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Poughkeepsie, N.Y.

1967

*Analysis of the*  
**POUGHKEEPSIE, NEW YORK**  
**HOUSING MARKET**

**as of May 1, 1967**

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**A Report by the**  
**DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT**  
**FEDERAL HOUSING ADMINISTRATION**  
**WASHINGTON, D. C. 20411**

**December 1967**

ANALYSIS OF THE  
POUGHKEEPSIE, NEW YORK, HOUSING MARKET  
AS OF MAY 1, 1967

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Field Market Analysis Service  
Federal Housing Administration  
Department of Housing and Urban Development

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## Foreword

As a public service to assist local housing activities through clearer understanding of local housing market conditions, FHA initiated publication of its comprehensive housing market analyses early in 1965. While each report is designed specifically for FHA use in administering its mortgage insurance operations, it is expected that the factual information and the findings and conclusions of these reports will be generally useful also to builders, mortgagees, and others concerned with local housing problems and to others having an interest in local economic conditions and trends.

Since market analysis is not an exact science, the judgmental factor is important in the development of findings and conclusions. There will be differences of opinion, of course, in the interpretation of available factual information in determining the absorptive capacity of the market and the requirements for maintenance of a reasonable balance in demand-supply relationships.

The factual framework for each analysis is developed as thoroughly as possible on the basis of information available from both local and national sources. Unless specifically identified by source reference, all estimates and judgments in the analysis are those of the authoring analyst and the FHA Market Analysis and Research Section.

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ANALYSIS OF THE  
POUGHKEEPSIE, NEW YORK, HOUSING MARKET  
AS OF MAY 1, 1967

Summary and Conclusions

The economic base of the Poughkeepsie HMA was partly agrarian and partly industrially-oriented until 1941, when the International Business Machines Corporation established a munitions manufacturing plant in the HMA. Since then, industrial employment, notably at IBM, has dominated the economy. Employment at IBM and, as a result, total employment in the HMA, rose sharply in 1964 and 1965 and population, households, and housing construction also increased. Because construction of housing increased more rapidly than did households, vacancies (especially rental vacancies) rose to an excessive level by May 1967. Employment gains during each of the next two years are expected to be below the level of the past six years and demand for additional new housing will diminish. The analytical findings are outlined below and are more fully detailed in the text.

1. Average nonagricultural employment of 78,500 in 1966 was 16,200 (26 percent) greater than the average of 62,300 in 1960. The majority of this six-year increase (54 percent) occurred between 1963 and 1965 and reflected the staffing of a new IBM plant in East Fishkill. This accelerated rate of growth will not continue, however, and an average annual growth of 1,300 jobs is expected during the forecast period. Unemployment in 1966 averaged 2.3 percent of civilian work force. This level represented a steady decline from 3.6 percent in 1960.
2. Median family incomes, after deducting federal income taxes, were \$8,425 for all families and \$7,150 for all renter households of two or more persons on May 1, 1967. These medians should increase to \$8,825 and \$7,500, respectively, by May 1969.
3. The population of the Poughkeepsie HMA was estimated at 217,000 in May 1967, an average gain of 5,800 (3.1 percent) a year since 1960. Compared with an average annual increase of 3,925 during the 1950-1960 decade. The expected average growth of 3,500 annually during the next two years will be below that of the 1950-1960 decade.
4. The total of 59,500 households in the HMA in May 1967 represented an average annual growth of 1,775 over the 1960 total of 46,950 households which, in turn, was 12,500 households greater than the 1950 total of 34,450. During the next two years, an average of 1,050 households are expected to be added each year in the HMA.

5. There were approximately 69,000 housing units in the Poughkeepsie HMA as of May 1967, a net gain of about 2,025 units a year above the April 1960 total of 54,650 units. The net addition of 14,350 units since 1960 resulted from the completion of 14,650 new units and the removal of 300 units through demolition and other causes. In May 1967, there were about 175 single-family units and 700 multifamily units under construction.
6. A total of 2,550 vacant available housing units in May 1967 represented a net vacancy ratio of 4.1 percent. Of these vacant units, 800 were available for sale, a homeowner vacancy ratio of 1.9 percent, and 1,750 were available for rent, a renter vacancy ratio of 8.5 percent. The respective vacancy ratios in April 1960 for these three categories were 3.0 percent, 1.6 percent, and 5.4 percent.
7. There is expected to be an annual demand for approximately 900 housing units during each of the next two years, all of which will be for single-family housing. The 1,750 vacant rental housing units plus the 700 multifamily units that are under construction should be adequate to satisfy the quantitative demand for rental housing financed at market rates of interest during the forecast period. There will be a demand for approximately 100 units of middle-income housing that may be marketed only at rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. This demand will be centered in the cities of Beacon (about one-quarter of the total) and Poughkeepsie (three-quarters of the total) where housing will be needed for relocation. The demand for 900 units of sales housing annually is distributed by sales price class on page 27 and the demand for 100 units of middle-income rental housing is distributed by unit sizes on the same page.
8. On the basis of current projections made by state authorities, there is no need for nursing home facilities in the area beyond the 460 beds for which state approval has been granted or is pending. There may be some revision of the need calculation during 1967, however.

ANALYSIS OF THE  
POUGHKEEPSIE, NEW YORK, HOUSING MARKET  
AS OF MAY 1, 1967

Housing Market Area

The Poughkeepsie, New York, Housing Market Area (HMA) is defined as being coextensive with Dutchess County, New York. Poughkeepsie is the seat of Dutchess County as well as its commercial and financial center. The April 1960 Census of Population reported a population of 176,000 in the HMA.<sup>1/</sup>

Poughkeepsie is located on the east bank of the Hudson River in the Mid-Hudson Region of New York State, approximately 75 miles north of New York City and 75 miles south of Albany. The HMA is served by excellent north-south highways. The New York State Thruway (I-87) parallels the west side of the Hudson River about five miles from the HMA. The Taconic State Parkway runs through the heart of Dutchess County and U.S. Route 9 parallels the east bank of the Hudson River linking the major urban areas of the HMA. Three toll bridges traverse the Hudson River in Dutchess County. The Mid-Hudson Bridge in Poughkeepsie extends U.S. Route 44 and State Route 55 across the river, the Beacon-Newburgh Bridge is part of I-84 (which is partially completed in Dutchess County), and the Kingston-Rhinecliff Bridge extends Route 199 to major vehicular arteries on the west side of the Hudson River.

