ONONDAGA COUNTY
HOUSING NEEDS ASSESSMENT

PLAN ONONDAGA

Planning Consultants czb

JUNE 2024

Acknowledgements

We would like to take this opportunity to acknowledge our project contributors for their support and assistance in the development of the ***Housing Onondaga*** needs assessment.

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Special Thanks

The Onondaga County Department of Planning would like to thank the over 100 municipal, planning and zoning board members throughout Onondaga County for your participation in the Housing Onondaga Listening Sessions during the preparation of this study. Your local knowledge, experience and input provided the project team with invaluable context and perspective on local conditions and challenges.

And a special thank you to the Greater Syracuse Association of Realtors for sharing of GSAR data with the project team.

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Learn more at
housingonondaga.org
plan.ongov.net

Message from the County Executive

For the first time in decades, Onondaga County is once again a growing community. People are moving here seeking economic opportunity and a high quality of life. From our robust higher education and medical industries to our thriving aerospace and defense manufacturers, Onondaga County is where the next generation of engineers, doctors and teachers want to call home. We also have a rich and storied agricultural economy, while also serving as an incubator for numerous startups that went on to become amazing success stories. There are a myriad of reasons to call Onondaga County home, but no matter the reason, everyone needs a place to live and roof over their head.

Prior to my administration, county government largely avoided making investments in housing, but those days are over. I believe that we must take an "all of the above" approach when it comes to solving our current and future housing issues. Our community will soon see even greater growth with Micron choosing Onondaga County to be the hub for memory technology chip manufacturing, bringing thousands of jobs to our community. To seize this moment, we must have a comprehensive strategy that offers a blueprint for what our community should look like and for the first time in over two decades, we updated our County Comprehensive Plan – ***Plan Onondaga***.

Two core tenets of ***Plan Onondaga*** are strong centers and investing in housing and neighborhoods. To effectively work towards these objectives, we must know where we are starting from as a community. The housing study within lays our strengths and weaknesses, our challenges and opportunities and allows us to make the smart, strategic, and comprehensive investments into housing to ensure our community fulfills the needs of today and tomorrow.

This is an exciting time for our community. The opportunities before us are like nothing we have ever seen. This is our comeback story and together, we will ensure that every person in every corner of our community can take part.

J. Ryan McMahon, II
Onondaga County Executive

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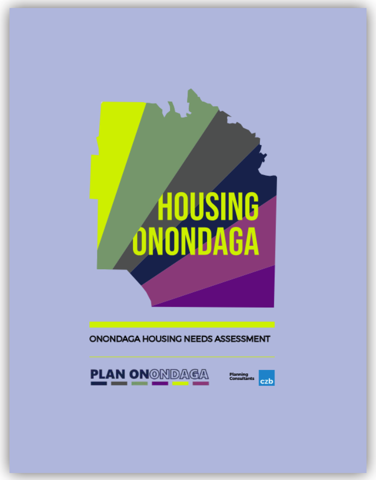
Purpose of *Housing Onondaga*



During the summer of 2023, Onondaga County adopted its new comprehensive plan, *Plan Onondaga*. The plan, which provides a framework for understanding how and where the county can focus its resources in order to support and foster global economic competitiveness, is organized around five themes: Strong Centers, Greenways and Blueways, Mobility, Agriculture, and Housing and Neighborhoods.

The analysis, discussion, and recommended goals and strategies within the Housing and Neighborhoods theme pointed the way toward more diverse housing options, stronger neighborhoods, and a better functioning housing market. One of the recommendations in the Housing and Neighborhoods theme was to undertake a more detailed housing needs assessment.

This assessment, titled ***Housing Onondaga***, does explore the county's housing market and its challenges in greater depth than the comprehensive plan, but it also argues that one of the county's greatest housing needs is an improved approach to land use planning, circling back to core tenets of ***Plan Onondaga***. The root of many of Onondaga County's housing challenges in the mid-2020s can be traced back to historical development patterns. An important first step in creating a healthier housing market is to do away with business as usual development; the county is now exercising bold leadership in its adoption of ***Plan Onondaga*** to begin that process. The purpose of ***Housing Onondaga*** therefore is to:

- Describe Onondaga County's housing market as it exists in the early to mid-2020s and how it came to be.
- Identify housing issues that may require attention during the period 2020-2040 and potentially beyond.
- Consider housing issues within the context of *Plan Onondaga*, and make connections between Plan themes so that work related to Housing and Neighborhoods is not undertaken at the possible expense of goals from the other themes.
- Acknowledge the unique nature of Syracuse's challenges, and the fact that it has embarked on its own analytical and strategic efforts related to housing, while giving focused attention to other parts of the county.
- Envision potential household growth due to the arrival of a Micron chip fabrication facility, and the significant implications that follows for policy and planning.
- Outline the steps necessary if Onondaga County and its local government partners want to address the identified housing issues and needs.

How to Use *Housing Onondaga*

***Housing Onondaga* is divided into seven distinct parts, which can be accessed separately depending on the reader's purpose and interests, or used together as a longer story about the past, present, and possible future of the county's housing market.**

01

Part 1: Historical Factors and Modern Planning Shaping the Housing Market

Discusses historical factors dating to the middle of the 20th Century that have set the stage for the county housing market of the 2020s, including economic and demographic change, housing development patterns, and negative results. Presents ***Plan Onondaga*** as a guide toward a smarter development future.

02

Part 2: Syracuse as a Distinct Housing Market

Describes the important differences between Syracuse and the rest of Onondaga County and summarizes key findings from the 2023 Syracuse Housing Study.

03

Part 3: County Housing Market Outside Syracuse

Argues for an examination of Onondaga County outside Syracuse as its own kind of market and presents and discusses data that excludes Syracuse. The data presentation and discussion focus on long-term demographic change, trends related to tenure (homeowners vs. rental) and housing development, and specific issues of recent and near-future interest.

04

Part 4: Housing Market Challenges of the Mid-2020s

Provides analysis of specific housing-related issues as of 2024. The discussion focuses on issues related to market weakness, suburban rental challenges, housing market problems due to suburban sprawl, and the need for new new types of for-sale housing in a shifting ownership market.

05

Part 5: Speculating about the Future

Attempts to imagine different demographic and housing futures through 2040 and the kinds of housing demands they could create. The data presentation and discussion focus on impacts to total households, owner households, and renter households and considers three different geographies: Onondaga County in total, the City of Syracuse, and the rest of the county without Syracuse.

06

Part 6: Sub-Regional Markets

Offers a way to understand the county and its housing market as something more nuanced than either the whole county, or just Syracuse and "everything else," but less fragmented than individual municipalities. The data presentation and discussion focus on demographic and income profiles, development trends, issues related to aging householders, rental affordability challenges, and how the sub-regions might perform under the scenarios from Part 3.

07

Part 7: Guidance for Strategy Development

Makes recommendations for how Onondaga County and its local governments might address housing challenges identified in Housing Onondaga, acknowledging that substantial and detailed next steps fall into the realm of implementation strategy which must follow Housing Onondaga.

Definitions and Concepts

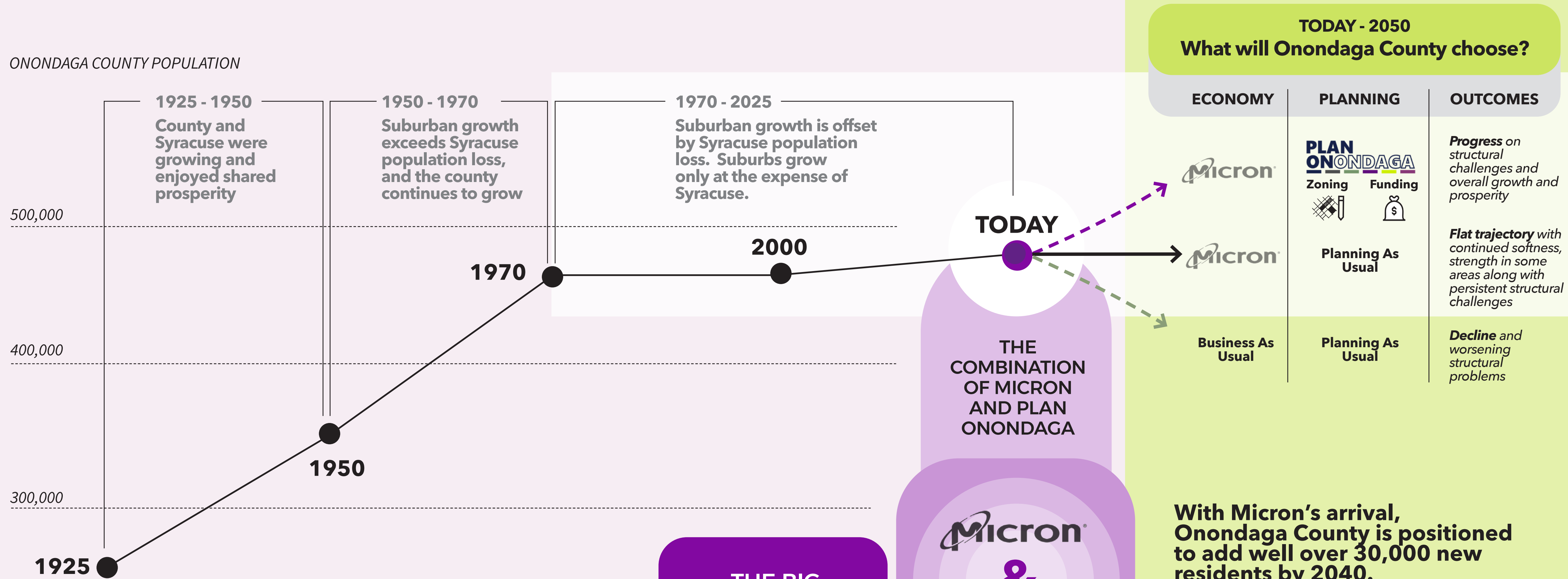
Several terms or concepts recur throughout this document that have specific meaning within the context of a housing market analysis. The most common are listed and defined here for the reader's benefit.

Affordable	Affordable housing, whether rented or owned, is housing that does not cost the occupant household more than 30% of their gross monthly income. For example, a $1,000/month apartment is affordable to a renting household with an income of no less than $40,000 per year (Syracuse's median income). Similarly, a $1,000/month mortgage payment (PITI) is affordable to a buyer who has an income of no less than $40,000 per year. This 30% threshold has roots in early 20th century banking and was adopted in the 1930s by the Federal Housing Administration. Lenders found that when buyers had monthly housing costs in excess of 30% of their monthly income, default tendencies rose sharply, regardless of amortization schedules. When housing costs per month are greater than 30% of a household's gross monthly income, housing costs crowd out everything else, putting low-income households in a lose-lose situation: overpay for housing that is usually substandard and skimp on food, medicine, transportation, and other necessities.
Cost burden	A household that is "cost burdened" pays more than 30% of their gross monthly income on their housing payment. Their housing situation is considered unaffordable.
Housing demand	Demand for housing exists when an ability to pay for housing is equaled by a willingness to pay for housing in a given location. A household that chooses a home or apartment in Syracuse and is able to afford their housing payment represents demand for housing in the Syracuse market.
Housing need	Need for housing exists when insufficient ability to pay for housing on the private market sharply limits a household's options. A household that requires assistance to pay for adequate housing represents a need that is either met by some form of public subsidy or remains an unmet need.
Housing market or sub-market	The supply and demand for housing units in a particular geography or sub-geography, as well as the characteristics of the relationship between supply and demand.

Income-restricted housing	Income-restricted housing units can only be rented or sold to households with qualifying incomes and are therefore not rented or sold at prevailing market rates. This is a mechanism by which publicly-funded affordable housing programs ensure that units are serving the intended households. Income qualifications are most often based on a household's income as a percentage of Area Median Income (or AMI) and vary depending on the source and purpose of the funding.
Market-rate housing	A market-rate housing unit is rented or sold at prevailing market rates and without any restriction based on income. In soft markets such as Central New York, market-rate housing can be, and often is, subsidized to facilitate its production.
Market types	A generalization of housing supply and demand conditions that categorizes geographies that have market conditions in common.
Mixed-income housing	Mixed-income housing is generally a mixture of market-rate units and income-restricted units within the same development.
Soft, weak, or low demand	Housing market condition where the supply of housing generally exceeds existing levels of demand, leading to below-average property values and below-average rates of appreciation that in turn feed declining levels of property maintenance and investment. When supply is greater than demand in a given place, it is because households exercise their options to live someplace else. By living someplace else, they take their "demand" with them, reducing pressures on existing supply. This leads to lower prices, lowered expectations for value appreciation, and then further reductions in demand and investment.

EXECUTIVE SUMMARY

The guidance contained in *Plan Onondaga* plus the arrival of Micron suggest real opportunity for county prosperity in the years ahead



Projections provided by New York State's economic development agency indicate that the five-county Central New York region could have 60,000 additional residents in 2040, above and beyond whatever the population would otherwise be at that time. Onondaga County, home to over half the population of the five-county area, is in position to add well over 30,000 new residents by 2040.

In 2023, Onondaga County adopted a new comprehensive plan, titled ***Plan Onondaga***, a state-of-the-art regional planning and policy document. ***Plan Onondaga*** points the way toward a stronger county by curtailing suburban sprawl, strengthening existing and adding new "Centers" of concentrated development, which include the county's villages and the City of Syracuse among others, and diversifying the county's housing stocks to meet future needs.

Strong Centers

Housing and Neighborhoods

The county's housing market in the early 21st Century is characterized by low values relative to the state and nation, sprawling suburban single-family home development in the absence of population growth, and long-term distressed conditions in the urban core of Syracuse. This fundamentally remains true in the early and mid-2020s despite market tightness and rising home sale prices in the post-2020 period. But new housing demand attributable to the Micron development—estimated by czb at 20,000 to 25,000 households—has the potential to positively impact chronic housing market challenges.

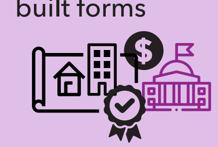
At the same time, the county already has substantial housing market issues in need of attention. ***Housing Onondaga*** speaks to historical, current, and future housing issues and opportunities both within the context of Micron and outside of Micron.

THE BIG OPPORTUNITY

Housing Onondaga leans heavily on the county's existing development policy foundation of ***Plan Onondaga*** as the way to both overcome existing challenges and make the absolute most out of the Micron investment. The potential positive impact from Micron is a once-in-a-generation opportunity, but it can only be maximized if the county's housing development system moves away from business as usual and along a new path of smarter growth. Accomplishing this task will require leadership and cooperation from multiple levels of government across many jurisdictions, as well as partnership with the private sector.

Modifying zoning at the local level

County to provide gap financing to ensure quality of built forms



With Micron's arrival, Onondaga County is positioned to add well over 30,000 new residents by 2040.

***Plan Onondaga* is the guidebook to make the most of the growth that Micron brings.**

Plan Onondaga shows the way the County's present housing challenges can be addressed:

- Building residential form for changing needs
- Addressing racial, economic and social **disparities**
- Shortage of **rental housing outside of Syracuse**
- Looming shortage of **senior rental housing**
- **Affordability** for working middle

KEY FINDINGS

Onondaga County's market conditions are rooted in decades of history.

Onondaga County's housing market in the first part of the 21st Century is characterized by low values relative to the state and nation, sprawling suburban single-family home development in the absence of population growth, and long-term distressed conditions in the urban core of Syracuse.

The county was a net attractor of new residents from elsewhere during the middle of the 20th century which, along with the post-war Baby Boom, helped increase the county's population. After 1970, however, the county overall stopped growing and suburban growth in the towns and villages came from the movement of Syracuse residents out of the city and into the suburbs. As those with the means and inclination to leave Syracuse did so, low-income households became ever more concentrated in the city, vacancy increased in the city, and real estate values became chronically low in the city.

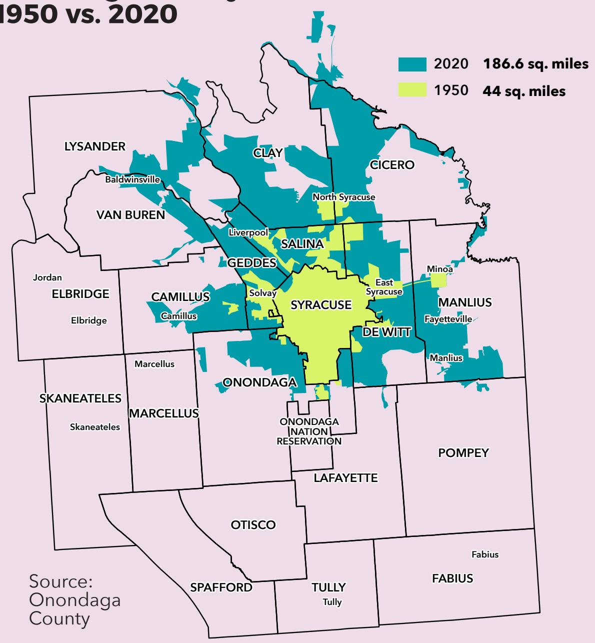
Syracuse is a distinct housing market within Onondaga County, and requires a customized approach.

The housing market in the City of Syracuse does not closely resemble any other part of Onondaga County. The disparities between Syracuse and the rest of the county can be found in nearly all data indicators related to housing market conditions.

To co-mingle analysis of Syracuse and other parts of the county is to do a disservice to both. ***Housing Onondaga*** makes the case to look at Syracuse separately, and to examine the rest of Onondaga County as its own kind of market, while recognizing that the two are linked together and influence each other.

Fortunately, the City of Syracuse has already undertaken a detailed study of the city's housing market and is moving forward with a new strategy to address identified housing market challenges. Interested readers should refer to the ***2023 Syracuse Housing Study*** and ***2024 Syracuse Housing Strategy*** for additional detailed analysis of the Syracuse city housing market.

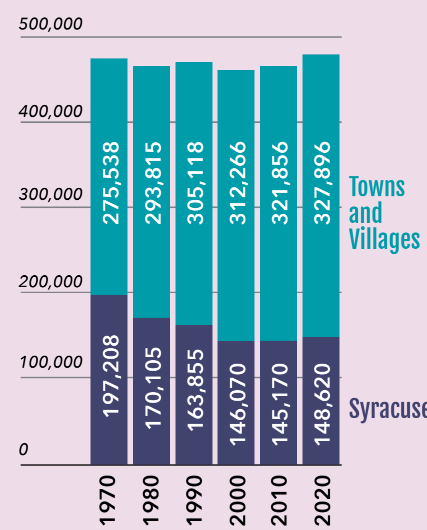
Onondaga County Urbanized Area, 1950 vs. 2020



Source: Onondaga County

Onondaga County Population, Syracuse vs. Towns/ Villages, 1970-2020

Source: U.S. Census



2023 Syracuse Housing Study

2024 Syracuse Housing Strategy

KEY FINDINGS

Outside Syracuse, the county's housing market is in transition.

Non-Syracuse Onondaga County as it exists today was largely formed during the middle and late part of the 20th Century, and its housing stocks and demography reflect that reality. As the population grows older in the county—an American phenomenon not unique to Central New York—and households generally become smaller, the housing market is changing in ways that would have been difficult to imagine in past decades.

Between 1990 and 2020, suburban household growth occurred amongst households with one person or two people, and amongst those households headed by someone aged 65 or older. During the same period, households with three or more people decreased, as did households raising children.

Outside Syracuse, the total number of homeowners has grown each decade, but the growth has gotten smaller and smaller each decade. Suburban Onondaga County added over 12,000 new homeowners per decade from 1960 to 1990. From 1990 to 2010, about 6,500 new homeowners were added per decade. In the 2010s, suburban Onondaga County added fewer than 2,000 new homeowner households.

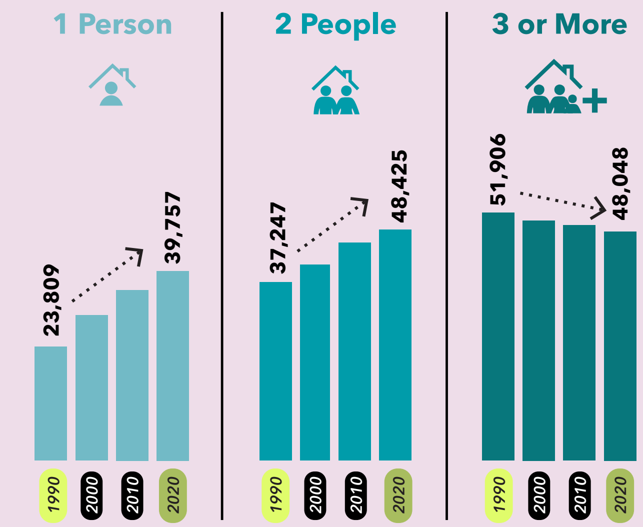
As suburban homeownership growth slowed down, suburban rental growth sped up. In the 2010s, suburban Onondaga County experienced for the first time a greater increase in the number of renter households than in homeowner households. Owner households increased by about 2,000 while renter households increased by nearly 4,000.

Demographic and market changes have had an impact on existing and new housing stocks. Single-family detached home construction in the county peaked in 2004 and declined steadily through the early 2020s. The peak year saw over 1,000 new single-family units but that decreased to fewer than 400 each year during the late 2010s. From 2010 to 2022, it is estimated that over 1,000 single-family homes converted to rental use outside of Syracuse. During the 2000s, suburban rental units increased, on average, by 300 units each year. During the 2010s the average annual production more than doubled, to 620 rental units per year.

Despite increasing rental unit construction, the suburban market is still undersupplied. In the first quarter of 2024, the multifamily rental vacancy rate in suburban Onondaga County was 2.5%, half of the 5% that is considered normal in a balanced market. This market tightness is specific to suburban multifamily as the same type of properties in the City of Syracuse had a vacancy rate of over 6% during the same period.

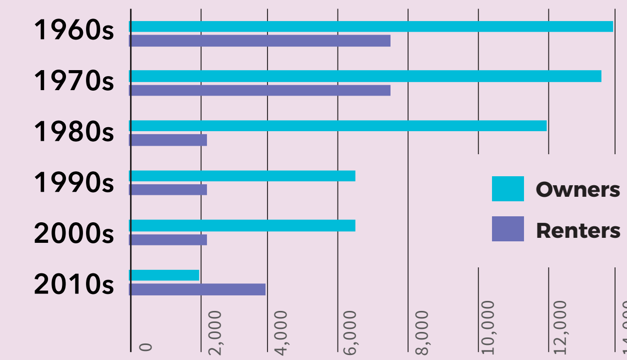
Homebuyers face a more challenging market in the early to mid-2020s than Onondaga County has experienced in recent years. Supply chain issues and rising material and labor costs have impacted new home prices in the aftermath of the Covid-19 pandemic. Rising interest rates in response to inflation pressures have made financing a purchase more difficult and also helped to depress for-sale inventory as many current owners abandon plans to move, thus remaining in place. The combination of 1) higher costs at the top of the market in new construction; 2) higher borrowing costs for all buyers, and; 3) relatively limited for-sale inventory is resulting in a "stuck" market as of 2024.

Household by Size



Source: U.S. Census

Increase in County Households outside Syracuse by Tenure by Decade, 1960-2020



Source: U.S. Census

KEY FINDINGS

Onondaga County has tangible housing issues in the early 2020s which require attention independent of Micron considerations.

Regional disparities drive housing market dysfunction in Onondaga County. Disinvestment and continued market distress in Syracuse deprive the region of a strong core and undermines regional real estate values. The concentration of poverty and overspending for low-quality housing that afflict Syracuse households must be alleviated if Syracuse is to regain a market foothold.

The county needs more rental units outside the City of Syracuse. The number of renter households is projected to grow, and it is plausible that suburban Onondaga County could need at least 3,000 additional rental units by 2040, and over 4,000 if Micron impacts play out as expected.

The county needs to prepare for thousands of additional senior renters outside Syracuse by 2040. ***Housing Onondaga*** projects an increase of 2,000 senior renter households in Syracuse and 6,000 outside Syracuse from 2020 to 2040, mostly attributable to the aging of those already renting rather than new senior renters exiting the ownership market.

Non-Syracuse Onondaga County faces a substantial affordable rental housing challenge. Outside Syracuse, there are nearly 12,000 renter households with incomes below $50,000 that pay more than they can afford for their rent and therefore face a cost burden. This group represents 37% of all non-Syracuse renter households.

For-sale housing stocks are mismatched to a changing market. Increased growth in small households and the aging of the population suggest the need for smaller ownership units that can better accommodate growth segments in the market. New ownership units should be more diverse than has historically been the norm (e.g., size, detached vs. attached, multifamily vs. single-family). In addition, both the slowing demand for newly built single-family detached houses—evident before 2020—and the conversion of single-family detached houses to rental use, even outside of Syracuse, suggest that the local housing supply does not need many more single-family detached houses.

Onondaga County must plan and act for both the known and the unknown in its future housing market.

Assuming the Micron development occurs as planned, the number of households in the county could grow by almost 25,000 by 2040. Taking advantage of the positive housing demand increases from the Micron project means shifting development business as usual to a smarter growth framework that leads to more diverse housing types in new and existing Centers, where additional development makes the most sense.

If, in the absence of expected Micron, or other catalytic economic growth drivers, and housing demand does not increase as projected, then demographic realities in Onondaga County will manifest as overall weaker housing market conditions than expected, with fewer new housing units needed. But the county's identified housing issues would still require attention. Insofar as new housing development could play a role in addressing these issues in a lower growth future, the housing development framework laid out in ***Plan Onondaga*** and ***Housing Onondaga*** would still be the best way to proceed.

New housing development—up to 25,000 units could be needed—should be concentrated in existing and new Centers, such as villages and the City of Syracuse among others, and should be built at higher densities than the county has been used to in the past. Higher-density housing units will necessarily be smaller, mostly attached, often in a stacked-flat format, and a mixture of rental and ownership. In their combination, these are the types the county needs.

Furthermore, increasingly diverse new housing should accommodate all ages by employing universal design principles, and have a mixed-income component with some number of new units specifically priced below market. This approach to housing development will begin to address the county's identified housing needs.

Onondaga County will need new policies, programs, and resources to prepare for the future housing market.

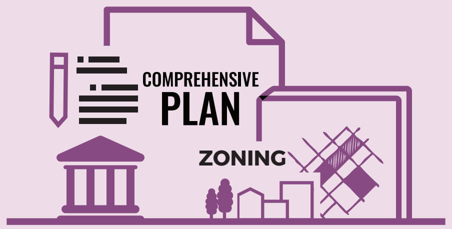
All policy makers across the county should recognize the following:

Achieving housing development outcomes as described here will require overcoming obstacles related to:

- Land use regulations and zoning.
- Financial gaps for the private sector owing to the difference between total development costs and the market's ability and willingness to pay.
- Specific financing, legal, and execution challenges on the part of the private sector (e.g., mixed-income development, condos, etc.).

Towns, villages, and the City of Syracuse control **planning, land use, and zoning at the local level**, where policy and regulatory **changes will be necessary.**

Onondaga County is the public sector actor with the greatest local capacity to **provide financial incentives and subsidies, which will be necessary.**

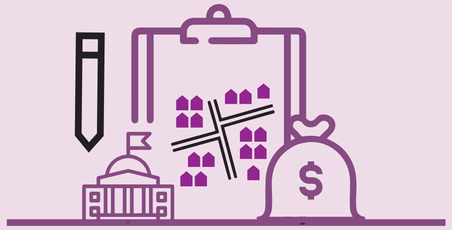


Towns and villages should:

Update comprehensive plans to reflect the policy aims of, and harmonize with, ***Plan Onondaga*** and ***Housing Onondaga***. This means local comprehensive plans should incorporate housing components recognizing the need for new housing to be concentrated in new and existing Centers, to be mixed-tenure (ownership and rental), to be mixed-income, to accommodate all ages, and to be built at higher densities above 10 units per acre and in some cases above 30 units per acre.

Update zoning codes to implement updated comprehensive plans, specifically identifying locations where new housing types at specified densities would be allowed. Zoning tools to achieve desired housing outcomes could include new districts with clear standards that would allow development by-right, overlay districts, or planned development approaches.

As zoning codes are updated, **stringent and clear design standards should be put in place** for new higher-density housing developments so that they will be long-term assets to the communities in which they are built.



Onondaga County should:

Develop and adopt a formal housing policy aligned with ***Plan Onondaga*** and ***Housing Onondaga*** to govern its housing-related investments, including OCIDA incentives.

Expand existing housing investment efforts, such as the Onondaga County Housing Initiative Program (O-CHIP), to incentivize rehabilitation, redevelopment, and new development that conforms to the adopted housing policy.

PART 1

Historical Factors and Modern Planning Shaping the Housing Market

01

The county's market is the result of historical patterns.

The Onondaga County housing market as it exists at the time of this writing in 2024 did not arrive out of nowhere. The fundamental structure of the county's market and sub-markets are rooted in decades of history. In the 50 years between the early 1970s and early 2020s, the county experienced economic change, population stagnation, suburbanization, and sprawl that all contributed to market challenges. But the county's new comprehensive plan, *Plan Onondaga*, provides a framework for smarter housing development in the future that will maintain quality of life and boost the county's competitiveness.

The county’s market conditions are the result of historical patterns.

Economic change impacted markets traditionally reliant on manufacturing employment.

Onondaga County is similar to many urban regions in the Northeast, Great Lakes, and Midwest that were at one time more heavily reliant on manufacturing employment than they are in the mid-2020s. The transition from manufacturing to services employment, especially in the industries of healthcare and education, is a well-worn story.

A particular challenge of this economic restructuring is that while “services” is a group of industries with a lower average salary than manufacturing, the reality is more complicated. Many service workers, depending on their exact industry and position, make quite a good living. Educational attainment plays an important role in determing salary for service workers, because higher-paying services require more education than lower-paying services.

In Onondaga County, as of 2022, the median salary for a worker with a four-year college degree was $63,000. An advanced degree came with a median salary of $76,000. But, for a worker with no formal education beyond high school, the median was $37,000. Economic change negatively impacted those workers who did not go on for additional education beyond high school and contributed to income inequality that can be seen in the county today.

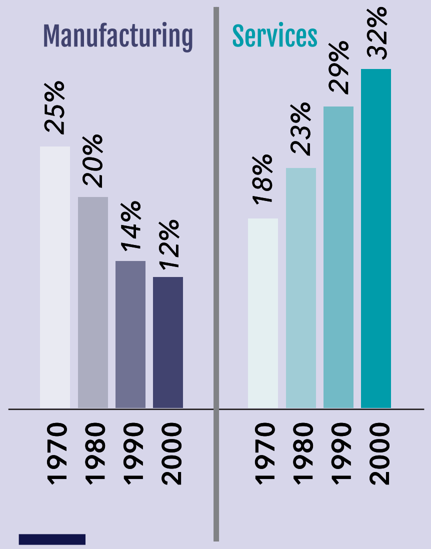
The population failed to grow partially because more people left the county than moved into the county.

Every region and every community loses people who move elsewhere, even places that are growing. The deciding factor in population growth is not just whether some people leave. It is also whether the same number, or more, or fewer, of people arrive.

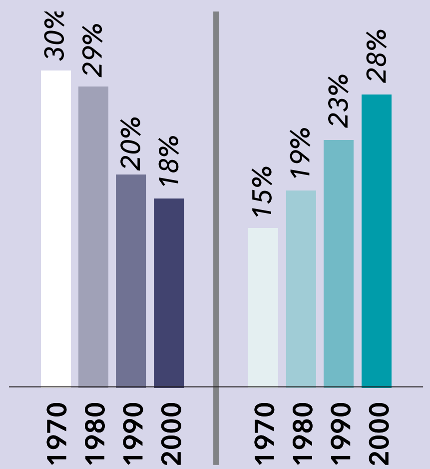
Net migration was positive in Onondaga County during the decade of the 1950s, meaning more people moved into the county than out of the county. But for decades after, net migration turned negative as the county was a net exporter, not importer, of residents. This a pattern common to industrial regions that underwent economic restructuring during the second half of the 20th Century.

What kept the county’s population relatively stable in those years was the number of births exceeding the number of deaths. It was not until the 2010s decade that net migration returned to neutral or positive.

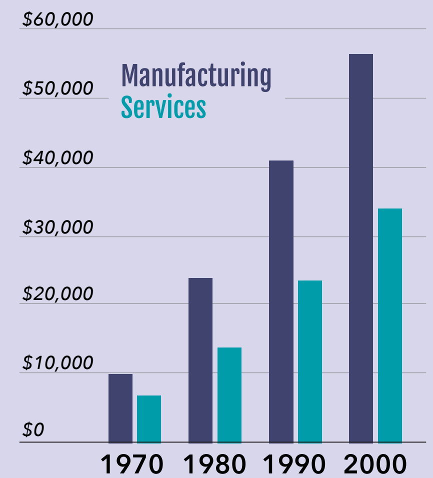
Percent of Onondaga County Total Non-Farm Employment



Percent of Onondaga County Total Non-Farm Earnings

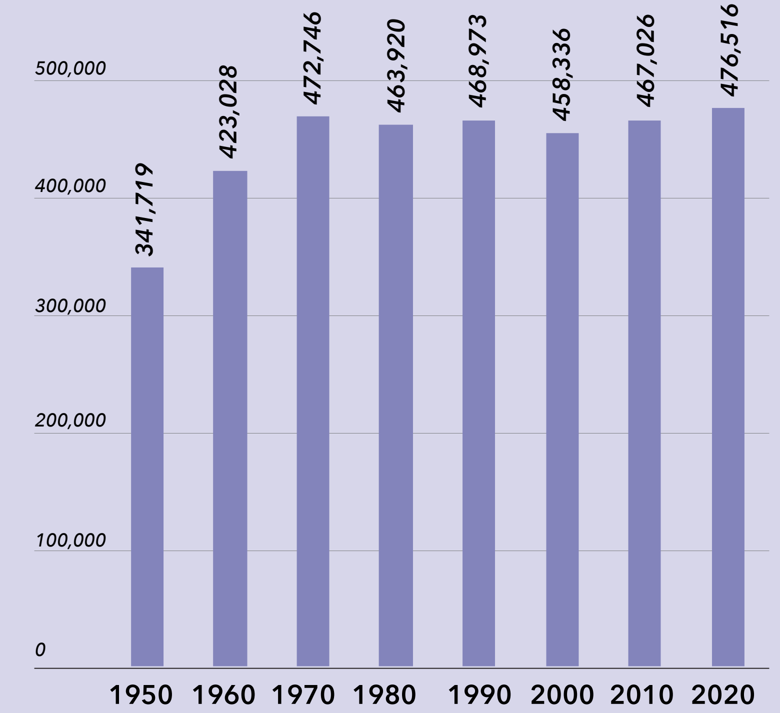


Average Annual Compensation, Nominal Dollars



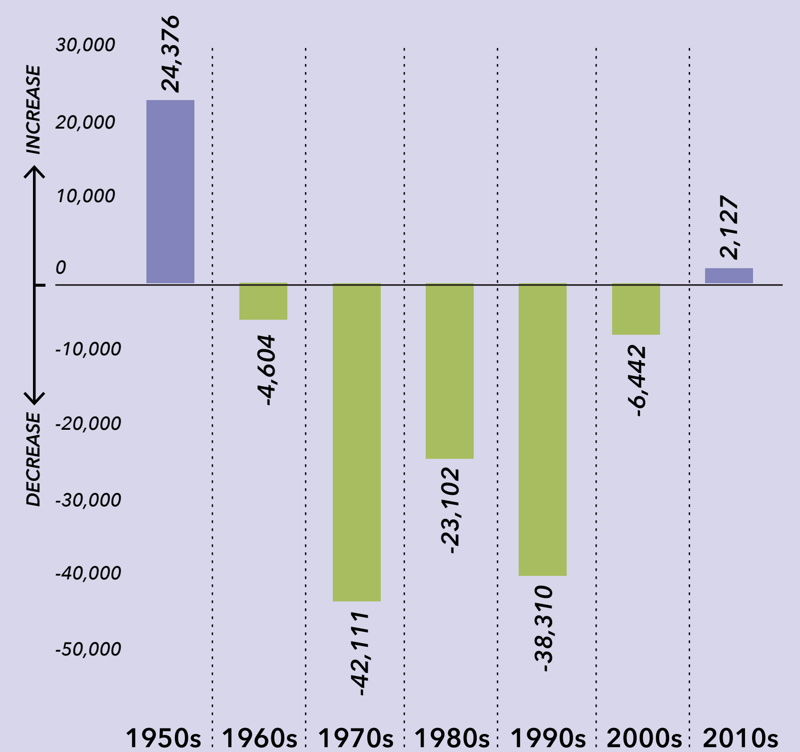
Source: Bureau of Economic Analysis

Onondaga County Population, 1950-2020



Source: U.S. Census

Onondaga County Net Migration by Decade, , 1950-2020



Source: Applied Population Laboratory, University of Wisconsin

The county's market conditions are the result of historical patterns.

