is outreach to the Broome County Landlords Association and the Greater Binghamton Board of Realtors.

Most of the Far West Side neighborhood does not qualify for community development programs that might be used to encourage rehabilitation of homes that may have been used as

student rental properties. Therefore, local officials may want to explore the possibility of involving private lenders in financing housing rehabilitation in the neighborhood. While staff-intensive, the FHA 203(k) program provides mortgage insurance for the purchase and renovation of homes, including foreclosures and homes needing repairs. A single loan covers both the purchase price and renovation costs.

In most parts of the neighborhood, improvements to stabilize blocks by addressing issues with homes that have deteriorated should help to enhance home values. The presence of Lourdes Hospital in the neighborhood is a positive factor; advertising homes for-sale to prospective purchasers affiliated with the institution is recommended.

South Side West Neighborhood



The South Side West nieghborhood is on the south side of the Susquehanna River directly south of both Binghamton's Downtown and the Far West Side. The neighborhood encompasses two City of Binghamton census tracts and the boundaries are the same as for the tracts. The northern border of this neighborhood is the Susquehanna River and the western and southern borders are the boundaries of the City of Binghamton. The eastern border is along Mill Street, which is also the western border of the South Side East neighborhood. Together, these two neighborhoods comprise the southern portion of the City below the Susquehanna River.

Pennsylvania Avenue is the major north/south street through South Side West, connecting with Vestal Parkway and the bridge to downtown Binghamton to the north. There also is a connection to Conklin Street, which travels east into the South Side East neighborhood and to the City's eastern border. To the west, Vestal Parkway (Route 434) provides access to Vestal, the location of the main campus of Binghamton University. The University's main entrance is just over three miles from the intersection of Vestal Parkway and Conklin Street.

The major commercial area on Binghamton's South Side is along Pennsylvania Avenue from the Susquehanna River north to Aldrich Avenue. In addition to Weis Market, other retail stores and restaurants are located in this area. Areas near the river were flooded during Hurricane Irene, damaging some commercial buildings.

Also along this side of the river are parks and open spaces. MacArthur Park is located west of Pennsylvania Avenue between Vestal Parkway East and Vestal Avenue. Next to MacArthur Park is the former MacArthur Elementary School, has been closed since the 2011 hurricane, which flooded the school. A new school is scheduled to be completed for the 2015 school year. Another major South Side institution, UHS Binghamton General Hospital is located in the South Side West neighborhood. The main entrance is on Mitchell Avenue south of Vestal Avenue but the hospital's facilities are along Mitchell, Park, and Pennsylvania Avenues. The area near the hospital also has a concentration of small two-story multifamily rental units. Ross Park,

which is home to Binghamton's zoo and the Discovery Center of the Southern Teir, are located in the southeast corner of the neighborhood, accessed by Park Avenue (Route 121) and Morgan Road.

Other blocks in the South Side West neighborhood are predominantly single-family residential neighborhoods around the commercial core and extending west, south, and east. However, the topography in the southwestern portion of the nieghborhood and, to a lesser extent in the southeastern portion, have limited residential development.

The South Side West neighbood has the second largest population and number of households of the nine Binghamton nieghborhoods. Based on 2013 ESRI estimate, the neighborhood also has the highest median age of all neighborhoods, 42.4, and the highest percentage of population 55 years old and older (31.3 percent). The neighborhood has the highest estimated 2013 median household income, $43,373. The majority of households are in three ESRI Tapestry lifestyles. Almost 28 percent of households are in the *Simple Living* lifestyle, which has a median age of 41.3 and a low median income, $29,408. More than half of households in this lifestyle are renters. *Prosperous Empty Nesters*, a lifestyle also present in the Far West Side neighborhood, comprise 23.7 percent of South Side West households. These higher income households have a median age of 48.9. The third lifestyle, *Rustbelt Retirees,* includes 21.2 percent of households. These middle-income households have a median income of $52,216 and the median age is 45.6. Households in all three lifestyles largely are singles and married couples. Households with children are in the minority. Consistent with the lifestyle data, only an estimated 15.2 percent of the 2013 population in the South Side West neighborhood is younger than 15 years old.