Three railroad lines serve the HMA. The Hudson line and the Harlem Valley line of the New York Central System serve the western and south-eastern portions of the county, and the New York, New Haven, and Hartford Railroad provides freight service into New England. Mohawk Airlines and Mid-Hudson Airlines provide direct, regularly scheduled passenger service to Binghamton and New York City.

United States Census data available from the New York State Department of Commerce indicated that 6,725 persons who lived outside the HMA commuted daily to work in the Poughkeepsie HMA in 1960. Approximately 35 percent of the workers lived in Ulster County, 13 percent lived in Orange County (both are located on the west side of the Hudson River, across from Dutchess County), and another 13 percent lived in Putnam County, which borders Dutchess County on the south. It is also reported that 3,450 HMA residents traveled to work outside the HMA in 1960. The bulk of the out-commuters traveled to Ulster County (28 percent of the total), New York City (20 percent), and Westchester County (15 per-

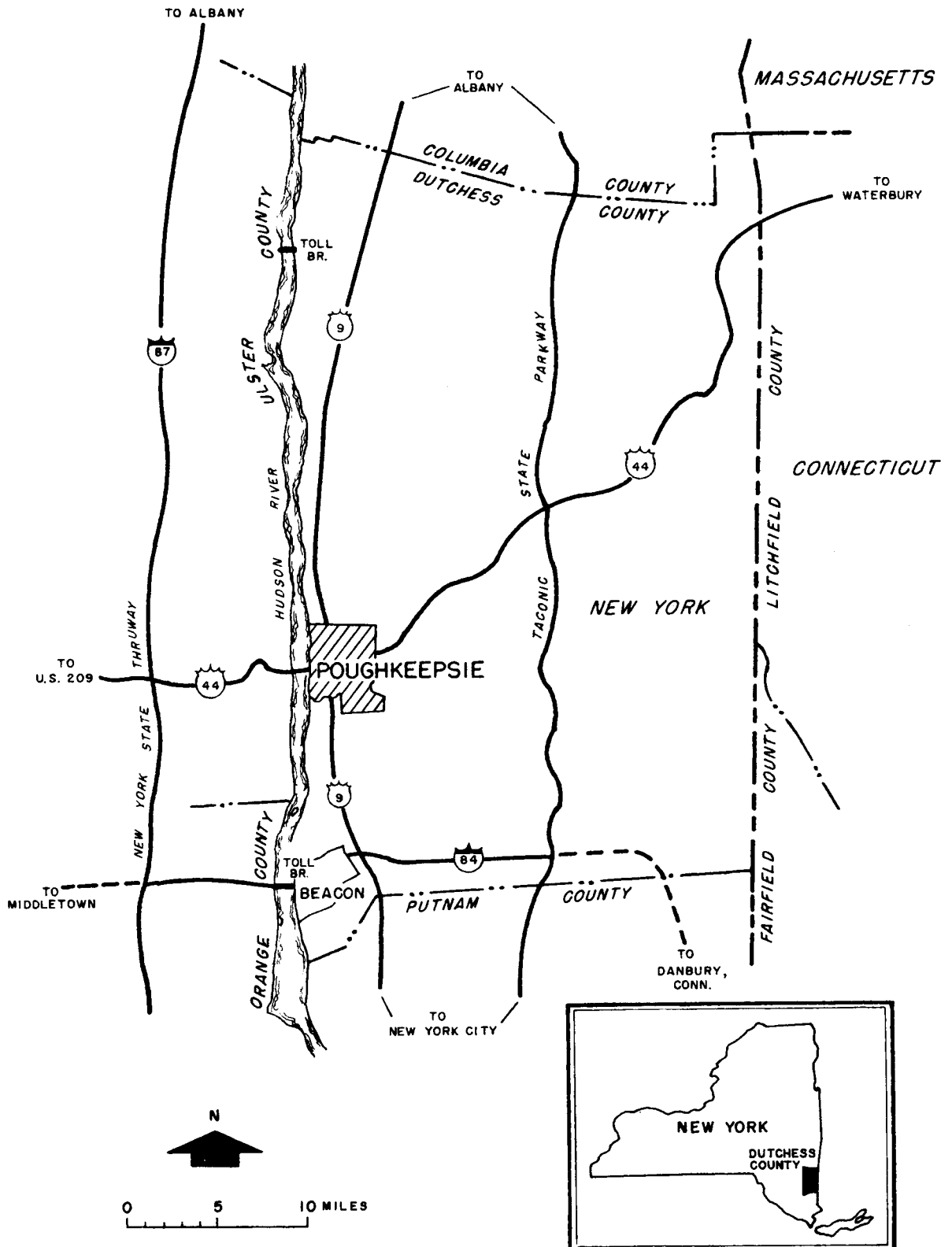
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<sup>1/</sup> Inasmuch as the rural farm population of the Poughkeepsie HMA constituted only three percent of the total population in 1960, all demographic and housing data used in this analysis refer to the total of rural farm and nonfarm data.



cent). Based on these data, it is calculated that net in-commutation totaled 3,275 workers in April 1960. An increase in in-commuters from Orange County above the 900 total for April 1960, however, has been caused by the completion of the Beacon-Newburgh Bridge in the Fall of 1963, a relatively loose market condition in Orange County, the recent construction of an IBM plant in East Fishkill (in lower Dutchess County about two miles from the approach to the Beacon-Newburgh Bridge), and reduced commuter toll rates.