Since 1970, physical development was not the result of population growth. It was the result of suburbanization.

Since 1970, Onondaga County's population has remained relatively flat, even declining in both the 1970s and the 1990s. Over the same period of time, however, development did not cease. Many areas in the county urbanized over the decades, converting woods and farms into housing tracts and shopping plazas. This development activity simply facilitated the redistribution of population within the county, as the City of Syracuse lost population and towns and villages—primarily towns—gained. In the end, the county's total population barely budged.

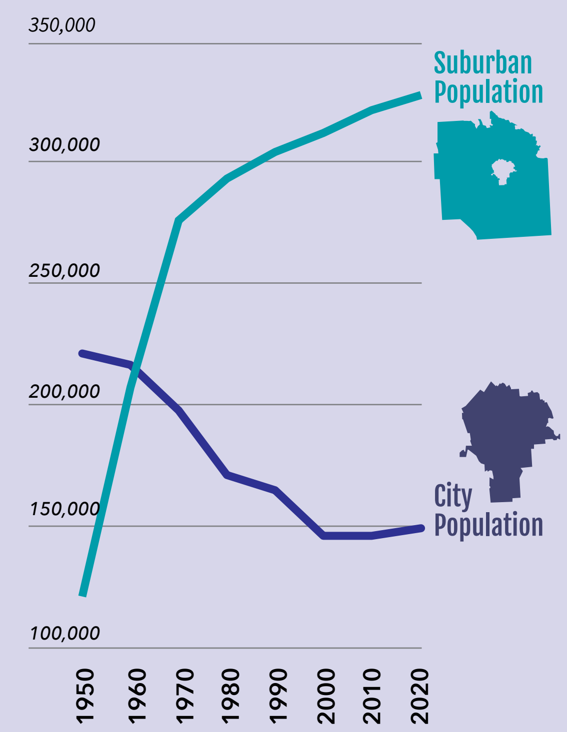
During the 1950s and 1960s, the city was losing population, but the suburbs were growing faster than the city was declining, so the county's total population was still able to grow. At that time, there were more residents arriving than leaving, and the post-war Baby Boom was occurring. Both undoubtedly helped to boost the county's total population. After 1970, however, total county population growth ceased and therefore population growth in the towns and villages came almost entirely at the expense of the City of Syracuse.

Sprawl without growth consumed land and hollowed out the region's core.

The redistribution of population from Syracuse to the suburbs manifested starkly in housing development and an increase in the county's urbanized area. Suburban growth drove suburban housing unit development as Syracuse lost population and households. The disparity between Syracuse's situation and that in the suburbs meant that on a countywide basis, the number of new housing units built exceeded the growth in the number of households. This difference of close to 10,000 "excess" units had to result in vacancy somewhere, and that vacancy occurred in Syracuse, where thousands of units went vacant between 1950 and 2020. The number of 2020 vacant units would have been even higher if not for the City's demolition efforts.

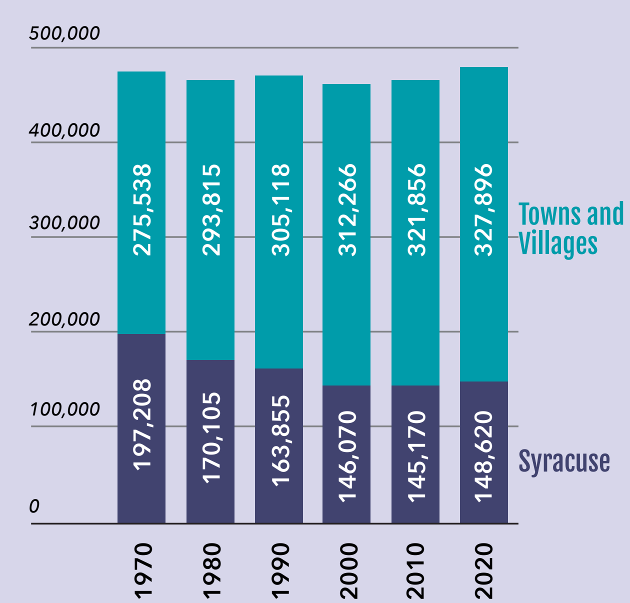
The consumption of land outside Syracuse grew, increasing the urbanized area to 186.6 square miles by 2020. The number of persons per square mile of urbanized area fell by two-thirds from 1950 to 2020, decreasing from 7,766 in 1950 to 2,554 in 2020. The movement of population from the center of the region toward its edges affected not only Syracuse, but also inner ring communities like Geddes and Salina, which both peaked in population in 1970.

Population of City of Syracuse and the Remainder of Onondaga County Since 1950



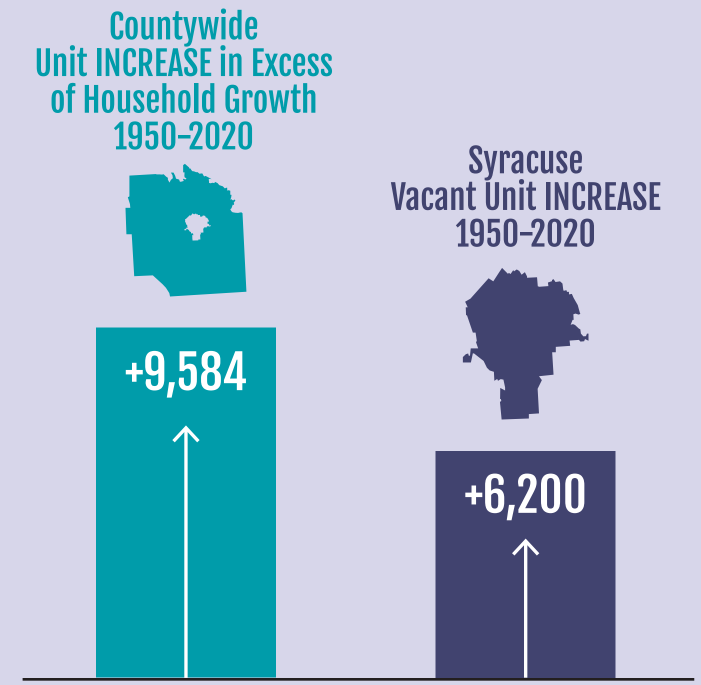
Source: U.S. Census

Onondaga County Population, Syracuse vs. Towns/Villages, 1970-2020



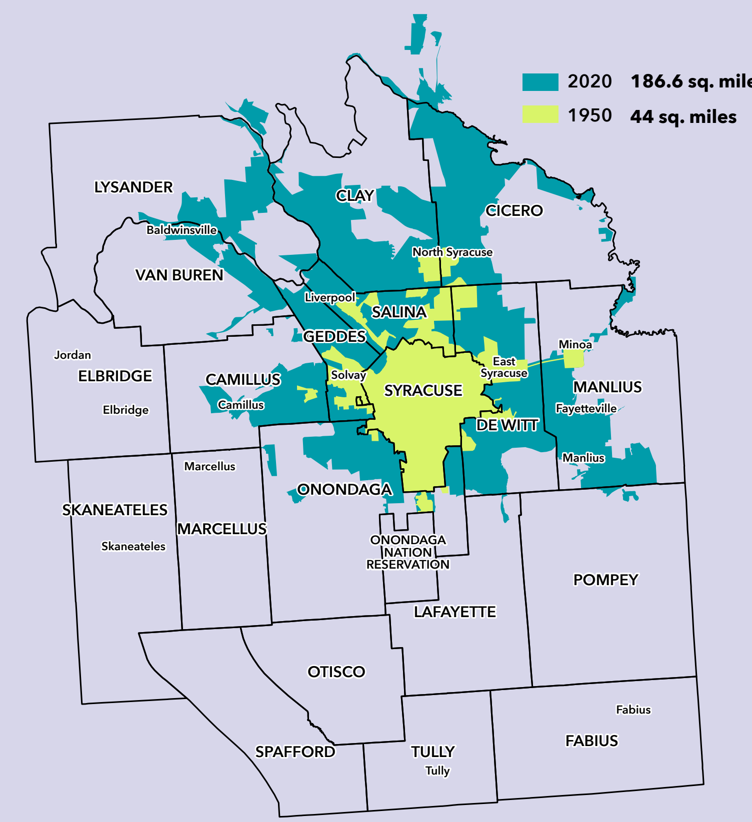
Source: U.S. Census

Onondaga County Excess Unit Production and Syracuse Vacancy, 1950-2020



Source: czb analysis of data from U.S. Census

Onondaga County Urbanized Area, 1950 vs. 2020



Source: U.S. Census

The county's market conditions are the result of historical patterns.

Chronic soft market conditions were the result of these trends.

The increase in home prices during the early 2020s belies the reality that Onondaga County has been a soft market for a long time. By national standards, it has been an affordable place to own or rent a home, and home values have not kept pace with inflation during recent decades.

Historic regulatory and development behaviors that made developable land abundant, instead of scarce, and a large reservoir of surplus housing units in Syracuse conspired to ensure that supply would consistently exceed demand. Thus appreciation was limited. Because appreciation was constrained, it drove rational buyer behavior to pay, on average, less than the buyer could afford.

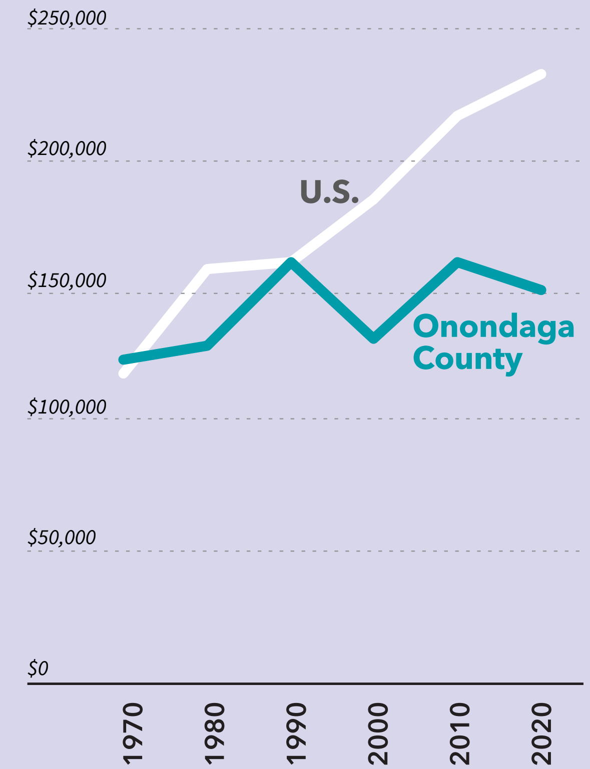
Limited appreciation and limited willingness reinforce each other and keep prices low relative to other parts of the U.S. This is true both inside and outside of Syracuse, as nearly all parts of the county are subject to regional forces of supply and demand.

Market softness is tied to high vacancy rates and concentrated poverty in Syracuse.

Within Onondaga County, the location most negatively impacted by market behaviors is the City of Syracuse, which lost households and population for decades before 2010. Housing supply in Syracuse has outpaced housing demand for many years, leaving excess units unneeded by the market inside the city. As a result, the city has long experienced vacancy rates above 5%, which is generally accepted as the rate reflecting a balance between supply and demand.

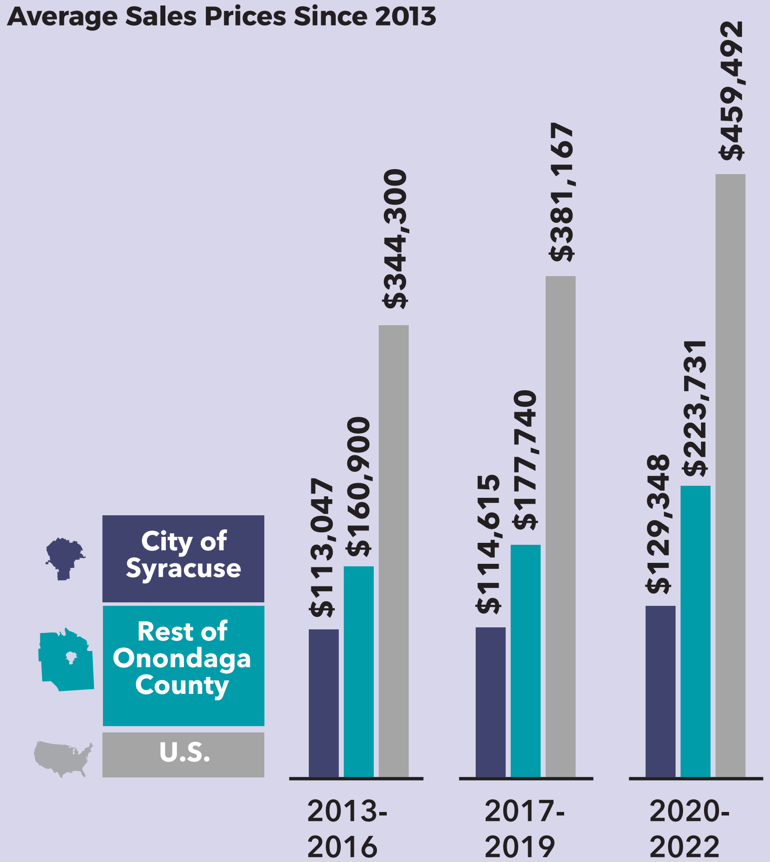
With the least costly housing options in the county, Syracuse is where households of limited means have best been able to find housing they can afford. And as middle- and higher-income households took advantage of broad, affordable choice outside Syracuse, the county became economically segregated. Those living in poverty are disproportionately concentrated inside Syracuse.

Median Home Value, 1970-2020, Adjusted for Inflation



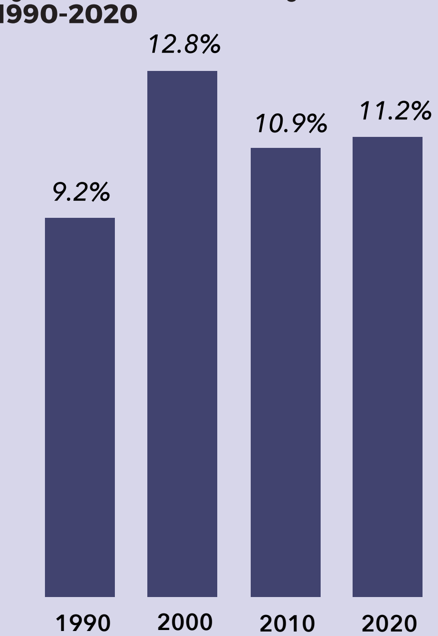
Source: U.S. Census Bureau, Decennial Census for 1970-2000 and ACS 5-year estimates for 2010 and 2020; inflation adjustments made using CPI

Average Sales Prices Since 2013



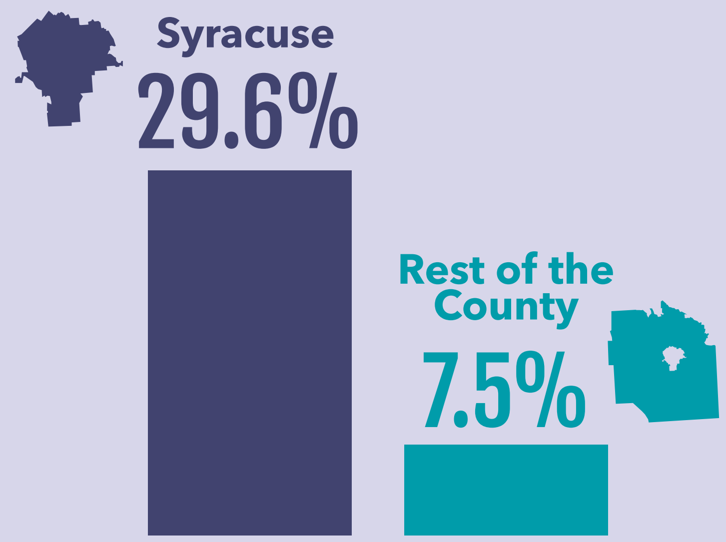
Source: Analysis of single-family sales prices reported by NYS Saleweb for City of Syracuse and the remainder of Onondaga County (all areas outside the city); U.S. figures are based on average annual sales prices reported by the St. Louis Federal Reserve's FRED system

Syracuse Unit Vacancy Rate, 1990-2020



Source: U.S. Census

Poverty Rate, 2022



Source: 2018-2022 ACS Five Year Estimates

Plan Onondaga is a framework for smarter housing development in the future.

Three Themes create new guidance for development.

***Plan Onondaga* balances housing with other critical issues.**

***Plan Onondaga* is focused on supporting and fostering competitiveness.**

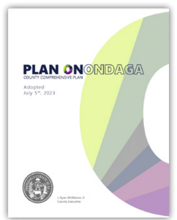
Plan Onondaga, the county's comprehensive plan, was adopted in 2023. It **recognizes the negative aspects of past development patterns and charts a better course for the future**, balancing housing development with other components of the county's quality of life, economic health, and environmental sensitivity.

***Plan Onondaga's* first focus is competitiveness.** Its first forward-looking chapter, "A Framework for Competitiveness," advises the county on competing in a modern global economy. Small and mid-sized regions succeeding in the 21st Century all have some basic similarities, including good quality of life, but each also has something unique. For Onondaga County, **a stronger core city, sustainably desirable suburbs and small towns, and access to nature all play a role in maximizing the region's potential.**

Housing policy and planning must integrate with other county aspirations.

Leveraging the county's strengths requires redirecting the housing development system to facilitate reinvestment in existing Centers, limiting suburban sprawl, and protecting undeveloped lands. **Where new housing is built, it should primarily be located in existing Centers**, meaning villages and the City of Syracuse, and new Centers, which are emerging areas of compact development.

These themes from *Plan Onondaga* create new guidance for development.



Plan Onondaga's themes each include a vision, goals, and strategies. The detail contained in the relevant strategies provides direction and structure to a future development system that will maintain and improve the county's quality of life and competitiveness. The themes of **Strong Centers**, **Greenways and Blueways**, and **Agriculture** contain the key strategies.

1 **Strong Centers**

Build in Centers

2 **Greenways and Blueways**

Preserve undeveloped, non-agricultural land

3 **Agriculture**

Preserve undeveloped, agricultural land

Strong Centers

Plan Onondaga directs the county to support development in historic and emerging concentrations of residential and economic activity. Chief among these centers is the City of Syracuse, but the county's villages, and even suburban centers in the towns, are also named as areas where the demand that spurs new development should be concentrated. This policy direction discourages the conversion of undeveloped land into new housing units.

Strong Centers

Strong centers are walkable, people oriented places with a mix of jobs, housing, shopping, dining, culture, public spaces, entertainment, transportation, and services.

Vision:

Onondaga County will strengthen the quality of life and economic stability of local communities through the development of amenity-rich, vibrant, and walkable centers.

GOAL 1 **Support and Enhance Existing and New Centers of All Scales**

STRATEGY 1:
Work in partnership with local municipalities to **direct priority capital** and programmatic investments toward the **development and reinforcement of Centers** throughout Onondaga County.

STRATEGY 3:
Establish incentives to **support infill and new housing development in and around existing and planned centers**, particularly those with workforce and affordable housing options, or that meet a unique market demand like senior housing.

Greenways and Blueways

Plan Onondaga directs the county to preserve natural areas and protect open space for a variety of reasons, including environmental quality, water systems health, habitat protection, and recreational enjoyment. This policy direction establishes that the first-choice outcome for currently undeveloped land is to protect its resource value, typically by avoiding development.

Greenways and Blueways

Greenways and blueways are corridors of open space or waterways that incorporate diverse natural, cultural, and scenic features.

Vision:

Onondaga County will protect and expand greenways and blueways to provide unique recreation and ecological health opportunities.

GOAL 1 **Formalize Greenway and Blueway System Planning**

STRATEGY 1:
Develop a policy and planning toolbox to share with municipal partners, to conserve greenway environments, promote open space protection, and foster implementation of compatible zoning and development regulations and guidance.

GOAL 4 **Preserve Ecological Assets Within Greenways and Blueways**

STRATEGY 2:
Identify and **conserve important natural corridors** to limit habitat fragmentation.

STRATEGY 3:
Develop model planning and zoning tools such as buffering, conservation subdivisions, and open space zoning to **protect open space systems**.

Agriculture

Plan Onondaga directs the county to protect farmland and rural landscapes by, among other things, conserving agricultural land and working to avoid its fragmentation and conversion to other uses. The plan further suggests that directing development into existing centers is a key strategy for farmland preservation. This policy direction is clear in its intent that existing or potentially productive agricultural lands not be seen as a resource for future development.

Agriculture

Agriculture is the science, art, and business of cultivating soil, producing crops, and raising livestock. Innovative agricultural and farming practices are needed to promote economic development while also protecting our environment.

Vision:

Onondaga County will ensure that Agriculture remains a viable and integral part of the economy and a defining characteristic of the landscape.

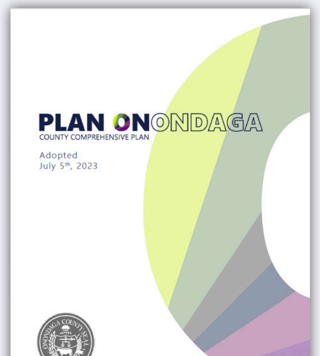
GOAL 3 **Protect Farmland and Rural Landscapes**

STRATEGY 2:
Work with local communities to facilitate planning and policies that **prevent the fragmentation and marginalization of farmland.**

STRATEGY 5:
Evaluate local land use policies against this and other plans when considering investments in new infrastructure and incentives to private development to **prevent the conversion of farmland.**

STRATEGY 6:
Promote the adoption of **agricultural conservation** subdivision regulations in agricultural areas and **promote infill development in villages and hamlets** where infrastructure is in place.

Plan Onondaga themes set guardrails for housing, signalling a change to business as usual.



The ambition of ***Plan Onondaga*** is not to stop development; on the contrary new development is needed for the region to maintain and improve its competitive position. ***Plan Onondaga*** seeks to clarify where development should occur, and enable a system that supports it. Such a system requires a "portfolio approach" in which county government is balancing multiple goals.

Housing and Neighborhoods

Housing and Neighborhoods as a planning theme addresses the needs and desires people have for the structures and places where they live.

Vision:

Onondaga County will support affordable, attractive, and efficient housing and neighborhoods to retain and attract future residents.

These goals and strategies "shake hands" with the analysis included here–in fact this housing market analysis and needs assessment is a recommendation of ***Plan Onondaga***–and set the stage for the **identification of housing market challenges, needs, and opportunities**.

GOAL 1 **Expand Housing Choice**

STRATEGY 1:
With county partners such as the Onondaga County Planning Federation provide training, toolkits, and programs that can help local municipalities bridge gaps in knowledge or expertise to implement changes to the local regulatory and development review framework to **allow for an expansion of the types of housing that are permitted.**

GOAL 2 **Develop Targeted Market-Driven Programs to Support Neighborhood Health**

STRATEGY 1:
Conduct a Housing Needs Assessment

STRATEGY 2:
Support the efforts of the Land Bank and developers to **remove and demolish dilapidated buildings that are unmarketable.**

STRATEGY 6:
Support interventions in middle and stable market neighborhoods to **avoid decline and to ensure the long-term strength** and appeal of housing in these neighborhoods

GOAL 3 **Support and Enhance the County's Housing and Neighborhoods**

STRATEGY 1:
Plan for, codify and **demand the amenities and quality of life** infrastructure to **create great neighborhoods.** Empower local government to demand and **require these components** of a neighborhood as **part of the development process.**

STRATEGY 2:
Continue existing and develop new Community Development programs that **support the maintenance of the county's aging housing stock** (e.g., energy efficiency, renewable energy technologies, and conveniences)

Housing and Neighborhoods

Plan Onondaga directs the county to focus the majority of its housing-related efforts on existing housing, complementing the plan's emphasis on Centers and its aversion to sprawling residential development. It also directs the county to expand housing choice through the greater encouragement and/or allowance of types that do not exist in large numbers in the county, and to simultaneously demand high quality from developers and builders of new housing units.

PART 2

Syracuse as a Distinct Housing Market

02

Syracuse is a distinct housing market within the county.

The county itself, as a single entity, is nearly useless as a comparison point for any municipality or neighborhood because when data from Syracuse and the rest of the county are blended together, it paints a picture of a market that does not truly exist. Within Onondaga County, Syracuse is in its own category because its market does not bear a resemblance to any other parts of the county. By understanding Syracuse on its own, and the rest of the county as its own kind of market, meaningful market insights can be uncovered.

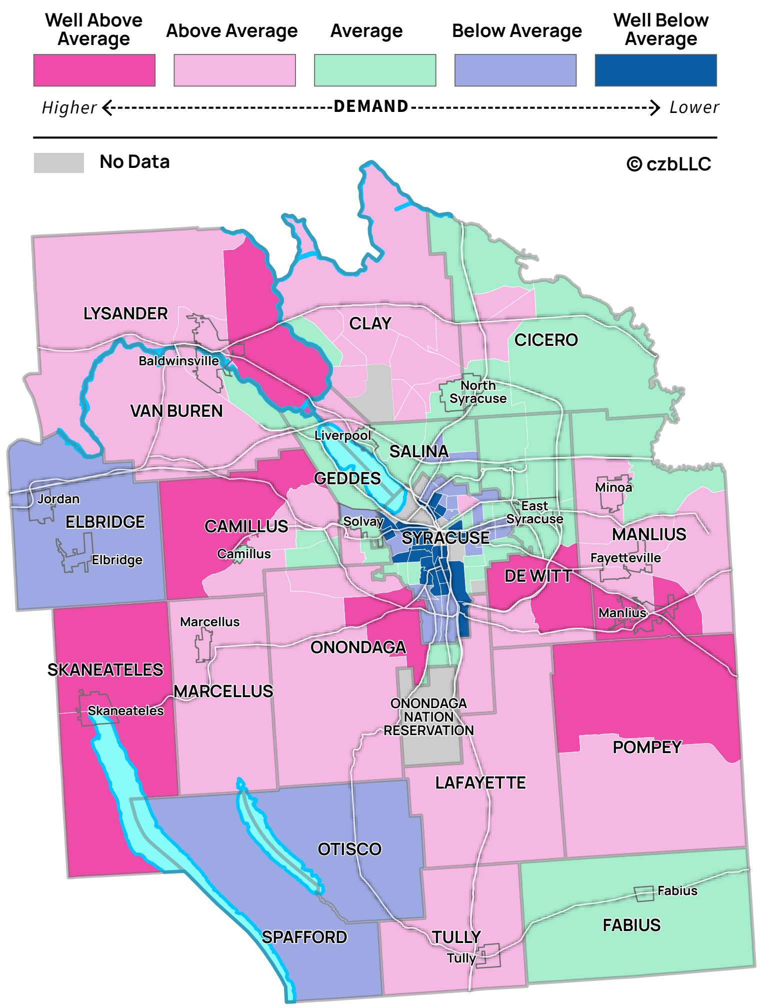
Syracuse is a distinct housing market within the county.

The geography of housing demand clearly distinguishes Syracuse from the rest of the county.

Using a housing demand typology, the county can be understood as a varied market in which different areas have different conditions. The typology categorizes census tracts within the county on a spectrum of housing demand strength, from well below the county average to well above the county average. Where data availability allows, variations can even be seen within single municipalities.

The typology is a composite of various data, including median owner-occupied unit value, single-family homeownership rate, and single-family vacancy rate, all from 2017-2021 American Community Survey Five Year Estimates, and single-family home sales from the years 2018-2023 supplied by the County Assessor's office. Where demand is above average, sale prices, unit values, and rates of homeownership will be higher, while vacancy rates will be lower. The reverse will be true where demand is below average. Areas of above average demand will generally be seen as more desirable locations than areas of below average demand.

Market Demand Typology at the Census Tract Level

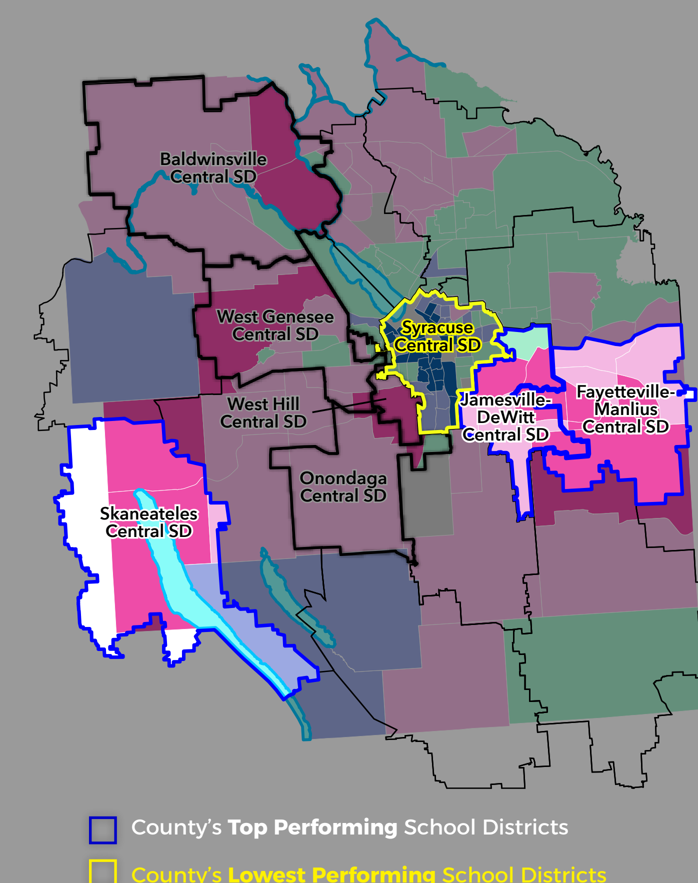


Source: czb analysis using data from 2017-2021 ACS 5-year estimates (median owner-occupied unit value, single-family homeownership rate, and single-family vacancy rate) and single-family sales data from 2018-2023 provided by Onondaga County Assessor.

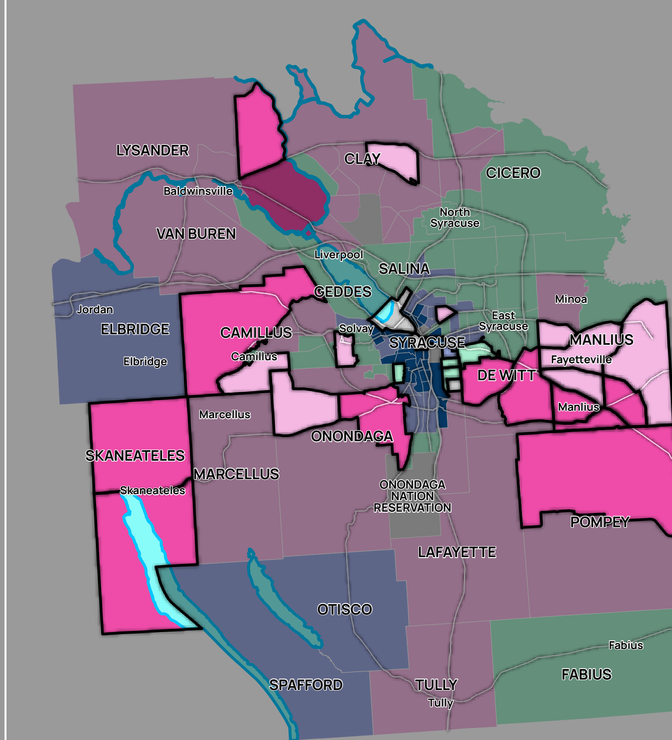
What should be most noticeable at first glance is the **concentration of blue—below average demand—inside the City of Syracuse and the absence, with one exception, of pink—above average demand.** The opposite is generally true across the rest of the county, with exceptions in the towns of Elbridge, Geddes (Village of Solvay), Otisco, Salina and Spafford, though these towns are small by population and are a small part of the housing market.

In addition to providing a geographic understanding of housing demand in Onondaga County today, the market demand typology is also shorthand for understanding how a wide range of housing-related patterns tend to be distributed across the county. Any number of maps, displaying various data, would show some version of the same thing.

Select Onondaga County School Districts with Average or Above Market Demand



Census Tracts with 50 Percent or more Bachelor's Degree or Higher, 2022

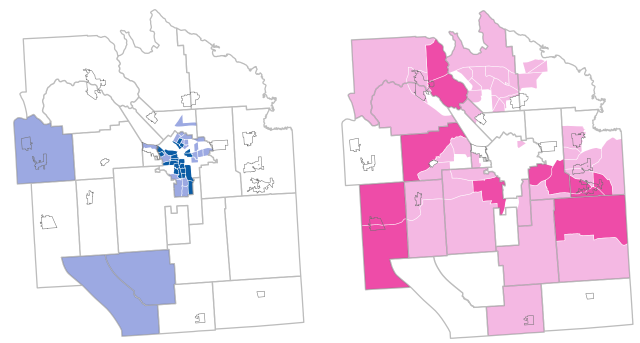


For example, as a general statement the county's best performing school districts—determined by grade 3-8 state test scores for reading and math—overlap with areas of the strongest housing demand. **These top performing districts are Fayetteville-Manlius, Jamesville-DeWitt, and Skaneateles.** And the **county's lowest performing district, which is Syracuse City School District,** is where all of the census tracts in the well below average demand category are found.

However, the story is somewhat complicated because districts of average or even below average performance compared to statewide proficiency in reading and math—**Baldwinsville, Onondaga, West Genesee, Westhill**—also contain areas from the highest demand category. This illustrates that **strong housing demand and school district quality are not perfectly correlated**. Considering the county's changing demography, discussed at length later in this assessment, many homebuyers will have priorities other than school quality.

Another data point that is not included in the typology but shares striking similarities when mapped is college degree attainment for the adult population. **All of the strongest demand census tracts are places where at least half of the adult population has a bachelor's degree or higher.** Other data points, such as median household income and the proportion of households that are married couples would look somewhat similar because those are correlated positively with educational attainment.

Syracuse is a distinct housing market within the county.



There are many important differences between locations with above average and below average demand.

Housing demand strength is reflected in obvious market indicators, but also in other quality of life attributes. Where below average demand exists, market, social, and neighborhood dysfunctions may also exist.

	Where demand is lower, the following tends to be true:	Where demand is higher, the following tends to be true:
Age of residential units	Older	Newer, or more recently renovated
Share of units that are **single-family properties**	Lower	Higher
Levels of **private investment** in property maintenance	Lower	Higher
Risk of **lead contamination**	Higher	Lower
Vacancy rates	Higher	Lower
Prevailing **housing prices**	Lower	Higher
Household **income and ability to pay** for housing	Lower	Higher
Education attainment levels	Lower	Higher
Ability and willingness to invest in housing conditions	Lower	Higher
Share of households that represent **disadvantaged populations**	Higher	Lower
Absentee-ownership of single-family properties	Higher	Lower
Probability of **tax foreclosure**	Higher	Lower
Price appreciation against inflation	Lower	Higher
Presence of **slumlords**, attracted by low entry prices and captive renters, who focus on cash flow and starve properties of investment	Higher	Lower

The market typology is a valuable tool, but cannot tell the whole story.

While census tracts offer the greatest variety of data, they are also sized according to population. As a result, the most populous municipalities—City of Syracuse, Town of Clay, etc.—can show more variation than the least populous—Town of Elbridge, Town of Fabius, etc. The towns of Elbridge, Fabius, Lafayette, Tully, Otisco, and Spafford each only contain a single census tract. Every tool to examine a region as large and varied as Onondaga County will have some limitations, but the typology is a good starting point for understanding market variation at a high level.

Among the low demand areas of the county, Syracuse is completely unique.