Housing Market Conditions

The 2005-2009 ACS reported that almost 60 percent of all housing units in the South Side West neighborhood were in single-family detached structures, the highest concentration of single-family homes of the nine neighborhoods. During 2013 the neighborhood also has the highest percentage of owner-occupied units (1,864 or 56.8 percent of total housing units) and the lowest vacancy rate, 9.1 percent.

The ACS reported that nearly two percent of the neighborhood's housing structures were built in 2000 or later, a period when there was little to no new housing construction elsewhere in Binghamton. Nevertheless, 44.6 percent of all housing units were built prior to 1940, and the median year homes were built was 1945. Despite the age of most housing units, the block survey by Interface Studio rated the condition of residential blocks largely as Good and Average-Good with many blocks having ratings of Excellent. The exceptions are residential blocks in the center of the neighborhood rated Average-Poor and small area in the south central portion rated Poor.

<u>Rental Market</u>

The heaviest concentration of rental housing is located between Washington and Mill Streets, just south of Conklin Avenue. Other housing units occupied by renters are located primarily in the center of the neighborhood between Pennsylvania and Mary Street. According to Neighborhood Scout, the average rent is $536 in the area east of Pennsylvania Avenue and $559 in the area west of Pennsylvania Avenue. While there are smaller rental properties in the neighborhood, the only larger property is a 45-unit affordable senior property, Lincoln Court

Apartments on New Street. The property reported 98 percent occupancy and a waiting list during November 2013. Only a few students live in block groups in South Side West, based on the April 2013 survey by Binghamton University, and all block groups have fewer than 10 student households.

Sales Housing Market

The ESRI estimated 2013 median home value of owner-occupied units in the South Side West neighborhood was $123,842, which is the second highest median of the nine neighborhoods. The median sales price for a total of 144 homes sold during the time frame from January 2011 through October 2012 was $114,250. Sales in South Side West represented 24 percent of all City of Binghamton sales of one- to three-family homes during the time frame. Of the sales, 62 percent were to owner-occupants.

Issues and Concerns

Flooding by Hurricane Irene caused significant damage in areas near the intersection of Vestal Parkway and Conklin Avenue. Proposed FEMA floodplain revisions will place most of the area between Vestal Avenue and the river in the 100-year floodplain.

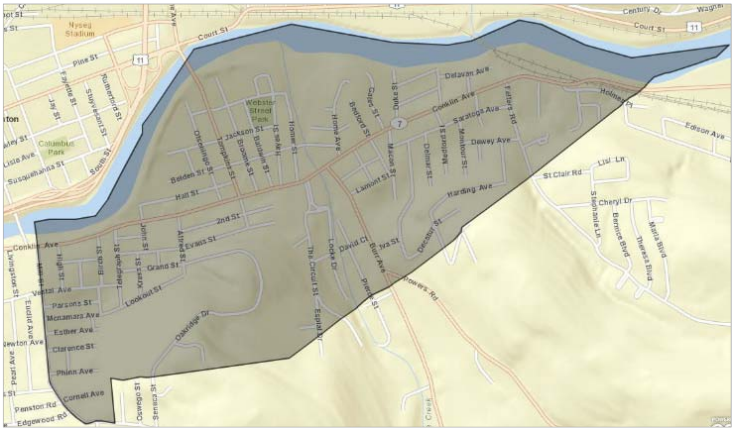
Another concern is the need to stabilize areas in the center of the neighborhood between Pennsylvania Avenue and South Washington Street to ensure the long-term stability of neighborhoods to the east and west. Also of concern is an area in the south central portion of the neighborhood east of Pennsylvania Avenue where the neighborhood perception is that renewal is needed.

