



GENESEE COUNTY HOUSING NEEDS & MARKET ASSESSMENT

**Genesee County Legislature Presentation
02/07/18**

AGENDA

1 Key Findings

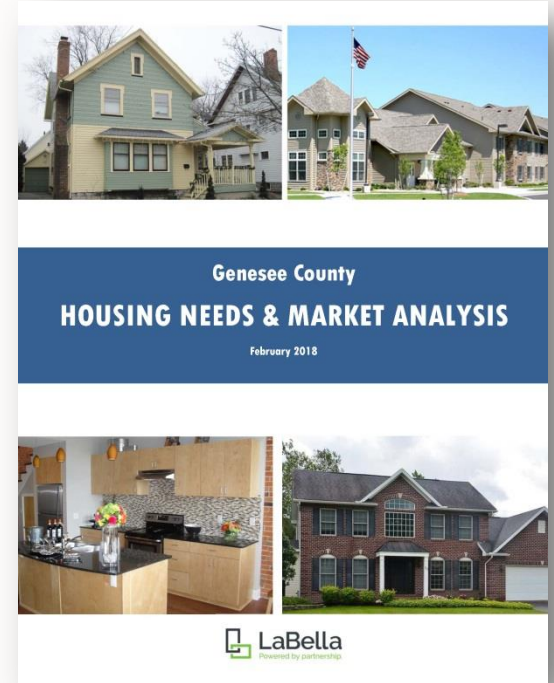
4 Final Thoughts

2 Market Potential

3 Recommendations

WHY ARE WE DOING THIS?

- 2005 Last Update
- CDBG Planning Grant
- Demographics Changed
- Market Changing
- Economy Changing
- Needs & Market