The main story lines to be gleaned from the typology are:

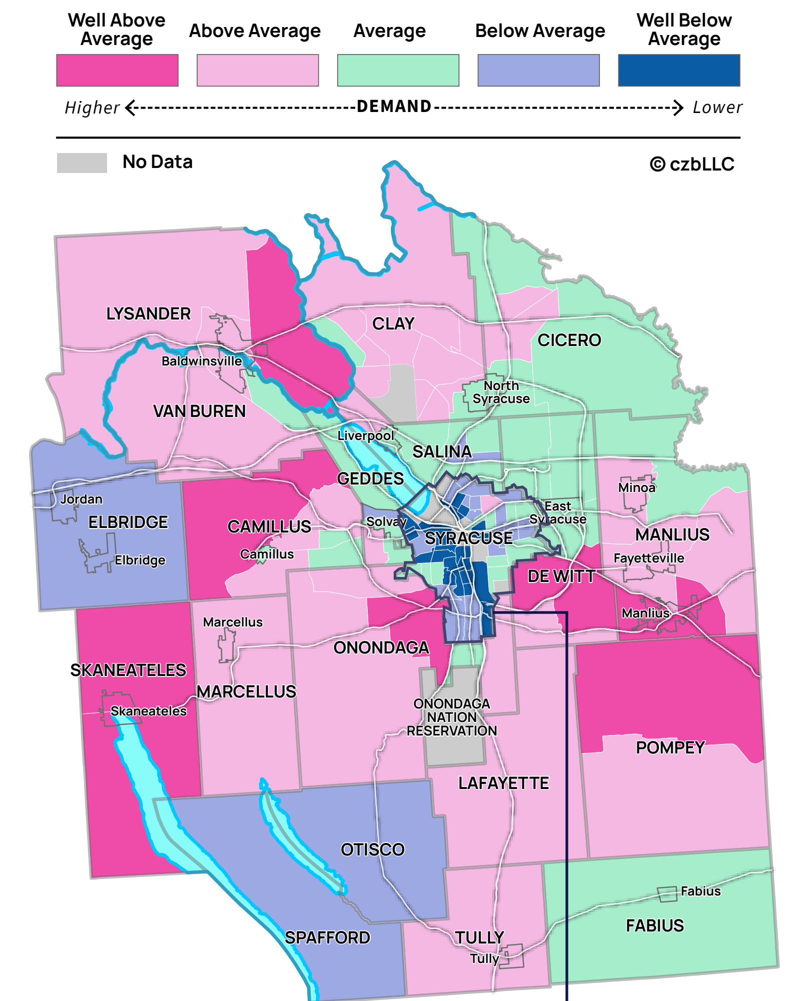
1

The concentration not just of below average demand in Syracuse, but of well below average demand. Roughly 50 census tracts are below average, but half of those are well below, meaning that Syracuse, as a single municipality, features market conditions that are not present anywhere else in the county.

2

The stark difference between Syracuse and the rest of the county, the latter containing no census tracts in the lowest demand category and all of the census tracts in the highest demand category.

Market Demand Typology at the Census Tract Level



Because Syracuse is the single largest municipality in the county, and because its market is so different, as will be described in the following pages, it places significant weight on countywide indicators, making them unhelpful inputs to a countywide analysis. Syracuse needs to be understood as its own kind of market, different from the rest of the county, and then separated from county data so that useful insights can be developed for the rest of the county.

Among the five census tracts outside Syracuse that have below average levels of demand, three are almost entirely rural, existing outside the county's urbanized area. In those locations—towns of Elbridge, Otisco, and Spafford—population density and housing unit density are much lower than the urban and suburban parts of the county. All things being equal, rural housing values are generally less than urban values and, in any case, lower demand conditions there are not central to the story of the county's housing market. Likewise, low demand tracts in Solvay and Salina are exceptions to the rule.

Syracuse is a distinct housing market within the county.

There are distinct differences in the types of households that live inside and outside the city.

Syracuse disproportionately is home to single parent families, non-elderly people living alone, and roommate households. The rest of the county disproportionately is home to married couple families of all ages, with children and without.

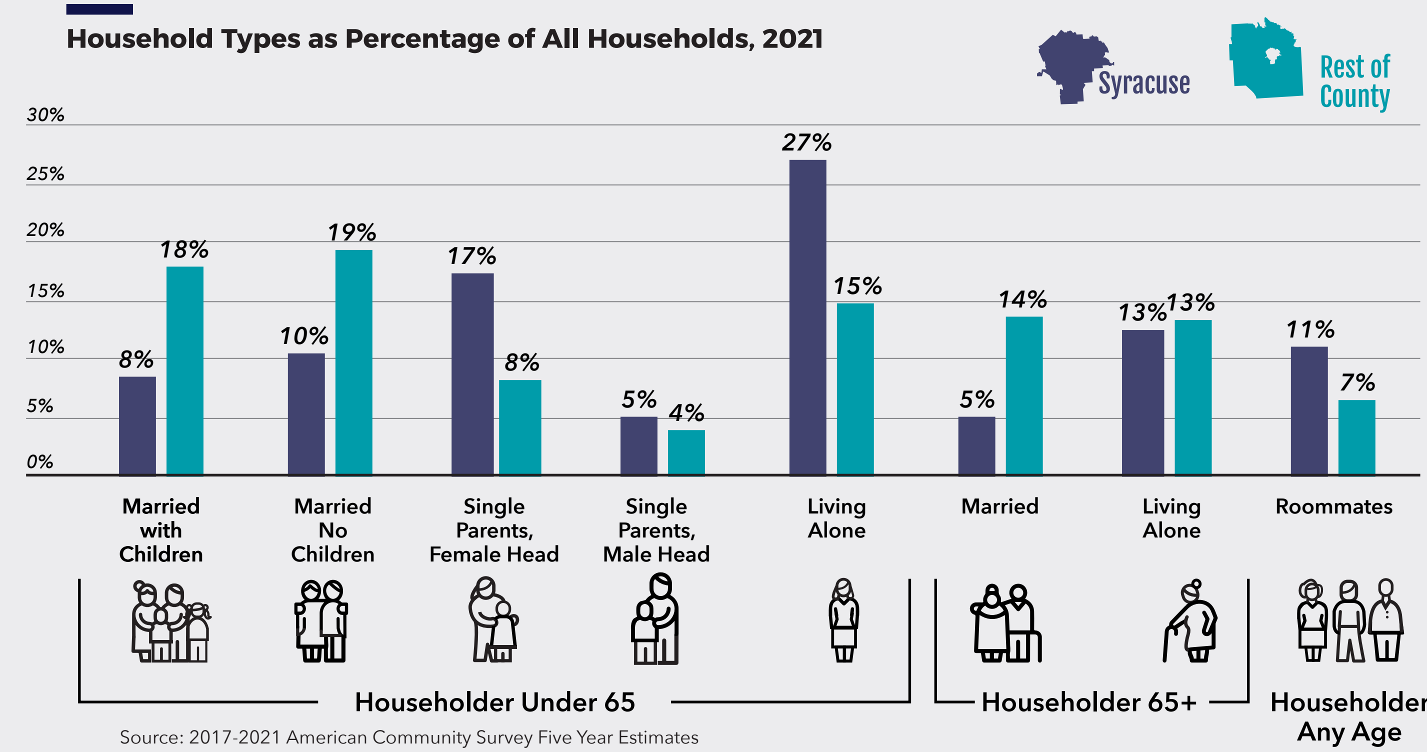
A key difference between city and non-city households is the potential number of earners in each household. Over half of all non-city households are married couples, of various ages, with children at home and without. Depending on age, these households either have now, or in past years had, the opportunity for two incomes in the household. Seven percent of households have roommates in them. In total, about 58% of all non-city households could plausibly have benefitted from multiple incomes.

By contrast, less than a quarter of city households are married couples, and 11% of households have roommates in them. Only 34% of Syracuse households therefore might have benefitted from two incomes. Syracuse's specialization in single-earner households–single parent families and those living alone–is likely tied to its historically less expensive housing relative to suburban jurisdictions.

Syracuse and the rest of the county are segregated from each other by income.

Lower-income households are concentrated in Syracuse, and higher-income households outside the city. countywide, 31% of households had incomes of $100,000 or more as of 2021 data, but inside Syracuse the proportion was only about half that, at 16%. Meanwhile, 38% of households outside the city had incomes in that top segment of the market. countywide, 27% of households are at the bottom of the market with incomes below $35,000, but the proportion is 45% in Syracuse and only 19% outside Syracuse. When it comes to household incomes, Syracuse is "bottom heavy" while the rest of the county is "top heavy" and this helps explain why the poverty rate inside Syracuse is four times the poverty rate outside Syracuse. The concentration of low incomes and resulting poverty inside the city contributes to the market disparities that place Syracuse in a different category from the rest of the county.

Household Types as Percentage of All Households, 2021

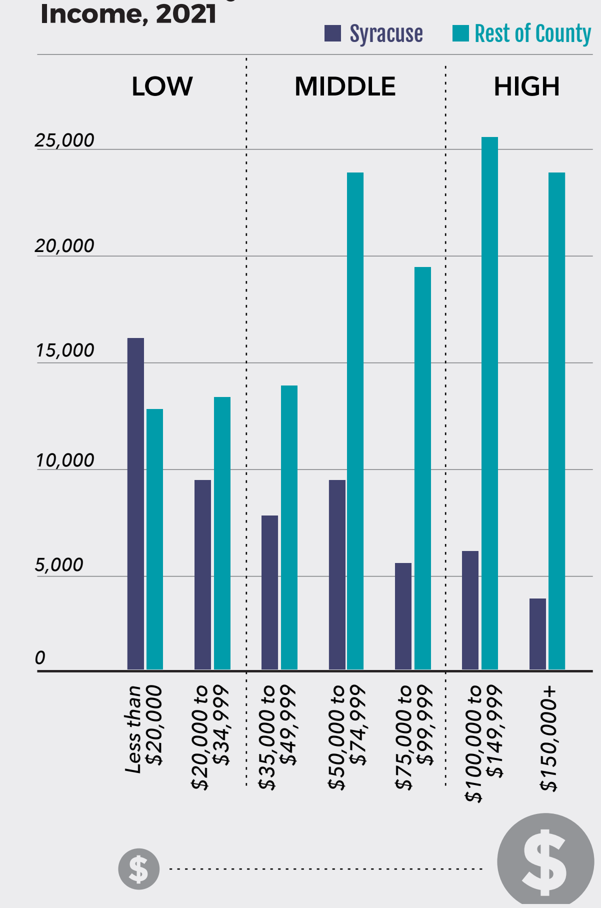


Source: 2017-2021 American Community Survey Five Year Estimates

Market Differences by Income, 2021

Source: 2017-2021 American Community Survey Five Year Estimates

Households by Income, 2021



Source: 2017-2021 American Community Survey Five Year Estimates

Syracuse is a distinct housing market within the county.

The city is dominated by renting, and the rest of the county by homeownership.

Syracuse has been a majority renter city since at least 1950, and the city has been losing homeowners for decades. Even as it grew its number of total households between 2010 and 2020 (for the first time since 1960) it continued to lose homeowners. Syracuse household growth during the 2010s was attributable solely to renter household growth.

The rest of the county has always been, and remains, a majority homeowner market. And, although renting has increased in the suburbs, the rate of homeownership has remained strong.

In short, Syracuse is a market in which renting is the norm, while owning one's home is the norm across the rest of the county. This is important for many reasons but, among them is that homeowners and rental property owners view and treat their properties differently. Rental owners in Syracuse primarily are interested in cash flow and the extraction of value.

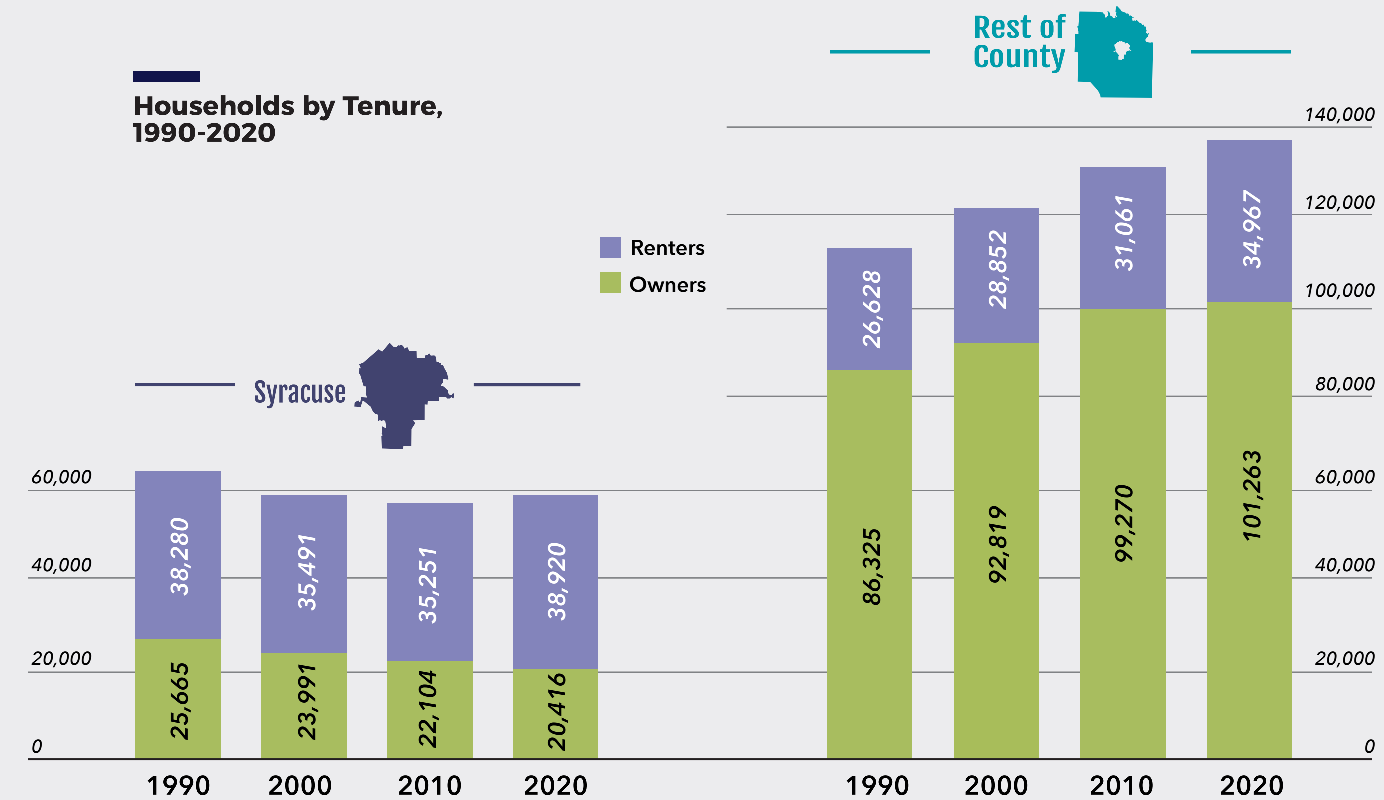
The county outside Syracuse is generally where new housing units are built, and this is especially true for single-family ownership units.

Syracuse represents about 30% of the county's population and households, but from 2000-2022, it accounted for only 19% of new unit construction and only 2% of new single-family home construction. During the period in question, Syracuse added 4,751 new housing units, of which 4,406 were multifamily rental units. At the same time, the rest of the county added 20,178 units. (Over 80% of Syracuse multifamily units built since 2000 were built 2011 or later.)

On average, Syracuse single-family home sale prices are about half those of the rest of the county.

Syracuse's for-sale market features the lowest prices in the county, due to a number of factors that include age, condition, and size of stocks, as well as locational preferences expressed by the market. On a countywide level, Syracuse is not competitive with other jurisdictions.

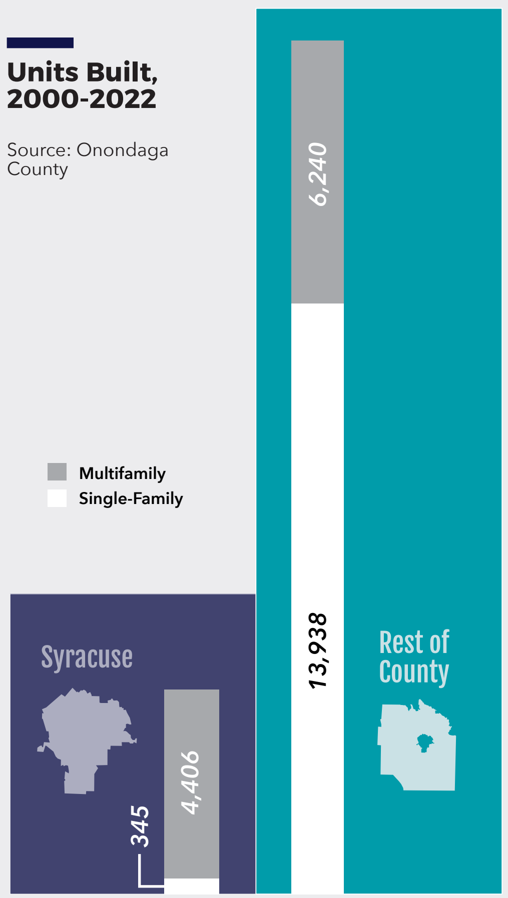
Households by Tenure, 1990-2020



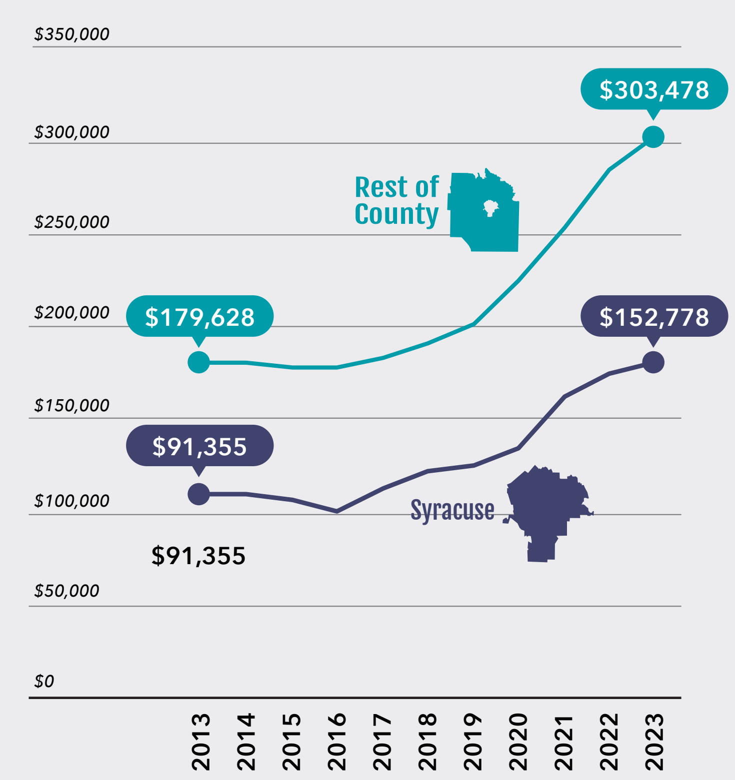
Source: U.S. Census

Units Built, 2000-2022

Source: Onondaga County



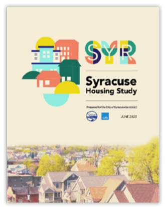
Average Single-Family Sale Price by Year, 2013-2023



Source: Real estate transaction data from Onondaga County

Syracuse is a distinct housing market within the county.

Syracuse is decoupled from the rest of the county's market, and requires its own approach to restoring market balance.



Because Syracuse is so distinctly different from the rest of Onondaga County in its market conditions, it requires its own specific analysis, identification of issues, and strategy for intervention. The City of Syracuse has begun this work in earnest, and is crafting its market rebalancing strategy in such a way as to align with ***Plan Onondaga*** and complement this housing needs analysis for the rest of the county. The City of Syracuse commissioned the Syracuse Housing Study in 2023 to better understand its housing market.

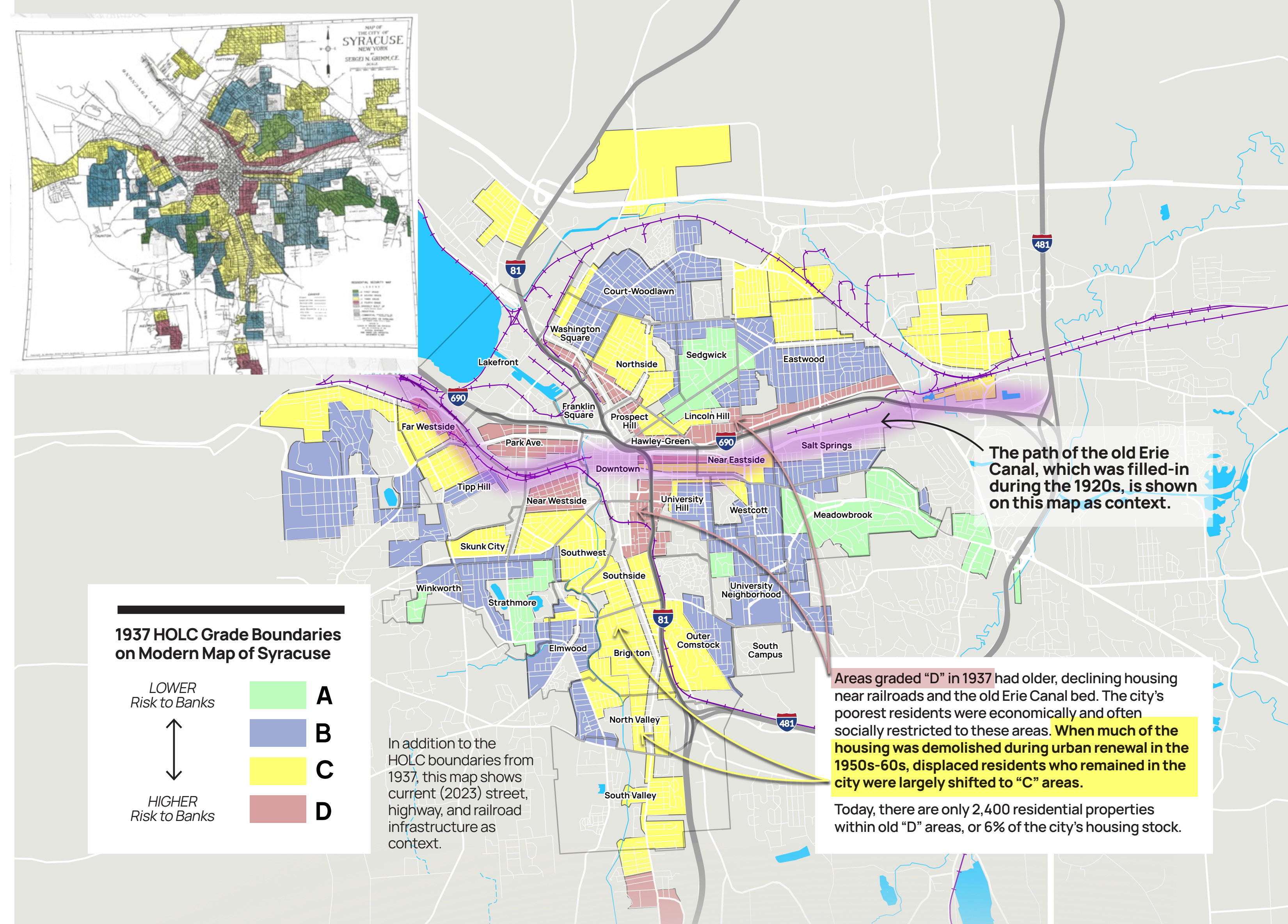
The key findings from the 2023 Syracuse Housing Study were that Syracuse suffers from both a market gap and an affordability gap.

Market Gap

Higher-income households have many affordable choices in the region and are concerned about future resale value. This leads them to manage their risk and spend less on housing than they can afford. Few are willing to make investments on which they might lose money, whether that is a gut rehab on an older house, or even buying a newly built house. This "willingness gap" depresses housing investment and limits the city's competitiveness.

Affordability Gap

Lower-income households are not able to pay the rents required for the construction of new units. Many are not able to pay the rents required for responsible operation and maintenance of existing units. This "affordability gap" depresses housing investment and forces low-income households into low-quality rental units.



Summary of Market Gap Findings

Syracuse is a soft city within a soft regional market.
Onondaga County's population has been stagnant for half a century while housing development has continued to sprawl outwards. The result is a predictably soft regional market that discourages strong levels of reinvestment in housing.

Disinvestment and deferred maintenance has been mounting for years.
The decade's long erosion of housing demand in Syracuse is mirrored by housing conditions and a large share of residential properties that are far behind on maintenance.

Current Syracuse market conditions bear similarities to historical patterns.
Many of the patterns that reflect housing conditions and investment today have deep historical roots, as a federal map drawn nearly 90 years ago makes clear.

Syracuse faces substantial city-suburban demand imbalances.
Onondaga County's suburbs trail far behind national levels of market performance. But within the county, the suburbs have levels of demand that are disproportionately high.

Syracuse is a city of diverse but mostly soft sub-markets.
While sharp differences exist between Syracuse sub-markets, nearly all are far from being genuinely strong and functional markets that breed healthy investment behaviors.

There are steep market gaps to overcome, especially in the most challenged neighborhoods.
Construction and rehab costs for homes and rentals generally exceed what households are willing to pay in Syracuse's sub-markets.

Syracuse is a distinct housing market within the county.

Summary of Affordability Gap Findings

Syracuse is a soft city within a soft regional market.

Onondaga County's population has been stagnant for half a century while housing development has continued to sprawl outwards. The result is a predictably soft regional market that discourages strong levels of reinvestment in housing.

Black and Hispanic households in Syracuse are at a far higher risk of being cost-burdened.

Cost burdens in Syracuse are unevenly experienced due to a history of inequitable access to economic and housing opportunities in the city and county.

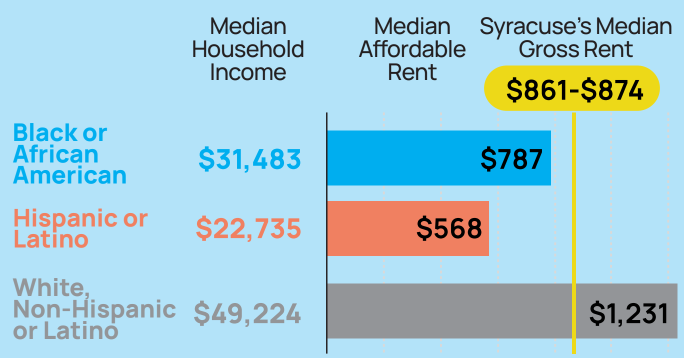
Housing need in Syracuse far outstrips available resources to fill affordability gaps.

While levels of housing need in the region are heavily concentrated in Syracuse, existing levels of assistance represent only a fraction of the assistance needed to relieve housing cost burdens.

Affordability gaps are higher where housing costs (and conditions) are lower.

The stratification of Syracuse's sub-markets means that incomes are higher and cost burdens are lower in areas with the highest costs and healthiest property conditions.

Median Affordable Rent by Race or Ethnicity, 2021



Source: American Community Survey 2021; median household income and median affordable rent reflect 5-year estimates while the range for median gross rent reflects the 1-year and 5-year estimates

Cost Burdened Renters and Housing Assistance, 2021

25,537 households have **incomes below $35,000**

18,118 of these households spend 30% or more of their incomes on housing and **are considered cost-burdened**

15,258 of these cost-burdened households are **renters**

7,605 households in Syracuse received some form of assistance in 2021 to alleviate cost burdens

Existing levels of housing cost assistance would have to triple to meet the needs of the 15,258 cost-burdened renters while continuing to assist these 7,605 households

Source: czb analysis of data from 2017-2021 American Community Survey five-year estimates and U.S. Department of Housing and Urban Development

Syracuse has already begun to take action on its housing challenges.

The 2023 Syracuse Housing Study provided guidance for developing the strategy necessary to begin tackling the city's market and affordability gaps. In April 2024, the Mayor's office unveiled the Syracuse Housing Strategy, which proposes the development and deployment of a new toolkit for intervening in the city's housing market. The two-pronged approach aims to revitalize or stabilize strategically important small areas within the city's neighborhoods.

For more detailed analysis on the Syracuse housing market, refer to the **2023 Syracuse Housing Study** and the **2024 Syracuse Housing Strategy.**

2023 Syracuse Housing Study

2024 Syracuse Housing Strategy

PART 3

County Housing Market Outside Syracuse

03

Outside Syracuse, the county's market is in transition.

Onondaga County is steeped in history, and it has had multiple recognizable eras of development. Most of the county outside Syracuse was formed during the middle and late part of the 20th Century, and its housing stocks and demography reflect that reality. Syracuse experienced its demographic transition as the suburbs developed. Now, the suburbs themselves are changing. As the population grows older in the county—an American phenomenon not unique to Central New York—and households generally become smaller, the county housing market outside Syracuse is changing in ways that would have been difficult to imagine in past decades.

Outside Syracuse, the county's market is in transition.

Unless otherwise stated, all data and analysis in this Part (pages 46-55), refers to Onondaga County exclusive of Syracuse.

Homeownership has long been dominant, but growth in homeowners is slowing.

Outside Syracuse, the number of homeowners has grown every decade for which data are easily available. But in that time, each decade has also seen the creation of fewer new homeowners than the one before it. The ownership market is still growing, but the long-term trend points in the direction of low ownership growth rates.

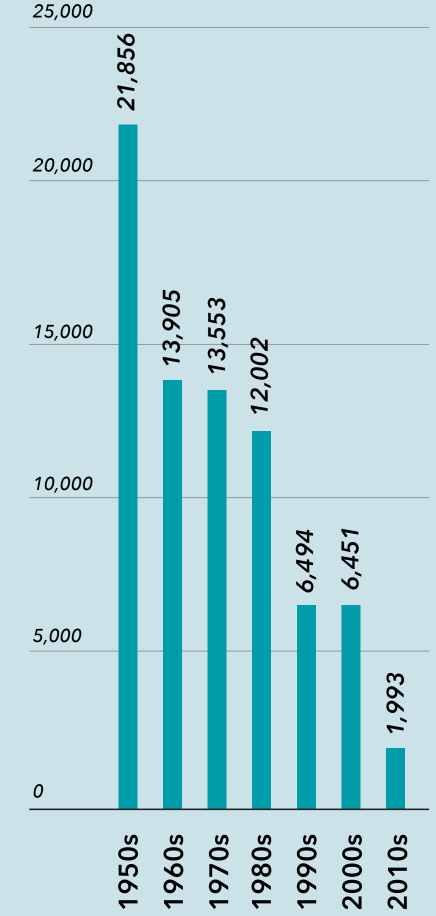
Demographic factors are driving the slowing growth in the ownership market.

The county's demography is changing, and its households increasingly will be different from what they have been in the past. This inevitably has housing market impacts as different types of households with different characteristics have different housing needs and preferences.

Traditional homebuying households have been declining, including larger households of three or more people, which comprised 46% of non-Syracuse households in 1990 but only 35% in 2020. Households in which parents are raising children have been declining. As Millennials grew from school-aged to adulthood between 2000 and 2020, non-Syracuse households with kids fell by about 7,500. (These categories—households of three or more people and those raising children—overlap.) These are among the household types that drive homeownership, and because they are not growing, it is difficult for the ownership market overall to grow.

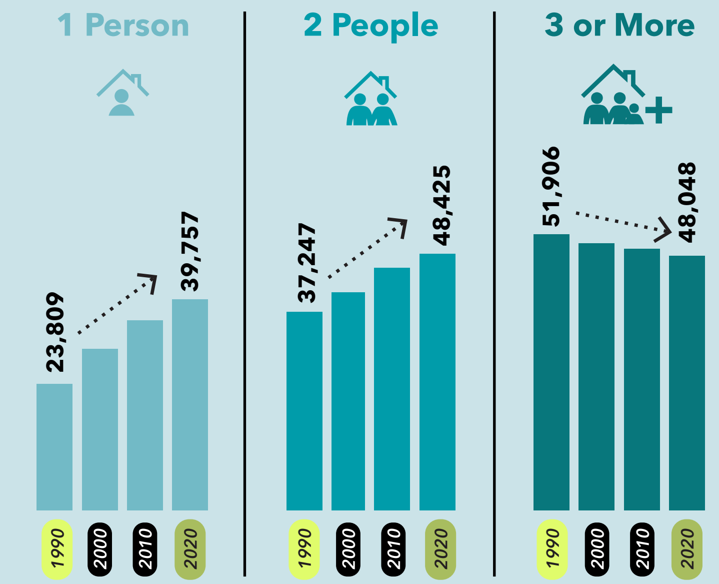
In their place, smaller households of one or two people are increasing outside Syracuse, as are households headed by a person aged 65 or more. By virtue of size and/or life stage, homebuying is less likely for these segments of the market, and these are the segments that are growing.

Increase in Owner Households by Decade



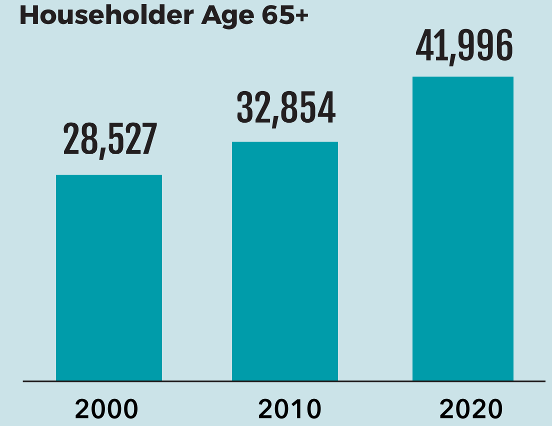
\Source: U.S. Census

Household by Size



Source: U.S. Census

Households with Householder Age 65+



Source: U.S. Census

Households Raising Own Children

2000 41,608

2010 40,290

2020 34,131

Source: U.S. Census

Outside Syracuse, the county's market is in transition.

The number of buyers was lower during the 2010s than in past decades, closing the normal gap between buyers and sellers.

The balance between the number of buyers and the number of sellers over any period of time also helps explain changes in the growth of owner-occupied households. If the number of buyers is greater than the number of sellers, the number of homeowners will increase. (The imbalance is cured through construction of new units.) If the opposite is true, then the number of homeowners will decrease. During the 2010s, the number of buyers was lower than the previous two decades while the number of sellers was higher.

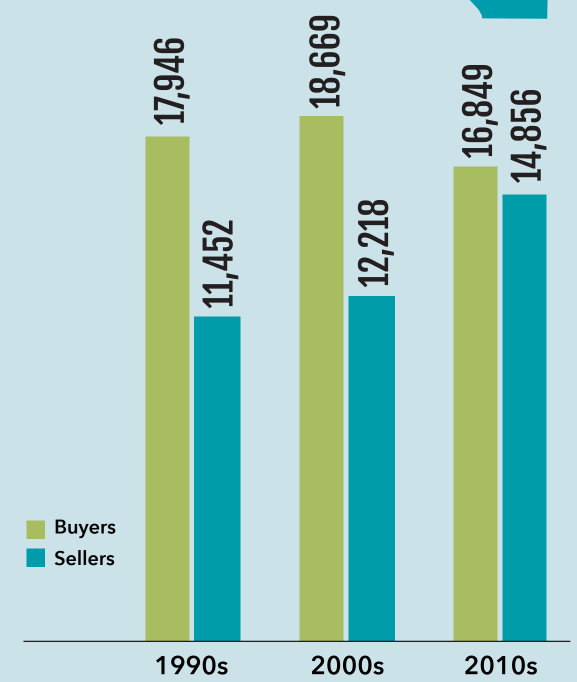
The number of potential "move up" buyers decreased in the 2010s.

After 2010, the number of owner households headed by someone aged 35-64 decreased. These owners constitute the core of the market for new construction products as they might look to "move up" using existing home equity and growing incomes developed through their working years. Meanwhile, growth in the number of senior owner households more than doubled from the 2000s to 2010s. Senior households may be looking for a downsizing option, but they are cost conscious and likely not seeking large single-family detached houses which are traditionally the norm for new builds. In their combination, these two trends reflect a market decreasingly likely to support significant volumes of new houses.

As a result of these trends, new single-family home construction is in long-term decline.

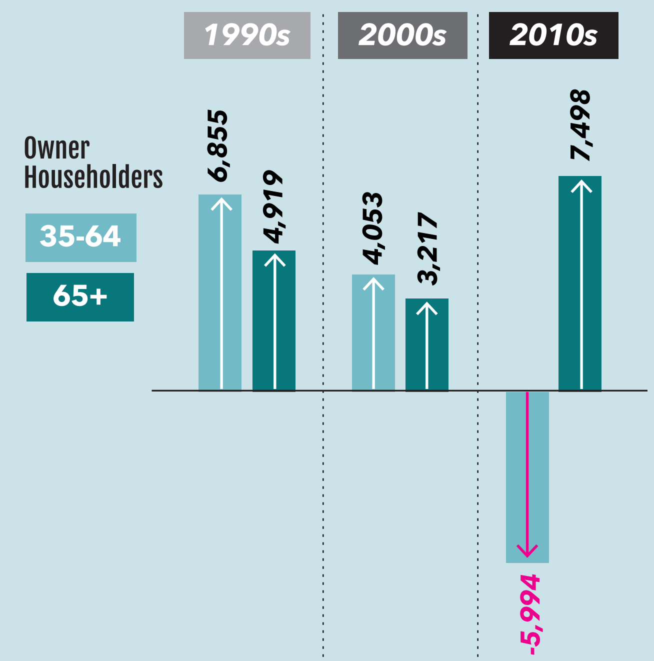
New home construction has been in decline since the mid-2000s. The growth in owner-occupied households has slowed in recent decades, and the types of households most likely to become homeowners have not been growing. In addition, the number of new buyers in the market was lower in the 2010s than in the two preceding decades while the number of sellers grew, providing a greater number of older units to the buyer market than had been the case in earlier decades. As a result of all this, the market did not need as many new ownership units in the 2010s as it had in earlier decades, and the decline in new home production continued accordingly.