Recommendations and Development Potential

Most areas of South Side West are single-family residential neighborhoods that are in good condition but can benefit from ongoing attention to maintain their attractiveness and enhance housing values. Improving the condition of areas near intersection of Vestal Parkway East and South Washington Street that were affected by Hurricane Irene would be useful in enhancing the appearance of one of the entrances to Binghamton's South Side. Improvements should be in compliance with new floodplain requirements that are expected to be effective in 2015.

South Side West is another neighborhood with demographics indicating likely market support for senior housing with a continuum of care such as a continuing care retirement community to provide an alternative for households to remain in the neighborhood as they age. This recommendation of housing for seniors that has enhanced services results from the higher percentage of homeownership in the neighborhood, the presence of households with higher incomes, and the likelihood that older homeowners will want to remain in their homes as long as possible. The presence of Greater Binghamton Hospital would be a positive feature for this type of development.

South Side East Neighborhood



Binghamton's South Side East neighborhood encompasses the eastern portion of the City's South Side. It is comprised of two census tracts; the boundaries are the same as the tracts -- Mill Street to the west, the Susquehanna River to the north, and the City's boundaries to the south and east. The neighborhood's topography is flat along Conklin Avenue and north to the river. To the south the terrain slopes upward quickly and is very steep in areas.

Conklin Avenue is the major roadway through the neighborhood, and it also is the primary commercial strip for South Side East residents. It is a two-lane road with a turning lane at some intersections. Portions along the northern side of the road are occupied by current and former industrial operations and vacant parcels. The Benjamin Franklin Elementary School is located just off of Conklin Avenue and is visible from the road. The neighborhood has several parks and playgrounds including the Webster Playground on Jackson Street that has a pool and the Sandy Beach Park on the Susquehanna River that has a boat ramp. There are some smaller multifamily structures in the neighborhood, including former single-family homes that have been converted to apartments. One large multifamily complex, Saratoga Apartments, is located near the eastern edge of the City.

Of the nine Binghamton neighborhoods, South Side East was fourth largest in population and number of households during 2013. The estimated 2013 population is 5,716 in 2,454 households, which is an average household size of 2.33 persons. The 2013 median household income is estimated to be $31,868; 23.0 percent of households are estimated to have 2013 incomes below $15,000. The neighborhood is racially and ethnically diverse. This neighborhood has a higher percentage of children under 15 and a lower percentage of seniors 55 and older than in the South Side West neighborhood. However, households are small. Over 66 percent of the neighborhood's households have one or two persons. Two ESRI Tapestry lifestyles account for more than 76 percent of households. The *Great Expectations* lifestyle includes 53.7 percent of households and consists of young singles who live alone and married-couple families with a median age of 33.7. An additional 22.4 percent of households are in the *Simple Living* lifestyle also found in South Side West. These households are largely renters with a median age of 41.3 and a low median income, $29,408.

Housing Market Conditions

The total number of housing units in the South Side East neighborhood has remained stable since 2000, about 2,700 units. ESRI estimates for 2013 indicate that 41.7 percent of units were owner-occupied and 48.4 percent were renter-occupied. At 9.9 percent, the vacancy rate in the neighborhood was among the lowest, second only to the South Side West neighborhood. Based on 2005-2009 ACS data, more than half of the neighborhood's housing units were in

single-family detached structures; only 23.2 percent of all housing units were in structures containing three or more units.

The neighborhood's housing stock is old. Almost 39 percent of housing units were built before 1940, and more than 70 percent of units were built before 1960. Based on the survey by Interface Studio, housing condition is mixed with blocks that are rated Poor and a few blocks that are rated Good. The majority blocks are in Average-Good and Average-Poor condition.

Rental Market

According to Neighborhood Scout, the average rent is $537 in areas south of Conklin Avenue and $491 in the area north of Conklin Avenue. Saratoga Apartments, a Binghamton Housing Authority property located on Saratoga Avenue and Felters Road, has a total 267 units, with 164 units for general occupancy and 73 units for the elderly or disabled households. In November 2013, the Housing Authority reported only one vacancy at this property.