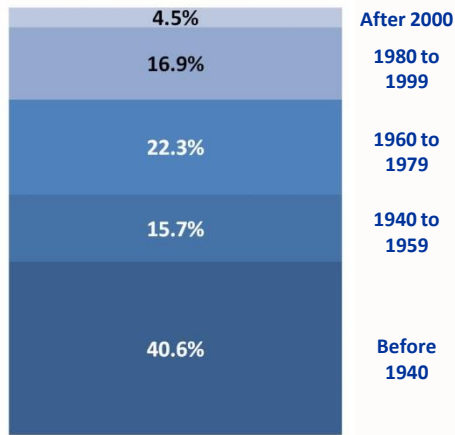


KEY FINDINGS

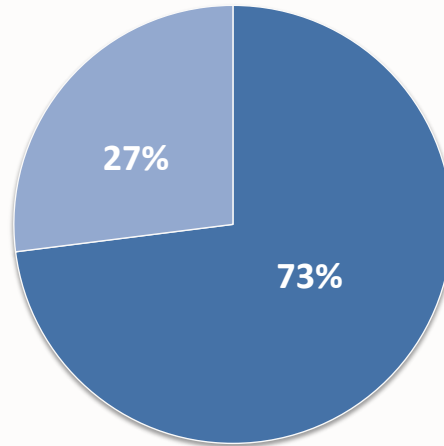
DEMOGRAPHIC, ECONOMIC & COMMUNITY ENGAGEMENT

SINGLE FAMILY, OLDER, OWNER OCCUPIED UNITS DOMINATE THE MARKET

Age of Housing

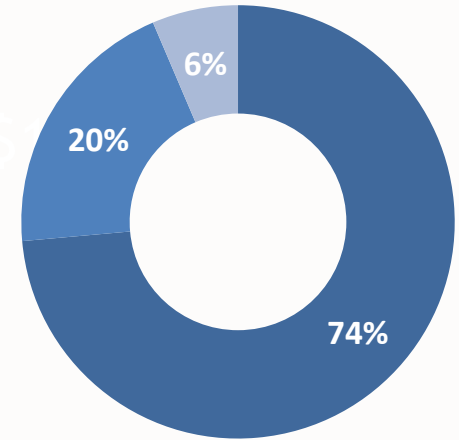


Tenure



■ Owner Occupied ■ Renter Occupied

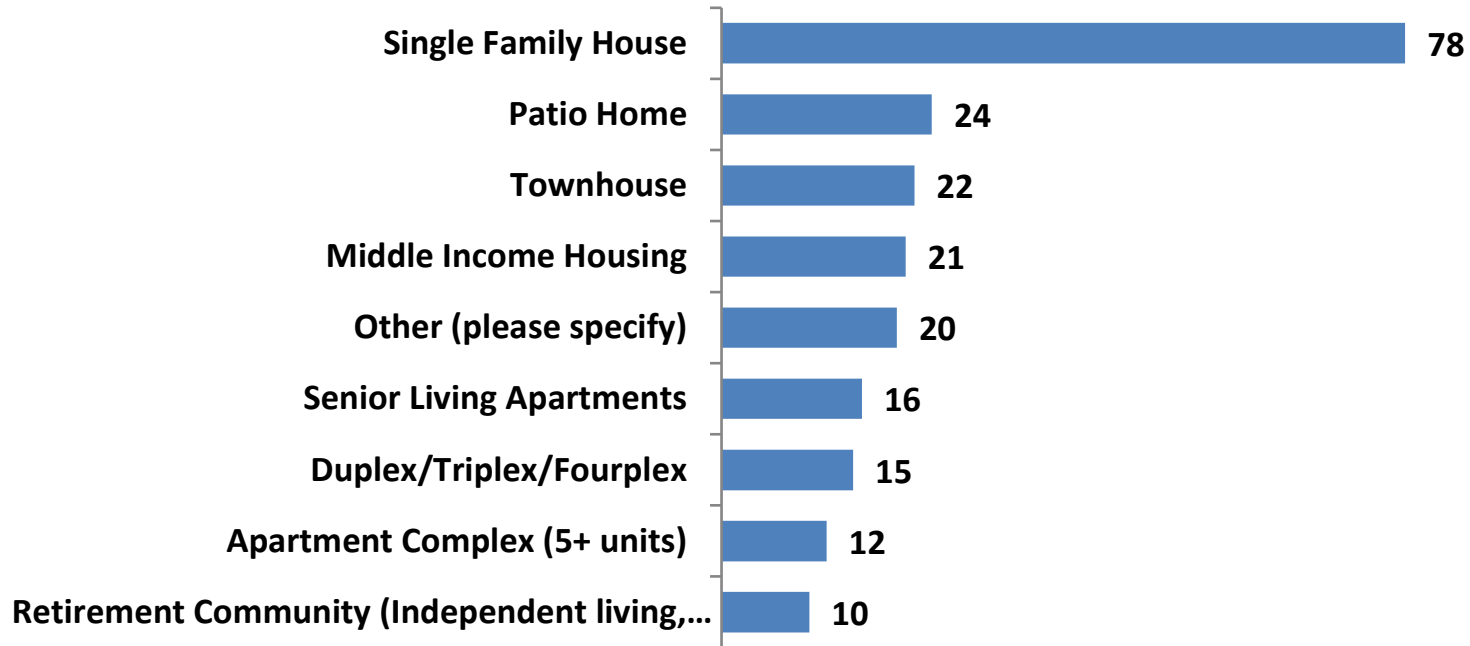
Type



■ Single Family ■ Multi-Family ■ Mobile Home

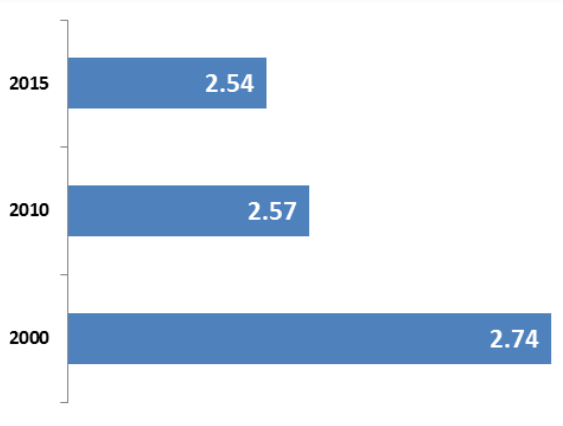
MOST PEOPLE WANT TO LIVE IN SINGLE FAMILY HOMES BUT THERE IS DEMAND FOR MULTI-FAMILY LIVING

Where do you want to live in the next 5 years?

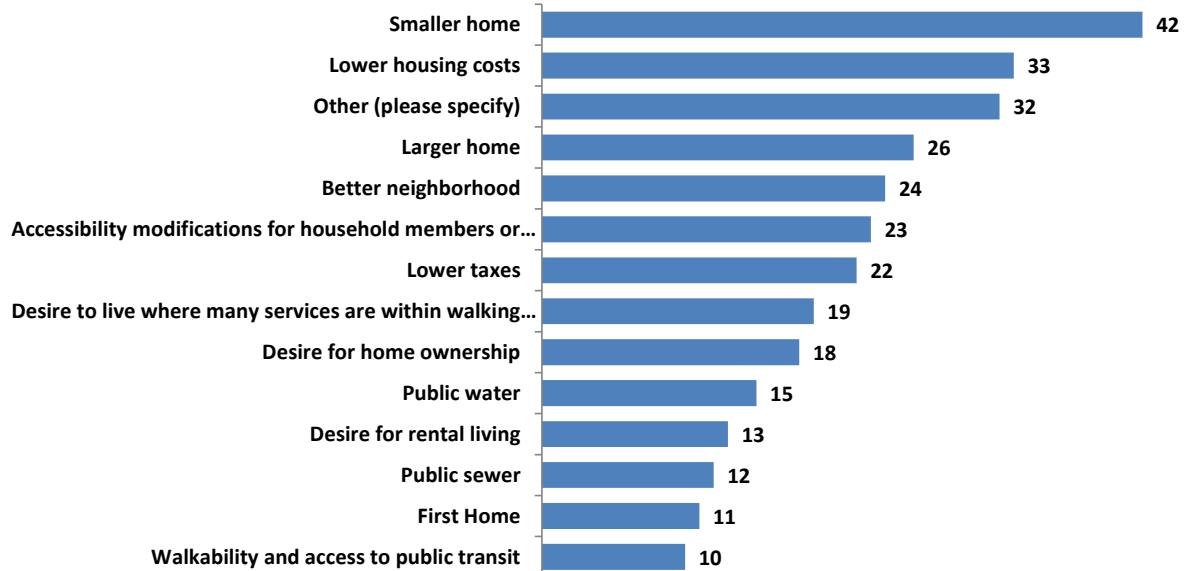


MOST PEOPLE ALSO WANT/NEED SMALLER HOMES AND LOWER HOUSING COSTS . . .

Average Household Size Owner Occupied

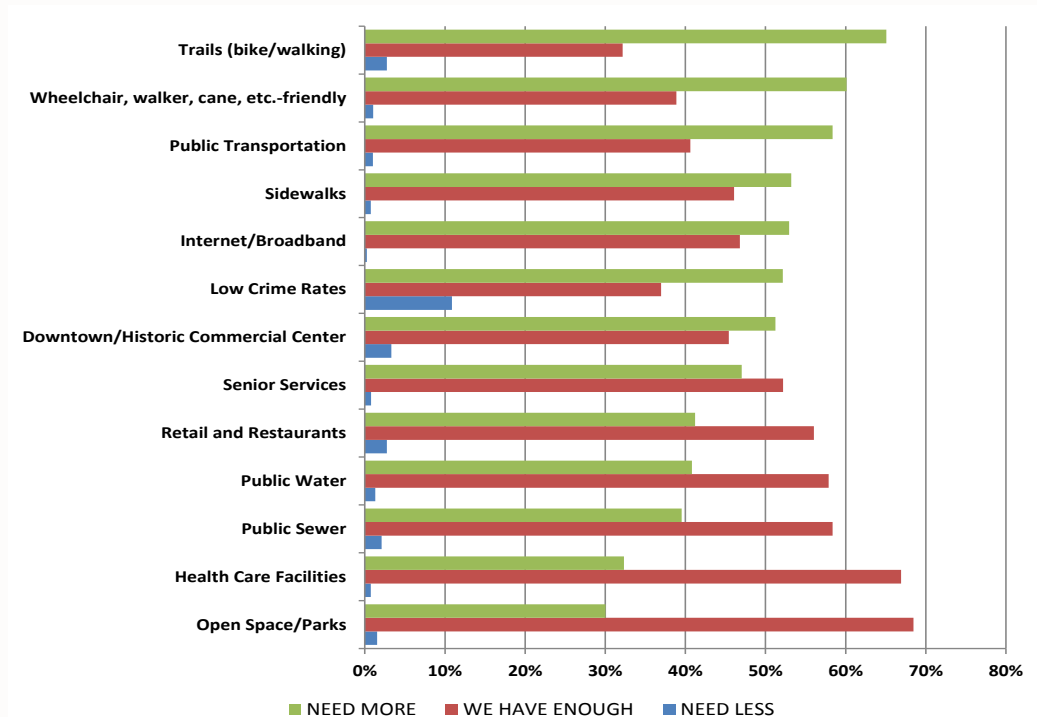


Why do you want to move?