Home Buyers and Sellers by Decade



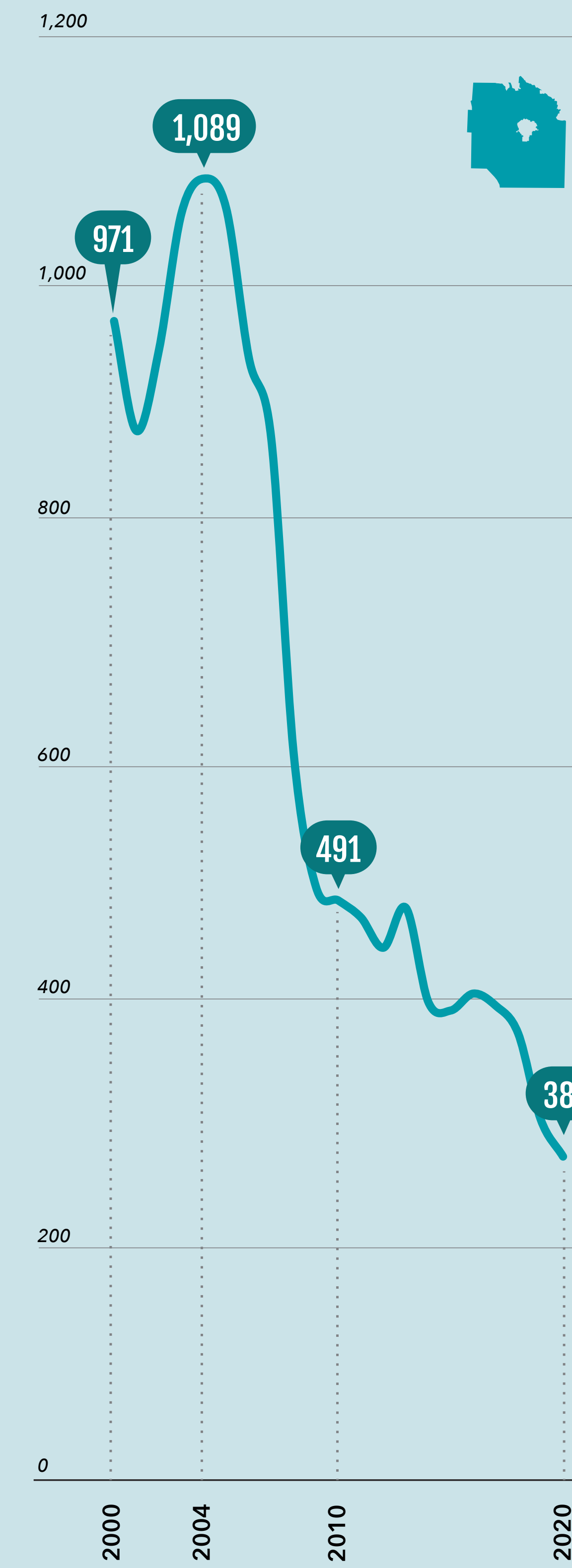
Source: czb analysis of data from the U.S. Census

Change in Number of Owner Households by Age of Householder by Decade



Source: czb analysis of data from Decennial Cenus and ACS Five Year Estimates

Single-Family Units Built, 2000 to 2020



Source: Onondaga County

Outside Syracuse, the county's market is in transition.

The county's historic homeowner affordability is challenged by new circumstances in the 2020s.

At the time of this assessment in 2024, market conditions were different from what had been considered normal. In particular, homebuying had become a challenge with less inventory than normal, and higher sale prices than normal. These conditions were not a result of sharply increasing demand, but rather of changing circumstances beyond local control after 2020. New housing unit construction faced supply chain problems and inflationary pressures on material and labor costs, making it more difficult for new supply to come online, and requiring higher sale prices when it did. And higher interest rates froze many existing homeowners in place, not wanting to trade a mortgage rate of less than 4% for a new loan of 7% or more. As existing owners stayed put, inventory declined relative to demand and prices rose. As of 2024, it remains to be seen whether buyers will see better conditions in the near future, or whether higher prices and lower inventory will endure.

Inflationary pressures and higher interest rates challenge buyers.

The economic recovery from the Covid-19 period came with a level of inflation not experienced in decades, and this inflation inevitably found its way into the housing market, helping to increase home prices. As a result, interest rates were increased, including the 30-year mortgage rate for homebuyers. Rates that had been predictably below 5%, on average, since the Great Recession, and around 3% in more recent years rose to about 7% in 2023. At the same time that prices were rising, borrowing capacity was falling for frustrated homebuyers.

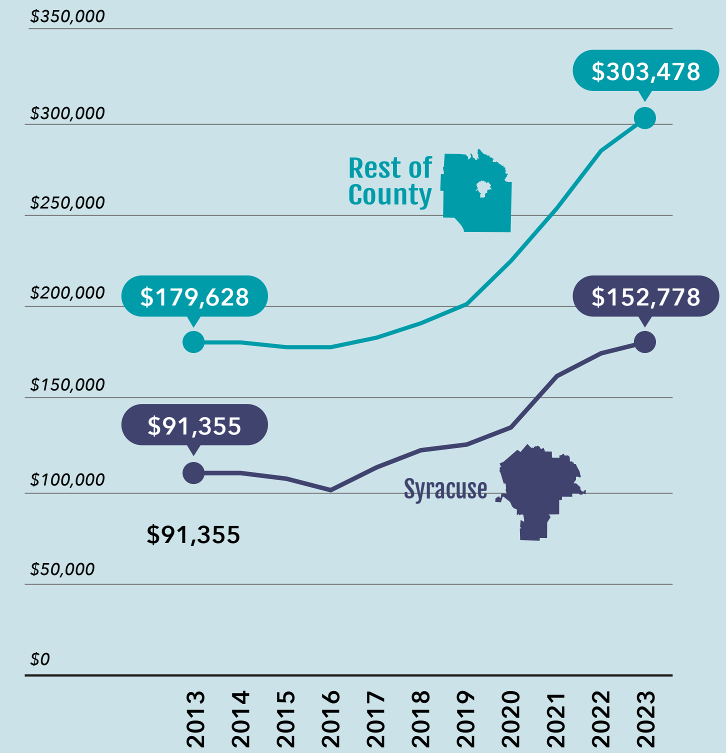
Decreased inventory puts pressure on prices.

Higher interest rates starting in 2022 froze many existing homeowners in place, not wanting to trade a mortgage rate of less than 4% for a new loan of 7% or more. As existing owners stayed put, the market was deprived of additional inventory that could have eased prices.

New construction is a solution with severe limitations.

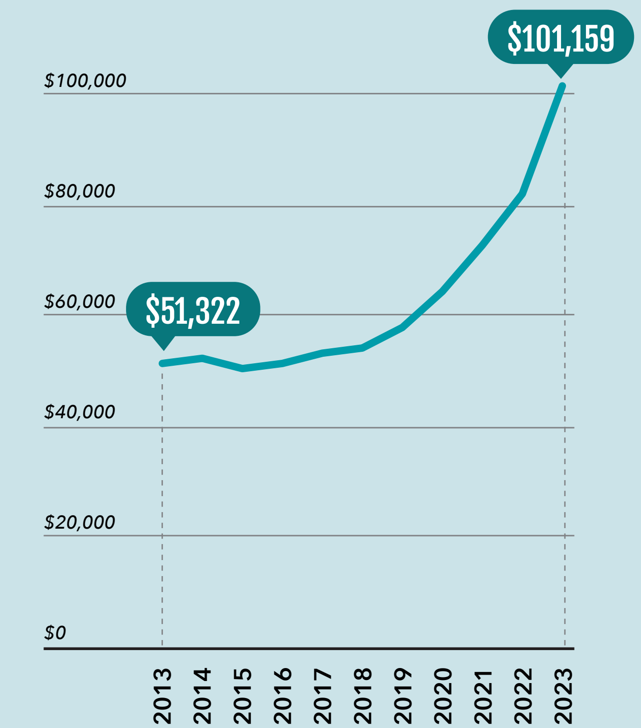
Construction costs were already on the rise before 2020. Inflationary pressures and higher interest rates, along with pandemic-era supply chain disruptions and labor market tightness, played a disruptive role for the homebuilding industry in the early 2020s. In the mid-2010s, a household with an income below $100,000 could possibly afford a newly built home in Onondaga County. By 2023, the income needed had surpassed $150,000, putting new construction out of reach for most households. For those who could afford to potentially "move up" to a newly built house, the cost of a higher interest rate acted as a major deterrent.

Average Single-Family Sale Price by Year, 2013-2023



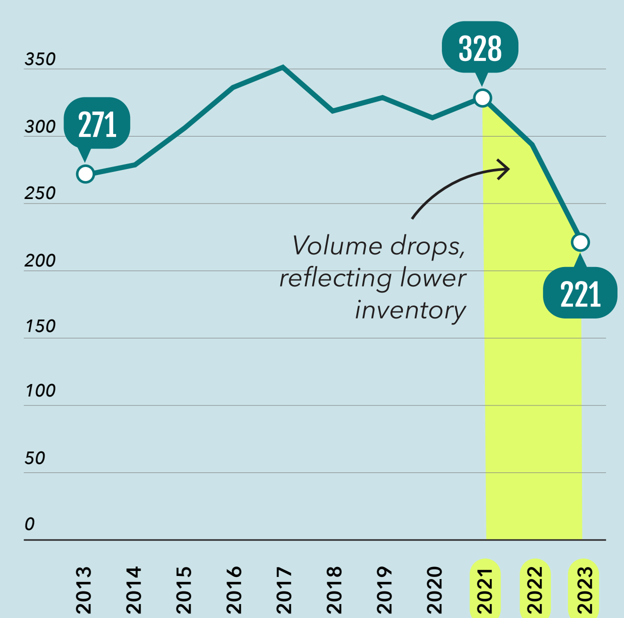
Source: Real estate transaction data from Onondaga County

Income Needed to Afford Average Single-Family Sale Price in Non-Syracuse Onondaga County, 2013-2023



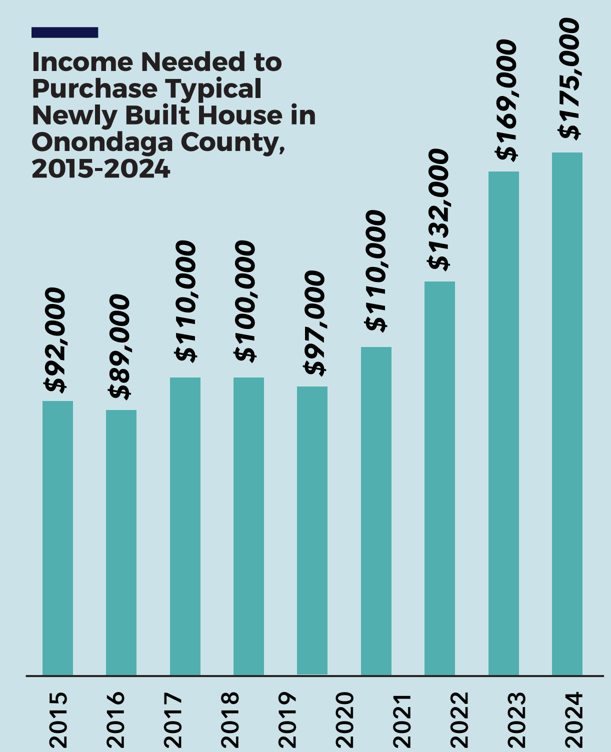
Source: czb calculations based on sales data from Onondaga County Assessor

Average Monthly Single-Family Sale Volume by Year, 2013-2023



Source: Real estate transaction data from Onondaga County

Income Needed to Purchase Typical Newly Built House in Onondaga County, 2015-2024



Source: czb calculations based on sales data from Onondaga County Assessor

Outside Syracuse, the county's market is in transition.

Meanwhile, renter household growth increased during the 2010s.

Although Syracuse has long been the location best known for renting, the rest of the county added more renter households than the city during the 2010s. Renter household growth outside Syracuse was over 75% higher than any of the previous three decades, resulting in over 3,900 additional renter households by 2020.

Renter household growth during the 2010s was partially attributable to Millennials arriving at the right age and stage of life, though Syracuse benefitted disproportionately.

In 2020, people born 1986-1995 fit neatly into the 25-34 age category. This group, all from the Millennial generation, formed thousands of new renter households as they moved through their college years and their 20s between 2010 and 2020. The number of new renter households formed, with a head of household aged 25-34, during the 2010s was greater outside Syracuse than inside Syracuse, but the city experienced a much greater increase over the previous decade than did the rest of the county.

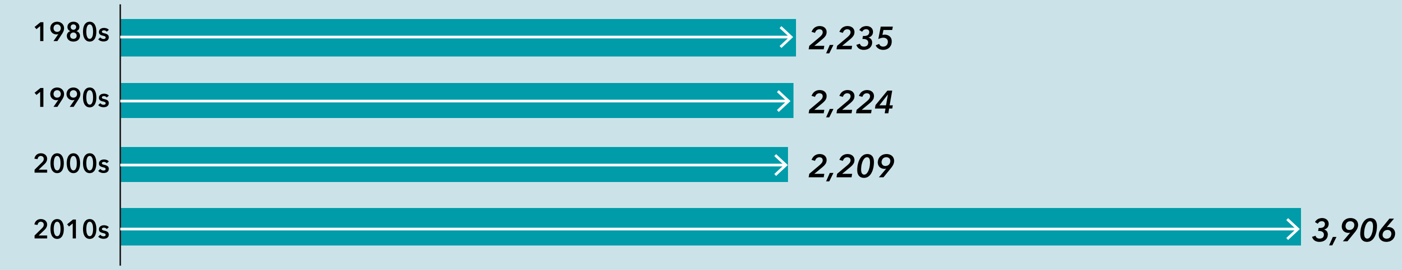
2010s renter household growth was also attributable to fewer renters exiting the rental market than in the previous decade.

Renter household growth occurs when the number of households entering the market is greater than the number exiting the market. While it is true that more new households entered the non-Syracuse rental market during the 2010s than the 2000s, higher renter household growth during the decade was more attributable to fewer renters exiting the market. The number of new renter households entering the market was about 400 more in the 2010s than in the 2000s, while the number of households leaving the market was about 1,300 fewer.

A few key market segments have driven the growth in the rental market since 2000.

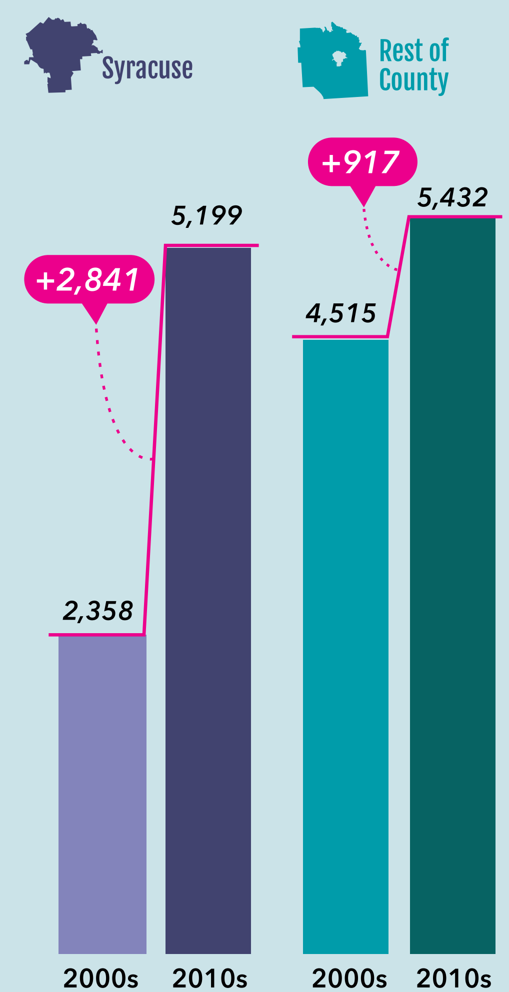
Outside Syracuse, rental market growth was driven by specific household types. These are people aged 35-64 living alone, seniors aged 65 or more living alone, other family types in which there is no marriage (includes single-parent families), and households with three or more people. (The latter two categories—other family types and households with three or more people—overlap.)

Increase in Renter Households by Decade



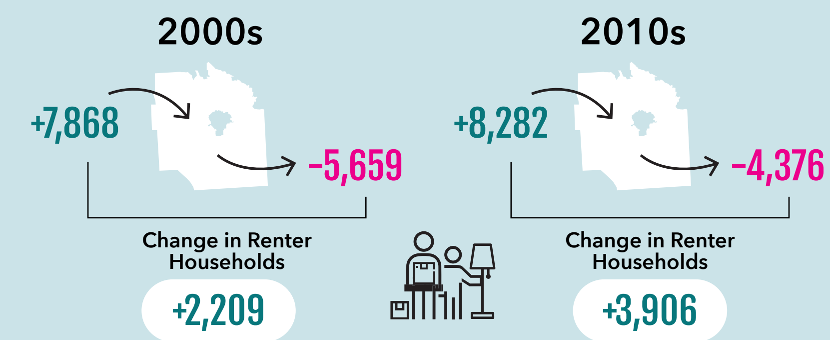
Source: U.S. Census

New Renter Households Formed, Householder Aged 25-34, 2010 and 2020



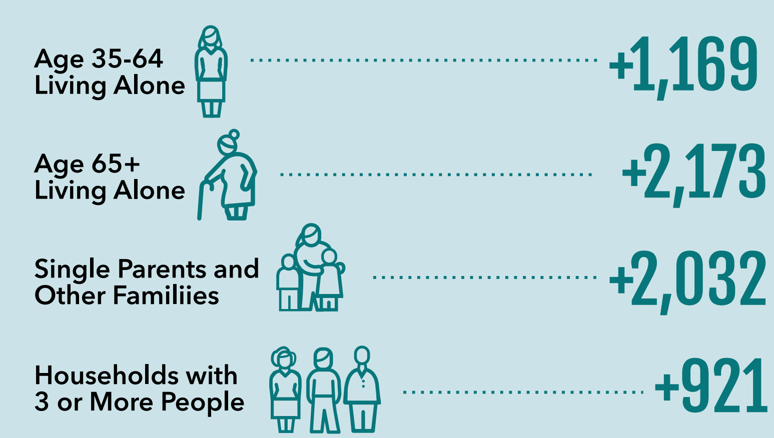
Source: czb analysis of data from U.S. Census

Renter Households Entering and Exiting Market by Decade



Source: czb analysis of data from U.S. Census

Increase in Key Rental Market Segments, 2000-2020



Source: U.S. Census

Outside Syracuse, the county's market is in transition.

Traditional multifamily units serve some households well but not others.

The vast majority of new multifamily rental units are studio, one-, and two-bedroom units which serve smaller households. Since it is smaller households of one or two people that are growing in the county outside Syracuse, these new units help to better match household needs. But larger renter households in need of more space are not well-served by new multifamily units. The economics of building and leasing units of at least three bedrooms are challenging, and few are built by the private sector. Single-family detached houses no longer needed or desired by the ownership market end up as the most common solution for larger renter households.

Despite the increased rate of multifamily unit construction, vacancy rates suggest demand is still ahead of supply in 2024.

During the 2010s, production of suburban rental units doubled from the previous decade as the private sector attempted to meet growing rental demand. As of the time of this assessment in 2024, supply still had not caught up to demand. The vacancy rate in multifamily units outside Syracuse was just 2.5%, half of the 5% that is considered normal in a market where supply and demand are balanced.

Renters generally get a good deal, but many with lower incomes struggle to afford the rent.

Rents are generally higher outside Syracuse than inside Syracuse. In the first quarter of 2024, the average rent for a unit in a multifamily property was about $1,300 outside Syracuse and $1,100 inside Syracuse. But renter incomes are also higher outside Syracuse, which means that higher suburban rents do not necessarily lead to greater affordability challenges. About 46% of renter households outside Syracuse had incomes of $50,000 or more as of 2022, while only about 29% had incomes that high in Syracuse.

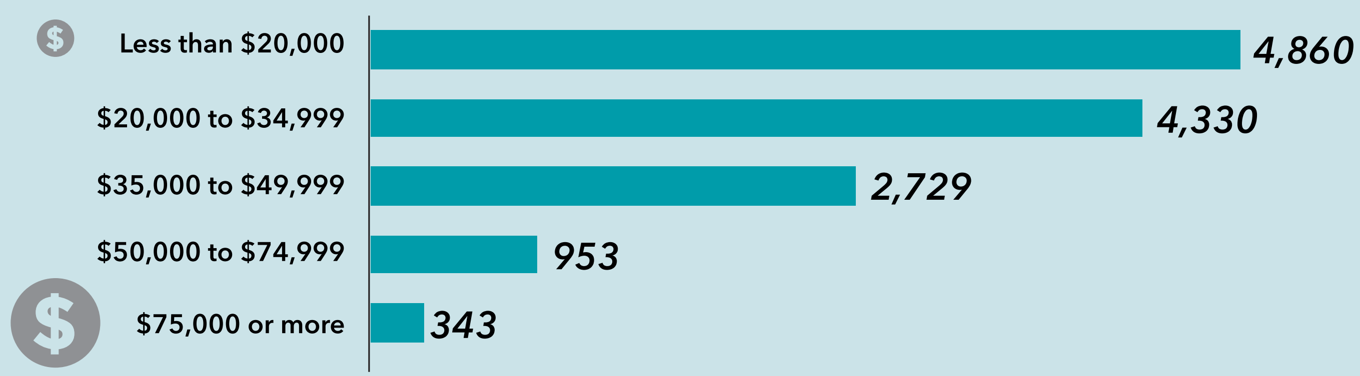
Suburban rental properties of all types are generally newer than those in Syracuse, and rents are higher, so the prevalence of deferred maintenance is less. Renters outside Syracuse, on average, have better affordability and better quality. However, there are still many renter households outside Syracuse that struggle to afford rent.

To afford the average rent in a multifamily property outside Syracuse requires an annual household income of about $50,000. There are over 17,000 renter households outside Syracuse with incomes of less than $50,000 and about 12,000 of these pay at least 30% of their gross income toward housing costs, which is the federal government's definition of unaffordability. About 9,000 of these households paying 30% or more have incomes of less than $35,000.

The number of senior renters is on the rise.

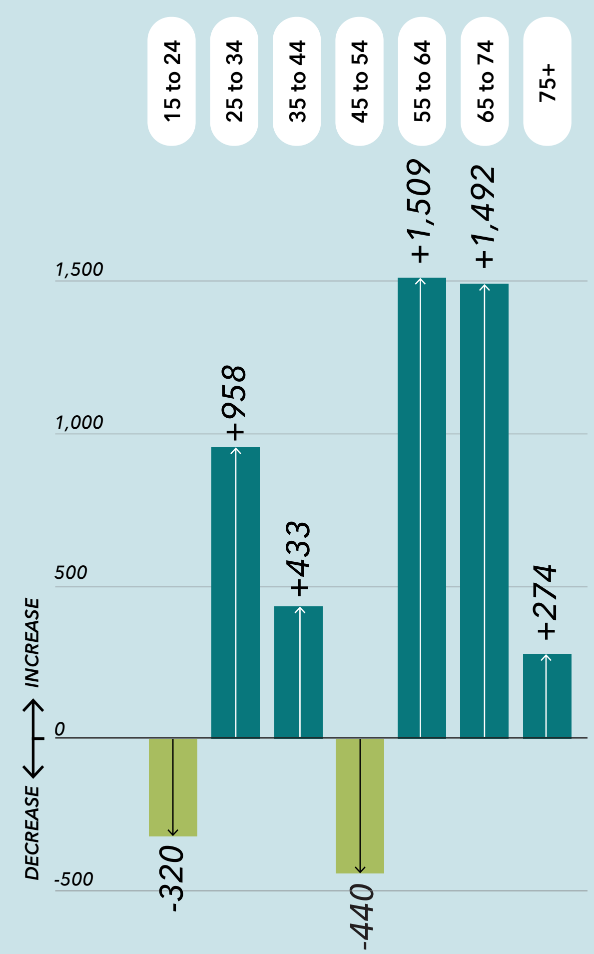
During the 2010s, the number of non-Syracuse renter households headed by a person aged 55-74 increased by about 3,000. Some of these households were existing renters who simply aged, while others were former homeowners who became renters. This trend bears watching as this particular cohort of renters will remain in the market for the foreseeable future, and aging homeowners, of which there are many outside Syracuse, are likely to add to the ranks of senior renters over time as they leave the ownership market.

Cost Burdened Renter Households by Income, 2022



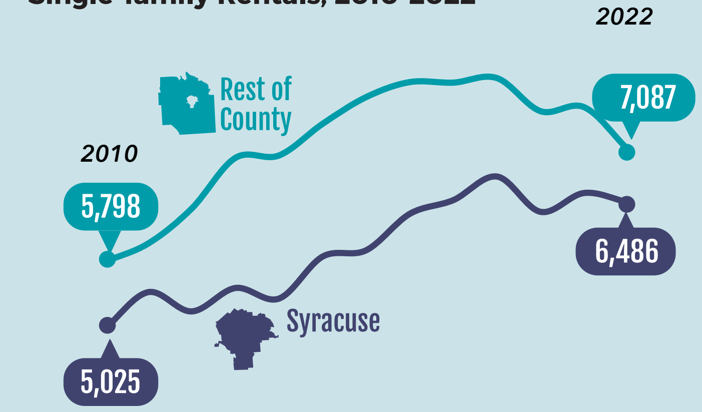
Source: 2018-2022 American Community Survey Five-Year Estimates

Change in Renter Households by Age of Householder, 2010-2020



Source: U.S. Census

Single-family Rentals, 2010-2022



Source: American Community Survey Five-Year Estimates

Multifamily Rental Data, Q1 2024

	Multifamily Units	Average Rent	Vacancy Rate
Syracuse	23,555	$1,131	6.2%
Rest of County	20,343	$1,319	2.5%

Source: CoStar

Average Annual Multifamily Unit Construction

2000-2009	2010-2019
300	620

Source: Onondaga County

PART 4

Housing Market Challenges of the Mid-2020s

04

Regardless of what might occur in the future, there are known housing issues in the mid-2020s.

The data and analysis presented in the preceding pages raise a number of important housing issues in Onondaga County. Most of these issues are long-standing, though some have emerged in more recent decades. To different degrees, they are relevant to Syracuse and to the rest of the county. All of them should receive attention from policymakers in the years ahead.

Summary of Housing Market Challenges in the Mid-2020s

The current and future health of the county's housing market does not depend solely on how much growth it experiences. A number of housing market challenges exist in the mid-2020s which may require attention from policy makers and practitioners regardless of future events.

1 Onondaga County remains a soft regional market.

Housing costs are low relative to the state and nation and home values have generally not appreciated above the rate of inflation.

2 Syracuse is not competitive within the broader county market.

The disparities between Syracuse and the rest of the county are stark. Syracuse has not appealed to middle- and upper-income households and concentrated poverty and distressed conditions are significant issues.

3 More rental units are needed outside Syracuse.

In the 2010s, renter households increased more than owner households outside Syracuse. Low vacancy rates for suburban multifamily rental units suggest supply is not keeping up with demand.

4 Suburban renters face affordability challenges.

Although the region's low-income renter households are disproportionately concentrated in Syracuse, the rest of the county is home to thousands of renter households paying more than they can afford for housing.

5 Suburban sprawl undermines the county's housing market.

Land use and development patterns have historically led to new units built at the edges of the county's urbanized areas while units in the core went vacant. These patterns undercut property values and tax base, depriving local governments of needed revenues when infrastructure repairs and upgrades become necessary in older neighborhoods.

6 Onondaga County needs more diverse for-sale products.

The default ownership unit in Onondaga County has long been the single-family detached house, but owner household sizes are trending toward having fewer people than they used to. Changing demographic realities suggest the need for something different.

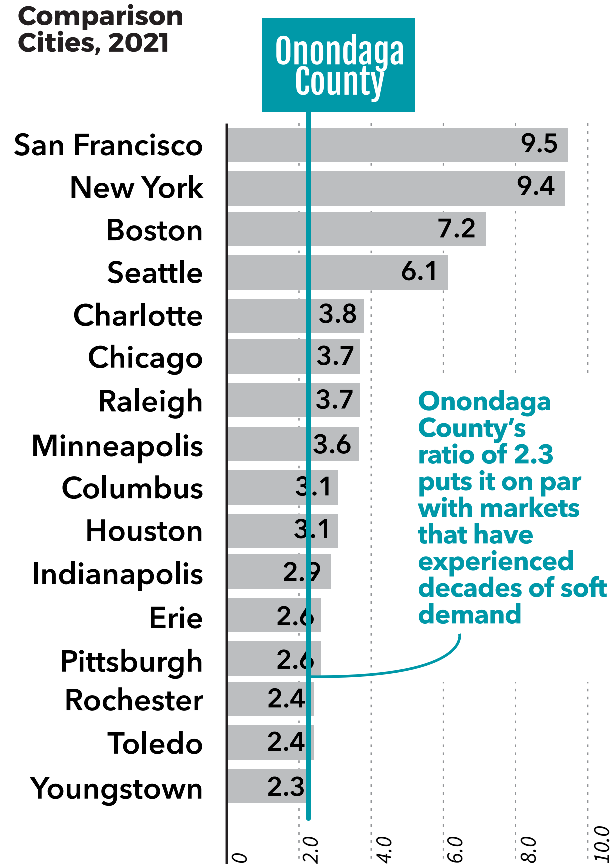
1 Onondaga County remains a soft regional market.

The county has a value-to-income ratio that is indicative of an affordable regional market with soft demand, as illustrated in the relationship between incomes and housing values. A ratio of 3.0 to 3.5 describes a market where supply and demand are well-balanced, with the median household able to afford the median valued house. (Home value is a self-reported figure in the American Community Survey and reflects all owner-occupied units, not just those that sell in a given year.) A ratio above 4.0 describes a market that is increasingly unaffordable to the median household. Onondaga County in 2021 had a ratio of 2.3, which describes a market that is very affordable to the median household and where supply generally exceeds demand.

This fundamental structure of the Onondaga County market remains the same in the mid-2020s despite the challenging conditions for new buyers. A few years of anomalous circumstances are not enough to indicate market recovery and demographic trends are not favorable for future market conditions, as discussed later in Part 5.

If the ratio described above is adjusted somewhat, this time dividing the most current average annual sale prices by the most recent household income data, the story is sharpened. Typical owner households and typical households headed by someone aged 25-44 do not have affordability challenges, even at the higher prices of the early to mid-2020s. Their housing dollars may not go as far as in past years, and they may have reduced choice, but they have no affordability problem in the suburbs and the City of Syracuse is a very affordable option. There may remain a question of willingness to pay such prices, given historical expectations, but that is yet another sign of a soft market. New buyers are right to ask whether they would be overpaying, and whether future appreciation will make buying a home in Onondaga County at these prices a sensible risk. The county's youngest households and renters—disproportionately living in Syracuse and with low incomes—cannot really afford to buy, but this is not a new phenomenon.

Median Home Value to Median Income Ratios for Counties Inclusive of Comparison Cities, 2021



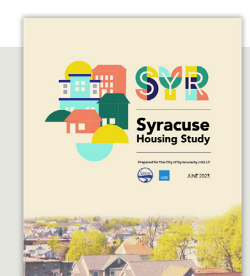
Source: U.S. Census Bureau, ACS 2021 5-year estimates for median home values and median household incomes at the county level; ratios for the comparison cities reflect the ratios for the counties that include the core cities, including all five counties that comprise New York City

Ratio of Household Income to 2023 Average Sale Prices, Selected Onondaga County Household Types

	2023 Average Syracuse Sale Price: $300,000	$150,000
Median Owner Household Income, 2022: $95,000	3.2	1.6
Average County Household Income, Ages 25-44, 2022: $98,000	7.9	3.9
Average County Household Income, Ages 25-44, 2022: $98,000	3.1	1.5
Average County Household Income, Age Under 25, 2022: $42,000	7.1	3.6

2 Syracuse is not competitive within the broader county market.

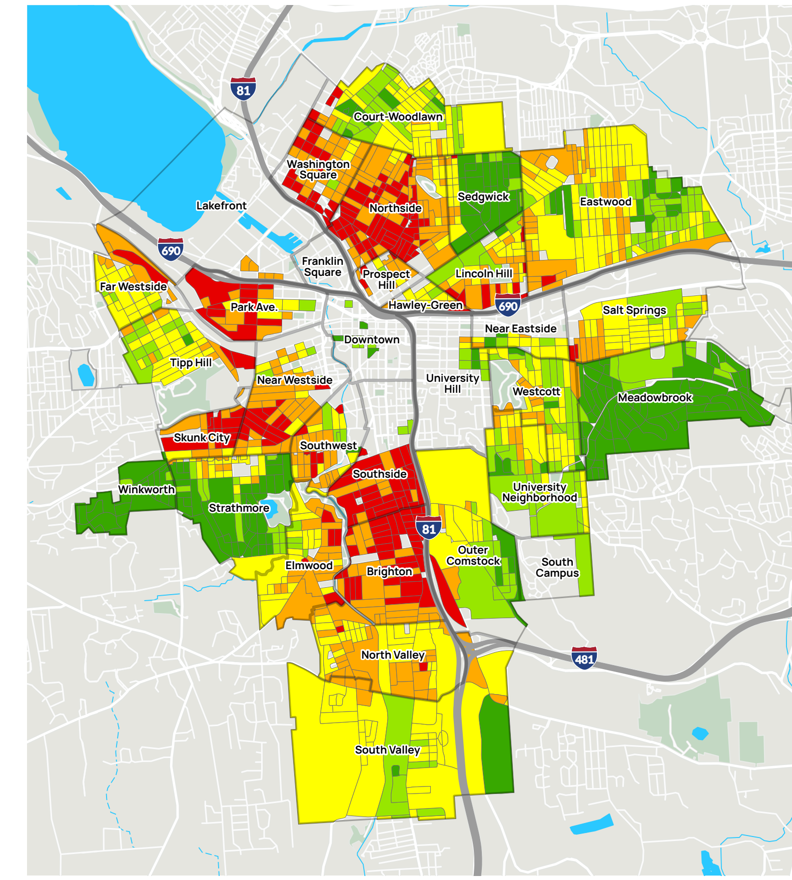
This assessment, building on the analysis in the 2023 Syracuse Housing Study, illustrates the extent to which the City of Syracuse is not competitive for middle- and upper-income households, for married-couple families, and for homeowners. The concentration of poverty, the overspending of low-income households on low-quality rental units, and the distressed physical conditions of city neighborhoods are part and parcel of a weak market where many residents do not have a quality of life similar to what can be found elsewhere in the county. Syracuse has only a few neighborhoods that can match the average market conditions across the county. A weakened Syracuse is not only detrimental to residents who live there, but also undermines real estate values in other parts of the county and deprives regional residents of a vibrant urban core that could enhance quality of life for all county residents.



Declining residential demand in the city over the past half century has exacerbated patterns of disinvestment and deferred maintenance.

(2023 Syracuse Housing Study)

Average Residential Property Conditions at the Block Level, 2022



Condition Rating		Number of Properties	% of Properties
1	Excellent condition	2,914	8%
2	Good condition	6,642	19%
3	Average condition	14,145	40%
4	Moderate distress	9,659	28%
5	High level of distress	1,670	5%

Source and Note: czb field survey of property conditions for all properties with residential uses; figures in table represent parcel-level tally of property conditions while the map represents an averaging of those figures at the block level

3 More rental units are needed outside Syracuse.

During the 1950s, Onondaga County added over 20,000 new owner households outside Syracuse. Every decade after that, the number of new owner households got smaller. During the 1990s, and again during the 2000s, the increase was about 6,500 households. But in the 2010s, the increase was fewer than 2,000 new homeowners. Meanwhile, non-Syracuse Onondaga County added about 2,200 new renter households each decade from 1980 to 2010, but the growth from 2010 to 2020 was almost 4,000 households.