Sales Housing Market

The ESRI estimated median value of owner-occupied units in 2013 in the South Side East neighborhood was $89,833. This value is among the lowest estimated by ESRI, and was lower than the median home value in the City as a whole. There were a total of 67 home sales in the neighborhood between 2011 and 2013 in the neighborhood at a median price of $78,750, the only neighborhood where actual sales exceeded the ESRI value estimate. Sales ranged from $5,000 to $345,000; 38 of the sales (57 percent) were to owner-occupants.

Issues and Concerns

Areas along Conklin Avenue, the neighborhood's main thoroughfare, present a very poor image of the neighborhood and make it appear that conditions are much worse than they are. There is a need for improvements or, at a minimum, attention to properties that are in substandard condition. Further, as in other Binghamton neighborhoods, changes in floodplain boundaries and classification will affect portions of the South Side East neighborhood.

Recommendations and Development Potential

Consistent with neighborhood perceptions, a strategy involving actions to stabilize the neighborhood are important, including improvements along Conklin Avenue and attention to deteriorated and blighting structures throughout the neighborhood. New development of a large site near the river has been discussed; rental or for-sale housing should have good market support, assuming funds can be identified so that a new development can be priced appropriately in the market and be financially feasible.

Based on the high poverty in census blocks near Saratoga Apartments, local officials may want to pursue funding under the HUD Choice program, which offers planning and implementation grants focused on a public housing or HUD subsidized housing project. The program intends to address struggling neighborhoods with public or subsidized housing through a comprehensive approach to neighborhood transformation. The focus is on housing, people, and neighborhoods and not just the reconstruction of a subsidized housing project. The program provides planning grants and implementation grants through separate Notifications of Fund Availability issued each year.

Ely Park Neighborhood

The Ely Park neighborhood encompasses the area west of the Chenango River and north of the Southern Tier Expressway (Highway 17) to the City's boundaries. Ely Park is the least populated neighborhood in Binghamton, primarily due to the presence of the park, which accounts for nearly half of the neighborhood's land area. The primary access route to portions of the neighborhood north of the park is via Glenwood Road (Route 113) to Ely Park Boulevard. The southern portion is accessed via Mygatt Street to LaGrange and Ridge Streets. Ely Park, which was donated to the City in 1907 for use as a park, is an active 18-hole golf course with a bar/restaurant. It has been privately managed since 2010. A large rental complex is located north of the park; south of the park above Route 17, single-family uses dominate.

The 2010 Census reported that Ely Park had 984 people in 422 households. By 2013, estimates by ESRI indicated a total population of 971 in 420 households. It should be noted, however, that the neighborhood's one large rental complex formerly was a subsidized housing project that was constructed during 1970. The complex, which now contains a total of 414 units, has been fully rehabilitated and is now a market-rate rental complex. The number of households in the neighborhood during 2010 and subsequent ESRI estimates for 2013 may understate the rental inventory because of the recent conversion. Similarly, the ESRI Tapestry lifestyle data lists the Ely Park lifestyle as *Inner City Tenants,* a reflection of the former characteristics of this large rental complex and not applicable today. Median income estimates also appear unreliable.

Housing Market Conditions

Ely Park has the second highest percentage of renter-occupied units in 2013 after the Downtown neighborhood, a fact probably not affected by the recent rehabilitation of the neighborhood's large rental property. Of the housing units in the neighborhood, only 72 (13.9 percent) were owner-occupied in 2010. According to the 2005-2009 ACS, only 12.4 percent of all housing units were in single-family detached structures and 42.4 percent were in structures containing more than five housing units. Unlike other Binghamton neighborhoods, the majority of Ely Park's housing units were constructed after 1960. The Interface Studio Residential Block Rating classified the rental stock located north of Ely Park as Average-Good; blocks south of the park were classified as Good.