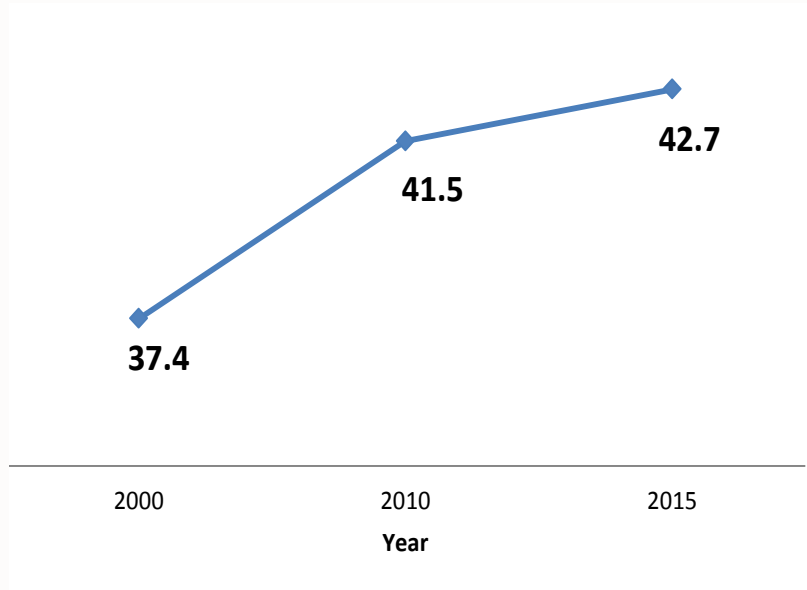
. . . BUT WITH AMENITIES INCLUDING ALTERNATIVE TRANSPORTATION, ACCESSIBILITY, AND CHARACTER

What features are important for housing in Genesee County?



RECOGNITION OF SPECIAL NEEDS IN POPULATION

Median Age



Disabled & Veteran Population

Disabled

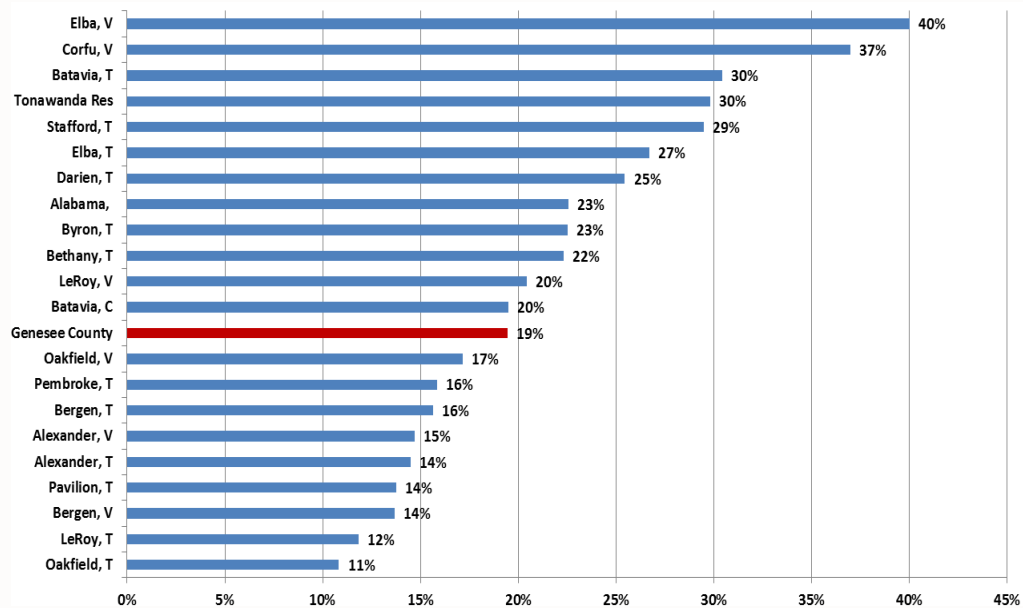
13.4%

Veterans

4.8%

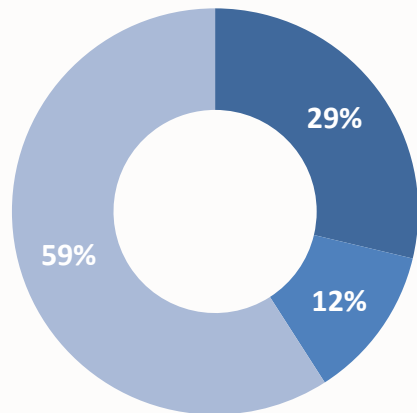
RECOGNITION OF SPECIAL NEEDS IN POPULATION

20% of Those Below Poverty Line are Disabled



6,860 HOUSEHOLDS HAVE HOUSING PROBLEMS, 80% ARE LOW/MOD INCOME, & MANY RENTERS CAN'T AFFORD RENT

Housing Problems



Housing Problems: Incomplete kitchen & plumbing facilities, more than 1 person/room, cost burden greater than 30%

Severe Housing Problems: Incomplete kitchen & plumbing facilities, more than 1.5 person/room, cost burden greater than 50%

Plumbing

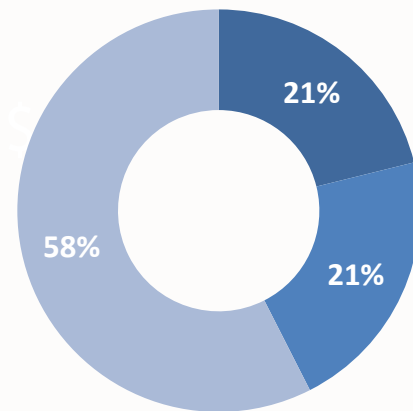
- Hot and cold running water
- A flush toilet
- A bathtub or shower

Kitchen Facilities

- A sink with a faucet
- A stove or range
- A refrigerator

■ Housing Problems ■ Severe Housing Problems ■ No Housing Problems

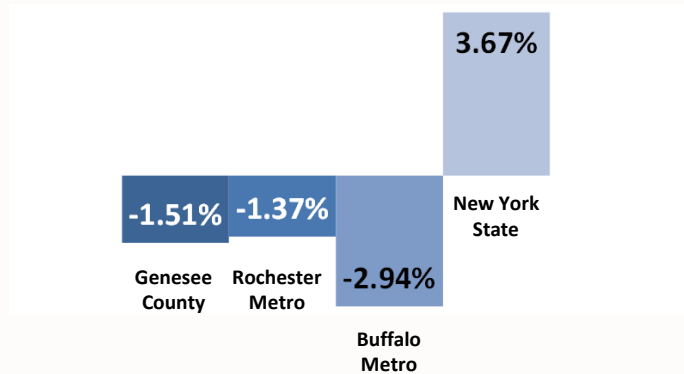
Renter Cost Burden (Rent/Income)