The increase in the number of renter households has taken place alongside an increase in the number of smaller households (1 or 2 people), and a decrease in the the number of larger households (3 or more people). The number of households in which children are being raised has also been decreasing. **When households need less space, and when the costs of purchasing and owning a single-family detached house are difficult for most single-earner households to afford, renting a unit sized for one or two people becomes more common.**

At the same time, many larger households will not become homeowners, meaning larger rental units of more than two bedrooms are needed to serve that market. The economics of building and leasing units of at least three bedrooms are challenging, and few are built by the private sector. Analysis completed for the ***2023 Syracuse Housing Study*** indicates that the required asking rent for newly built three-bedroom unit is around $3,000 per month, which would require the renting household to have an income of at least $100,000 per year, if not more. Households at this income level outside Syracuse are homeowners on better than a 9 to 1 basis, making the market for large suburban rental units at high prices very small, and thus high risk. As a result, single-family detached houses no longer needed or desired by the ownership market end up as the most common solution for larger renter households.

The demographic trends, for which the data are clear through at least 2020, show no indications of fundamentally swinging in another direction and non-Syracuse Onondaga County has not quite been keeping up with new rental demand. During the 2010s, the suburbs added only about 3,000 new multifamily units while suburban renter households grew by almost 4,000. Indeed, as of the first quarter of 2024, rental demand in multifamily properties was strong compared to supply. The vacancy rate among multifamily units outside Syracuse was just 2.5% compared to the 5% that is considered normal in a market where supply and demand are balanced.

4 Suburban renters face affordability challenges.

Although low-income households are disproportionately concentrated inside Syracuse—where low incomes are the source of the affordability challenge, not high housing costs—the rest of the county is also home to thousands of households who struggle to pay the rent. The average monthly rent for a unit in a multifamily building outside Syracuse was about $1,300 in the first quarter of 2024, which is affordable to a household with an income of about $50,000. (Affordable housing costs are defined here as requiring less than 30% of gross household income.) Roughly three out of every four renter households (74%) outside Syracuse with incomes of less than $50,000 spend at least 30% of their gross household income on housing costs. These households, about 12,000 in total, face what is called a "rent burden." By contrast, among renter households with incomes of $50,000 or more, only 9% are rent burdened.

As of 2022, there were just over 17,000 renter households outside Syracuse with incomes of less than $50,000. About 16,000 of these were paying cash rent of some amount, and 12,000 were rent burdened. According to federal data from the Department of Housing and Urban Development, about 3,000 renter households outside Syracuse were receiving housing subsidy as of 2021, either directly through public housing, the use of housing choice vouchers, or both. Available housing subsidies clearly are far short of the actual need.

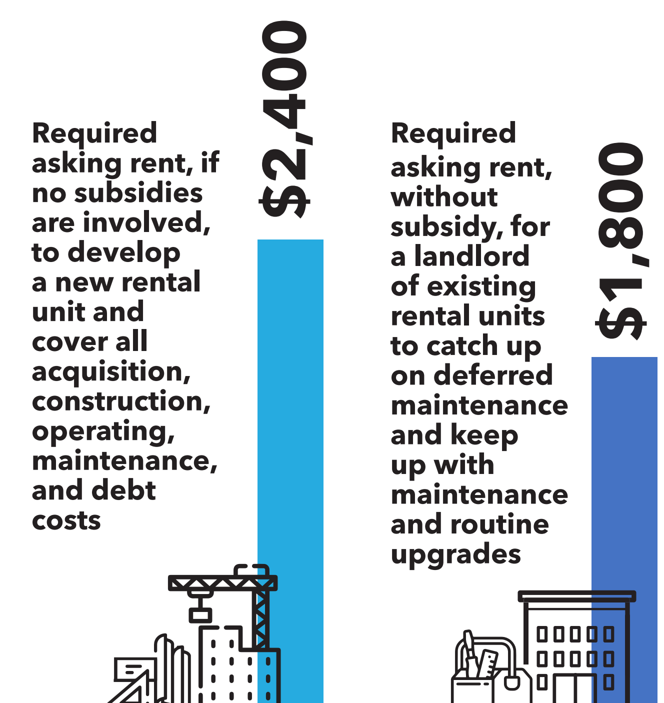
Affordability cannot be tackled by the private sector alone, as rents affordable to households at these incomes—$1,300 is the absolute most they can afford—are generally not sufficient to cover the responsible costs of rental property ownership. Analysis from the Syracuse Housing Study indicates that in the region, on average, rents must be at least $1,800 per month, though that may vary depending on property and unit specifics.

Rent Burdened Households Outside Syracuse by Income, 2022

Income **less than $50,000**	Income **$50,000 or more**
11,919	**1,296**

Source: 2018-2022 American Community Survey 5-year Estimates

Average Required Break-Even Rents in Syracuse Area, 2023



Source: *Syracuse Housing Study*, Analysis of prevailing costs in early 2023 based on data from R.S. Means and land currently for sale; renter shares are from 2021 American Community Survey 5-year Estimates

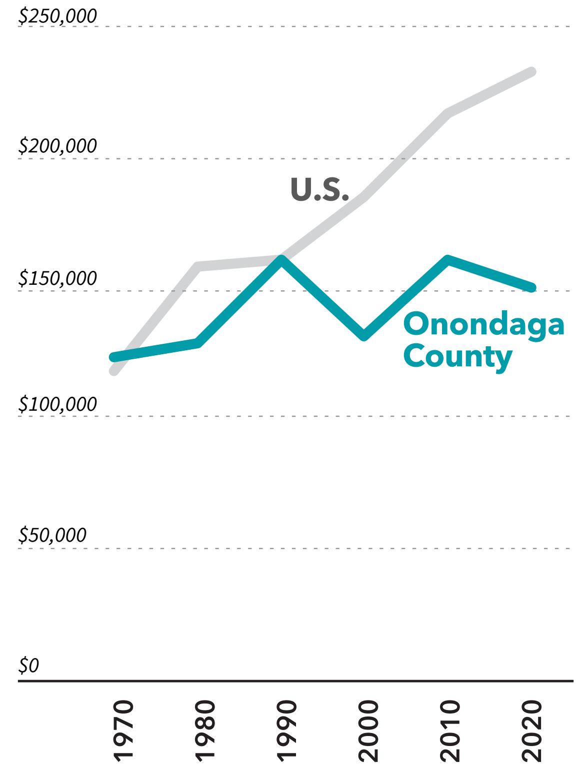
5 Suburban sprawl undermines the county's housing market.

Onondaga County has completed various analyses that illustrate the fiscal value of higher-density development, and why it is better for county, city, town, and village governments, as well as school districts, to encourage density and avoid low-density sprawl.

Market strength, or weakness, is a function of the relationship between supply and demand. When demand exceeds supply, prices will rise relative to inflation. When the opposite is true, prices will fall relative to inflation. Onondaga County, with a few special exceptions, has a decades-long history of demand failing to exceed supply. As described in Part 1, overbuilding across the region for a population that was not growing, as thousands of units were being abandoned in Syracuse, oversupplied the region and ensured values could not consistently grow. This sprawl without growth also resulted in a high level of vacancy in the City of Syracuse.

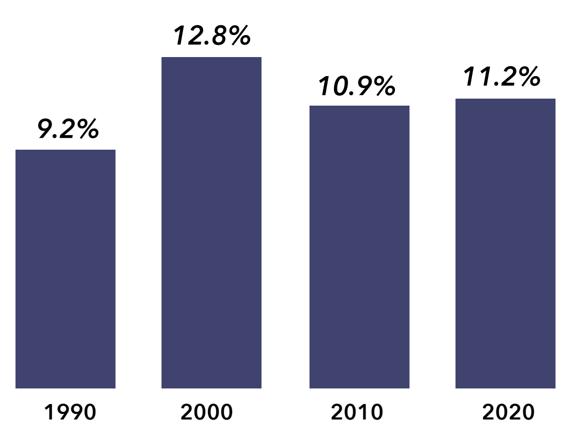
After 1970, suburban population and household growth did not result in net gain for the county. Rather it simply came at the expense of Syracuse, and took the form of sprawling low-density development. Low density residential development consumes irreplaceable land and shifts costs onto the future public by building infrastructure that will need to be replaced at a later time. **In a market with habits of sprawl and lack of appreciation, this guarantees that the tax base will not be sufficient when future infrastructure bills will come due.** These costs create yet another drag on property that is already a questionable investment, perpetuating the cycle. This may be a good deal for builders and some buyers at the time of original sale, as well as for local governments in search of short-term bumps in taxable value, but it is not good for the community long-term.

Median Home Value, 1970-2020, Adjusted for Inflation



Source: U.S. Census Bureau, Decennial Census for 1970-2000 and ACS 5-year estimates for 2010 and 2020; inflation adjustments made using CPI

Syracuse Unit Vacancy Rate, 1990-2020



Source: U.S. Census

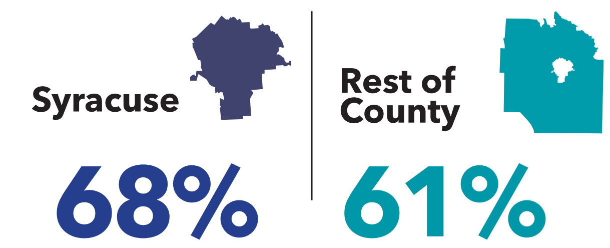
6 Onondaga County needs more diverse for-sale ownership products.

Just as a changing market is tipping household growth toward renting instead of owning, it may also be signaling a change in the types of for-sale products the market is demanding. The number of newly built single-family detached houses has been in long-term decline in the county since the peak in 2004. While post-2020 supply chain issues, inflation, and rising interest rates undoubtedly had an effect on new home construction, they simply exacerbated a pre-existing condition driven by the demographic trends described in this analysis. Well over half of owner households countywide have only one or two people living in them. There are about 23,000 owners outside Syracuse living alone.

Historically, the vast majority of all non-Syracuse ownership housing demand has been met with single-family detached houses. According to data from the American Community Survey Five-Year Estimates for 2022, about 75% of all housing units outside Syracuse are single-family detached. Owner households in search of an alternative have few options as they move through various stages of life. One example is the downsizing senior household looking for less space, single-floor living, and reduced or no maintenance. In the absence of a different kind of for-sale unit, the remaining choices are the house that is too large, or a rental unit. In fact, much of the shrinking household size phenomenon is due to aging, and many current and future seniors occupy houses that might better be added to the for-sale inventory during the 2020s for younger buyers.

Smaller ownership units that could be a better fit for a changing market include high-density detached houses, attached rowhouses, and stacked flat condos. These new for-sale units would need to be built at higher densities than the county has been used to in the past, usually above 10 units per acre and in some cases above 30 units per acre.

Percentage of Onondaga County Owner Households with One or Two People, 2020



Source: U.S. Decennial Census

PART 5

Speculating about the Future

05

There is no crystal ball that accurately tells the future.

Projections are almost always based on recent trends, assuming that what is true about the recent past is likely to be true about the future. What is difficult to know is how conditions might change, or how intentional policy changes could affect the future. New York State has procured projections related to the Micron project, which provides a basis for establishing assumptions and making projections, though with humility. It is also possible, using known demographic trends, to imagine a future without Micron. These scenarios help to identify potential future housing needs and inform policy and planning.

What could Micron mean for new housing demand in Onondaga County?

Assumptions drive projections.

Micron Technologies has committed to a multidecade investment in a chip fabrication facility in Onondaga County—beginning in the mid-2020s—that will employ thousands of workers in its construction, eventually directly employ 9,000 workers at the facility itself, and is projected to spur the creation of tens of thousands of additional jobs in the supply chain and other local services.

Projections completed for New York State's economic development agency by consulting firm Regional Economic Models, Inc. (REMI) further indicate that the five-county Central New York region—Cayuga, Cortland, Madison, Onondaga, and Oswego—could have 60,000 additional residents in 2040, above and beyond whatever the population would otherwise be had Micron not arrived. It is fair to assume that Onondaga County, home to about 60% of the population of the five-county area in 2020, would become home to the same proportion of new residents as well, putting the county in position to add about 36,000 new residents by 2040. Such population growth would represent an increase each of the next two decades—the 2020s and the 2030s—of around 3%. For comparison, the county's population grew by about 2% per decade during the 2000s and 2010s. Undoubtedly, such increases would have housing market impacts.

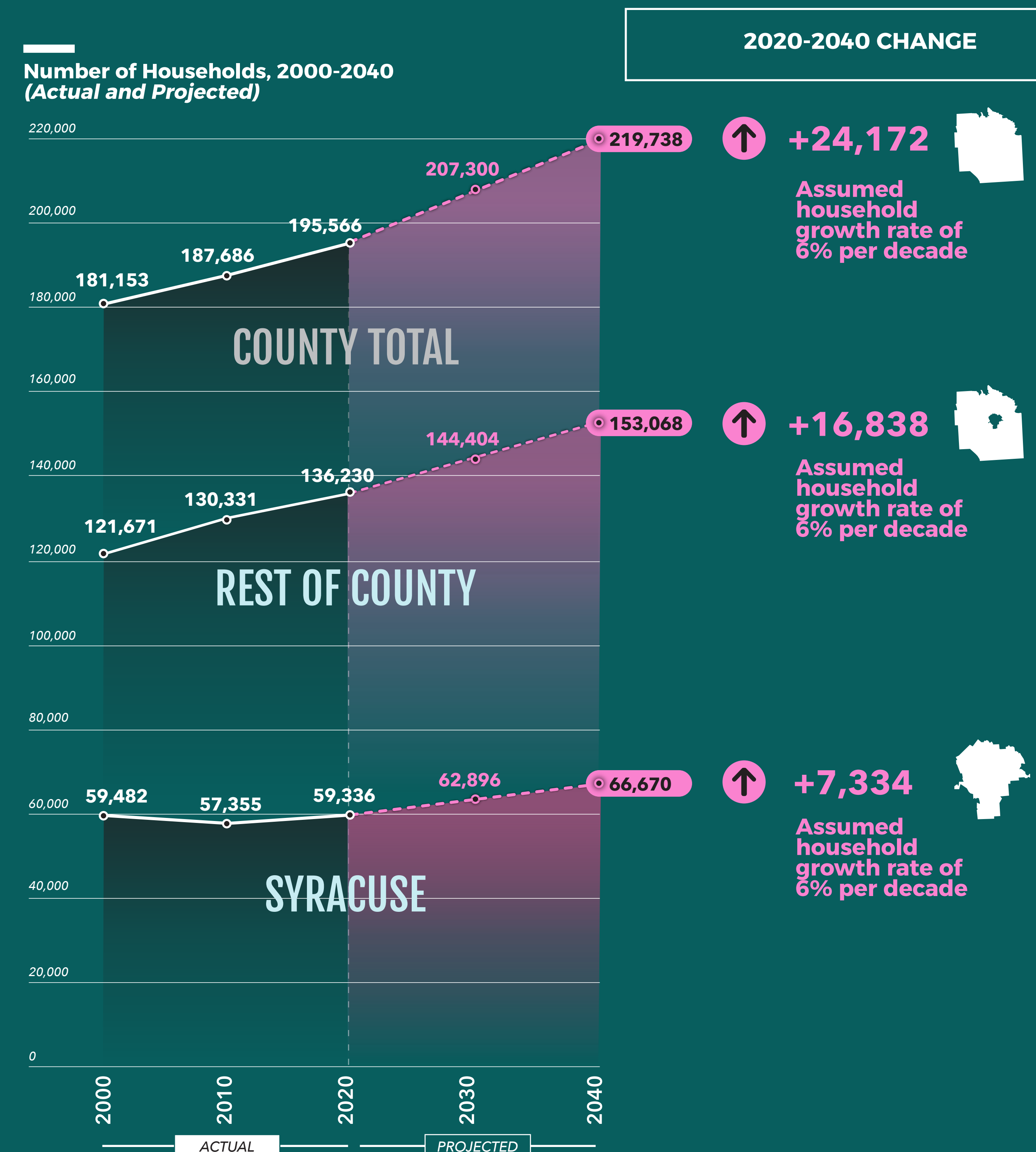
If the projected rate of population growth for the years 2020-2040 is 50% higher than the years 2000-2020, it is plausible to expect the rate of household growth to also be 50% higher. The household growth rate for the years 2000-2020 was about 4% per decade. It is therefore assumed that the household growth rate for the years 2020-2040 will be 6% per decade, which would result in about 24,000 new households in the county by 2040.

If the projections from REMI, Inc. turn out to be accurate, and Onondaga County captures new population growth according to its 2020 share of the five-county region, then the county would grow by about 36,000. With an increase of 24,000 households, the average household size, on a net basis, would be 1.5 people. The net change results from the combination of ongoing changes within current households and the attributes of new households. For context, consider that non-Syracuse Onondaga County added more households than people from 1970 to 2020. The average size of net new households was therefore less than one person, which reflects falling household sizes in the county overall. The assumptions here suggest that within the entirety of the county's households, including those already here and those forming from the Micron impact, the number of small households will continue to grow. This is why new housing units should be tilted in the direction of something other than large single-family detached houses.

Unlike past decades, household growth should be expected to occur proportionally inside Syracuse and outside Syracuse, meaning the household growth rates should be the same. This aligns with the aims of ***Plan Onondaga*** in strengthening the county's most important Center, but does not go so far as to assume that Syracuse absorbs a disproportionate share. This distribution of new households would result in over 7,000 new households in Syracuse by 2040, and nearly 17,000 new households across the rest of the county.

This projection also comes with a word of caution: If county government and local governments do not shift to a development approach consistent with ***Plan Onondaga***, the opportunity presented by Micron-related housing demand to curb urban decline and suburban sprawl will be lost. The addition of 24,000 new households, and associated new housing units, under the standard development model would exacerbate existing issues in the county's housing market.

Onondaga County
Actual and Projected Total Households, 2000-2040



What could Micron mean for new housing demand in the City of Syracuse?

Household growth would be positive for Syracuse, but will homeownership increase?

If the assumed population impacts projected by REMI, Inc. come true, the assumed proportional household growth rate of 6% per decade could result in Syracuse adding over 7,000 new households by 2040. There is no precedent for this amount of household growth in the city since at least the 1940s. It was the pattern from the middle of the 20th Century until 2010 that all county household growth took place outside Syracuse.

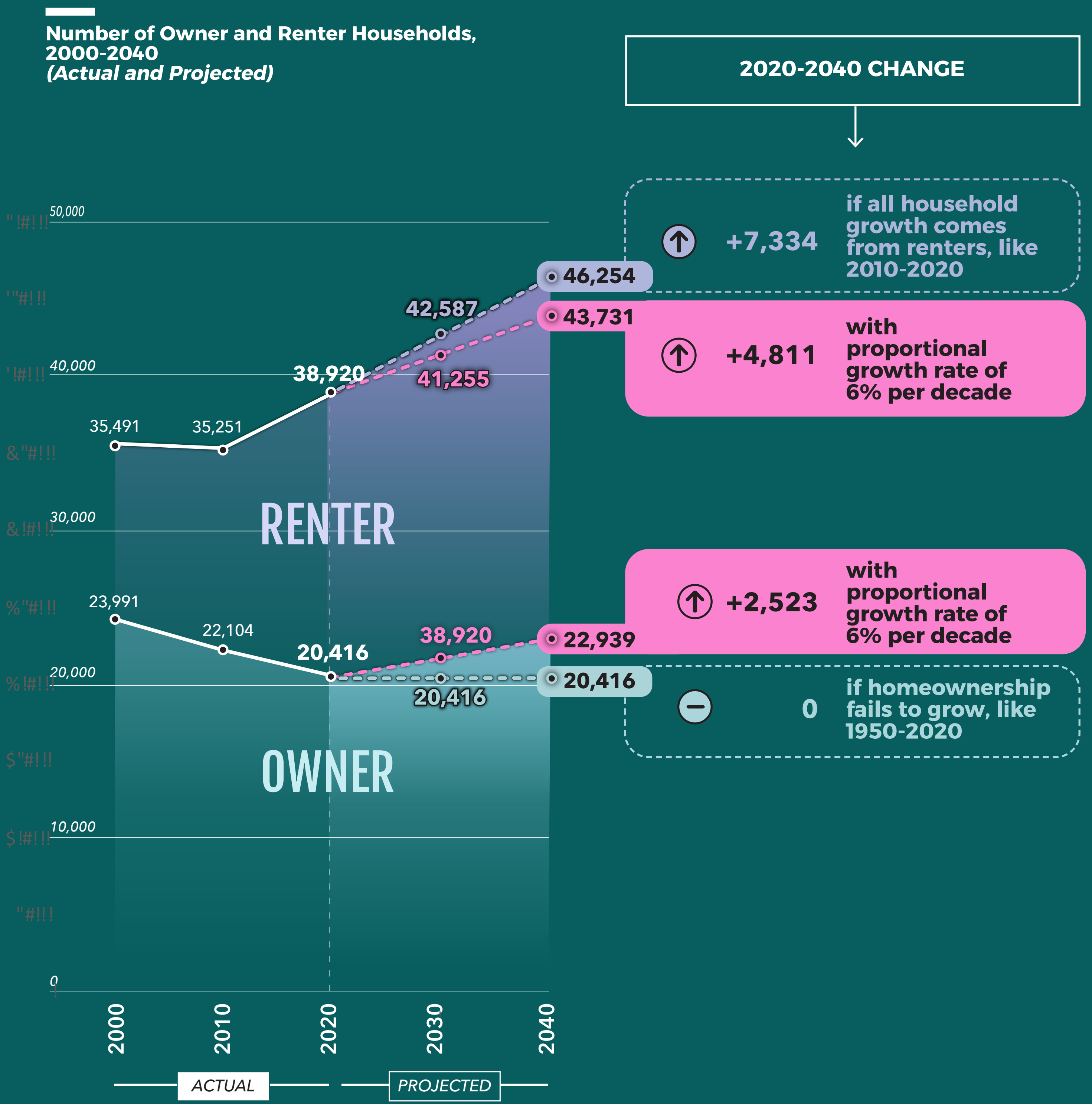
Between 2010 and 2020, Syracuse grew by approximately 2,000 households, defying the trends of earlier decades. The composition of that household growth was entirely renter households. Renter households grew by about 3,700 during the decade while owner households declined by about 1,700.

The assumed proportional household growth rate of 6% per decade would result in about 2,500 new owner households in Syracuse by 2040 and about 4,800 new renter households. Such a development would be positive for Syracuse because the city has lost owner households every decade since 1960. The housing market data presented in this assessment, however, suggest that increasing households in Syracuse during a time of countywide growth, and increasing owner households in particular, may not be easy.

The assumed proportional household growth rate of 6% per decade assumes adherence to ***Plan Onondaga***, including updates to local comprehensive plans and zoning codes that channel housing demand in specific ways. It also assumes that the trends of the 2010s—nearly all household growth in the county was due to renter households—were anomalous. Either or both of these assumptions could be incorrect as they are subject to too many variables that defy prediction.

What is clear from the data and analysis presented thus far is that planning for the unknowable split between owner and renter households in the future requires diversifying new housing stocks so they might be conducive to rental or ownership.

City of Syracuse
Actual and Projected Total Owner and Renter Households, 2000-2040



What could Micron mean for new housing demand in the Rest of Onondaga County?

Household growth outside Syracuse could match recent decades, but how much will be rental?

If the assumed population impacts projected by REMI, Inc. come true, the assumed proportional household growth rate of 6% per decade could result in non-Syracuse Onondaga County adding nearly 17,000 new households by 2040. This would slightly exceed the two-decade increase of 14,559 experienced from 2000 to 2020.

Onondaga County's households outside Syracuse have always been majority homeowner and, household growth during each decade from 1950 to 2010 was also more than half owners. This changed during the 2010s as two-thirds of new households outside Syracuse were renters.

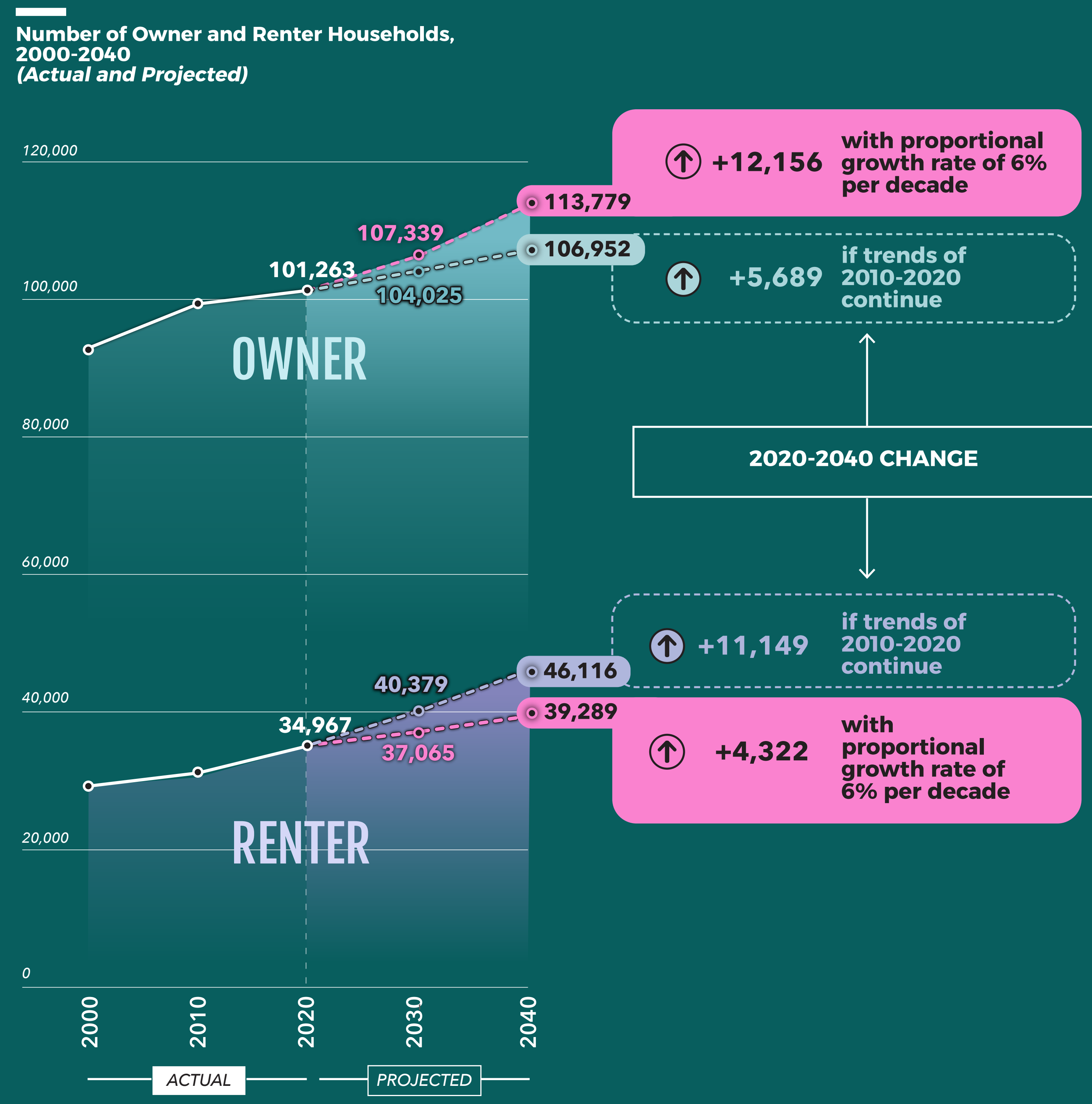
The assumed proportional household growth rate of 6% per decade would result in about 12,500 new owner households outside Syracuse by 2040 and over 4,300 new renter households. This split between owner and renter households is reflective of conditions as they existed in 2020, and match the composition of new household growth during the 1990s and 2000s. But the county's changing market outside Syracuse makes it difficult to know how many new households will be homeowners or renters. The assumption that a large majority of new households in suburban Onondaga County would be homeowners was a safe one until 2010, when conditions changed. Will the future look like the past, for which there is abundant data? Or will the more recent conditions of the 2010s persist?

The assumed proportional household growth rate of 6% per decade assumes adherence to ***Plan Onondaga***, including updates to local comprehensive plans and zoning codes that channel housing demand in specific ways. It also assumes that the trends of the 2010s—nearly all household growth in the county was due to renter households—were anomalous. Either or both of these assumptions could be incorrect as they are subject to too many variables that defy prediction.

What is clear from the data and analysis presented thus far is that planning for the unknowable split between owner and renter households in the future requires diversifying new housing stocks so they might be conducive to rental or ownership.

Rest of County

Actual and Projected Total Owner and Renter Households, 2000-2040



Without Micron's impact, where is the county's housing market headed?

Without a new major economic driver, demography is destiny. The following knowable issues would influence the future market, illustrating why new housing demand is important.

The county is getting older, and has been producing fewer young people.

The number of young people in the county has been on the decline. In 2020, the county was home to the fewest number of children under 10 since 1990, and the under 18 school-aged population was 14% lower than in 2000. Meanwhile, the population aged 65 and older has been on the rise. With a greater number of seniors poised to exit the market in coming years, and fewer young potential householders behind them, an imbalance between those leaving the market and those entering could result in fewer households. ***This is why in-migration is so important for Onondaga County.***

"Natural increase" reinforces the nature of the demographic transition.

Natural increase refers to population growth that occurs when the number of births exceeds the number of deaths. Births historically exceeded deaths to such an extent that the county's population was able to hold steady even as migration was negative (see page 19). But as deaths increase with an aging population, and births fail to keep pace, population growth from natural increase will fall, or even turn negative. The county's existing demographic structure provides certainty that deaths will increase, with the number of future births uncertain. Although babies born in the 2020s will not likely be householders until the 2040s, the births/deaths trend suggests demand-side challenges could exist in the county's future. ***Again, this is why in-migration is so important for Onondaga County.***

The number of senior homeowners exiting the market–especially outside Syracuse–will continue to rise.

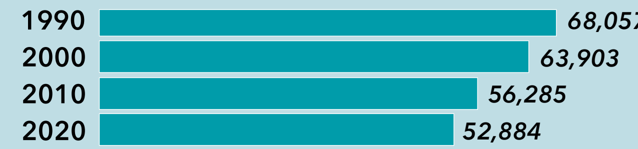
The aging of homeowners in the county is a known and unalterable phenomenon. The rates at which seniors leave their homes as they age are consistent across decades, allowing projections to be made with confidence. Syracuse has a decades-long track record of not forming enough new owner households to replace those aging out, but the rest of the county now potentially faces the same challenge. Outside Syracuse, it is plausible that over 14,000 senior homeowners could exit the market in the 2020s, and over 18,000 could do so in the 2030s. In the last three decades for which data are readily available, only once has the non-Syracuse portion of the county formed over 18,000 new owner households. This should raise serious questions as to whether or not homeownership is positioned to increase or decrease in the county and its sub-geographies by the 2040s. ***Again, this is why in-migration is so important for Onondaga County.***

Future housing market strength depends on new arrivals but, historically, in-migration to the county is not a source of population growth.

Since 1960, the county has been a net exporter of thousands of residents each decade, only returning to neutral or slightly positive during the 2010s. The county historically imports college-aged people and then exports them in their late 20s and early 30s, and those in their 40s and 50s historically do not move to the county from elsewhere on a net basis (though that changed somewhat in the 2010s). From a population standpoint, the county seems to have stopped the outflow for the time being but, if net migration into the county is to have a positive future effect on population growth, historical patterns will need to change substantially. ***This is why Micron and other economic development opportunities are so important to the county.***

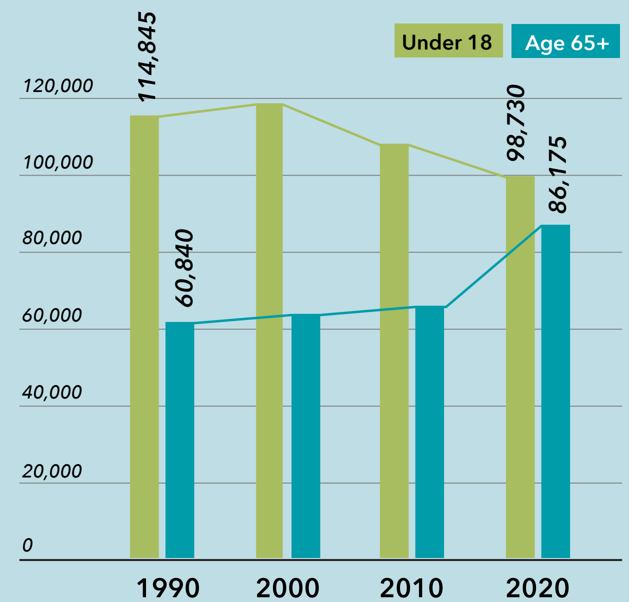
Data Note: All data on this page, unless otherwise noted, pertains to the entirety of Onondaga County, inclusive of Syracuse.

Population Less than 10 Years Old, 1990-2020



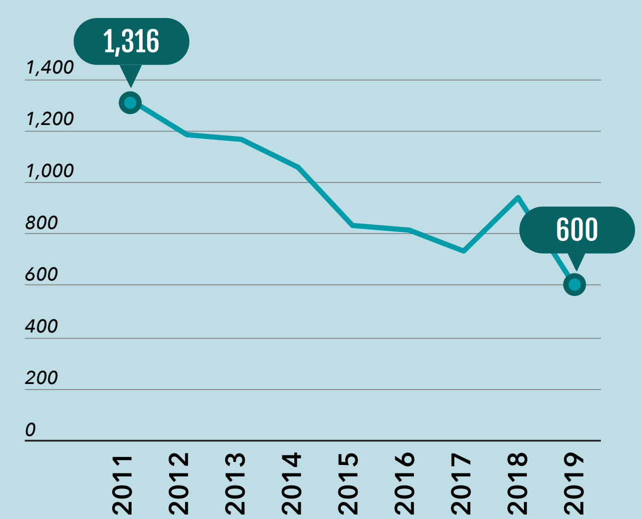
Source: U.S. Census

Selected Ages, 1990-2020



Source: U.S. Census

Natural Increase (Births Minus Deaths), 2011-2019



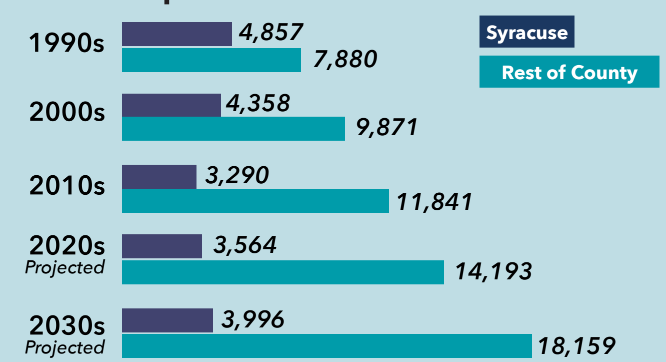
Source: New York State Dept. of Health

New Owner Households Formed

Source: czb analysis of data from U.S. Census

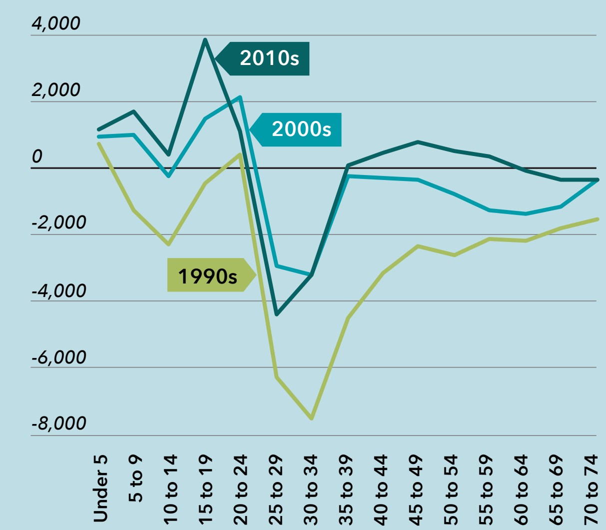
	Syracuse	Rest of County
1990s	3,283	17,946
2000s	3,408	18,669
2010s	2,482	16,849
2020s	?	?
2030s	?	?

Owner Households Age 65+ Exiting Ownership Market



Source: czb analysis of data from U.S. Census

Net Migration by Age, Selected Decades



Total Net Migration by Decade

Source: Applied Population Laboratory, University of Wisconsin

1990s	−38,310 ↓
2000s	−6,442 ↓
2010s	+2,127 ↑

Without Micron's impact, where is the county's housing market headed?

Underlying demographic trends would suggest future market weakness without a new economic driver.