<u>Rental Market</u>

The large rental rehabilitation converted a former subsidized housing property into Legacy Bay Townhouses, a very successful market-rate complex located above the golf course. This property is one of only two Class A apartment complexes located within the city limits of Binghamton. Legacy Bay has a total of 414 one- and two-bedroom townhouses with rents ranging from $750 to $925. During November 2013, occupancy was reported to be 99 percent.

Sales Housing Market

Owner-occupied residential units are located in the southern half of the neighborhood, above the Southern Tier Expressway. Housing in this area is primarily single-family detached structures along with a community of townhouses. In 2013, ESRI estimated the median home value of owner-occupied units to be $119,531, which was the third highest median value of the nine neighborhoods. Data on actual home sales from 2011 through October 2013 indicated that four homes had been sold at prices ranging from $60,000 to $192,500. Of the four sales, one was to an owner-occupant.

Issues and Concerns

No issues or concerns were brought to the attention of the market analysts.

Recommendations and Development Potential

Legacy Bay has stabilized and enhanced the area of Ely Park north of the golf course, and the property seems positioned well to continue the current pattern of high occupancy. While topography is an issue in this neighborhood, there may be some vacant land that is suitable for development as housing market conditions in Binghamton stabilize and improve. New homes on sites with views of the valley and golf course should compete well with suburban offerings at more distant locations.

9. Qualifications of Real Estate Strategies, Inc.

Real Estate Strategies, Inc. (RES) is a women-owned business that established offices during March 1995, to provide advisory services in real estate and economic development. Building on the expertise of its professionals and their significant experience in the real estate industry, the Firm specializes in engagements involving market and financial issues affecting proposed and existing real estate projects. Other specialties include engagements in economic development and reuse planning, fiscal impact analysis, and public/private deal structuring.

In our residential market analysis specialty, principals of RES have prepared housing market analyses for the following clients:

- Dranoff Properties - Market analysis for One Theater Square, a mixed-use development with luxury residential rental units, retail, and structured parking located across from the New Jersey Performing Arts Center in Newark, NJ; market analysis for a proposed transit-oriented rental development in Ardmore, PA.

- The DePaul Group – Market analyses for luxury, high-rise condominiums and townhouses in Philadelphia PA and for a high-rise residential development in Whitemarsh, Montgomery County, PA.

- Marriott International – Market analysis and market positioning for luxury and moderately priced condominiums in various markets in the United States and Canada.

- AIMCO – Market analyses in connection with the repositioning of three rental housing properties in Philadelphia; preparation of a quarterly performance analysis for four Philadelphia rental properties.

- Corcoran Jennison Companies – Analysis of the market for a mixed-use commercial and residential development with structured parking in downtown Stamford, CT; market analysis for an upscale waterfront residential development in New London, CT.

- The Community Builders, Inc. – Market analyses of mixed-income residential developments with Low-Income Housing Tax Credits in New Brunswick, NJ and Philadelphia, Pittsburgh, Coatesville, McKees Rocks, and Moon Township, PA.

- Katz Builders, Inc. – Market analysis for a proposed 300-unit active adult development on a site in East Coventry Township, Chester County, Pennsylvania; market analysis for the residential portion of a large-scale development project in Hatfield, Montgomery County, PA.

- Goldman Sachs & Co. – Market research and related due diligence in connection with financing for military housing privatization in Burlington County, NJ and eleven U.S. Navy installations in the Southeastern United States.

- East Baltimore Development, Inc. – Market and financial analysis for a large-scale redevelopment project adjacent to Johns Hopkins Medical Institutions, including market-rate, mixed-income, and affordable residential components offered for-rent and for-sale.

The following are brief resumes of principals of RES; additional information may be found on the Firm's web site, www.RESadvisors.com.