# POUGHKEEPSIE, NEW YORK, HOUSING MARKET AREA



## Economy of the Area

### Character and History

The economy of Dutchess County became industrially-oriented during World War II. In April 1941, the International Business Machines Corporation (IBM) set up a subsidiary corporation in Dutchess County to manufacture munitions. From this beginning, IBM has expanded its product line in the county to the development and manufacture of punch cards, typewriters, computer tapes, component parts, and transistor and solid state circuit computers. At this level, IBM accounts for a substantial proportion of total wage and salary employment in the county.

Since Poughkeepsie is the largest city and one of the major trade and financial centers in the seven-county Mid-Hudson Region, the growth rate of nonmanufacturing employment has kept pace fairly well with the rapid rate of increase in manufacturing employment since 1960. The proportion of nonmanufacturing to total wage and salary employment remained at 61 percent during the first three years of the present decade, then increased slightly in 1963 because of a decline in manufacturing employment, and subsequently declined to 61 percent in 1964 and 59 percent in 1965, when abnormally large increases in manufacturing employment occurred. In 1966 the ratio increased again, to 60 percent, reflecting a significantly smaller increase in manufacturing and a slightly larger increase in non-manufacturing, a response to the increased demand for goods and services stimulated by the increases in manufacturing employment between 1963 and 1965.

### Employment

Current Estimate and Past Trend. Nonagricultural employment in the Poughkeepsie HMA averaged 78,500 in 1966. This is the highest yearly average on record and represents an increase of 16,200, or 26 percent, over the 1960 average of 62,300 employed persons. The average annual increase over the six-year period was 2,700. The low was 1,100 between 1960 and 1961, and the high was 5,100 between 1963 and 1964.

Employment by Industry. Employment in manufacturing increased by 6,600 (30 percent), from an average of 21,800 in 1960 to 28,400 in 1966, or by an average of 1,100 yearly since 1960. Nearly three-quarters of the employment in manufacturing is in durable goods. IBM, the DeLaval Separator Company, and the Federal Bearings Company, Inc. are the only large employers in the durable goods industries. A significant proportion of the remaining workers in durable goods industries are employed in firms that do subcontract work for IBM. This is evident from the data in table II, which show that only 1,000 of 20,700 employees in durable goods industries in February 1967 were in industries other than electrical and nonelectrical machinery.

Based on the types of industries represented in nondurable goods (see table II), there is not a great deal of growth potential in the non-durable goods section, although there are several fairly large employers. The largest is the Western Printing and Lithographing Company which binds books, manufactures playing cards and photo games, as well as other kinds of engraving, printing, and publishing. Another firm in the printing and publishing industry is the National Biscuit Company, which prints wrappers at a local plant. Another major firm in the non-durable goods industry is Texaco, Inc., with a petroleum research facility in Beacon. Another 4,700 employees are employed in apparel and various other nondurable goods industries.

An increase of 8,200 employees in nonmanufacturing industries between 1960 and 1966 is about one-quarter greater than the increase of 6,600 in manufacturing employment but, because of the larger base in 1960, the percentage increase of 24 percent is about one-fifth less than the increase of 30 percent in manufacturing. It may be seen by comparing the yearly totals in table I that the year-to-year increases in non-manufacturing employment, except for a gain of 700 between 1960 and 1961, have fluctuated in a narrow range of between 1,300 and 1,700 a year and, aside from the abnormally large increases in manufacturing employment between 1963 and 1965, the yearly increases have been considerably larger than those in manufacturing.

Although an historical series by industry is not available for total nonmanufacturing employment, a series on employment covered by unemployment insurance compiled for the period 1960 through the first nine months of 1966 is presented in the top half of table III. Total covered employment in nonmanufacturing increased each year between 1960 and the first nine months of 1966, but the increases between 1962 and 1964 (approximately 1,500 during each of the two years) accounted for 51 percent of the 5,850 increased employment between 1960 and 1966. Data for the first nine months of 1966 suggest that the decline in the rate of growth in nonmanufacturing employment evident in 1964-1965 as compared with the 1963-1964 peak, has continued in the 1965-1966 period. Growth is, however, still above the level of the earlier years of the decade.

A major cause of the slower growth rate in the past two years is the decline in employment in contract construction. Between 1963 and 1964, covered employment in contract construction had increased by 865 workers. Employment in transportation, communications, and public utilities declined slightly between 1960 and 1962, but increased during each of the past four years, reflecting the rapid increase in population and households in the HMA since 1960.

Employment in wholesale and retail trade increased during each of the past six years, by a total of 24 percent. This percentage increase is low relative to the increases in manufacturing and reflects the competition from large regional shopping centers in White Plains (Westchester County) and to some degree in Albany, despite the fact that Poughkeepsie is a major trade center for the Mid-Hudson Region.

In finance, insurance, and real estate, employment increased steadily between 1960 and 1966 in response to the demands of a rapidly increasing population. The largest percentage increase in nonmanufacturing occurred in services, where the addition of 1,900 workers resulted in a 58 percent rise in the total. This 10 percent annual average increase is in keeping with the national trend.

Employment Participation Rate. Based on census data for employment of residents only, the participation rate (the ratio of nonagricultural employment to population) remained steady at 33.8 percent between 1950 and 1960. Based on total employment data of the New York State Department of Labor and estimates of the resident population, the participation rate increased from 35.4 percent in 1960 to 36.2 percent in 1967. A tightening in the labor market, which has reduced the level of unemployment, is a major reason for the increase. The participation rate should remain at about the current level during the next two years.