■ 30-50% ■ Greater Than 50% ■ No Cost Burden

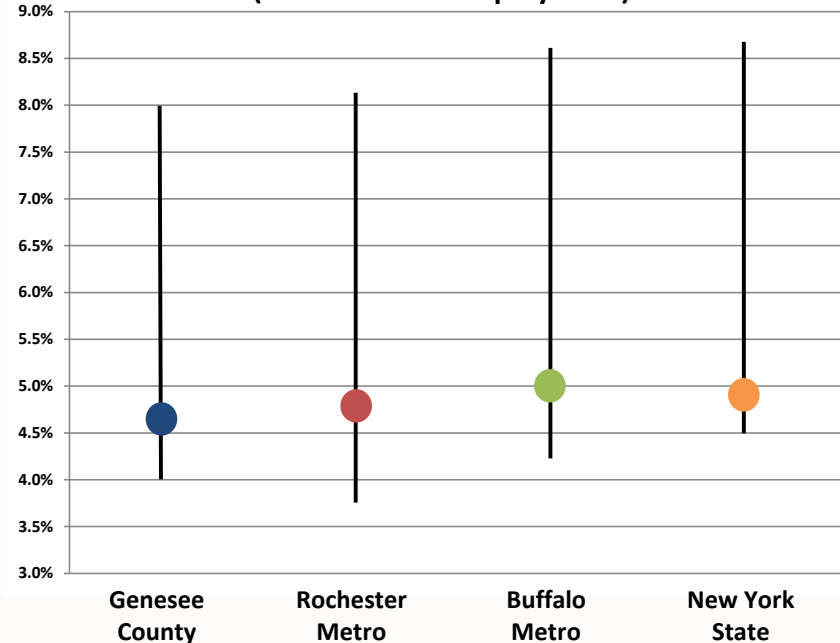
POPULATION AND EMPLOYMENT ARE STABLE

Population Change 2000-2015



2000-2015 Unemployment Levels

(Dot = 2015 Unemployment)

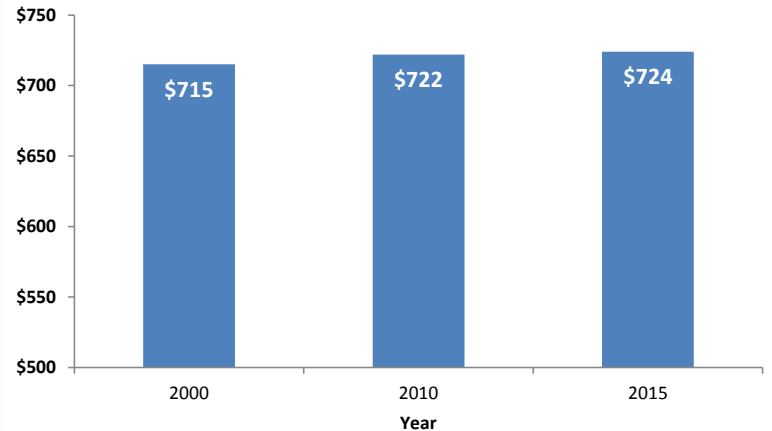


RETURN ON HOUSING INVESTMENT IS LOW

Housing Values



Rents Asked



KEY FINDINGS

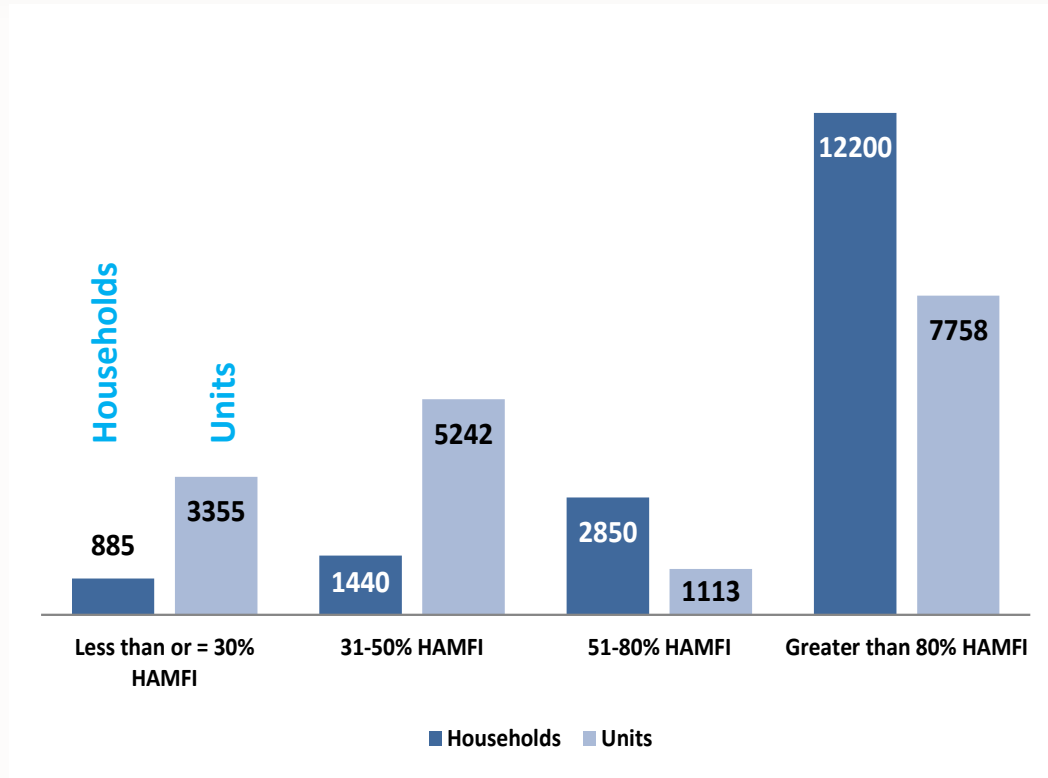
MARKET ANALYSIS

WHAT IS HAMFI!