Margaret B. Sowell, CRE, President of RES has 26 years of direct experience in market research and financial analysis of residential, commercial, and industrial real estate. Ms. Sowell established the Firm after gaining more than 25 years of experience with real estate and economic development as a government official, private developer, and advisor to public agencies and private companies. She worked with the U.S. Department of Housing and Urban Development for fifteen years and was involved in the development and administration of numerous housing and community development programs. She was the National Director of HUD's Urban Development Action Grant (UDAG) program from 1981 to 1984. Ms. Sowell's experience as a private sector developer was as Vice President for Development with a Wilmington, Delaware full-service real estate company.

A real estate consultant since 1986, Ms. Sowell served as Director of Real Estate Advisory Services in Philadelphia office of Coopers & Lybrand (now PricewaterhouseCoopers L.L.P.) from 1991 through 1994. While at Coopers & Lybrand, Ms. Sowell worked on analyses of residential developments, including market-rate and affordable housing projects and mixed-use developments. Ms. Sowell is a member of The Urban Land Institute, and she served on the ULI Board of Trustees from 1995 to 1998. She has been a technical reviewer of three ULI publications, and she co-authored the 1997 ULI publication, *Developing Infill Housing in Inner City Neighborhoods*. She served as market analyst on three ULI Neighborhood Advisory Panels, and she has chaired two additional panels. She is a graduate of the University of Florida.

Elizabeth M. Beckett, CRE, Senior Vice President of RES has more than 23 years of real estate consulting experience, including five years of association with the real estate advisory services practices of major national accounting and consulting firms. Ms. Beckett's areas of expertise include: market feasibility studies and financial analyses of residential, commercial, and industrial real estate; market analysis for special uses: affordable and mixed-income housing; transit-oriented development; local and regional economic development strategies; and fiscal and economic impact analysis.

Ms. Beckett has prepared housing market analyses for residential developments in Philadelphia, Allegheny County, Chester County, and Montgomery County, PA; Wilmington, Delaware; and New Brunswick, South Amboy and Harrison New Jersey. She previously was a Senior Associate in the Coopers & Lybrand Real Estate Advisory Services practice, where her assignments included serving as an Asset Manager on a RTC portfolio with 204 properties in 22 states. Ms. Beckett holds an undergraduate degree from Haverford College and a Masters of Governmental Administration from the University of Pennsylvania. She is a member of the Philadelphia Chapter of Commercial Real Estate Women (CREW) and a founding member of the National Affordable Housing Market Analysts Council of the National Housing and Rehabilitation Association.

Attachment 1 – Binghamton Neighborhood Demographic and Housing Characteristics

How Binghamton Neighborhoods Compare - Selected Demographic Characteristics

	Downtown Binghamton	North Binghamton	East Side	First Ward	WSNP	Far West Side	South Side West	South Side East	Ely Park
2010 Population	3,221	4,394	5,911	5,185	4,847	10,516	6,470	5,848	984
Rank	8	7	3	5	6	1	2	4	9
2013 Estimated Population	3,161	4,307	5,721	5,040	4,743	10,176	6,336	5,716	971
Rank	8	7	3	5	6	1	2	4	9
2010 Households	1,936	1,860	2,451	2,279	1,972	4,710	3,022	2,498	422
Rank	7	8	4	5	6	1	2	3	9
2013 Estimated Households	1,895	1,826	2,389	2,215	1,923	4,573	2,982	2,454	420
Rank	7	8	4	5	6	1	2	3	9
2013 Average Household Size	1.62	2.34	2.21	2.26	2.23	2.18	2.12	2.33	2.31
Rank	9	1	6	4	5	7	8	2	3
2013 Median Household Income	$ 17,080	$ 27,863	$ 35,685	$ 31,085	$ 25,907	$ 36,922	$ 43,373	$ 31,868	$ 28,345
Rank	9	7	3	5	8	2	1	4	6
2013 Median Age	39.9	32.8	42.5	37.0	27.5	36.4	42.4	34.3	29.6
Rank	3	7	1	4	9	5	2	6	8
2013 Population under 24	33.7%	37.5%	28.7%	33.4%	44.5%	32.2%	27.2%	34.8%	40.6%
Rank	5	3	8	6	1	7	9	4	2
2013 Population over 55	33.5%	22.2%	33.3%	26.8%	20.6%	30.3%	33.8%	24.8%	22.6%
Rank	2	8	3	5	9	4	1	6	7
2013 African-American Population	15.1%	17.4%	10.7%	13.5%	15.0%	7.9%	6.9%	16.5%	14.2%
Rank	3	1	7	6	4	8	9	2	5
2013 Hispanic Population	10.1%	8.7%	6.1%	6.2%	9.6%	6.2%	4.7%	9.3%	3.6%
Rank	1	4	7	5	2	5	8	3	9
2013 High School Graduate	39.1%	37.7%	38.5%	44.2%	32.3%	19.3%	27.7%	35.6%	18.9%
Rank	2	4	3	1	6	8	7	5	9
2013 Bachelor's Degree or higher	7.5%	6.7%	6.6%	7.4%	13.0%	18.0%	16.7%	12.7%	8.7%
Rank	6	8	9	7	3	1	2	4	5