#### Principal Employers

The International Business Machines Corporation is by far the largest employer in the Poughkeepsie HMA. Research, development, and the manufacture of computers and components are the major functions carried out at the Poughkeepsie facilities. Over the 26 years that IBM has been in Poughkeepsie the functions have changed considerably, partly in response to the changing product mix of the computer business and partly in response to an inadequate supply of labor in the local labor market. Because of the low level of unemployment and because only about 400 local high school graduates enter the labor force upon graduation each year, the firm has had to recruit production workers from as far away as Albany and New York City. A new facility with 400,000 square feet of space is being built in East Fishkill to consolidate a part of the IBM operations that are scattered throughout the area in leased space. The addition of the new facility will probably result in only moderate increases in IBM employment in the HMA. There are several other large manufacturing firms in the HMA but, even in combination, they do not compare with IBM in size or effect on the local economy.

#### Unemployment

Unemployment averaged 2,400 during each of the three years between 1960 and 1962 and the work force increased by an average of 1,950 a year, with the result that the ratio of unemployment to the civilian work force declined from 3.5 percent in 1960 to 3.3 percent in 1962. The number of unemployed persons declined in subsequent years to an average of 1,900 in 1966. These declines in relation to an expanding work force, which increased by an average of 2,483 a year, resulted in a low unem-

ployment ratio of 2.4 percent in 1966 (see table I). The decline in the level of unemployment since 1960 has caused the Poughkeepsie HMA to be reclassified from an area of moderate unemployment to one of low unemployment, according to the guidelines advanced by the United States Department of Labor. This low level of unemployment reflects the continual strong demand for labor by IBM and the other employers in the area, and compounds the problems of recruitment.

#### Estimated Future Employment

Total nonagricultural employment should increase by about 1,300 during each of the next two years to a total of 81,100. The yearly increase will be slightly less than half the average annual increase of 2,700 between 1960 and 1966. It will not differ significantly, however, from the gains in years other than the boom years of 1964 and 1965. The increase is expected to occur entirely in wage and salary employment, 500 a year in manufacturing and by 800 in nonmanufacturing.

The projected increase in nonmanufacturing employment will be reflected largely in trade, services, and local government. Employment will increase in these categories to provide the services demanded by the added population that resulted from the recent large gains in manufacturing employment. Employment in contract construction is expected to decline, however; it is anticipated that employment in the construction of the IBM plant in East Fishkill will be more than off-set by a drop-off in other jobs. The indefinite postponement of construction of a department store and shopping center complex in Fishkill increases the possibility of a reduction in employment in contract construction.

#### Income

Wages. The average weekly wages of workers covered by unemployment insurance in the Poughkeepsie area for the period 1960 through the first nine months of 1966 are presented in the bottom half of table III. It may be seen that the average weekly wage increased steadily from an average of \$104 a week in 1960 to \$129 a week in 1966. In contract construction, a decline of nearly 400 workers from 1965 to 1966 followed a reduction in the number of hours worked. The high wages in manufacturing are a reflection of the high proportion of professional people employed at IBM.

Family Income. The median family incomes in the Poughkeepsie HMA in May 1967, after deducting federal income tax, were \$8,425 for all families and \$7,150 for renter households of two or more persons. Approximately 27 percent of all families and 39 percent of the renter households had after-tax incomes below \$6,000, and 10 percent and five percent, respectively, had after-tax incomes above \$15,000 at that time. The median after-tax incomes are expected to rise to \$8,825 for all families and to \$7,500 for renter households by May 1969. (See table IV).

## Demographic Factors

### Population

Current Estimate and Past Trend. The population of the Poughkeepsie HMA totaled 217,000 in May 1967, an average annual increase of 5,800 (3.1 percent) since May 1960. Between 1950 and 1960, the population had increased by an average of 3,925 or 2.6 percent a year. As shown in table V, the population of the city of Beacon has changed only slightly since 1950. In the past seven years, there was a net increase of 578 to a May 1967 total of 14,500. The population of the city of Poughkeepsie has declined quite steadily for the past 17 years. It will be seen, therefore, that all of the growth in the population of the HMA has been concentrated in the towns<sup>1/</sup> outside the two cities. In these towns, the population increased by an average of 4,400 a year between 1950 and 1960 and by an average of 5,900 a year between 1960 and May 1967.

In 13 of the 20 towns that comprised the suburban portion of Dutchess County, special censuses were conducted in 1966 by the Bureau of the Census. The results are shown below. It is estimated that 84 percent of the suburban population growth and thus, most of the growth in the HMA, in the 1960-1966 period occurred in these towns. The average annual growth rates varied from a low of 2.5 percent (actually, quite a high rate) in Hyde Park to 8 percent or more in East Fishkill, Wappinger, and Beekman towns. The town of Poughkeepsie, which is south and east of the city of Poughkeepsie, now exceeds the city in population; the towns of Wappinger and Hyde Park both have larger populations than the city of Beacon.

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<sup>1/</sup> A "town" in New York is a minor civil division of a county equivalent to the term "township" in most other states.



Special Censuses Conducted in Various Towns<sup>a/</sup>  
Poughkeepsie, New York, HMA  
As of April 1960 and April 1966

<u>Town</u>	<u>April 1960 Census</u>	<u>March-April 1966 Special Census</u>	<u>Average annual change</u>	
			<u>Number<sup>c/</sup></u>	<u>Rate<sup>b/</sup></u>
Beekman	1,461	2,471	170	8.8
Clinton	1,639	1,994	60	3.3
Dover	3,306	4,480	200	5.1
East Fishkill	4,778	7,696	490	8.0
Fishkill	7,083	10,515	570	6.6
Hyde Park	12,681	14,700	340	2.5
La Grange	6,079	8,366	380	5.4
Pleasant Valley	4,046	5,082	170	3.9
Poughkeepsie	32,164	39,216	1,175	3.4
Red Hook	6,023	7,094	180	2.8
Stanford	1,614	2,108	80	4.5
Union Vale	1,138	1,479	55	4.4
Wappinger	<u>9,577</u>	<u>15,822</u>	<u>1,050</u>	<u>8.4</u>
Total	91,589	121,023	4,900	4.7

a/ Totals do not include institutional population.

b/ Derived through a formula designed to calculate rate of change on a compound basis.

c/ Detail may not add to total because of rounding.