With Micron,
if the impacts match what has been projected by REMI, Inc., the county could grow by 24,000 households, and if the household growth is evenly distributed, Syracuse has an opportunity to increase its number of households by over 7,000. This level of increase, and the distribution within the county, as well as the distribution between owner and renter households, offers a significant opportunity to address identified housing needs if properly leveraged.

Without Micron,
existing demographic trends would shape the future housing market.

If children aged 5-14 in 2020 convert to householders aged 15-24 in 2030 at the same rates as past decades….

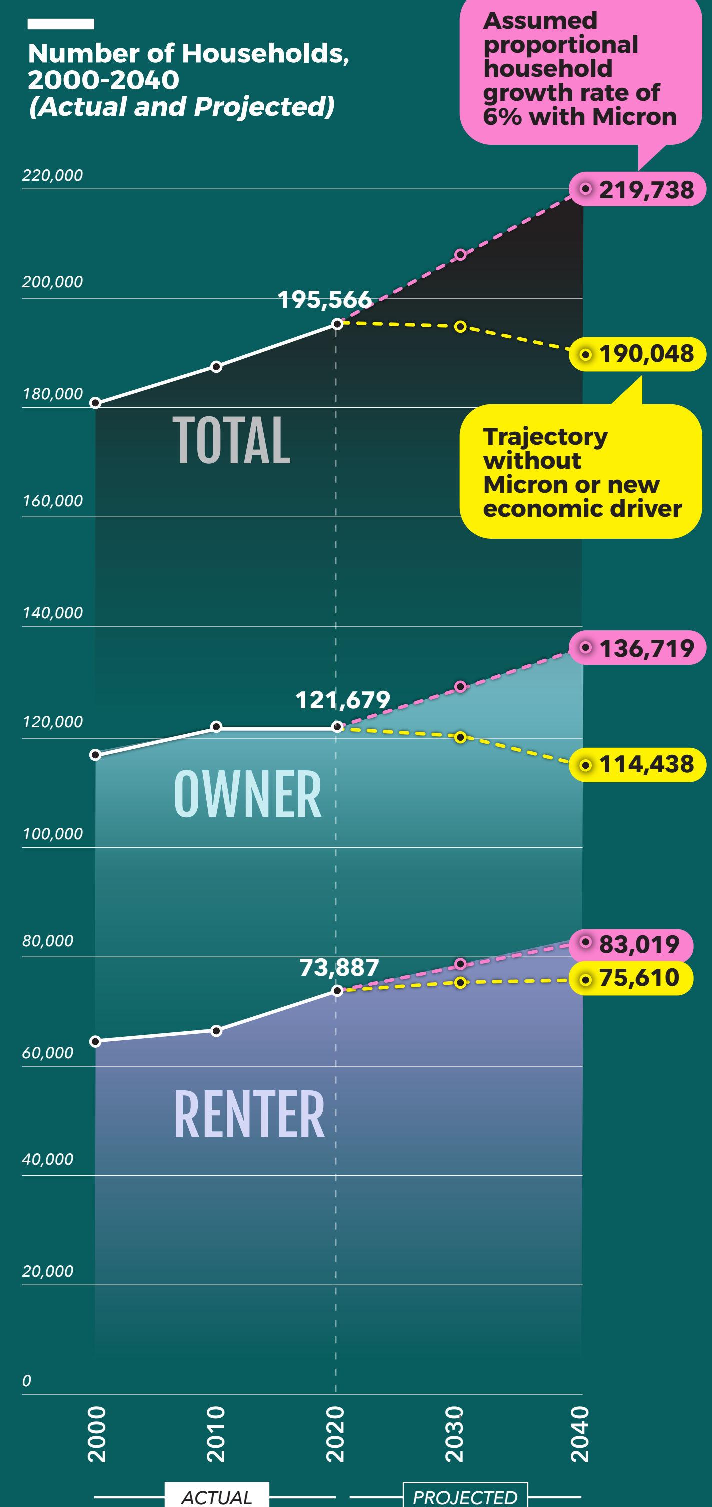
If rates of household formation for all other ages in the 2020s and 2030s match the rates of past decades….

If elderly homeowners exit the ownership market at the same rates as past decades….

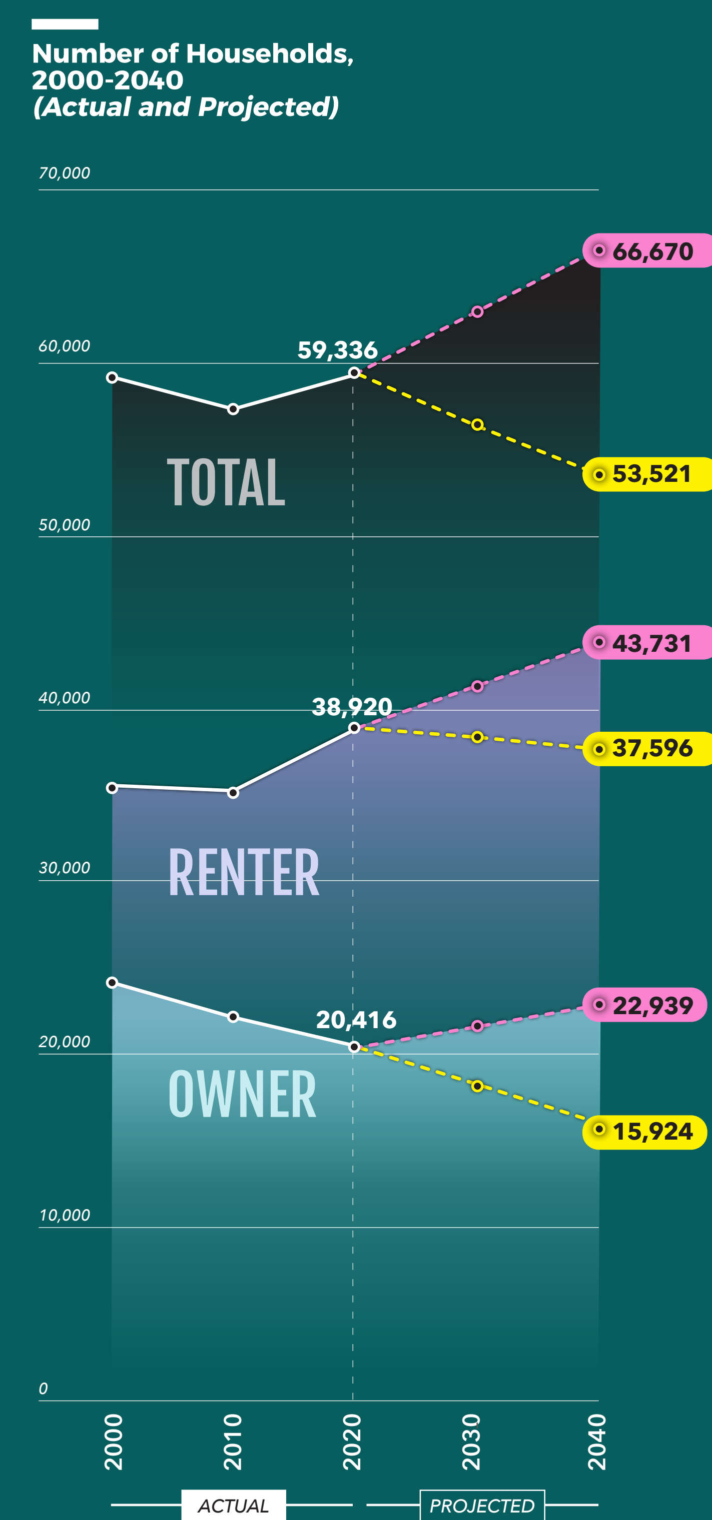
If migration in and out of the county matches the rates of the era 2000-2020….

Then the total number of households across the county will fall by 2040, Syracuse will return to a pattern of household loss, and non-Syracuse Onondaga County will begin to experience a decline in homeowner households even as renter households keep growing.

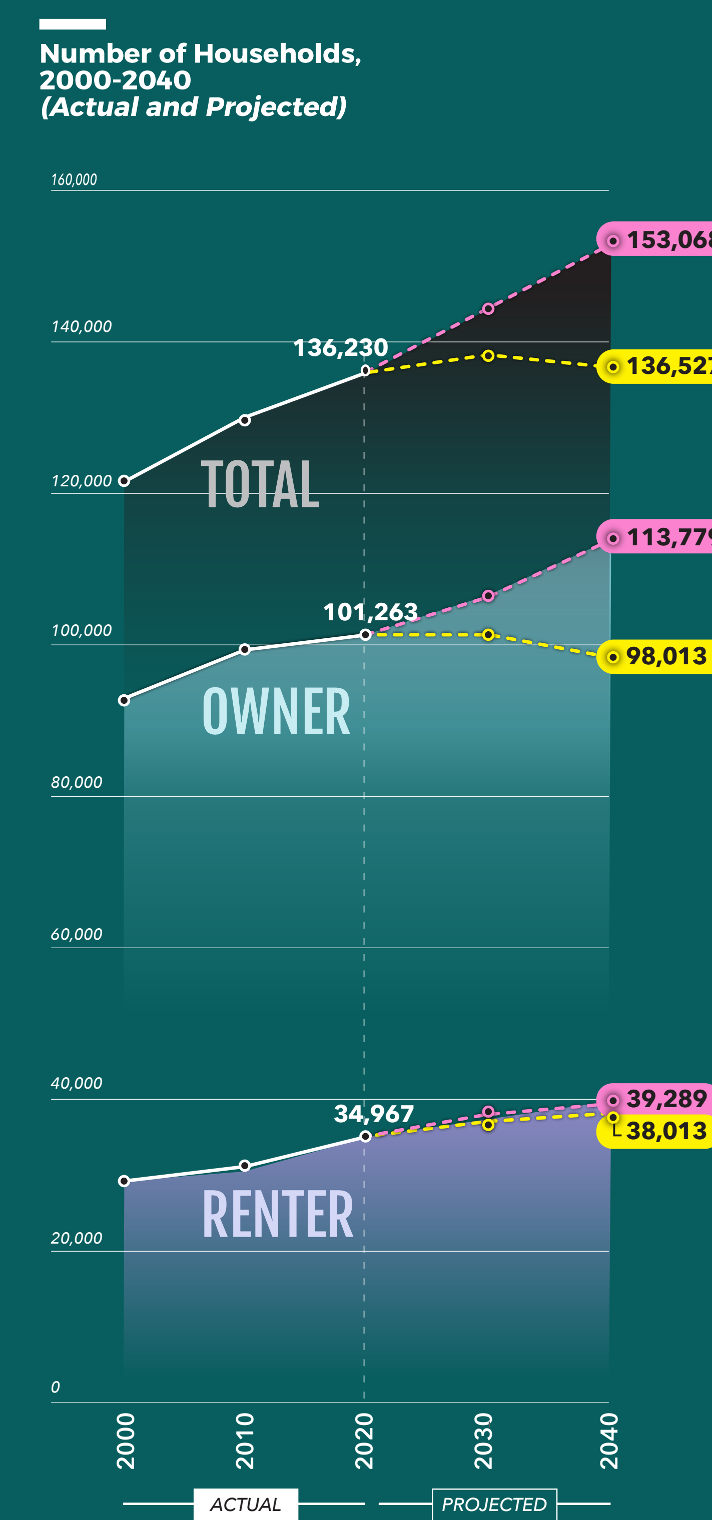
ENTIRE COUNTY



SYRACUSE



REST OF COUNTY

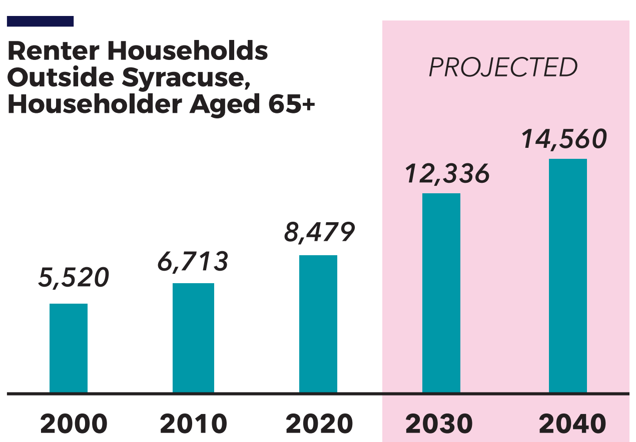


How can Onondaga County plan to address the housing challenges of today and the housing needs of the future?

A diverse set of housing issues can be addressed though a single framework.

The preceding pages outlined what the county might expect for future household growth and how to think about both the likelihoods and the unknowns., both with and without Micron. There is one additional important trend, hinted at in **Part 3: County Housing Market Outside Syracuse** that is not directly related to potential Micron impact, but will be a future housing consideration. That is the growing number of senior renters.

The natural aging of existing renters, plus the somewhat predictable movement of seniors out of the ownership market, suggest an increase of about 8,000 senior renter households from 2020 to 2040. About 2,000 of these are in Syracuse and 6,000 outside Syracuse. Senior renters are not monolithic, but many will need special accommodations that the rental supply may not currently offer. For example, senior friendly attributes such as grab bars and elevators may not be commonly available in existing rental properties, and may not be standard in new rental properties. Adapting the rental supply for seniors will be an important effort in the coming years.



Source: czb analysis of data from U.S. Census

Future housing needs, related to Micron or not, are in addition to the identified market challenges already in existence in the mid-2020s. Both existing and future housing needs can be addressed simultaneously through the right policy and planning framework.

Comprehensive plans and land use regulations, such as zoning codes, can channel housing demand to the right locations and dictate the physical characteristics of what is built.

Incentive programs can further shape what is built, how, and for which potential target markets. They can also prompt rehabilitation of existing properties in the direction public policy has set.

Plan Onondaga provides strong guidance on the land use approach that should be used across the county, and which supports the findings of this assessment. This assessment, in turn, provides further guidance about the nature of target markets and of new housing development. There are clear implications for future housing policy and planning to address the full collection of housing issues, and more detail on recommended approaches can be found later in **Part 7: Guidance for Strategy Development.**

Housing Market Challenges of the Mid-2020s

1. Onondaga County remains a soft regional market.
2. Syracuse is not competitive within the broader county market.
3. More rental units are needed outside Syracuse.
4. Suburban renters face affordability challenges.
5. Suburban sprawl undermines the county's housing market.
6. Onondaga County needs more diverse for-sale products.

Future Housing Needs

1. Onondaga County could grow by 24,000 households by 2040.
2. Countywide, net new households would be fewer than two people on average.
3. Syracuse could have over 7,000 new households by 2040.
4. The rest of the county could have nearly 17,000 new households by 2040.
5. It is uncertain how many of the new households will be owners or renters.
6. The number of senior renters is projected to grow by 8,000 countywide by 2040, with 75% outside Syracuse.

Implications for Future Housing Policy and Planning to Address Both

Land use regulations and financial incentives should be structured so that Syracuse gets its **fair share of future household growth**.

New units to meet household growth should primarily be types other than single-family detached **houses–town houses and stacked flats will be needed**–and should be built in Centers per ***Plan Onondaga***.

For new units, **diversity** in tenure (rent vs own), size (square footage, number of bedrooms), price (market and below market), and resident age (young to old, universal design) should be expected.

Existing residential properties, especially multifamily rental complexes, should be considered candidates for incentives that would achieve similar outcomes through rehabilitation and redevelopment.

For additional detail, see **Part 7: Guidance for Strategy Development.**

PART 6

Sub-Regional Markets

06

Onondaga County is not monolithic.

Yet there are similarities and affinities between certain groups of municipalities. Here, the county has been sub-divided into seven sub-regions , with six of seven covering multiple municipalities. (Syracuse is its own sub-region.). Within each of the sub-regions, municipalities share sufficient geographic and market characteristics to be treated as a single place for purposes of further understanding the county housing market. The sub-region also creates a meaningful context within which to understand any particular individual municipality.

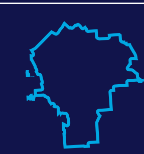
Sub-Regional Markets

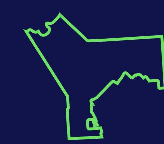
Just as the Onondaga County housing market story must be told both inclusive of, and separate from, Syracuse, the non-Syracuse county must also be understood as a collection of different kinds of markets. The diversity of market and place types in the county is wide-ranging, though all are a part of the broader Onondaga County and Central New York housing market.

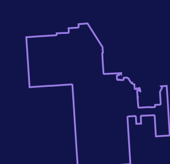
While each part of Onondaga County is unique, all of the housing issues identified in this assessment will play out in some way across all of them. How the issues play out over time is a function partially of unique sub-region characteristics, partially of position within the broader market, and partially of decisions that policymakers might make about planning, zoning, and incentives.

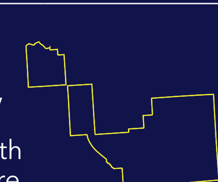
Not all sub-regions are similarly positioned, nor should they all aspire to the same housing market outcomes. Outside Syracuse, **Onondaga Shores** is under the greatest potential threat of decline due to its inner ring aging suburban context. The **Lake Region** may be the most insulated from regional trends as a largely separate market from the rest. The **Outer Ring sub-regions** face critical decisions about the future and whether they will embrace new forms of housing development. All will have to consider their aging populations.

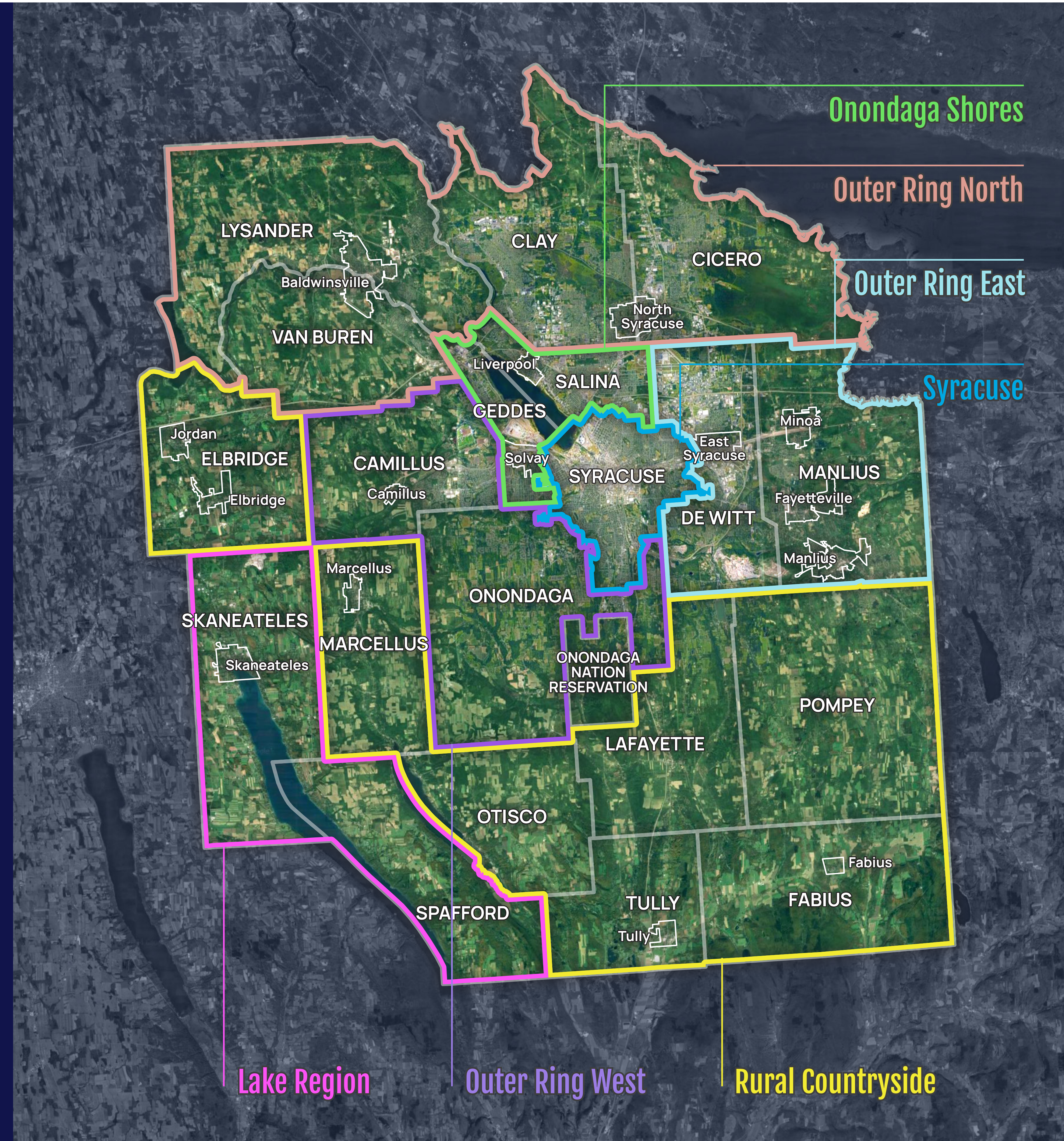
In keeping with *Plan Onondaga*, the majority of future housing development, and thus public sector attention to housing issues, will likely occur in the Outer Ring sub-regions and the City of Syracuse.

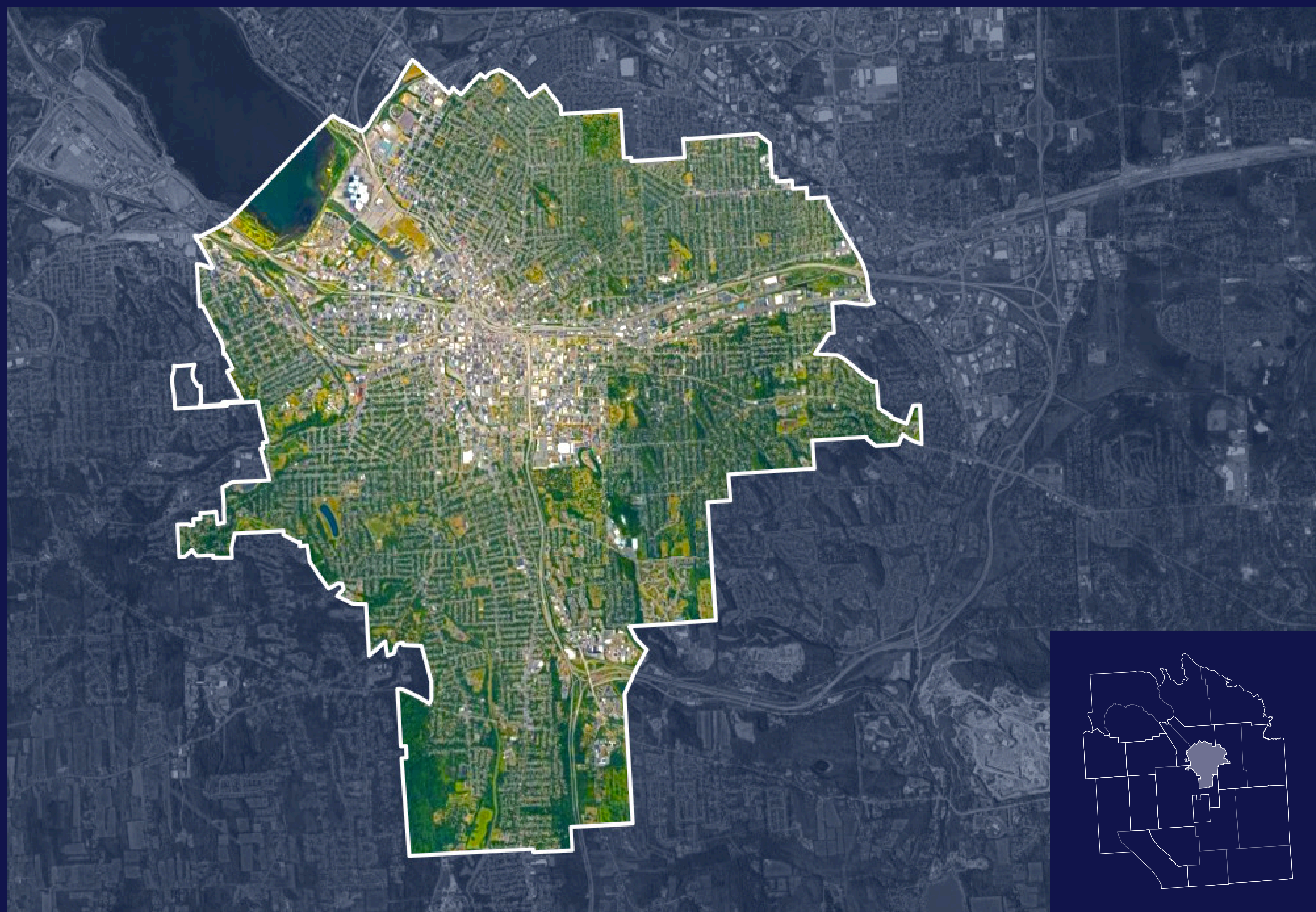












SUBREGIONAL MARKETS

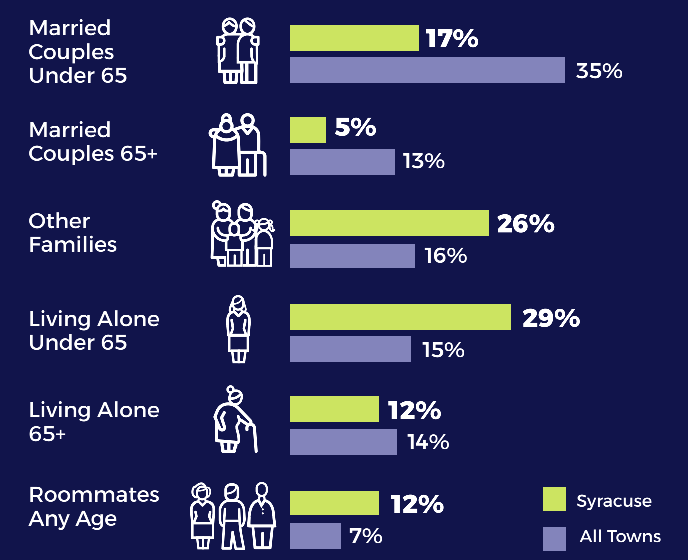
SYRACUSE

Syracuse is the urban core of Onondaga County, its largest municipality, and the single largest sub-market by population and number of households. Compared to the rest of the county, it has a smaller proportion of married couple families, both elderly and non-elderly, and more single-parent families and non-elderly people living alone. Its income distribution has a much higher proportion of households with incomes less than $35,000 and lower proportion of households with incomes of $75,000 and above. Total household growth 2000 to 2020 was -0.2%, below the all towns rate of about 12%. Syracuse's homeownership rate has consistently been far below the rest of the county's, and was 34.4% in 2020, about forty percentage points lower than the all towns rate of 74.3%.

Syracuse has consistently had an average single-family sale price below that of the rest of the county, though average prices increased in line with the percentage change across all towns from 2013 to 2022. Its number of renter households grew by nearly 3,500 between 2000 and 2020, and it built over 3,800 new multifamily units. Syracuse had over 17,000 cost burdened renters with incomes under $50,000 struggling with affordability as of 2022.

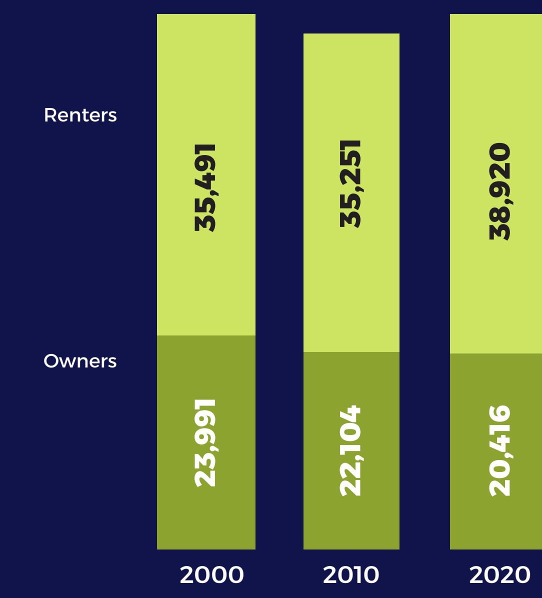
The number of elderly households declined slightly from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 330 per year in the 2010s, to about 350 per year in the 2020s, and 400 per year in the 2030s.

Household Types, 2020



Source: U.S. Decennial Census

Owners and Renter Households, 2020



Source: U.S. Decennial Census

Households by Income, 2022

Source: 2018-2022 ACS Five Year Estimates

Homeownership Rate

	Syracuse	All Towns
2000	40%	76%
2010	39%	76%
2010	34%	74%

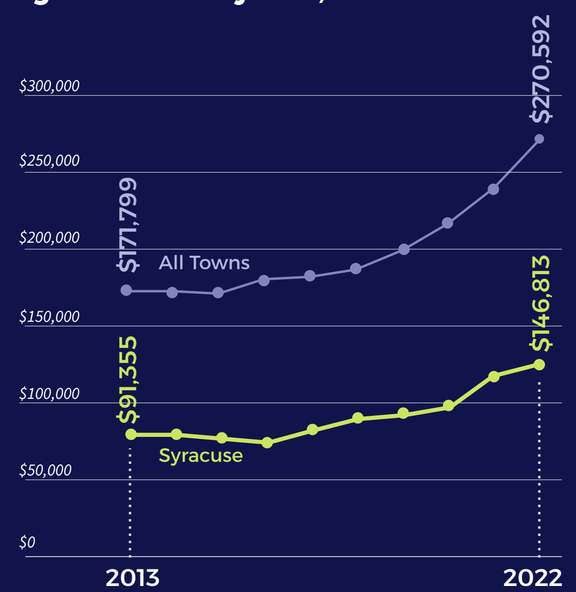
Source: U.S. Decennial Census

Ownership Market

	Syracuse	All Towns	Region as % of All Towns
Number of Sales 2013-2019	**6,009**	**26,715**	**N/A**
Avg Sale Price 2013-2019	*$94,440*	*$180,955*	*52%*
Number of Sales 2020-2022	**2,720**	**11,615**	**N/A**
Avg Sale Price 2020-2022	*$132,872*	*$238,886*	*56%*
Single Family Houses Built 2000-2020	**345**	**13,441**	**N/A**

Source: Real estate transaction data and permit data from Onondaga County

Average Sale Price by Year, 2013-2022



Source: Real estate transaction data and permit data from Onondaga County

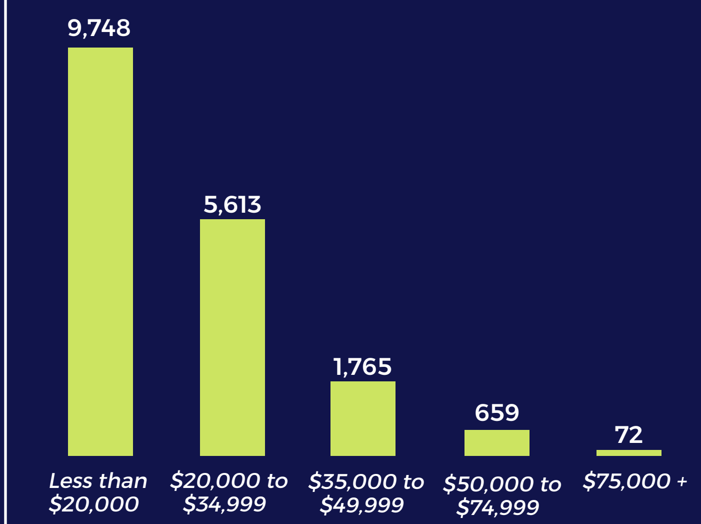
- The number of homeowners decreased by over 3,500 from 2000-2020.
- Average single-family home sale price consistently about half of the all towns average.
- Estimated income needed to afford average price in 2022 was $50,000.
- Syracuse added over 300 single-family houses 2000-2020.

Rental Market

Multifamily	Syracuse	All Towns	Region as % of All Towns
Units Q1 2024	**23,555**	**20,343**	**N/A**
Vacant Units Q1 2024	*1,460*	*515*	*N/A*
Vacancy Rate Q1 2024	**6.2%**	**2.5%**	**248%**
Average Rent Q1 2024	*$1,131*	*$1,319*	*86%*
Units Built 2000-2020	**3,826**	**5,641**	**N/A%**

Source: czb analysis of CoStar data

Rent Burdened Households by Income, 2022



Source: 2018-2022 ACS Five Year Estimates

- Single largest part of the county rental market.
- Rental households increased by about 10% 2000-2020, compared to all towns increase of 21%.
- Syracuse added 3,800 new multifamily units and kept pace with rental household growth.
- In Q1 2024, multifamily unit average rent was about $200 less than the all towns average and was affordable to an income of about $45,000.
- The multifamily vacancy rate in Q1 2024 of 6.2% was more than double the rate across the rest of the county.
- Over 17,000 cost burdened renters with incomes under $50,000 as of 2022 data.

Seniors

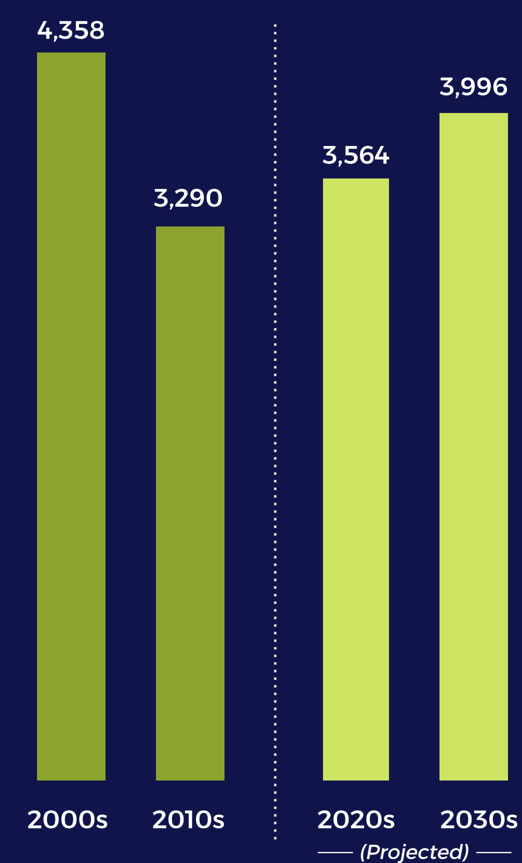
The number of elderly households rose by over 60% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 330 per year in the 2010s to over 400 per year in the 2030s.

Households, Householder Aged 65+

Source: U.S. Decennial Census

2000	12,450
2010	10,238
2020	12,246

Homeowners Aged 65+ Exiting Ownership Market



Source: czb analysis of data from U.S. Census

How is Syracuse positioned for the future?

WITH MICRON

This scenario describes a high rate of growth in the county and a departure from past market and development behaviors that would benefit Syracuse. In this case, the question is not "How is Syracuse positioned?" but rather "What would have to be true in order for this scenario to occur?"

Besides the increased household growth rate from 2020-2040, local policies and regulations in the county's towns and villages would have to be less permissive in order to funnel excess demand into Syracuse. And the city would need to receive significant investment for revitalization of its neighborhoods such that new households—buyers especially—would perceive homeownership in Syracuse as a risk worth taking.

WITHOUT MICRON

Syracuse is not well positioned within the county for a low-growth future. Total household loss would likely resume, led by a loss in owner households.

SUBREGIONAL MARKETS

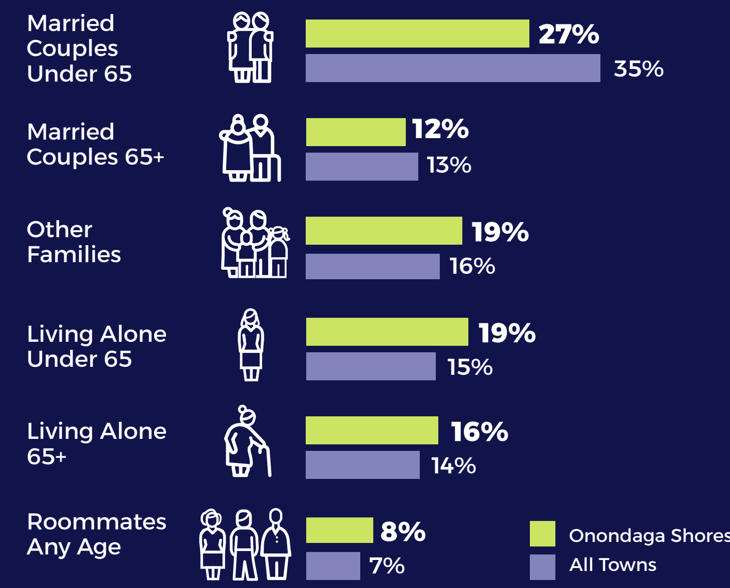
ONONDAGA SHORES

Includes the towns of Salina and Geddes, inclusive of the villages of Liverpool and Solvay. Among the suburban sub-regions, it is the nearest in household characteristics to Syracuse, overrepresented as it is in single parent families, people living alone, and households with incomes under $100,000. Although it is a majority owner-occupied region, it has the lowest homeownership rate among the sub-regions outside Syracuse, at just under 70%. It also had the slowest rate of total household growth outside Syracuse from 2000 to 2020, at 2.7% compared to about 12% for all towns.