INCOME RANGES HAMFI = \$67,700 (HUD AREA MEDIAN FAMILY INCOME)		INCOME LIMITS BY HOUSEHOLD SIZE							
		1 PERSON	2 PERSON	3 PERSON	4 PERSON	5 PERSON	6 PERSON	7 PERSON	8 PERSON
EXTREMELY LOW INCOME	0-30% HAMFI	\$14,250	\$16,250	20,090	\$24,250	\$28,410	\$32,570	\$36,730	\$40,890
VERY LOW INCOME	31-50% HAMFI	23,700	27,100	30,500	33,850	36,600	39,300	42,000	44,700
LOW-INCOME	51-80% HAMFI	37,950	43,350	48,750	54,150	58,500	62,850	67,150	71,500

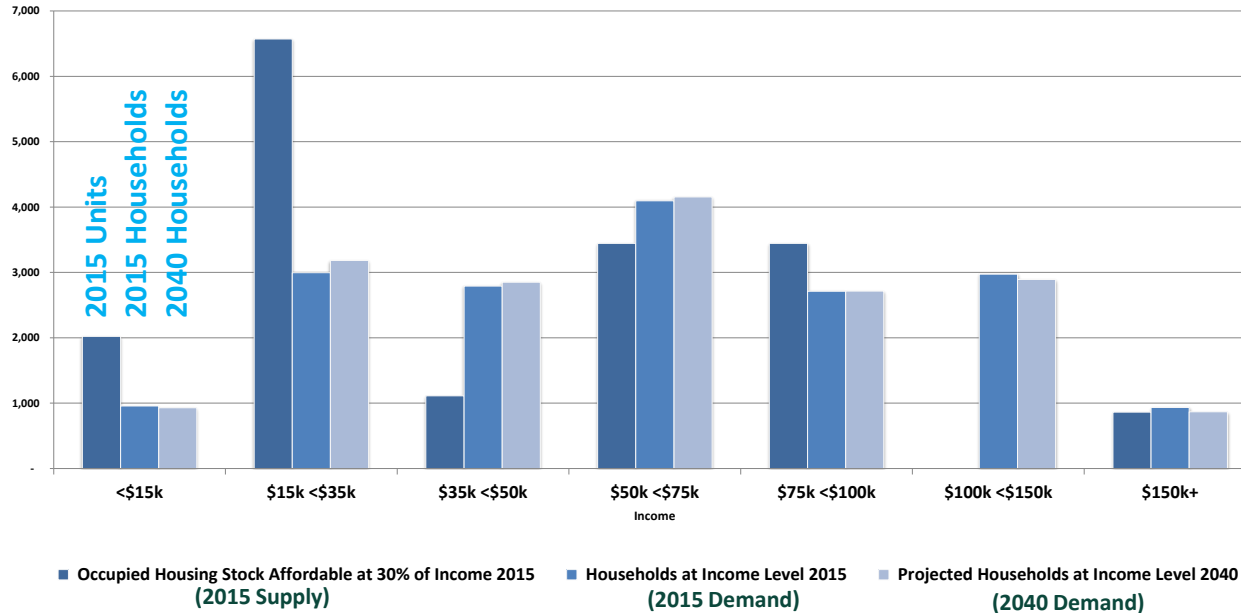
HUD Area Median Family Income. This is the median family income calculated by the U.S. Department of Housing and Urban Development (HUD) for each jurisdiction, in order to determine Fair Market Rents (FMRs) and income limits for HUD programs including the Housing Choice (formerly Section 8) program.