Source: United States Bureau of the Census.

Estimated Future Population. In May 1969, the population of the Poughkeepsie HMA is expected to total 224,000. This is a projected average annual increase of 3,500 persons and an annual growth rate of 1.6 percent above the May 1967 population estimate of 217,000. These yearly growth projections are considerably lower than the average annual growth from April 1960 and May 1967, and reflect the reduced rate of expansion of the economic base that is anticipated during the next two years. The bulk of the population growth, perhaps three-quarters, is expected to continue to be concentrated in the towns in the southwestern portion of the HMA.

Net Natural Increase and Migration. During the 1950-1960 decade, there was an average net natural increase of about 1,550 a year (births minus deaths) in the population of the Poughkeepsie HMA. When compared with the average annual growth of total population, a net in-migration of about 2,375 a year is indicated. Since 1960, there has been an

average net natural increase of 2,000 a year. Since the population has increased by an average of 5,800 a year, net in-migration is calculated at 3,800 persons a year since 1960 (see table VI).

### Households

Current Estimate and Past Trend. As of May 1967, there were approximately 59,500 households in the Poughkeepsie HMA, an average growth of 1,775 (3.4 percent) annually since 1960. The number of households in Beacon increased by an average of 40 a year to a total of 4,050 in May 1967. In the city of Poughkeepsie, the number remained unchanged from the total of 12,750 reported in the 1960 census. The greatest increase occurred in the suburban areas of the HMA, where the number of households rose from 30,450 in 1960 to 42,700 in May 1967, an average annual gain of 1,725, or 4.9 percent. Based on the results of the special censuses, approximately 72 percent of the growth in the HMA since 1960 has occurred in the southwestern quarter of the HMA. It is in the towns of Poughkeepsie, Wappinger, Fishkill, and East Fishkill that the bulk of this household growth occurred.

Between 1950 and 1960, the number of households in the Poughkeepsie HMA increased from 34,450 to 46,950, an average gain of 1,250 a year, or 3.1 percent. This level of growth was exceeded between 1960 and 1967 despite a change in census definition from "dwelling unit" in 1950 to "housing unit" in 1960 which shifted a number of occupants of single-room accommodations from the nonhousehold category in the 1950 census to the household category in the 1960 census and had the effect of exaggerating additional household growth. This change may have had some impact in the cities of Beacon and Poughkeepsie where there was household growth between 1950 and 1960 despite a decline in population. The number of households in the suburban areas of the HMA increased from 18,450 in 1950 to 30,450 in 1960, an average gain of 1,200 (5.1 percent) a year. This growth was concentrated in the southwestern portion of the HMA.

Estimated Future Households. Because future employment growth is expected at about one-half the average annual increase of the past six years, the anticipated yearly growth in the number of households also is expected to be slower during the two-year forecast period, May 1967 to May 1969. It is estimated that an average of 1,050 households will be added during each of the next two years and that the number of households will total 61,600 in May 1969.

Household Size Trends. The average household size in the Poughkeepsie HMA declined from 3.27 persons in 1950 to 3.23 persons in 1960. A part of this decline resulted from the change in census definition described earlier. As may be seen in table V, the definitional change had its greatest impact in the two cities. Between 1960 and May 1967, it is estimated that the average household size continued to decline slightly to 3.22 persons in May 1967. The average household size in the two cities continued to decline at a faster rate than in the HMA as a whole, since 1960. This trend resulted (as did a part of the downward trend between 1950 and 1960) from the tendency of young families with children to move to the suburban areas and leave the central cities to the unmarried, the young married, and the older families whose children have grown up. The size of the average household is expected to range between 3.21 persons and 3.22 persons during the next two years.

## Housing Market Factors

### Housing Supply

Current Estimate and Past Trend. In May 1967, there were 69,000 units in the housing inventory of the Poughkeepsie HMA, a net increase of 14,350 units since April 1960. This net increase resulted from the addition of 14,650 new units and the loss of 300 units through demolition and other causes. The average annual increase of 2,025 units since 1960 is about 25 percent greater than the average of 1,625 net additions a year to the housing supply between 1950 and 1960. The average yearly increase in the housing supply during both periods, however, was greater than the average yearly increase in households; as a result, vacancies have increased since 1950.

The housing inventory in Beacon increased by an average of 25 units yearly between 1950 and 1960 and 45 units yearly between 1960 and 1967. In Poughkeepsie, the respective average yearly gains were 75 units and 10 units. The number of housing units in the county outside the two cities increased by an average of 1,525 units yearly between 1950 and 1960 and 1,975 units a year between 1960 and 1967. A paucity of land for single-family development in Poughkeepsie and the construction of most new multifamily units in the suburban areas are the major reasons for the bulk of residential construction occurring outside the two cities. Because of this, the housing inventories of Beacon and Poughkeepsie represent six percent and 19 percent of the housing inventory of the HMA in May 1967, down from 10 percent and 33 percent, respectively, in April 1950. The bulk of the residential development in the suburban areas has occurred in the seven towns that are in the southwestern part of the HMA.

Units in Structure. Nearly 74 percent of the units in the housing inventory of the Poughkeepsie HMA in May 1967 were in single-family structures, another 17 percent were in two-to four-family structures, and nine percent were in structures of five or more units. The proportion of total units in two-to four-family structures declined by over four percentage points since 1960, and the proportion of units in structures with five or more units increased by three percentage points. Most of these large structures were built between 1964 and 1966 (see section on residential building activity) and a large portion of these units are still vacant (see section on vacancy). The proportion of the inventory in single-family structures increased only slightly although they represent the bulk of the net addition to the inventory. The following table presents a distribution of the housing inventory of the Poughkeepsie HMA by units in structure in April 1960 and May 1967.