Source: US Census Bureau, ESRI, Real Estate Strategies, Inc.

How Binghamton Neighborhoods Compare - Selected Housing Characteristics

	Downtown Binghamton	North Binghamton	East Side	First Ward	WSNP	Far West Side	South Side West	South Side East	Ely Park
2010 Housing Units	2,365	2,116	2,694	2,695	2,348	5,111	3,275	2,720	518
Rank	6	8	5	4	7	1	2	3	9
2013 Estimated Housing Units	2,366	2,121	2,699	2,697	2,348	5,121	3,283	2,725	519
Rank	6	8	4	5	7	1	2	3	9
2013 Percent Owner-Occupied Units	4.8%	28.6%	46.6%	35.7%	11.0%	46.8%	56.8%	41.7%	13.3%
Rank	9	6	3	5	8	2	1	4	7
2013 Percent Renter-Occupied Units	75.3%	57.4%	41.9%	46.4%	70.9%	42.5%	34.1%	48.4%	67.6%
Rank	1	4	8	6	2	7	9	5	3
2013 Vacant Units	19.9%	13.9%	11.5%	17.9%	18.1%	10.7%	9.1%	9.9%	19.1%
Rank	1	5	6	4	3	7	9	8	2
2005-2009 ACS Median Year Structure Built	1949	1940	1940	1940	1940	1940	1945	1948	1974
Rank	2	5	5	5	5	5	4	3	1
2005-2009 ACS Single-family Attached/Detached	6.3%	33.4%	54.5%	47.1%	18.4%	48.7%	61.2%	55.8%	28.7%
Rank	9	6	3	5	8	4	1	2	7
2005-2009 ACS >5-Unit Structures	70.3%	18.4%	10.1%	8.0%	34.1%	17.4%	11.2%	14.9%	42.4%
Rank	1	4	8	9	3	5	7	6	2
2013 Median Value of Owner-Occupied Units	$115,348	$80,514	$92,761	$78,450	$112,189	$134,752	$123,842	$89,833	$119,531
Rank	4	8	6	9	5	1	2	7	3

* The average of $413 and $489 average rental prices found in the East Side.
Source: US Census Bureau, ESRI, Neighborhood Scout, Real Estate Strategies, Inc.