Onondaga Shores has consistently had the lowest average single-family home sale price of all the non-Syracuse sub-regions but average prices increased in line with the percentage change across all towns from 2013 to 2022. It increased its number of renter households by over 800 between 2000 and 2020, and built over 700 new multifamily units. Onondaga Shores had over 2,000 cost burdened renters with incomes under $50,000 struggling with affordability as of 2022.

The number of elderly households rose by just over 10% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 180 per year in the 2010s and 2020s, to over 200 per year in the 2030s.

Household Types, 2020

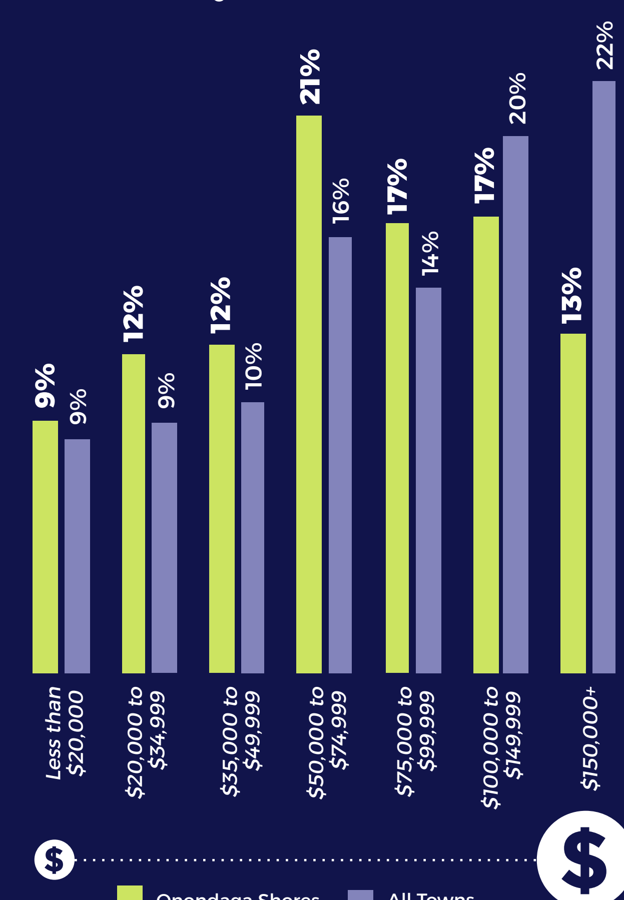


Source: U.S. Decennial Census

Owners and Renter Households, 2020

Source: U.S. Decennial Census

Households by Income, 2022



Source: 2018-2022 ACS Five Year Estimates

Homeownership Rate

	Onondaga Shores	All Towns
2000	71%	76%
2010	70%	76%
2010	68%	74%

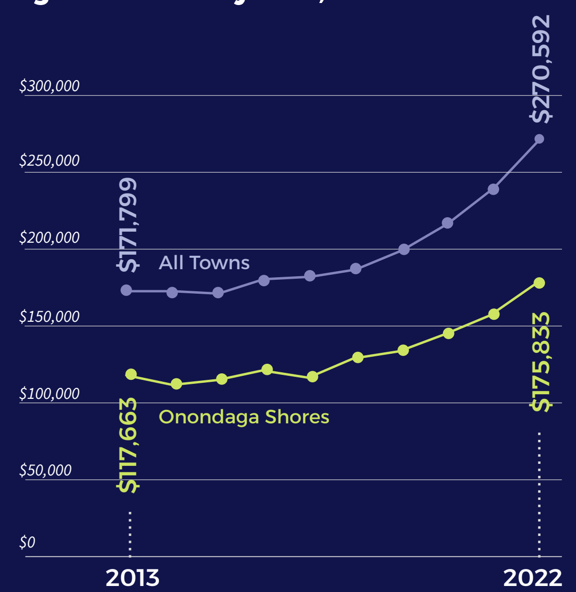
Source: U.S. Decennial Census

Ownership Market

	Onondaga Shores	All Towns	Region as % of All Towns
Number of Sales 2013-2019	**3,776**	**26,715**	**14%**
Avg Sale Price 2013-2019	*$121,381*	*$180,955*	*67%*
Number of Sales 2020-2022	**1,827**	**11,615**	**16%**
Avg Sale Price 2020-2022	*$157,892*	*$238,886*	*66%*
Single Family Houses Built 2000-2020	**426**	**13,441**	**3%**

Source: Real estate transaction data and permit data from Onondaga County

Average Sale Price by Year, 2013-2022



Source: Real estate transaction data and permit data from Onondaga County

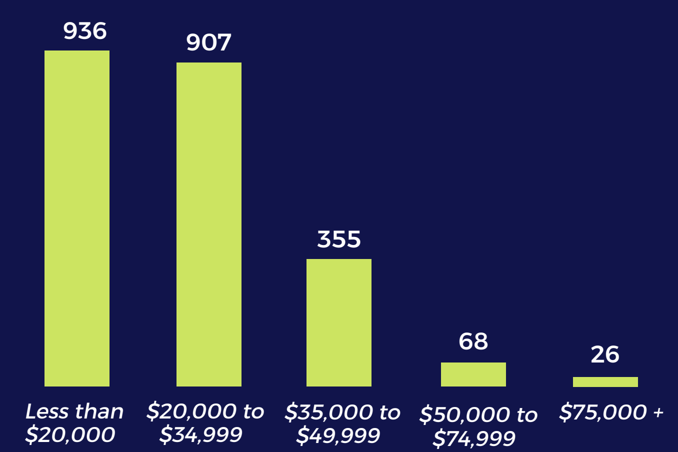
- The number of homeowners decreased slightly 2000-2020.
- Lowest average single-family home sale price of all non-Syracuse sub-regions.
- Average sale price is 2/3 of the all towns average.
- Estimated income needed to afford average price in 2022 was $60,000.
- Despite no growth in owner households, the sub-region added over 400 single-family houses 2000-2020.

Rental Market

Multifamily	Onondaga Shores	All Towns	Region as % of All Towns
Units Q1 2024	**5,795**	**20,343**	**28.5%**
Vacant Units Q1 2024	*133*	*515*	*25.8%*
Vacancy Rate Q1 2024	**2.3%**	**2.5%**	**90.7%**
Average Rent Q1 2024	*$1,227*	*$1,319*	*93.0%*
Units Built 2000-2020	**709**	**5,641**	**12.6%**

Source: czb analysis of CoStar data

Rent Burdened Households by Income, 2022



Source: 2018-2022 ACS Five Year Estimates

- Second largest rental market among non-Syracuse sub-regions.
- Rental households increased by 13% 2000-2020, compared to all towns increase of 21%.
- New multifamily construction of 700 units did not quite keep up with rental household growth.
- In Q1 2024, multifamily unit average rent was about $90 less than the all towns average and was affordable to an income of about $49,000.
- The multifamily vacancy rate in Q1 2024 of 2.3% roughly matched the all towns rate.
- Nearly 2,200 cost burdened renters with incomes under $50,000 as of 2022 data.

Seniors

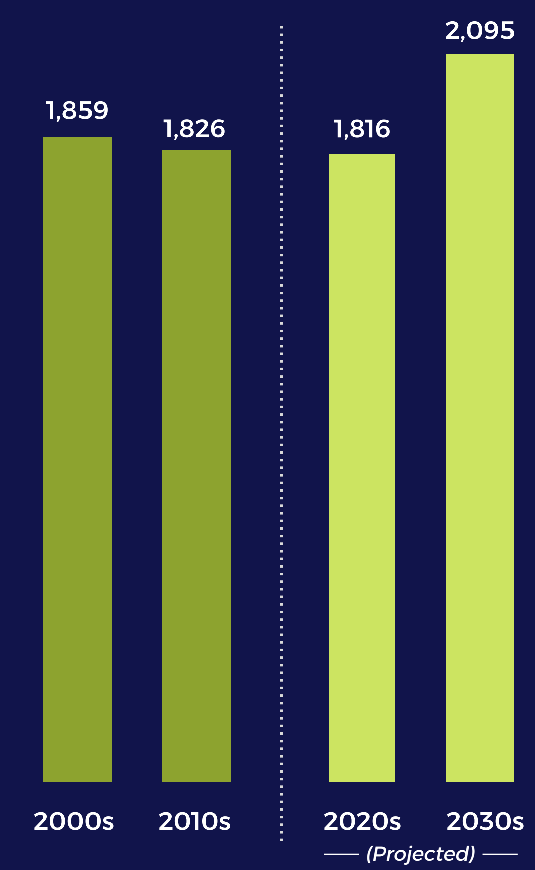
The number of elderly households rose by over 60% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 180 per year in the 2010s and 2020s, to over 200 per year in the 2030s.

Households, Householder Aged 65+

Source: U.S. Decennial Census

2000	4,994
2010	7,073
2020	8,096

Homeowners Aged 65+ Exiting Ownership Market



Source: czb analysis of data from U.S. Census

How is Onondaga Shores positioned for the future?

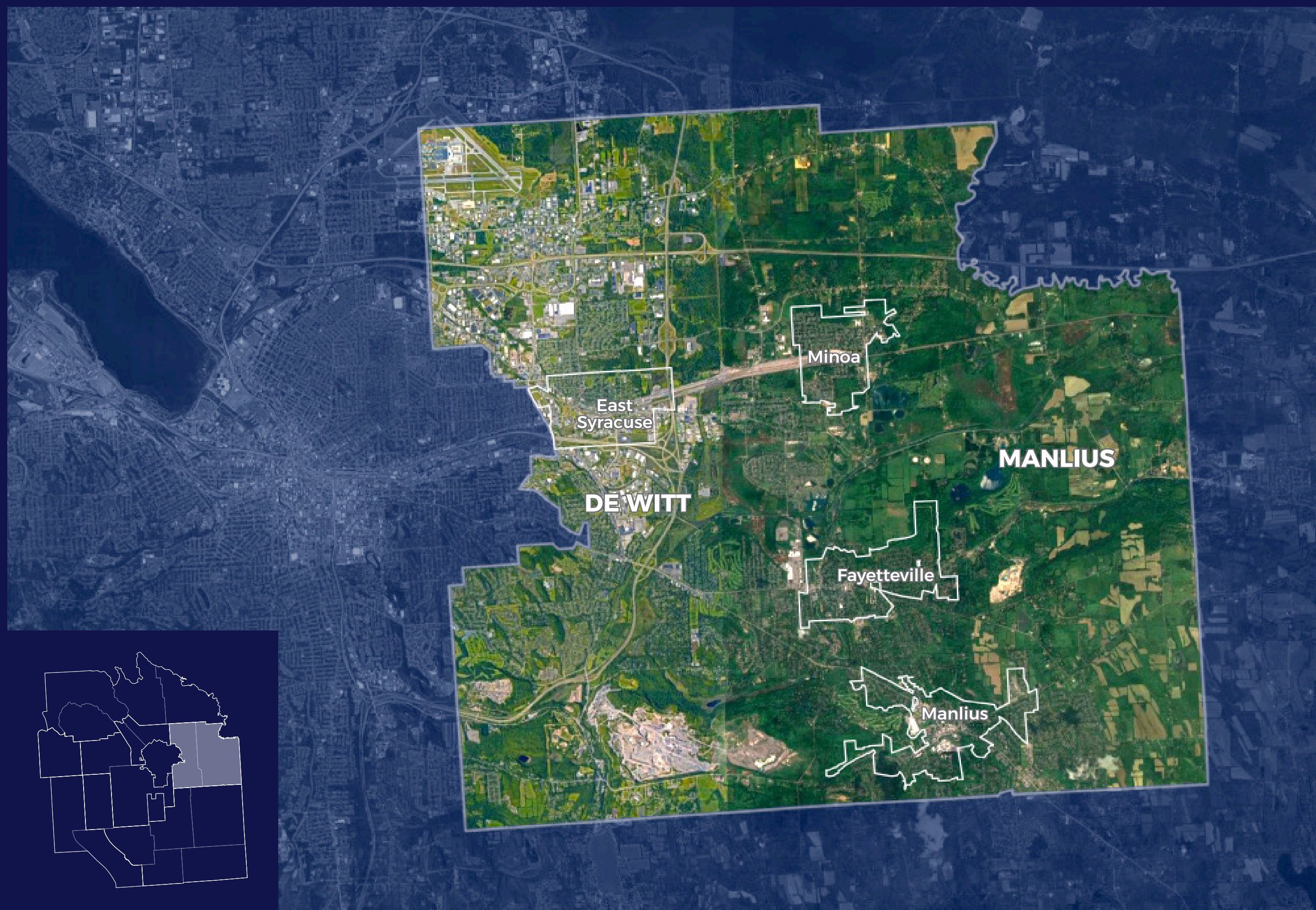
WITH MICRON

If demand continues to grow in the county, Onondaga Shores will be at the mercy of decisions made elsewhere. If sprawling residential development typical of the county continues, and demand is either fully supplied or outpaced by new construction, negative trends for Onondaga Shores will continue. If typical sprawling development is aimed at for-sale units, Onondaga Shores may be sustained to some extent by meeting otherwise unmet rental demand in its formerly owner-occupied houses, though this has costs. And, if other towns shift into higher gear for rental units, Onondaga Shores may remain subject to a softening trajectory.

The best-case outcome for Onondaga Shores would be an end to sprawl, with demand constrained largely to existing areas. The opportunity Onondaga Shores has is to be early to the project of delivering new types of housing stocks and redevelopment of underutilized land, especially in Salina and Liverpool.

WITHOUT MICRON

Under a low-growth scenario, the inner ring suburbs of Onondaga Shores may undergo a softening process similar to Syracuse decades earlier, as the oldest suburban housing stocks in the county fall out of favor with the ownership market. Conversion of formerly owner-occupied houses to rental use would become more common. This would be accelerated to the degree that other suburban jurisdictions permit new for-sale units above and beyond total owner household growth.



SUBREGIONAL MARKETS

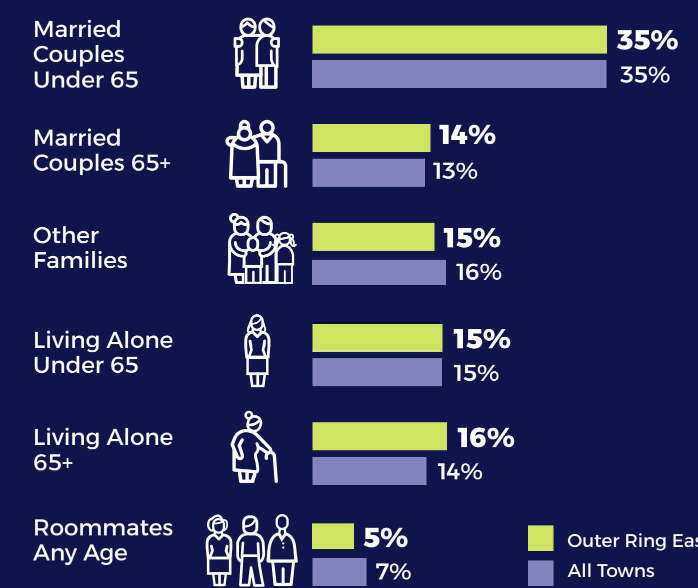
OUTER RING EAST

Includes the towns of DeWitt and Manlius, inclusive of the villages of East Syracuse, Fayetteville, Manlius, and Minoa. Its households generally match those of the entirety of non-Syracuse Onondaga County, although they skew slightly older and higher income. Households headed by someone aged 65+ are more prevalent here, as are households with incomes of $150,000 or more. Total household growth 2000 to 2020 was about 8%, short of the all towns growth rate of nearly 12%. The sub-region's homeownership rate is similar to that of all towns.

Outer Ring East has consistently had an average single-family sale price slightly above the average of all towns, and average prices increased in line with the percentage change across all towns from 2013 to 2022. It increased its number of renter households by nearly 900 between 2000 and 2020, and built over 1,000 new multifamily units. Outer Ring East had over 2,000 cost burdened renters with incomes under $50,000 struggling with affordability as of 2022.

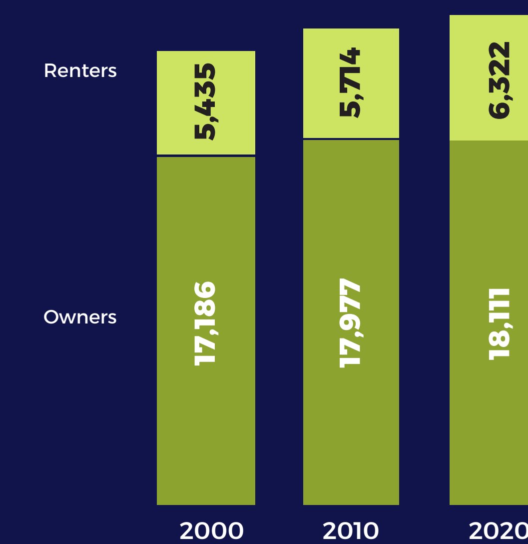
The number of elderly households increased by over 35% from 2000 to 2020 and the number of senior households exiting the ownership market is projected to increase from an average of about 240 per year in the 2010s, to about 260 per year in the 2020s, and 320 per year in the 2030s.

Household Types, 2020



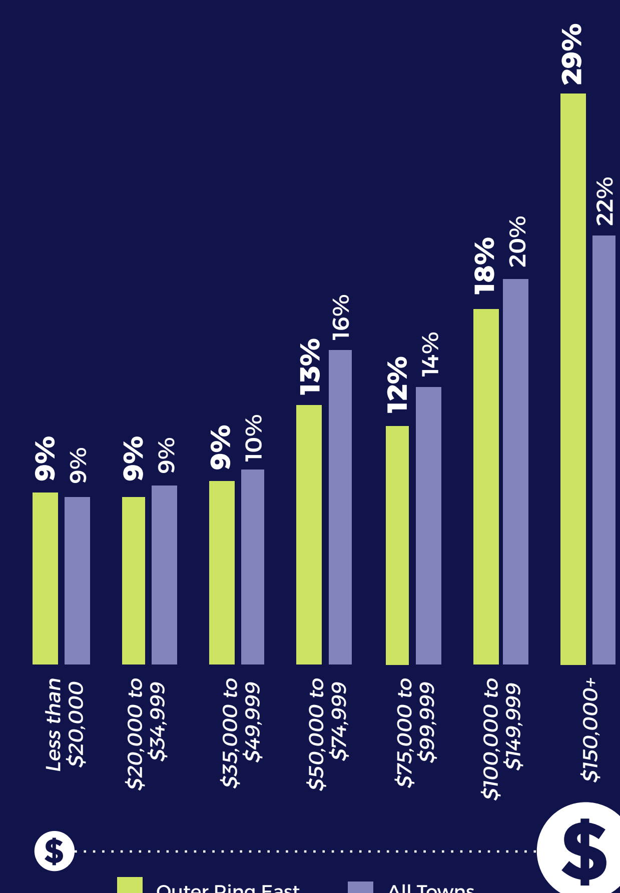
Source: U.S. Decennial Census

Owners and Renter Households, 2020



Source: U.S. Decennial Census

Households by Income, 2022



Source: 2018-2022 ACS Five Year Estimates

Homeownership Rate

	Outer Ring East	All Towns
2000	76%	76%
2010	76%	76%
2010	74%	74%

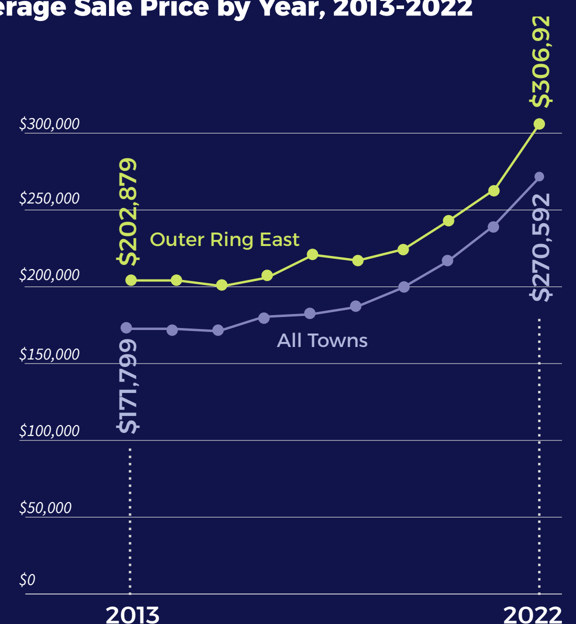
Source: U.S. Decennial Census

Ownership Market

	Outer Ring East	All Towns	Region as % of All Towns
Number of Sales 2013-2019	4,912	26,715	18%
Avg Sale Price 2013-2019	*$210,924*	*$180,955*	*117%*
Number of Sales 2020-2022	2,164	11,615	19%
Avg Sale Price 2020-2022	*$265,436*	*$238,886*	*111%*
Single Family Houses Built 2000-2020	1,900	13,441	4%

Source: Real estate transaction data and permit data from Onondaga County

Average Sale Price by Year, 2013-2022



Source: Real estate transaction data and permit data from Onondaga County

- The number of homeowners increased by 925 2000-2020.
- Average single-family home sale price consistently over 110% of all towns average.
- Estimated income needed to afford average price in 2022 was $95,000.
- The sub-region added 1,900 single-family houses 2000-2020.

Rental Market

Multifamily	Outer Ring East	All Towns	Region as % of All Towns
Units Q1 2024	2,503	20,343	12.3%
Vacant Units Q1 2024	*113*	*515*	*21.9%*
Vacancy Rate Q1 2024	4.5%	2.5%	178.3%
Average Rent Q1 2024	*$1,481*	*$1,319*	*112.3%*
Units Built 2000-2020	1,066	5,641	18.9%

Source: czb analysis of CoStar data

Rent Burdened Households by Income, 2022

Source: 2018-2022 ACS Five Year Estimates

- Third largest rental market among the non-Syracuse sub-regions.
- Rental households increased by 14% 2000-2020, compared to all towns increase of 21%.
- New multifamily construction kept up with rental household growth.
- In Q1 2024, multifamily unit average rent was about $160 higher than the all towns average and was affordable to an income of about $59,000.
- The multifamily vacancy rate in Q1 2024 was 4.5% compared to the all towns rate of 2.5%.
- Just over 2,000 cost burdened renters with incomes under $50,000 as of 2022 data.

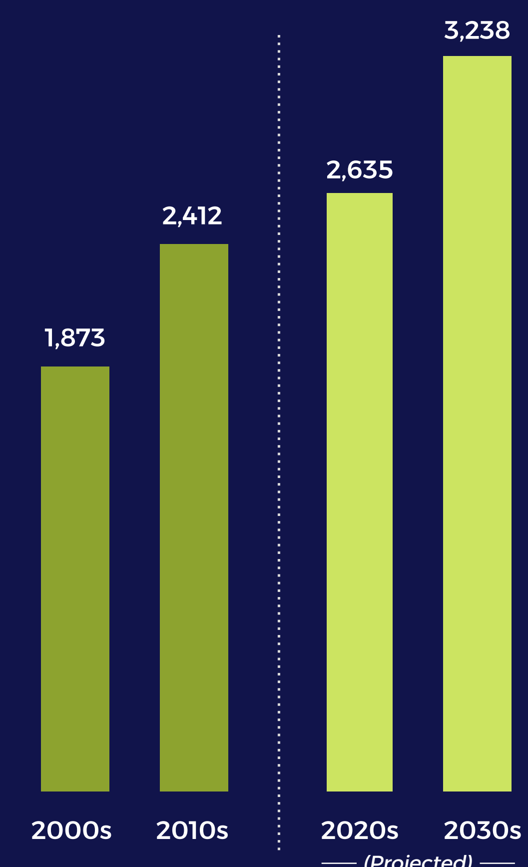
Seniors

The number of elderly households increased by over 35% from 2000 to 2020 and the number of senior households exiting the ownership market is projected to increase from an average of about 240 per year in the 2010s, to about 260 per year in the 2020s, and 320 per year in the 2030s.

Households, Householder Aged 65+		
	2000	6,024
	2010	6,765
	2020	8,183

Source: U.S. Decennial Census

Homeowners Aged 65+ Exiting Ownership Market



Source: czb analysis of data from U.S. Census

How is Outer Ring East positioned for the future?

WITH MICRON

If demand continues to grow in the county, Outer Ring East is well positioned to capture a share of the growth. Overbuilding of typical single-family for-sale product is a potential threat to market health as household growth tilts in the direction of rental while the growth in owner households comes from smaller and older households. The opportunity for Outer Ring East is to be early to the project of placemaking and delivering new types of housing stocks.

WITHOUT MICRON

Under a low-growth scenario, it is likely that Outer Ring East would see a decrease in the total number of homeowners and a growing number of renter households. Some conversion of owner-occupied houses to rental use would also be likely. Market changes would happen gradually, with strong areas remaining strong for quite some time, and new single-family development would maintain a feeling of growth and success if it occurs.

The degree and speed of stagnation, and possible market decline, would be dependent on the amount of typical sprawling ownership housing development in the county. The greater the number of units built for the ownership market, the higher the risk of rental conversion or vacancy of formerly owner-occupied houses.

The opportunity for Outer Ring East is to be early to the project of placemaking—especially in the villages of Fayetteville and Manlius, and at the Shoppingtown Mall site—and delivering new types of housing stocks.

SUBREGIONAL MARKETS

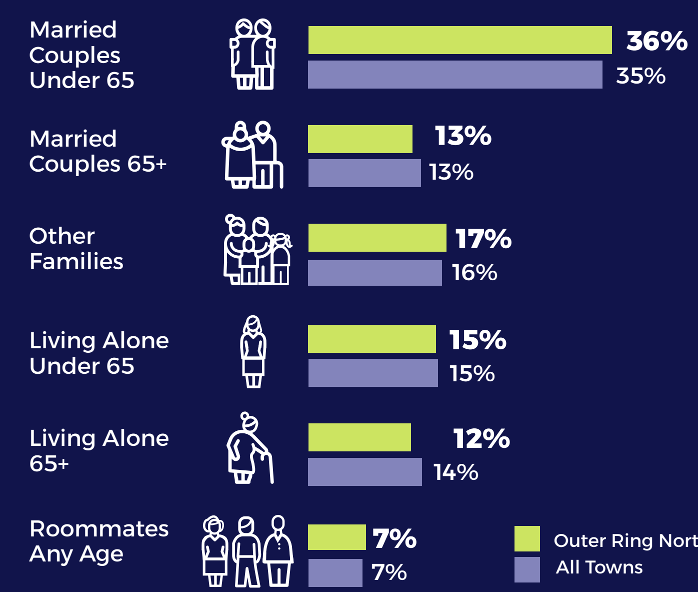
OUTER RING NORTH

Includes the towns of Cicero, Clay, Lysander, and Van Buren, inclusive of the villages of Baldwinsville and North Syracuse. Its households generally match those of the entirety of non-Syracuse Onondaga County. Total household growth 2000 to 2020 was close to 19%, exceeding the all towns rate of about 12%. The sub-region's homeownership rate of 72.7% in 2020 was slightly less than the all towns rate of 74.3%.

Outer Ring North has consistently had an average single-family sale price slightly above the average of all towns, and average prices increased in line with the percentage change across all towns from 2013 to 2022. It increased its number of renter households by over 3,500 between 2000 and 2020, and built over 3,100 new multifamily units. Outer Ring North had over 5,000 cost burdened renters with incomes under $50,000 struggling with affordability as of 2022.

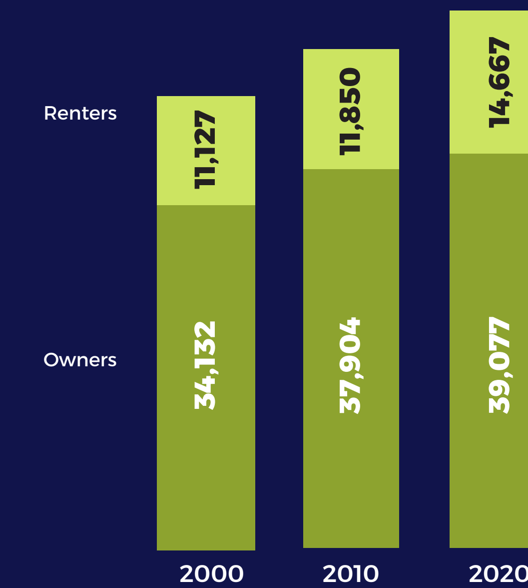
The number of elderly households nearly doubled from 2000 to 2020, from 8,000 to 25,000, and the number of senior households exiting the ownership market is projected to increase from an average of about 360 per year in the 2010s, to about 500 per year in the 2020s, and 675 per year in the 2030s.

Household Types, 2020



Source: U.S. Decennial Census

Owners and Renter Households, 2020



Source: U.S. Decennial Census

Households by Income, 2022

Source: 2018-2022 ACS Five Year Estimates

Homeownership Rate

	Outer Ring North	All Towns
2000	75%	76%
2010	76%	76%
2010	73%	74%

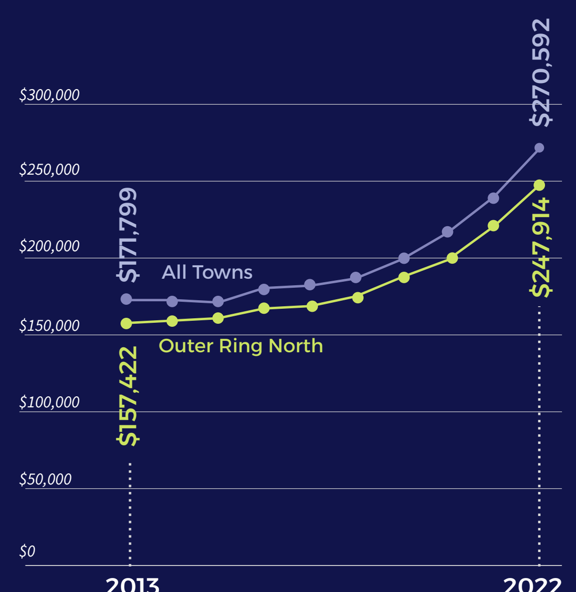
Source: U.S. Decennial Census

Ownership Market

	Outer Ring North	All Towns	Region as % of All Towns
Number of Sales 2013-2019	**11,533**	**26,715**	**43%**
Avg Sale Price 2013-2019	*$157,886*	*$180,955*	*93%*
Number of Sales 2020-2022	**4,908**	**11,615**	**42%**
Avg Sale Price 2020-2022	*$220,157*	*$238,886*	*92%*
Single Family Houses Built 2000-2020	**6,514**	**13,441**	**48%**

Source: Real estate transaction data and permit data from Onondaga County

Average Sale Price by Year, 2013-2022



Source: Real estate transaction data and permit data from Onondaga County

- The number of homeowners increased by nearly 5,000 from 2000-2020.
- Average single-family home sale price consistently just slightly below all towns average.
- Estimated income needed to afford average price in 2022 was $85,000.
- The sub-region added over 6,500 single-family houses 2000-2020, which was almost half of all houses built in the towns.

Rental Market

Multifamily	Outer Ring North	All Towns	Region as % of All Towns
Units Q1 2024	**3,570**	**20,343**	**17.6%**
Vacant Units Q1 2024	*97*	*515*	*18.8%*
Vacancy Rate Q1 2024	**2.7%**	**2.5%**	**107.1%**
Average Rent Q1 2024	*$1,281*	*$1,319*	*97.1%*
Units Built 2000-2020	**3,105**	**5,641**	**55.0%**

Source: czb analysis of CoStar data

Rent Burdened Households by Income, 2022

Source: 2018-2022 ACS Five Year Estimates

- Single largest and fastest growing part of the non-Syracuse county rental market.
- Rental households increased by nearly 32% 2000-2020, compared to all towns increase of 21%.
- Despite adding over 3,100 new multifamily units, or 55% of the all towns total, construction did not keep up with rental household growth.
- In Q1 2024, multifamily unit average rent was about $40 less than the all towns average and was affordable to an income of about $51,000.
- The multifamily vacancy rate in Q1 2024 of 2.7% roughly matched the all towns rate.
- Over 5,000 cost burdened renters with incomes under $50,000 as of 2022 data.

Seniors

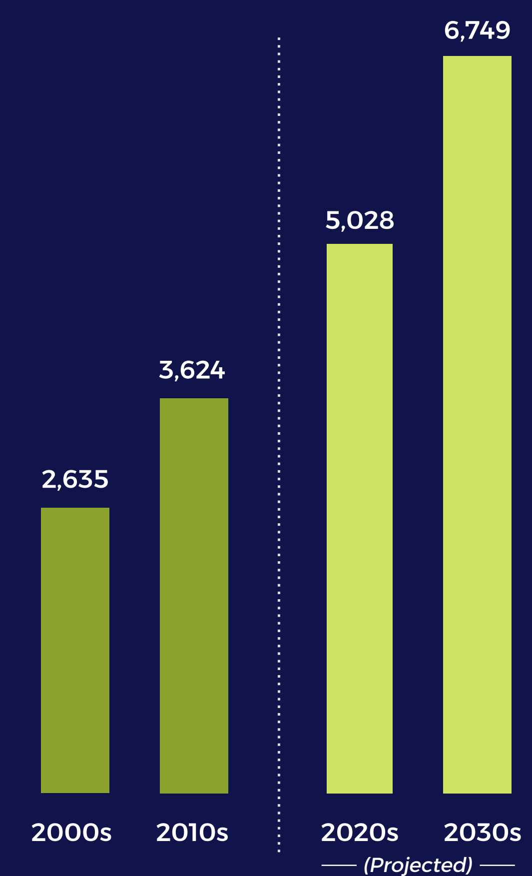
The number of elderly households nearly doubled from 2000 to 2020, from 8,000 to 25,000, and the number of senior households exiting the ownership market is projected to increase from an average of about 360 per year in the 2010s, to about 500 per year in the 2020s, and 675 per year in the 2030s.

Households, Householder Aged 65+

Source: U.S. Decennial Census

2000	8,027
2010	10,664
2020	15,309

Homeowners Aged 65+ Exiting Ownership Market



Source: czb analysis of data from U.S. Census

How is Outer Ring North positioned for the future?

WITH MICRON

If demand continues to grow in the county, Outer Ring North is well positioned to capture a share of the growth. Overbuilding of typical single-family for-sale product is a potential threat to market health as household growth tilts in the direction of rental while the growth in owner households comes from smaller and older households. The opportunity for Outer Ring North is to be early to the project of placemaking and delivering new types of housing stocks.

WITHOUT MICRON

Under a low-growth scenario, it is likely that Outer Ring North would see a decrease in the total number of homeowners and a growing number of renter households. Some conversion of owner-occupied houses to rental use would also be likely. Market changes would happen gradually, with strong areas remaining strong for quite some time, and new single-family development would maintain a feeling of growth and success if it occurs.

The degree and speed of stagnation, and possible market decline, would be dependent on the amount of typical sprawling ownership housing development in the county. The greater the number of units built for the ownership market, the higher the risk of rental conversion or vacancy of formerly owner-occupied houses.

The opportunity for Outer Ring North is to be early to the project of placemaking in the Route 31 corridor—primarily in Baldwinsville and at the Great Northern Mall site—and delivering new types of housing stocks.

SUBREGIONAL MARKETS

OUTER RING WEST

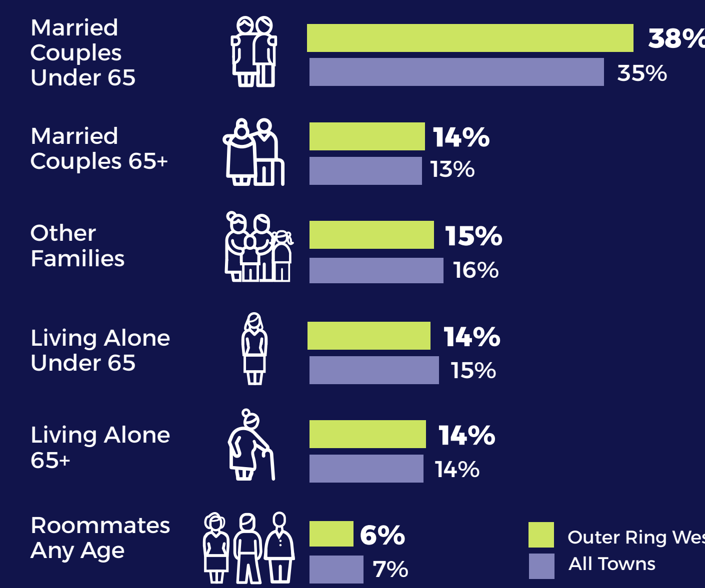
Includes the towns of Camillus and Onondaga, and the Village of Camillus. Its households generally match those of the entirety of non-Syracuse Onondaga County, though it has a somewhat larger proportion of non-elderly married couple families. Total household growth 2000 to 2020 was 13.7%, exceeding the all towns rate of about 12%. The sub-region's homeownership rate has consistently exceeded the all towns rate, and was 78.3% in 2020, four percentage points higher than the all towns rate of 74.3%.