Housing Inventory by Units in Structures  
Poughkeepsie, New York, HMA  
1960 and 1967

<u>Units in structure</u>	<u>April 1960</u>		<u>May 1967</u>	
	<u>Number</u>	<u>Percent</u>	<u>Number</u>	<u>Percent</u>
One <sup>a/</sup>	39,565	72.4	50,900	73.8
Two to four	11,601	21.2	11,600	16.8
Five or more	<u>3,481</u>	<u>6.4</u>	<u>6,500</u>	<u>9.4</u>
Total	54,647	100.0	69,000	100.0

a/ Includes trailers.

Source: 1960 Census of Housing.  
1967 estimated by Housing Market Analyst.

Year Built. The growth of the housing inventory of the Poughkeepsie HMA since 1950 is reflected in the data in the table below. Forty-three percent of the units in the housing inventory in May 1967 were added since 1950; 21 percent in the past seven years alone. This rapid development is indicative of the growth of IBM over the seventeen-year period. The data also show 20 years of relatively little growth during the depression years of the 1930's and the war years of the 1940's. The units added prior to 1930 accounted for about 40 percent of the inventory in May 1967.

Distribution of the Housing Supply by Year Built<sup>a/</sup>  
Poughkeepsie, New York, HMA  
As of May 1967

<u>Year built</u>	<u>Number of units</u>	<u>Percent distribution</u>
April 1960-May 1967	14,650	21.2
1955-March 1960	8,625	12.5
1950-1954	6,675	9.7
1940-1949	5,850	8.5
1930-1939	5,200	7.5
1929 or earlier	<u>28,000</u>	<u>40.6</u>
Total	69,000	100.0

a/ The basic data from which the estimates were derived reflect an unknown degree of error in "age of structure" occasioned by the accuracy of response to enumerators' questions as well as errors caused by sampling.

Source: 1960 Census of Housing, adjusted by Housing Market Analyst to reflect changes since 1960.

Condition. It is estimated that eight percent of the units in the housing inventory of the Poughkeepsie HMA were substandard in May 1967, because of a lack of one or more plumbing facilities or because they were in a dilapidated condition. Although the number of substandard units declined only slightly since 1960 (from 5,925 units in 1960 to 5,700 units in 1967), the proportion declined by nearly three percentage points. A sizable proportion of the substandard units probably are seasonal units or units that are held for occasional occupancy, inasmuch as these categories accounted for about eight percent of the inventory in May 1967. The proportion of substandard units in the two cities is relatively low, considering that about 85 percent of the units in Poughkeepsie and 77 percent of those in Beacon are 27 years old or more. The respective percentages of substandard units in these cities were ten percent and six percent in May 1967.

### Residential Building Activity

Trends. A total of 8,750 housing units were authorized in the Poughkeepsie HMA between 1960 and March 1967. Another 6,750 units are estimated to have been started in the 11 towns of the HMA that do not require building permits or do not record and publish the data. Approximately 3,350 units (38 percent) of the 8,750 units permitted since 1960 were authorized in the town of Poughkeepsie, 2,150 units (25 percent) were authorized in the town of Wappinger, 1,075 units (12 percent) were authorized in the town of La Grange, and 890 units (10 percent) were authorized in the town of Hyde Park; all four towns are in the southwestern section of the HMA. The number of permits issued in the other cities and towns of the HMA, include 350 units in Beacon and 370 units in Poughkeepsie (see table VIII). It is estimated that the bulk of the residential construction in non-permit issuing places occurred in the towns of East Fishkill, Beekman, Dover, Pleasant Valley, and Red Hook. The estimates of housing starts not covered by permits and the areas in which the largest number of these starts occurred between 1960 and March 1967 are based on data compiled by the Dutchess County Planning Board, which were based in turn on the number of residential electric meter connections and on the special censuses conducted by the U.S. Bureau of the Census in 1966.

On the assumption that the trend of starts in non-permit issuing places was the same as that in areas for which permit data are available, it is estimated that approximately 11,000 units (71 percent of the 15,500 units started since 1960) were started during the four years between 1963 and 1966, and approximately 6,800 of these units (44 percent) were started in 1964 and 1965 alone. It was in these two years that particularly large increases in employment occurred.

Of an estimated 11,600 single-family starts in the HMA between January 1960 and March 1967, nearly 5,675 units were authorized by building permits and about 5,925 units were started in non-permit areas. The trend of single-family construction is indicated in the table below. It may be noted from these data that single-family construction trended upward through 1964, declined somewhat in 1965 and substantially in 1966. A combination of the peaking-out of employment at IBM and the tight mortgage market was the probable cause of the sharp drop in single-family activity in 1966.

It is estimated that only 815 units in multifamily structures were started in non-permit issuing places since 1960, compared with nearly 3,085 units started in multifamily structures in permit issuing places. The bulk of the multifamily construction has occurred in the towns of Wappinger (1,475 units since 1960) and Poughkeepsie (950 units). Virtually all of the new units are in two-story, walk-up, garden-type projects.

Housing Units Authorized by Building Permits  
by Type of Structure<sup>a/</sup>  
Poughkeepsie, New York, HMA  
January 1960-March 1967

<u>Year</u>	<u>One family</u>	<u>Two to four family</u>	<u>Five or more family</u>	<u>Total</u>
1960	561	14	46	621
1961	873	10	72	955
1962	661	4	237	902
1963	991	-	294	1,285
1964	1,136	12	673	1,821
1965	957	14	1,045	2,016
1966	441	6	658	1,105
1966 (3 mos.)	81	2	236	319
1967 (3 mos.)	49	-	-	49
Total	5,669	60	3,025	8,754

a/ Excludes units in public housing.

Sources: United States Bureau of the Census.  
New York State Division of Housing.  
Local Building Inspectors.