CURRENT OWNER OCCUPIED: OVERSUPPLY OF EXTREME/ VERY LOW UNITS; DEMAND FOR LOW/MARKET RATE UNITS

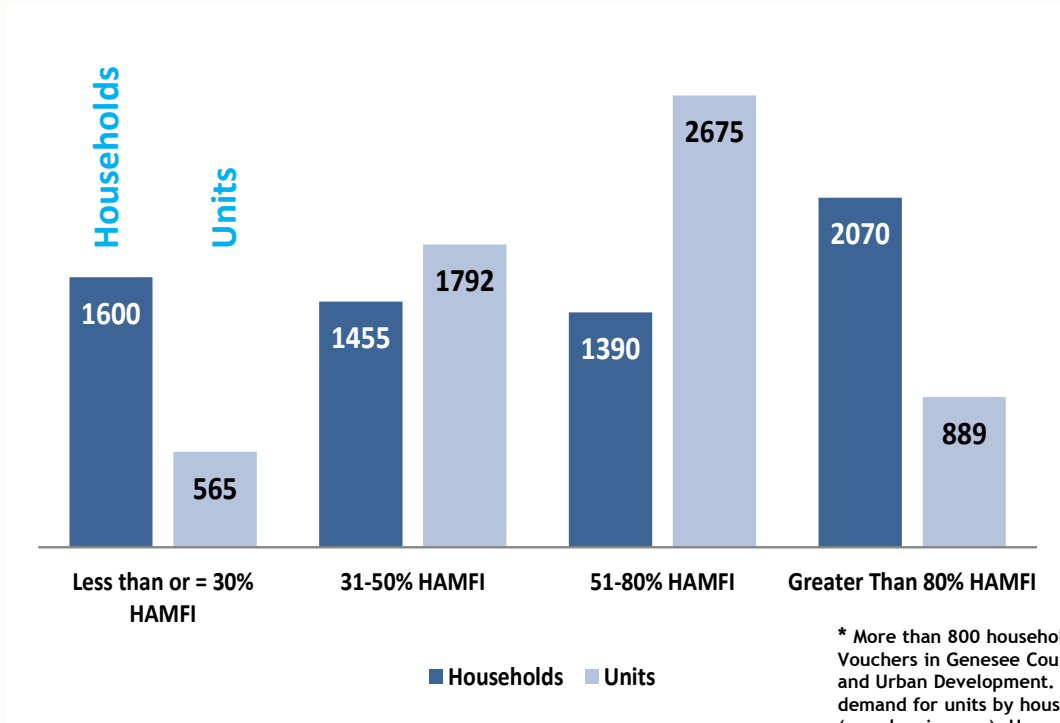


PROJECTED OWNER UNITS OVERSUPPLY OF EXTREME / VERY LOW INCOME; DEMAND FOR LOW/MARKET RATE UNITS

Mid Range Projections



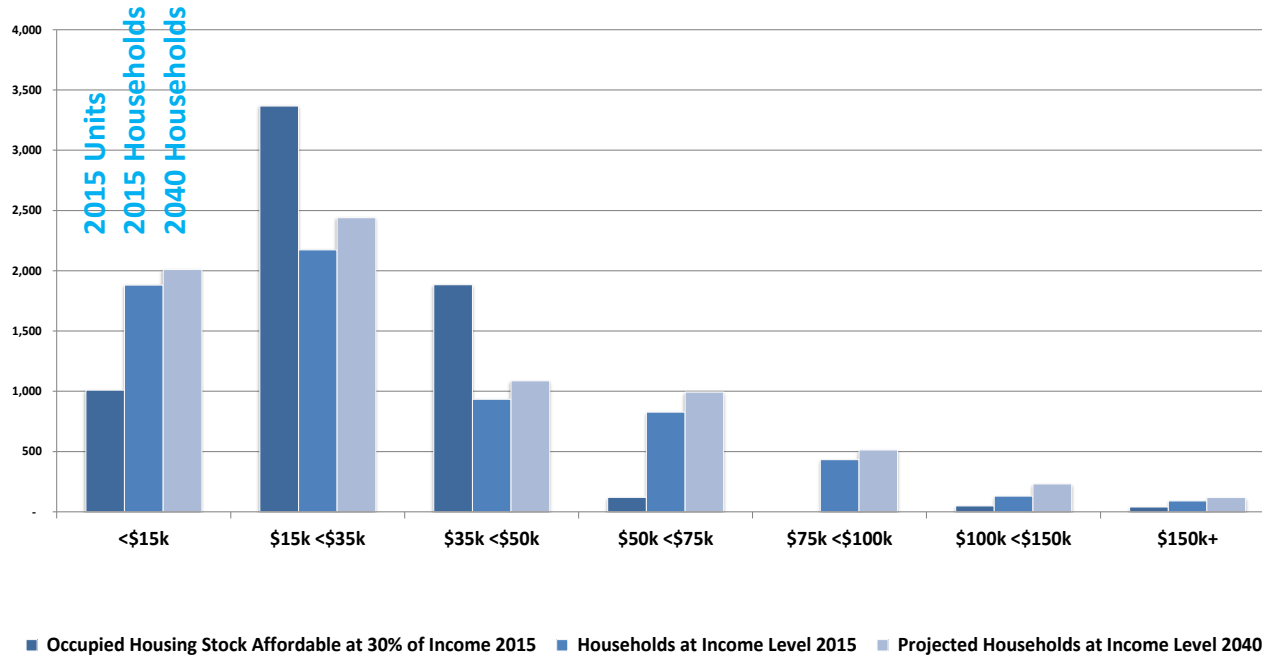
CURRENT RENTAL: DEMAND* FOR EXTREMELY LOW INCOME & MARKET RATE UNITS; OVERSUPPLY OF VERY LOW/LOW INCOME UNITS



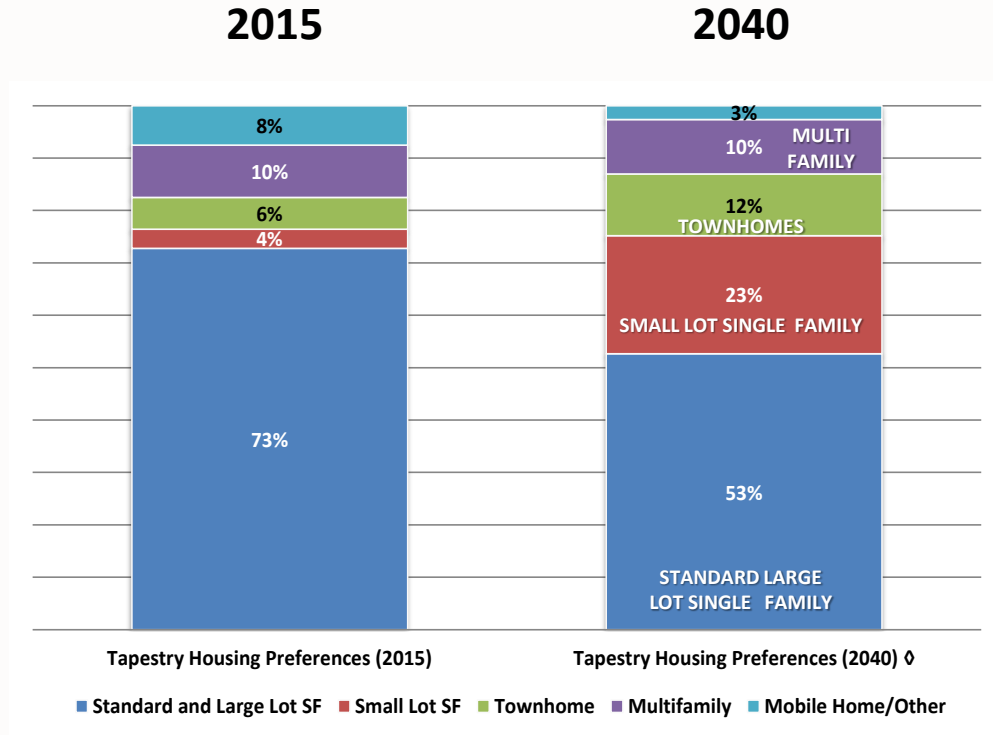
* More than 800 households receive Housing Choice (Section 8) Vouchers in Genesee County from the U.S. Department of Housing and Urban Development. The model exhibits a significant excess demand for units by households earning 30% or less of the HAMFI (very low income). However, vouchers allow for those very low income renters to afford units in excess of what they could afford.

PROJECTED RENTAL: DEMAND FOR EXTREMELY LOW INCOME & MARKET RATE UNITS; OVERSUPPLY OF VERY LOW/LOW INCOME UNITS

Mid Range Projections



BUT HOUSING PREFERENCES AND NEEDS WILL SHIFT



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LifeMode Group: Cozy Country Living
Salt of the Earth

6B

Households: 3,517,000

Average Household Size: 2.58

Median Age: 43.1

Median Household Income: \$53,000

WHO ARE WE?

Salt of the Earth residents are entrenched in their traditional, rural lifestyles. Citizens here are older, and many have grown children that have moved away. They still cherish family time and also tending to their vegetable gardens, and preparing homemade meals. Residents embrace the outdoors; they spend most of their free time preparing for their next fishing, boating, or camping trip. The majority has at least a high school diploma or some college education; many have expanded their skill set during their years of employment in the manufacturing and related industries. They may be experts with DIY projects, but the latest technology is not their forte. They use it when absolutely necessary, but seek face-to-face contact in their routine activities.

OUR NEIGHBORHOOD

- This large segment is concentrated in the Midwest, particularly in Ohio, Pennsylvania, and Indiana.
- Due to their rural setting, households own two vehicles to cover their long commutes, often across county boundaries.
- Home ownership rates are very high (Index 132). Single-family homes are affordable, valued at 25 percent less than the national market.
- Two in three households are composed of married couples; less than half have children at home.

SOCIOECONOMIC TRAITS

- Steady employment in construction, manufacturing, and related service industries.
- Completed education: 42% with a high school diploma only.
- Household income just over the national median, while net worth is double the national median.
- Spending time with family their top priority
- Cost-conscious consumers, loyal to brands they like, with a focus on buying American.
- Last to buy the latest and greatest products.
- Try to eat healthy, tracking the nutrition and ingredients in the food they purchase.