Outer Ring West's average single-family sale price was nearly the same as the all towns average price from 2013 to 2019, but fell behind starting in 2020. It increased its number of renter households by about 500 between 2000 and 2020, and built 500 new multifamily units.

Outer Ring West had nearly 1,500 cost burdened renters with incomes under $50,000 struggling with affordability as of 2022.

The number of elderly households increased by over 28% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 195 per year in the 2010s, to about 200 per year in the 2020s, and 270 per year in the 2030s.

Household Types, 2020



Source: U.S. Decennial Census

Owners and Renter Households, 2020

Source: U.S. Decennial Census

Households by Income, 2022

Source: 2018-2022 ACS Five Year Estimates

Homeownership Rate

	Outer Ring West	All Towns
2000	79%	76%
2010	79%	76%
2010	78%	74%

Source: U.S. Decennial Census

Ownership Market

	Outer Ring West	All Towns	Region as % of All Towns
Number of Sales 2013-2019	**3,373**	**26,715**	**13%**
Avg Sale Price 2013-2019	*$177,478*	*$180,955*	*98%*
Number of Sales 2020-2022	**1,431**	**11,615**	**12%**
Avg Sale Price 2020-2022	*$218,806*	*$238,886*	*92%*
Single Family Houses Built 2000-2020	**2,262**	**13,441**	**17%**

Source: Real estate transaction data and permit data from Onondaga County

Average Sale Price by Year, 2013-2022

Source: Real estate transaction data and permit data from Onondaga County

- The number of homeowners increased by over 1,600 from 2000-2020.
- Average single-family home sale price matched the all towns average but fell behind after 2019.
- Estimated income needed to afford average price in 2022 was $85,000.
- The sub-region added over 2,200 single-family houses 2000-2020.

Rental Market

Multifamily	Outer Ring West	All Towns	Region as % of All Towns
Units Q1 2024	**32,734**	**20,343**	**13.4%**
Vacant Units Q1 2024	*148*	*515*	*28.7%*
Vacancy Rate Q1 2024	**5.4%**	**2.5%**	**213.8%**
Average Rent Q1 2024	*$1,424*	*$1,319*	*108.0%*
Units Built 2000-2020	**506**	**5,641**	**9.0%**

Source: czb analysis of CoStar data

Rent Burdened Households by Income, 2022

Source: 2018-2022 ACS Five Year Estimates

- Rental households increased by 14% 2000-2020, compared to all towns increase of 21%.
- New multifamily construction generally kept up with rental household growth.
- In Q1 2024, multifamily unit average rent was about $100 higher than the all towns average and was affordable to an income of about $57,000.
- The multifamily vacancy rate in Q1 2024 was more than double the all towns rate.
- About 1,500 cost burdened renters with incomes under $50,000 as of 2022 data.

Seniors

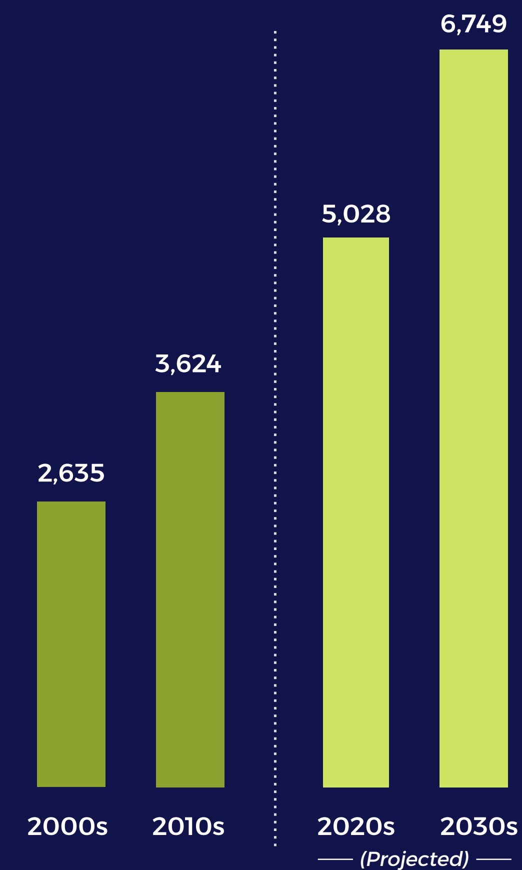
The number of elderly households increased by over 28% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 195 per year in the 2010s, to about 200 per year in the 2020s, and 270 per year in the 2030s.

Households, Householder Aged 65+

Source: U.S. Decennial Census

2000	**4,722**
2010	**5,132**
2020	**6,055**

Homeowners Aged 65+ Exiting Ownership Market



Source: czb analysis of data from U.S. Census

How is Outer Ring West positioned for the future?

WITH MICRON

If demand continues to grow in the county, Outer Ring West is well positioned to capture a share of the growth. Overbuilding of typical single-family for-sale product is a potential threat to market health as household growth tilts in the direction of rental while the growth in owner households comes from smaller and older households. The opportunity for Outer Ring West is to be early to the project of placemaking and delivering new types of housing stocks.

WITHOUT MICRON

Under a low-growth scenario, it is likely that Outer Ring West would see a decrease in the total number of homeowners and a growing number of renter households. Some conversion of owner-occupied houses to rental use would also be likely. Market changes would happen gradually, with strong areas remaining strong for quite some time, and new single-family development would maintain a feeling of growth and success if it occurs.

The degree and speed of stagnation, and possible market decline, would be dependent on the amount of typical sprawling ownership housing development in the county. The greater the number of units built for the ownership market, the higher the risk of rental conversion or vacancy of formerly owner-occupied houses.

The opportunity for Outer Ring West is to be early to the project of placemaking—primarily in Camillus, both town and village—and delivering new types of housing stocks.

SUBREGIONAL MARKETS

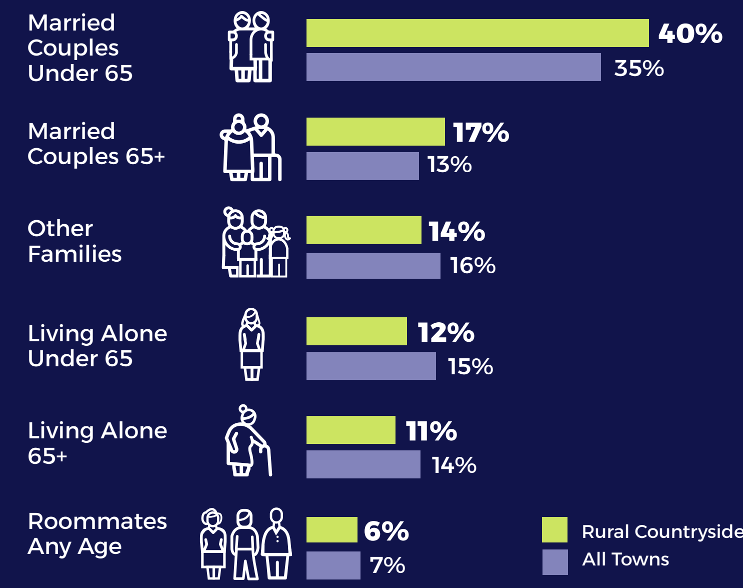
RURAL COUNTRYSIDE

Includes the towns of Elbridge, Fabius, Lafayette, Marcellus, Otisco, and Tully, inclusive of the villages of Elbridge, Fabius, Jordan, Marcellus, and Tully. It has a greater proportion of married couple families, both elderly and non-elderly, than the rest of non-Syracuse Onondaga County, and relatively fewer single parent families and people living alone. Its income distribution generally matches that of all towns. Total household growth 2000 to 2020 was 8.8%, below the all towns rate of about 12%. The sub-region's homeownership rate has consistently exceeded the all towns rate, and was 83.4% in 2020, about nine percentage points higher than the all towns rate of 74.3%.

Rural Countryside has consistently had an average single-family sale price slightly above the average of all towns, and average prices increased in line with the percentage change across all towns from 2013 to 2022. Its number of renter households remained largely unchanged between 2000 and 2020, and it built fewer than 200 new multifamily units. Rural Countryside had nearly 600 cost burdened renters with incomes under $50,000 struggling with affordability as of 2022.

The number of elderly households increased by nearly 70% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 100 per year in the 2010s, to about 150 per year in the 2020s, and 200 per year in the 2030s.

Household Types, 2020



Source: U.S. Decennial Census

Owners and Renter Households, 2020

Source: U.S. Decennial Census

Households by Income, 2022

Source: 2018-2022 ACS Five Year Estimates

Homeownership Rate

	Rural Countryside	All Towns
2000	83%	76%
2010	84%	76%
2010	84%	74%

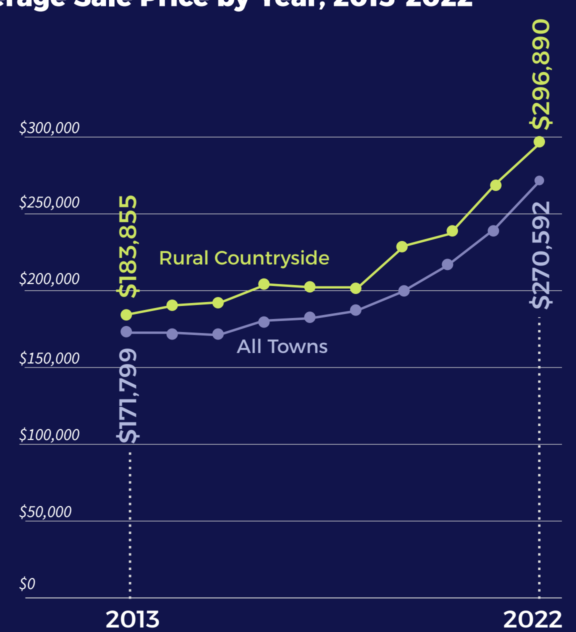
Source: U.S. Decennial Census

Ownership Market

	Rural Countryside	All Towns	Region as % of All Towns
Number of Sales 2013-2019	**2,070**	**26,715**	**8%**
Avg Sale Price 2013-2019	*$200,308*	*$180,955*	*111%*
Number of Sales 2020-2022	**866**	**11,615**	**7%**
Avg Sale Price 2020-2022	*$264,898*	*$238,886*	*111%*
Single Family Houses Built 2000-2020	**1,779**	**13,441**	**13%**

Source: Real estate transaction data and permit data from Onondaga County

Average Sale Price by Year, 2013-2022



Source: Real estate transaction data and permit data from Onondaga County

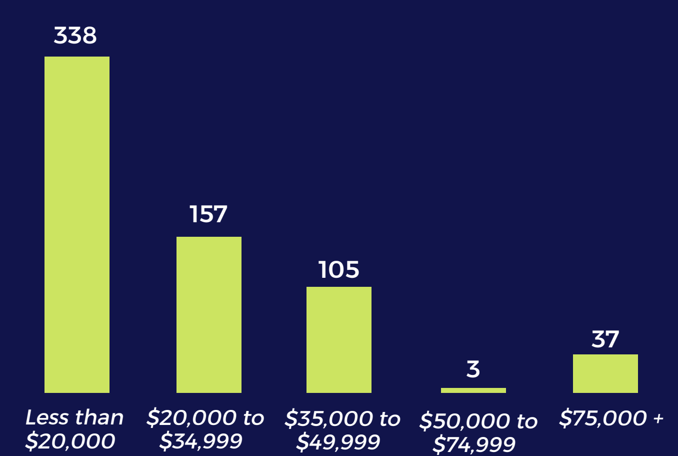
- The number of homeowners increased by just under 1,000 from 2000-2020.
- Average single-family home sale price consistently just above all towns average.
- Estimated income needed to afford average price in 2022 was $90,000.
- The sub-region added nearly 1,800 single-family houses 2000-2020.

Rental Market

Multifamily	Rural Countryside	All Towns	Region as % of All Towns
Units Q1 2024	**710**	**20,343**	**3.5%**
Vacant Units Q1 2024	*20*	*515*	*3.9%*
Vacancy Rate Q1 2024	**2.8%**	**2.5%**	**111.3%**
Average Rent Q1 2024	*$1,074*	*$1,319*	*81.4%*
Units Built 2000-2020	**191**	**5,641**	**3.4%**

Source: czb analysis of CoStar data

Rent Burdened Households by Income, 2022



Source: 2018-2022 ACS Five Year Estimates

- There is little rental market to speak of in the region.
- The numbers of cost burdened renters are so small that margins of error in the data create serious reliability problems.

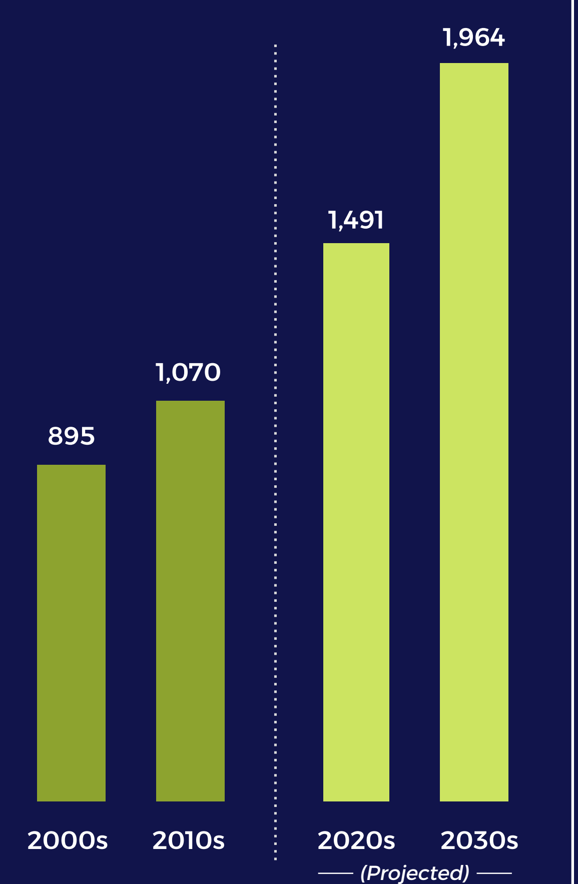
Seniors

The number of elderly households increased by nearly 70% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 100 per year in the 2010s, to about 150 per year in the 2020s, and 200 per year in the 2030s.

Households, Householder Aged 65+		
	2000	2,307
	2010	2,814
	2020	3,877

Source: U.S. Decennial Census

Homeowners Aged 65+ Exiting Ownership Market



Source: czb analysis of data from U.S. Census

How is Rural Countryside positioned for the future?

WITH MICRON

Growing demand in the county would likely support continued large-lot homebuilding in the towns. Villages, without a clear market for aging housing in mostly remote locations, would slowly continue on their early 20th Century trajectory. Marcellus could be an exception due to a favorable location and stronger starting point.

If household growth in the towns grew sufficiently, it could spur development of some additional commercial uses in villages or on the edges.

WITHOUT MICRON

Under a low-growth scenario, it is likely that Rural Countryside would see a decline in homeowners, with some amount of increased vacancy and/or conversion to rental use in the villages. Outside the villages, the towns could continue to add large-lot houses in a rural setting, though construction would likely slow. Market changes would happen gradually, with strong areas remaining strong for quite some time.

Rural Countryside's senior households would continue to grow, but it is not likely that senior rental could easily be accommodated due to infrastructure availability.

SUBREGIONAL MARKETS

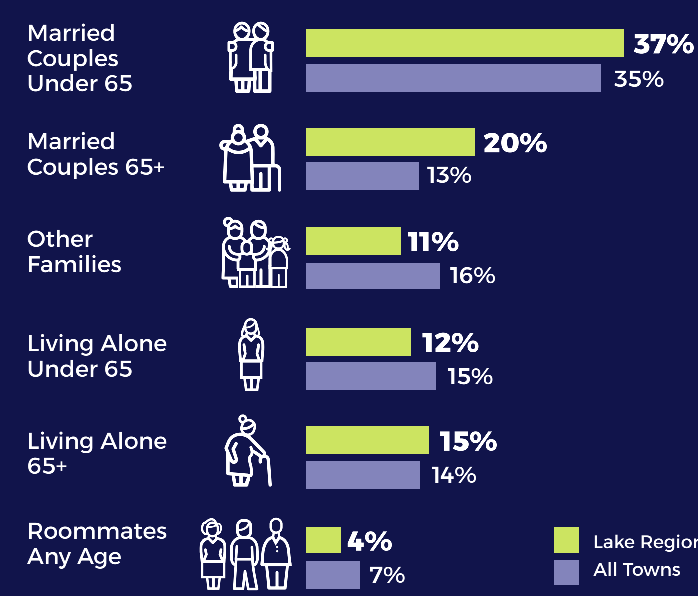
LAKE REGION

Includes the towns of Skaneateles and Spafford, and the Village of Skaneateles. It has a greater proportion of married couple families, especially those with a householder aged 65+, than the rest of non-Syracuse Onondaga County, and relatively fewer single parent families and people living alone. It has a much larger proportion of households with incomes of $150,000 or more. Total household growth 2000 to 2020 was 4.3%, far below the all towns rate of about 12%. The sub-region's homeownership rate has consistently exceeded the all towns rate, and was 83.3% in 2020, nine percentage points higher than the all towns rate of 74.3%.

The Lake Region consistently had an average single-family sale price twice that of all towns from 2013 to 2019, and the gap widened substantially after 2019. By 2022, the Lake Region average sale price was nearly triple that of the all towns average. Its number of renter households remained largely unchanged between 2000 and 2020, and it built fewer only 64 new multifamily units. Rural Countryside had fewer than 250 cost burdened renters with incomes under $50,000 struggling with affordability as of 2022.

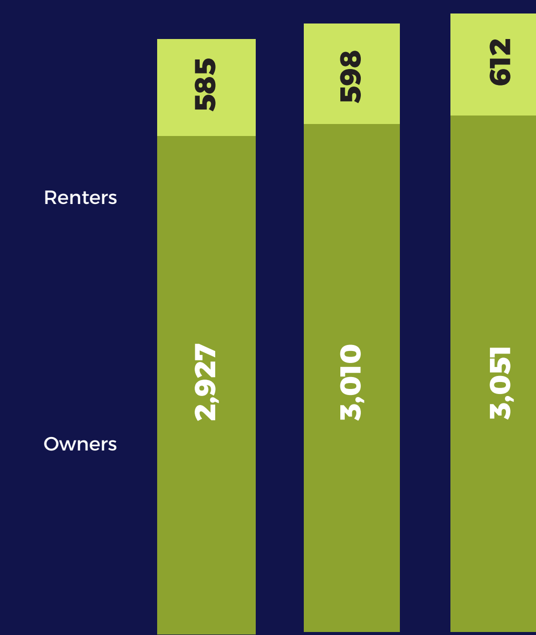
The number of elderly households increased by almost 50% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 40 per year in the 2010s, to about 50 per year in the 2020s, and 65 per year in the 2030s.

Household Types, 2020



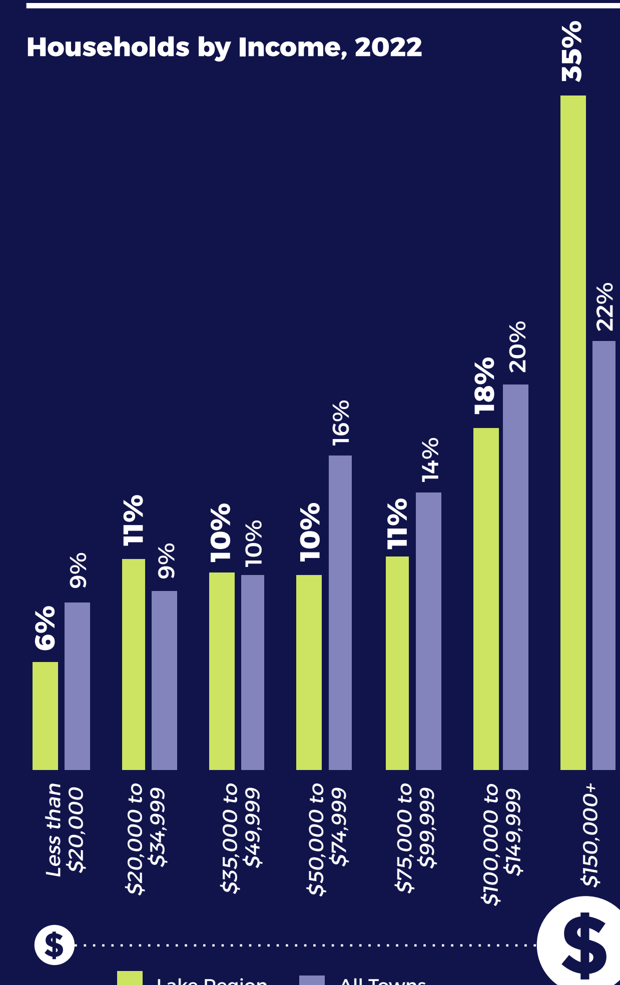
Source: U.S. Decennial Census

Owners and Renter Households, 2020



Source: U.S. Decennial Census

Households by Income, 2022



Source: 2018-2022 ACS Five Year Estimates

Homeownership Rate

	Lake Region	All Towns
2000	83%	76%
2010	83%	76%
2010	83%	74%

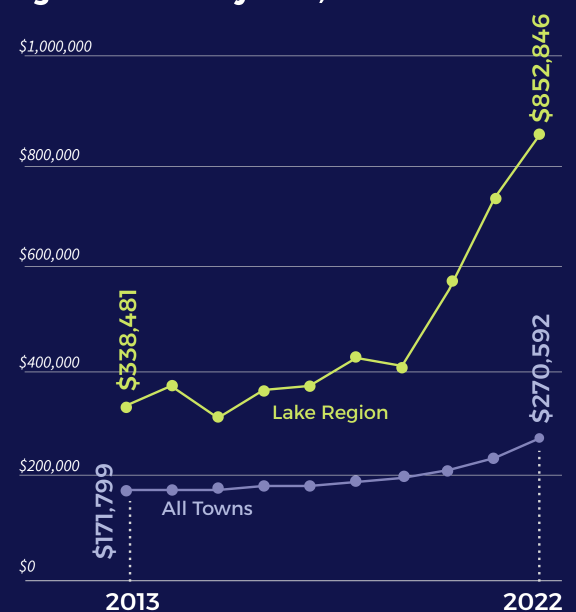
Source: U.S. Decennial Census

Ownership Market

	Lake Region	All Towns	Region as % of All Towns
Number of Sales 2013-2019	**1,051**	**26,715**	**4%**
Avg Sale Price 2013-2019	*$371,384*	*$180,955*	*205%*
Number of Sales 2020-2022	**419**	**11,615**	**4%**
Avg Sale Price 2020-2022	*$689,141*	*$238,886*	*288%*
Single Family Houses Built 2000-2020	**560**	**13,441**	**4%**

Source: Real estate transaction data from Onondaga County

Average Sale Price by Year, 2013-2022



Source: Real estate transaction data from Onondaga County

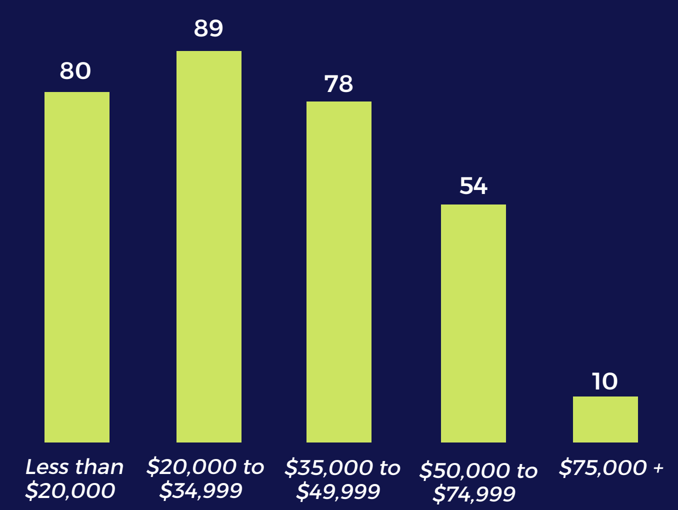
- The number of homeowners increased slightly from 2000-2020.
- Average single-family home sale price consistently double the all towns average from 2013 to 2019, but the gap widened substantially after 2019.
- By 2022, average sale price was nearly triple the all towns average.
- Estimated income needed to afford average price in 2022 was over $250,000.
- The sub-region added 560 single-family houses 2000-2020.

Rental Market

Multifamily	Lake Region	All Towns	Region as % of All Towns
Units Q1 2024	**107**	**20,343**	**0.5%**
Vacant Units Q1 2024	*6*	*515*	*1.2%*
Vacancy Rate Q1 2024	**5.6%**	**2.5%**	**221.5%**
Average Rent Q1 2024	*$972*	*$1,319*	*73.7%*
Units Built 2000-2020	**64**	**5,641**	**1.1%**

Source: czb analysis of CoStar data

Rent Burdened Households by Income, 2022



Source: 2018-2022 ACS Five Year Estimates

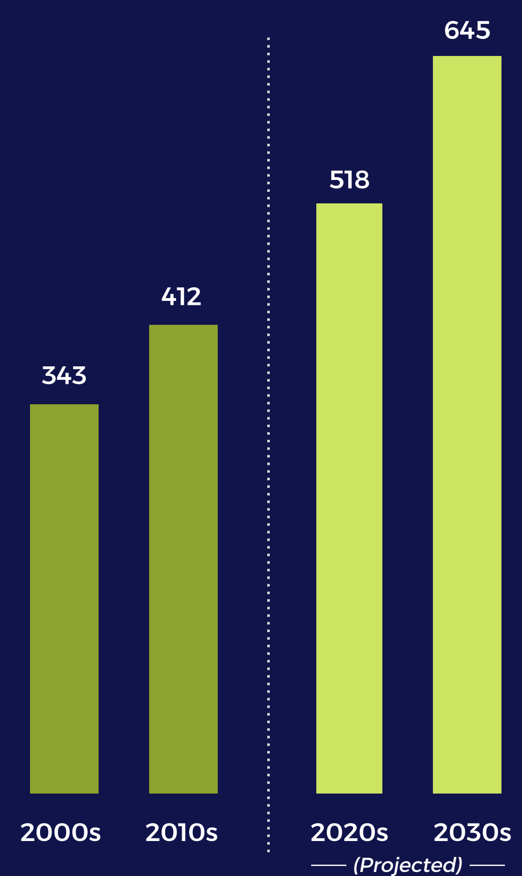
- There is little rental market to speak of in the region.
- The numbers of cost burdened renters are so small that margins of error in the data create serious reliability problems.

Seniors

The number of elderly households increased by almost 50% from 2000 to 2020, and the number of senior households exiting the ownership market is projected to increase from an average of about 40 per year in the 2010s, to about 50 per year in the 2020s, and 65 per year in the 2030s.

Households, Householder Aged 65+		
	2000	934
Source: U.S. Decennial Census	2010	1,106
	2020	1,367

Homeowners Aged 65+ Exiting Ownership Market



Source: czb analysis of data from U.S. Census

How is Lake Region positioned for the future?

WITH MICRON

The Lake Region offers something rare and valuable, which is an idyllic setting on one of the most sought-after lakes in Upstate New York, and perhaps in the northeast U.S. This is the sub-region least dependent on households moving from within Onondaga County. Lake Region's rarity, in combination with a growing market, could plausibly elevate home values above and beyond their mid-2020s levels.

Given the Lake Region's role within the county market, and its demographics, it is reasonable to expect that Skaneateles, and the village in particular, may be a location for accommodating senior-focused rental housing at some level. Management of rural, large-lot residential development would likely continue to be an issue.

WITHOUT MICRON

Most of what is described above would remain true, though values may not rise as much. Lake Region's special characteristics would likely insulate it from many of the challenges associated with regional market softening.

PART 7

Guidance for Strategy Development

07

Onondaga County will need a strategy to effectively address future housing issues.

The housing market data and discussion in this assessment describe past, present, looming, and possible future housing challenges, as well as the opportunity offered by *Plan Onondaga* to reset the way housing development happens in the county. County government and local municipalities all have a role to play in planning and action related to meeting future the county's housing needs.

Strategy Foundations and Next Steps

The following pages outline at a high level the next steps the County and local governments should take to implement ***Plan Onondaga*** and address housing needs. But each of the key recommendations brings with it a great deal of work, and many questions. Among those questions is: how will these things happen? How should ambitious but achievable goals and targets be established? What does it take to meaningfully intervene in a market to do what the market alone cannot? How long will it take and how much will it cost? To answer such questions, the County will eventually need a more detailed strategy beyond the scope of this assessment and the information here should shape the development of such a strategy.

Strategy Assumptions

Any future strategy to address housing needs and opportunities must recognize the following basic assumptions:

Achieving desired housing market outcomes will not be easy.

Achieving housing development outcomes as described here will require overcoming obstacles related to:

- Land use regulations and zoning.
- Financial gaps for the private sector owing to the difference between total development costs and the market's ability and willingness to pay.
- Specific financing, legal, and execution challenges on the part of the private sector (e.g., mixed-income development, condos, etc.).

Municipalities must play the lead role in planning for and regulating housing development.

Development decisions across the county are fragmented across individual municipalities. Towns, villages, and the City of Syracuse control planning, land use, and zoning at the local level, where policy and regulatory changes will be necessary.

Onondaga County must play the lead role in developing and deploying financial assistance to the private sector where necessary.

Onondaga County is the public sector actor with the greatest local capacity to provide financial incentives and subsidies, which will be necessary. The county's existing Housing Initiative Program (O-CHIP) and its industrial development agency (OCIDA) are able to help close gaps necessary to bring projects to fruition.

Most municipalities have limited professional expertise, but Onondaga County has professional staff that can assist.

Onondaga County has professional planning, economic development, and community development staff that can work with municipalities and the private sector on planning and implementation efforts.

Public Sector Roles and Responsibilities

Any future strategy to address housing needs and opportunities must be clear about the responsibilities of different public sector organizations, and also about how they work together with each other.

Municipalities' Role

- Use planning processes to decide what the community can say "Yes!" to.
- Update land use regulations to create space where desired housing development can locate.
- Be clear in regulations about what is allowed and what is not.
- Set and maintain high standards of quality.

County Government's Role

- Build and maintain sufficient professional staffing.
- Assist municipalities in planning work.
- Assist municipalities in updating regulations to reflect updated plans.
- Help private sector meet local requirements and close financial gaps through direct financial assistance, tax incentives, infrastructure upgrades, and/or other means.
- Offer financial assistance program(s) for existing properties in need of rehab.

County provides professional planning assistance to municipalities.

Municipalities update plans and regulations.

Private sector undertakes development activity per plans and regulations.

County closes private sector gaps with financial assistance.

From Analysis to Strategy: Next Steps

A housing strategy for Onondaga County could take many forms, depending on how narrowly or broadly the problem is defined, and how proactive or reactive policymakers wish to be. Immediate next steps to move toward a coherent strategy will require answering the following questions, beginning in mid-2024.

1 WHAT is the housing challenge(s) to address?

NEXT STEP
Identify issues of focus, and specify goals and targets.

There are a number of potential challenges to be met in the county's future housing market. Does Onondaga County want to address all of them, only some of them, or take a portfolio approach with varying levels of effort expended across the issues?

This assessment has identified multiple housing challenges through at least 2040.

As county policymakers define the focus of a housing strategy, a formal housing policy should be established that will guide housing-related activities and investments in alignment with the strategy.

- Up to about 25,000 units could be needed countywide by 2040.
- On a net basis, all household growth is expected to be in households of fewer than two people on average.
- 7,000 new households could be in Syracuse, a mix of owner and renter.
- 17,000 new households could be scattered elsewhere in the county, a mix of owner and renter.
- 12,000 renter households outside Syracuse, with incomes of less than $50,000, are struggling with affordability in the mid-2020s. (This is in addition to 17,000 Syracuse households in the same position.)
- The number of senior renter households could grow by 2,000 in Syracuse, and by 6,000 outside Syracuse, by 2040.
- Outside Syracuse, the rental market is growing, and will likely continue to grow.
- Outside Syracuse, more diverse housing types are needed beyond the single-family detached house.
- Syracuse is not a competitive market within the region.

2 WHERE should the housing challenge(s) be addressed?

NEXT STEP
Identify specific municipalities for partnership

There are a number of potential challenges to be met in the county's future housing market. Does Onondaga County want to address all of them, only some of them, or take a portfolio approach with varying levels of effort expended across the issues?

***Plan Onondaga* is clear in its focus on existing and new Centers, but there are many Centers across the county. Where to start?**

- Some locations will present better opportunities than others, based on a number of factors. Some municipalities could have projects in the planning stages already and can be shaped to best meet identified housing needs. Other municipalities may offer ideal long-term opportunities but need additional planning or regulatory work before those opportunities can be realized.
- It is important that municipal partners be willing participants in planning for and facilitating new housing development. Those most willing to embrace the framework in ***Plan Onondaga*** and help make the right kinds of projects happen in their communities should receive the earliest attention from county government.

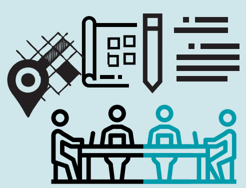
3 HOW will the housing challenge(s) be addressed?

NEXT STEP
Assist with necessary policy and planning work.

Early partner municipalities may not have the necessary legal policy basis to make decisions that reflect *Plan Onondaga* and this housing assessment.

- Partner municipalities not yet ready to accept new housing development could need amended comprehensive plans.

NEXT STEP
Assist with necessary regulatory review, and code updates where possible.



Some partner municipalities may be facing projects on the board already, and may be playing catch-up with codes that are not sufficient to the task.

- Where projects are moving through the review process, but good outcomes are not yet assured, County Planning staff should assist municipalities to get the best project possible in the near-term.
- Longer-term, partner municipalities should update development regulations, including zoning codes, to make sure they are getting the right kind of projects, and County Planning staff can assist with this.

NEXT STEP
Expand and refine financial tools for assisting projects.

Housing development that will meet identified housing needs and also be a long-term asset to the community may very well come with costs that are higher than the market is able and/or willing to pay. Having the tools to help close gaps will be critical.

- In some cases, per unit subsidies to achieve desired housing outcomes could be tens of thousands of dollars. These subsidies could be necessary for infrastructure upgrades, to assist modest-income households, or to bring rents and sale prices down to what the market will bear during a period of rising costs and higher borrowing rates.
- Incentive programs, whether they ease tax burdens or provide direct financial assistance, must be sized properly, both on a per unit basis, and in total, so that the county's strategic aims can be met at a meaningful level.
- Incentive programs should also be refined to conform to the county's formal housing policy so there is no lack of alignment between what is intended and what incentives produce.

EXAMPLES
What are some examples of good development types for Onondaga County?

The physical form of new housing projects should be dense and compact, regardless of location. Some may reuse existing buildings while others are newly constructed. Below are some good local and non-local examples.

Adaptive Re-Use, Mixed-Use with Residential Condos

Upper Crown Mill, Marcellus

Credit: MCK Building Associates, Inc.

Adaptive Re-Use, Mixed-Use with Rental Apartments

Camillus Mills, Camillus

Credit: Sutton Real Estate Company

Adaptive Re-Use, Mixed-Use with Residential Condos and Rental Apartments

Franklin Square, Syracuse

Credit: City of Syracuse

New Construction, Mixed-Use with Rental Apartments

Eastdale Village, Poughkeepsie, NY

Credit: www.eastdalevillage.com

New Construction, Mixed-Use with Residential Condos and Rental Apartments

Holiday Neighborhood, Boulder, CO

Credit: Julie Meko, Compass

New Construction, Mixed-Use with Townhouses and Rental Apartments

The Banks, Des Moines, IA

Credit: Hubbell Homes

HOUSING ONONDAGA

JUNE 2024

ONONDAGA COUNTY
HOUSING NEEDS ASSESSMENT

PLAN ONONDAGA

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