Units Under Construction. There were approximately 875 housing units under construction in the Poughkeepsie HMA in May 1967, of which 175 were single-family structures and 700 were in multifamily structures. The results of the postal vacancy survey (see table IX) show that single-family units were being built generally throughout the suburban areas of the HMA. Multifamily construction was concentrated in the town of Wappinger, where 600 units were being built at the time of the survey. Most of the other 100 units were in several projects or additions to existing projects in other towns in the southwestern portion of the HMA.

Demolitions. Approximately 300 residential units were removed from the housing inventory of the Poughkeepsie HMA between 1960 and May 1967, as a result of urban renewal, highway construction, code enforcement, and various other causes. Of the total, 225 units were removed in Poughkeepsie, 25 units in Beacon, and an estimated 50 units in the rest of the HMA. It is estimated that one-third of the units had been owner-occupied and two-thirds had been renter-occupied. Based on projected demolition for urban renewal and on an estimate for other losses, approximately 300 units will be removed from the inventory of the HMA during the next two years. This level of demolition will represent a tripling of the yearly average between 1960 and 1967 and reflects a significant step-up of urban renewal activity in the two major cities of the HMA.

#### Tenure of Occupancy

Of the 59,500 occupied housing units in the HMA in May 1967, approximately 40,600 (68 percent) were owner-occupied, a further increase over the 1960 ratio of 65 percent which, in turn, was substantially greater than the ratio of 54 percent in 1950. Based on the estimated yearly starts since 1960, it would seem that the trend toward increased owner-occupancy of the 1950-1960 decade continued up to 1964, when multifamily housing started to represent a significantly larger proportion of total residential construction in the HMA.

#### Vacancy

1960 Census. The 1960 Census of Housing reported a total of 1,425 vacant available housing units in the Poughkeepsie HMA, equal to three percent of the available housing inventory. Of the 1,425 vacant units, about 475 were available for sale (a sales vacancy ratio of 1.6 percent) and 950 were available for rent (a renter vacancy ratio of 5.4 percent). The homeowner vacancy ratio was low in Beacon (0.8 percent) and Poughkeepsie



(0.7 percent), and high in the suburban areas (1.8 percent). The renter vacancy ratio was high in Beacon (6.4 percent) and the suburban areas (six percent), and relatively low in Poughkeepsie (4.6 percent). Approximately 45 sales vacancies and 140 rental vacancies lacked some or all plumbing facilities in 1960.

Postal Vacancy Survey. A postal vacancy survey, conducted by seven post offices in the HMA between April 25 and May 10, 1967, covered a total of 43,750 possible deliveries, (63 percent of the housing inventory),<sup>1/</sup> of which 2,150, or 4.9 percent were vacant. There were about 725 vacant residences, reflecting a vacancy ratio of 2.2 percent, and 1,425 vacant apartment units, a vacancy ratio of 13.5 percent. The results of the survey are presented in table IX. Rental vacancy ratios were highest in the towns of Wappinger (served by the Wappingers Falls post office) and Poughkeepsie (served by the Arlington Branch of the Poughkeepsie post office) and relatively low in the cities of Poughkeepsie and Beacon.

It is important to note that the postal vacancy survey data are not entirely comparable with the data published by the Bureau of the Census because of differences in definition, area delineations, and methods of enumeration. The census reports units and vacancies by tenure, whereas the postal vacancy survey reports units and vacancies by type of structure. The Post Office Department defines a "residence" as a unit representing one stop for one delivery of mail (one mailbox). These are principally single-family homes, but include row houses and some duplexes and structures with additional units created by conversion. An "apartment" is a unit on a stop where more than one delivery of mail is possible. Postal surveys omit vacancies in limited areas served by post office boxes and tend to omit vacancies in subdivisions under construction. Although the postal vacancy survey has obvious limitations, when used in conjunction with other vacancy indicators, the survey serves a valuable function in the derivation of estimates of local market conditions.

Current Estimate. Based on the postal vacancy survey and on personal observation, it is estimated that there were 2,550 vacant available housing units in the HMA in May 1967, a net vacancy ratio of 4.1 percent. Approximately 800 of the vacant units were for sale (a homeowner vacancy ratio of 1.9 percent) and 1,750 were available for rent (a renter vacancy ratio of 8.5 percent). Although the number of sales vacancies increased by 66 percent since 1960, the sales vacancy ratio increased by only three-tenths of one percentage point, because of the large increase in the number of owner-occupied units. The number of rental vacancies increased by about the same percentage as did the sales vacancies, but the rental vacancy ratio increased by 3.1 percentage points since 1960, because about 25 percent of 3,150 units added to the inventory of rental housing since 1960 were vacant in May 1967.

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<sup>1/</sup> Since about two-thirds of the vacancies were in apartments and apartments are concentrated in areas which are included in the postal survey, the survey covered a substantially greater proportion of the available vacancies than of the inventory as a whole.

Vacant Housing Units  
Poughkeepsie, New York, HMA  
April 1960 and May 1967

<u>Vacancy Status</u>	<u>April 1960</u>	<u>May 1967</u>
Total vacant units	7,685	9,500
Available vacant	1,433	2,550
For sale only	483	800
Homeowner vacancy ratio	1.6%	1.9%
For rent only	950	1,750
Renter vacancy ratio	5.4%	8.5%
Other vacant <sup>a/</sup>	6,252	6,950

<sup>a/</sup> Includes seasonal units, dilapidated units, units sold or rented and awaiting occupancy, and units held off the market for absentee owners or for other reasons.

Sources: 1960 Census of Housing.  
1967 estimated by Housing Market Analyst.

Virtually all of the increase in sales and rental vacancies between 1960 and 1967 occurred in the suburban areas of the HMA, particularly in the southwestern towns. The sales vacancy ratio in the suburban areas of the HMA increased from 1.8 percent in 1960 to 2.1 percent in 1967 and the rental vacancy ratio increased from six percent in 1960 to 11 percent in 1967. The bulk of the increase in rental vacancies occurred in the town of Wappinger, where a large portion of the rental housing construction in the past three years has occurred.