Attachment 2 – Addressing Issues with Student Housing – Approaches in Other Cities

Approach	Solution	Issues Addressed / Benefits	Location	Example
MITIGATE	Define "Student Tenants" or "Student Home"	Increase ability to regulate student housing	Greensburg, PA	Ordinance which requires that student home not be within 500 ft of another student home includes a definition of a 'student.' Also requires student home registration.
	Restrict the Definition of "Family"	Control number of non-related adults (students) in one unit	Binghamton, NY	City Zoning law requires that houses or duplexes in areas zoned single- or two-family residential have either a single family or the functional and factual equivalent of a family living in them. Limits the number of unrelated persons living in one unit in the zones.
	Rental Licensing Program or Landlord Registration Requirements	Absentee landlords, property accountability, establish public record, esnure safe rental housing	Gainesville, FL Boulder, CO	Yearly fee for rental properties. Website promotion of licensed properties. Landlord point system, in which revocation of license possible for noncompliance. Boulder program exempts properties where landlord live on site. Or in such instances when faculty members rent their home on sabbatical.
	Supplemental Agreements	Landlord and tenant accountability, property upkeep	Bethlehem, PA	Tenant & Landlord must sign supplementary agreement that stipulates conduct and upkeep.
	Public Posting of Legal # of Occupants	Public (neighborhood) awareness of illegal occupancy	Iowa City, IA	Post legal # occupants for every rental property on the Web.
	Nuisance Ordinance	Noise, adverse student behavior	Manhattan, KS	Disorderly House Nuisance Code allows the city to monitor violations of a broad range of ordinances by dwelling unit. Repeat violations
	Enforce Building Codes	Absentee landlords, maintenance, deteriorating conditions	East Lansing, MI	Requires annual inspections of rental properties.
	Inspection and Fees	Maintenance, deteriorating housing conditions, maintain property values	Columbia, MO	Requires certificate of compliance, HVAC inspection, and city inspection. Registration and inspection fees required.
	Off-Street and Rental Parking Permitting	Parking and street congestion	Manhattan, KS	Issues two permits per property at fee. Overnight parking near campus prohibited without a permit.
	Encourage Housing "Buyback" Programs	Restore houses lost to student rental conversions	Saint Paul, MN	As part of the 2004 conditional use permit which authorized the expansion of the University of St. Thomas (UST) campus, UST was required to buy, rehab, and sell with deed restrictions requiring owner-occupancy 30 student rental houses.
	Owner-Occupied Deed Restrictions	Balance concentration of student rentals, impact on property values	Morgantown, WV	Morgantown Homeownership Preservation Initiative (2005) facilitates the purchase, rehabilitation and resale of dwellings in targeted areas, in an effort to increase the mix of owner-occupied housing and to improve housing quality.
RESTRICT	Occupancy Limits	Controls number of students living in one unit	Fort Collins, CO	Limits 3 unrelated persons per student household.
	Moratorium	Uncontrolled proliferation of converted student housing	Saint Paul, MN	Not a long-term solution, one-year on the conversion of owner-occupied homes to rental in specific residential zone.
	Distance Separation Requirement	High densities, concentrations of student housing	West Chester, PA	"Rooming Houses" must be 400 feet apart and are a special exception.
	Conditional Reviews	Track student housing developments	Duluth, MN	Reviews all new rental housing within 1.5 miles of the University.
	Zoning District Restrictions	Preserve existing conditions or limit the extent of student housing development, increase ability to regulate student housing, encourage other uses related to student life in one area	Allentown, PA Manhattan, KS	Student Residences Overlay District (PA) limits number of unrelated students permitted to live in one dwelling. University Overlay District (KS) allows for uses that might naturally occur near a university, i.e. tutoring offices, housing for visiting faculty, research facilities, etc.
	City-Imposed Campus Housing Requirements	Alleviates increasing housing demand, school becomes accountable for housing larger portion of younger student body	N/A	N/A

Notes

Some text in example column directly quotes findings presented in Saint Paul Planning Commission report (May 2012) and APA Zoning News article "Coping with Colleges" (May 2002).

"Rooming Homes" refer to residential units that are occupied by more unrelated persons than permitted in a single-family dwelling. They are typically allowws in downtown districts, overlay districts, or multi-family zones.

Restricting the definition of family is typically the first step cities take to reduce over-population, but it may not address other adverese effects of a concentrated student population.