Note: The data reported on the site of the segment (6B) is for the individual ZIP. Consumer preferences are estimated from data by ZIP (6B).



LifeMode Group: Hometown
Traditional Living

12B

Households: 2,369,000

Average Household Size: 2.50

Median Age: 34.8

Median Household Income: \$37,000

WHO ARE WE?

Residents in this segment live primarily in low-density, settled neighborhoods in the Midwest. The households are a mix of married-couple families and singles. Many families encompass two generations who have lived and worked in the community; their children are likely to follow suit. The manufacturing, retail trade, and health care sectors are the primary sources of employment for these residents. This is a younger market—beginning householders who are juggling the responsibilities of living on their own or a new marriage, while retaining their youthful interests in style and fun.

OUR NEIGHBORHOOD

- Married couples are the dominant household type, but fewer than expected from the younger age profile and fewer with children (Index 79); however, there are higher proportions of single-parent (Index 144) and single-person households (Index 112).
- Average household size is slightly lower at 2.50.
- Homes are primarily single family or duplexes in older neighborhoods, built before 1940 (Index 183).
- Most neighborhoods are located in lower-density urban clusters of metro areas throughout the Midwest and South.
- Average commuting time to work is slightly shorter (Index 88).
- Households have one or two vehicles.

SOCIOECONOMIC TRAITS

- Over 70% have completed high school or some college.
- Unemployment is higher at 10.9% (Index 127); labor force participation is also a bit higher at 64.6%.
- Over three quarters of households derive income from wages and salaries, augmented by Supplemental Security Income (Index 122) and public assistance (Index 149).
- Cost-conscious consumers that are comfortable with brand loyalty, unless the price is too high.
- Connected and comfortable with the Internet, they are more likely to participate in online gaming or to access dating websites.
- TV is seen as the most trusted media.



Note: The data reported on the site of the segment (12B) is for the individual ZIP. Consumer preferences are estimated from data by ZIP (12B).

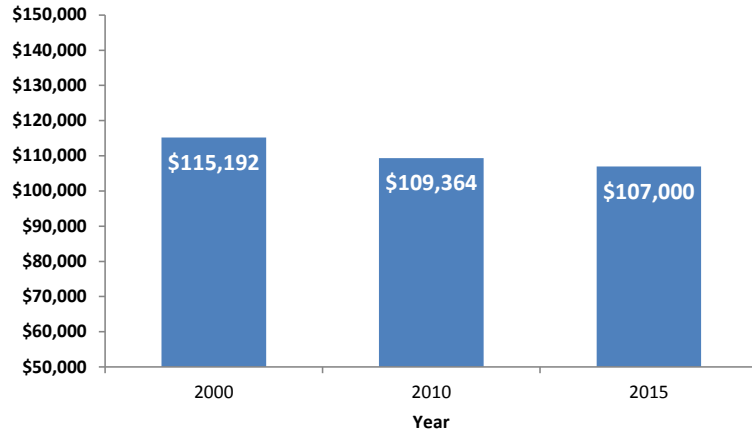
RESULTING IN DEMAND FOR NEW UNITS OVER 20 YEARS, MOSTLY RENTAL UNITS

Mid Range Projections

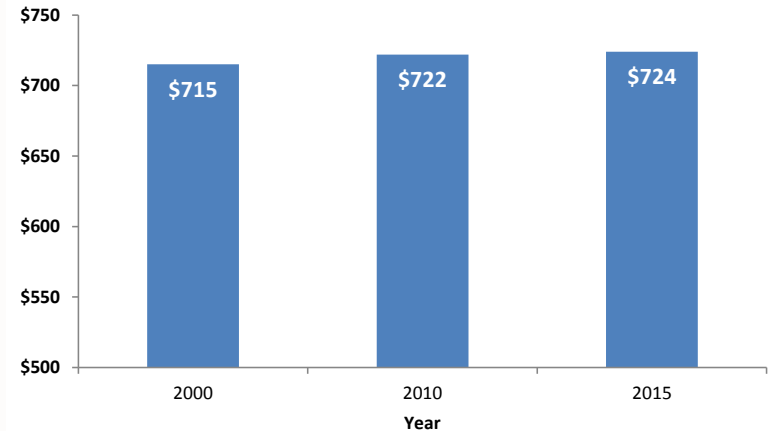
Type	All Units	Owner Units			Renter Units		
		Total	New	Rehab Vacant	Total	New	Rehab Vacant
Single Family	2,858	1,277	1,188	89	1,581	1,470	111
Standard Large Lot SF	1,699	909	845	64	791	735	55
Small Lot SF	1,159	368	343	26	791	735	55
Townhome	502	186	173	13	316	294	22
Multifamily	1,269	130	121	9	1,138	1,059	80
Mobile Home/Other	176	49	46	3	126	118	9
TOTAL - NEXT 20 YEARS	4,804	1,642	1,527	115	3,162	2,941	221
5 year	1,201	411	382	29	791	735	55
10 Year	2,402	821	764	57	1,581	1,470	111

BUT TO SUPPORT PRODUCTION TO MEET DEMAND, ECONOMIC DEVELOPMENT AND/OR INCENTIVES ARE NEEDED

Housing Values



Rents Asked



BUT TO SUPPORT PRODUCTION TO MEET DEMAND, ECONOMIC DEVELOPMENT AND/OR INCENTIVES ARE NEEDED

Average Cost/Sq. ft to Build

\$175

1650 sq. ft. = \$288,750

Average Cost/Sq. ft For Sale

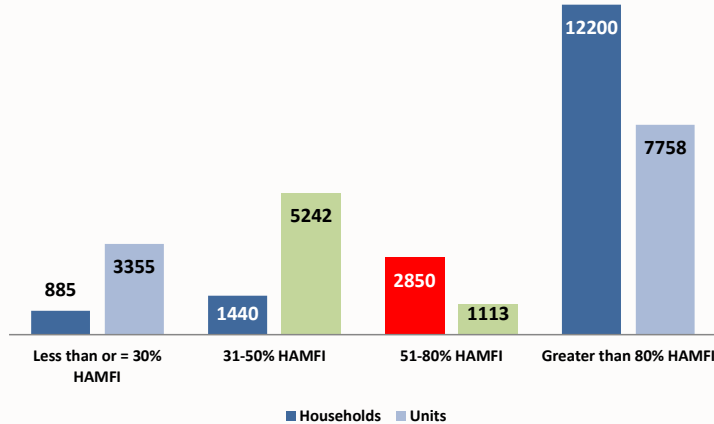
\$83

1650 sq. ft. = \$136,950

RECOMMENDATIONS

IMPLEMENT COUNTY-WIDE REHABILITATION PROGRAMS & REQUIRE AGING IN PLACE / ACCESSIBILITY UPGRADES

Owner Occupied

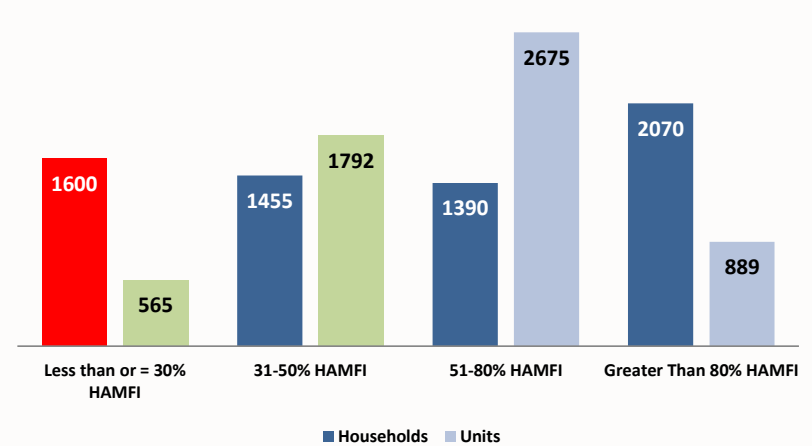


Income (2 people): \$27,101– \$43,350
Home Value: \$55,000 - \$95,000

Income (4 people): \$33,850 – \$54,150
Home Value: \$70,000 - \$110,000

FOCUS Young families, Elderly, Single Family homes

Renter Occupied



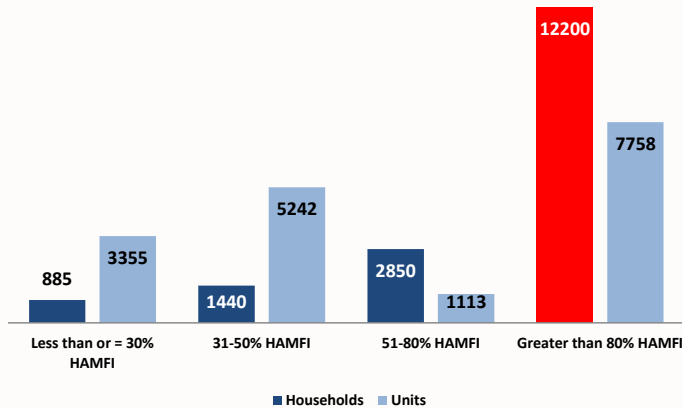
Income (2 people): Up to \$14,250
Rent: Less than \$500/mo.

Income (4 people): Up to \$24,250
Rent: Less than \$600/mo.

FOCUS: Elderly, Disabled, Veterans, Young families

CONSTRUCT UNITS AT BOTH ENDS OF THE MARKET, PROVIDE INCENTIVES, & ENCOURAGE ACCESSIBILITY IN SOME

Owner Occupied



Income (2 people): Greater than \$43,350

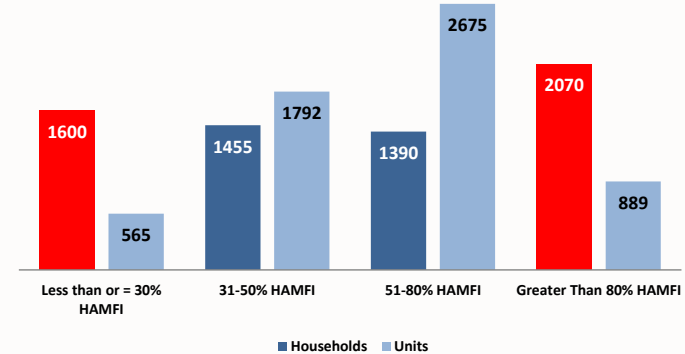
Home Value: Greater Than \$95,000

Income (4 people): Greater than \$54,150

Home Value: Greater than \$110,000

(\$125,000 - \$175,000 Greatest Need)

Renter Occupied



Affordable

Income (2 people): Up to \$14,250

Rent: Less than \$500/mo.

Income (4 people): Up to \$24,250

Rent: Less than \$600/mo.

Market

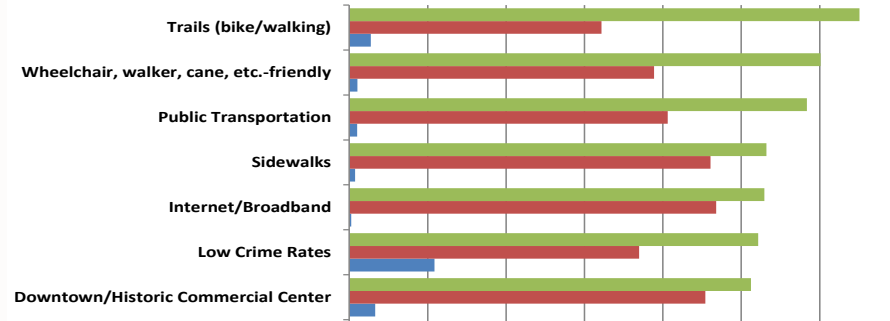
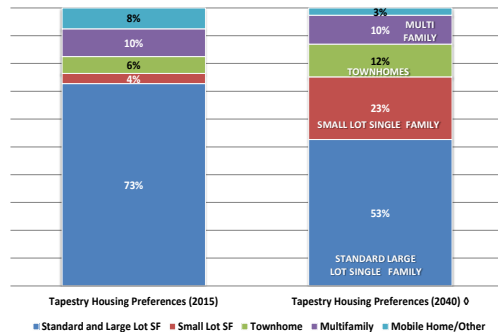
Income (2 people): Greater than \$43,350

Rent: Greater \$1,000

Income (4 people): Greater than \$54,150

Home Value: Greater than \$1,350

PROVIDE NEW TYPES OF DEVELOPMENT OPPORTUNITIES: SMALLER LOTS, DOWNTOWN/NEIGHBORHOOD, W/ AMENITIES



PREPARE: ZONING REVIEW PROCEDURES, INCENTIVES



**Average Cost/Sq.
ft to Build**

\$175

E. Mixed-Use Street



**Average Cost/Sq.
ft For Sale**

\$83

TAKEAWAYS / FINAL THOUGHTS

- Demographics/Economics Changing
- Economic Development Matters
- Place Matters
- There is a Market!
- Special Needs
- Be Prepared
- Use Document