Sales Market

General Market Conditions. As indicated by the homeowner vacancy ratio of 1.9 percent, the sales market of the Poughkeepsie HMA was rather sluggish in May 1967. This situation was an improvement in market conditions from a year earlier, however. In 1966, IBM employment peaked-out, the mortgage market experienced a general shortage of funds, and prospective homebuyers tended to remain out of the market because of the increased cost of borrowing money.

One indication of the sluggishness in the market in 1966 was the increase in the listing of homes for sale by employees of IBM that had been transferred from the HMA. Another indication of the sluggishness in 1966 is the trend of mortgage recordings in the county. The trend

of mortgage recordings for the past 10 years and the first three months of 1966 and 1967 are shown below. It may be noted that there was a general upward trend of recordings through 1964. The 1965 total of 5,545 recordings was not significantly below the 1964 total of 5,622 recordings, however, but in 1966, the total dropped sharply to only 4,347 recordings for the year. The totals for the first three months of 1967 are lower than each of the comparable months of 1966, suggesting that the downtrend may not have bottomed-out in the first quarter of 1967.

Mortgage Recordings  
Poughkeepsie, New York, HMA  
1957-March 1967

<u>Year</u>	<u>Number of recordings</u>	<u>Year</u>	<u>Number of recordings</u>
1957	3,721	1962	4,761
1958	3,755	1963	5,395
1959	4,175	1964	5,622
1960	3,831	1965	5,545
1961	4,165	1966	4,347
January 1966	312	January 1967	240
February 1966	294	February 1967	212
March 1966	353	March 1967	234

Source: Dutchess County Clerk.

Several bankers and real estate brokers in the HMA suggested that the market showed signs of tightening in April 1967. Increased sales of existing homes and builders' inquiries concerning the availability of construction funds were cited as evidence of a possible improvement in the market. The builders were reported to have expressed interest in building homes priced to sell for under \$20,000 or over \$30,000. There seems to be an over-supply of houses selling for \$20,000 to \$30,000. The market for houses selling for \$15,000 to \$20,000 and for about \$40,000 seem to be in a balanced condition, and it is in these price categories that builders are applying for construction loans.

Speculative Building. A local source indicated that only about 20 percent of new houses were being built speculatively. The local lenders are hesitant to supply more funds for speculative building because of the disruptive events that occurred in the market in 1966 and the first quarter of 1967. The FHA survey of unsold inventory, conducted in January 1967, indicated that 31 percent of new construction in subdivisions with five or more completions in 1966 was speculative.

Unsold Inventory of New Homes. The results of the January 1967 survey of unsold new houses completed in 1966 are presented in table X. Of the 360 houses completed in 1966 included in the survey, 50 percent were priced to sell for \$20,000 to \$30,000, another 23 percent were priced below \$20,000, and 27 percent were priced above \$30,000. Approximately 69 percent of the 110 speculatively-built houses were priced between \$20,000 and \$30,000. Virtually all of the 50 houses which were unsold in January 1967 were priced between \$20,000 and \$35,000, but the percentage of total unsold speculatively-built houses was high for all price groups, except for those in the \$15,000-\$17,499 bracket.

Subdivision Activity. Approximately 70 percent of the 360 houses completed in the larger subdivisions of the HMA (covered in the FHA survey of unsold houses) were located in the towns of Poughkeepsie and Wappinger (including the village of Wappinger Falls). It may be seen in the table below that these two towns accounted for about 60 percent of the units priced below \$20,000, approximately 73 percent of the units priced between \$20,000 and \$29,999 and 70 percent of the units priced over \$30,000. These data indicate that the higher priced homes and especially the lower priced homes had been built in the areas outside the two towns that are in the heart of the rapidly growing southwestern portion of the HMA.

New House Completions in Selected Subdivisions  
Poughkeepsie, New York, HMA  
As of January 1, 1967

<u>Town</u>	<u>Number of subdivisions surveyed</u>	<u>Total completions in 1966</u>	<u>Number of units completed by sales price</u>		
			<u>Under \$20,000</u>	<u>\$20,000 29,999</u>	<u>\$30,000 and over</u>
Poughkeepsie	10	141	5	71	65
Wappinger	7	109	45	61	3
Total	17	250	50	132	68
HMA, total	38	360	83	180	97
Two towns as percent of HMA	44.7	69.5	60.2	73.3	70.1

Another indication of residential construction activity is the number of subdivisions and lots approved by Dutchess County Health Department. These data are presented in the table below for selected towns for the years 1963, 1964, and 1965. It may be noted that the number of subdivisions and lots approved nearly doubled in 1965, reflecting the optimism of builders caused by the growth of employment in 1964 and 1965.

Subdivision Activity by Town  
Poughkeepsie, New York, HMA  
1963, 1964, and 1965

<u>Town</u>	<u>Number of</u> <u>subdivisions approved</u>			<u>Number of</u> <u>lots planned</u>		
	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>
East Fishkill	6	8	15	208	204	277
Hyde Park	7	3	8	128	82	219
La Grange	3	8	12	93	141	193
Poughkeepsie	9	5	7	109	207	237
Wappinger	2	7	15	200	134	720
Rest of HMA	<u>19</u>	<u>15</u>	<u>27</u>	<u>456</u>	<u>386</u>	<u>495</u>
Total	46	46	84	1,194	1,154	2,141

Source: Dutchess County Planning Board, based on Dutchess Health Department data.

Rental Market

General Market Conditions. The rental market has gone from a reasonably balanced condition in 1960 and 1963 to one of over-supply in 1967. The over-supply is concentrated in the towns in the southwestern portion of the HMA, especially Wappinger and Poughkeepsie, and results from the construction of a large number of new rental units in a short period of time. The bulk (78 percent) of the 3,100 units authorized in multifamily structures between 1960 and March 1967 were authorized in the three-year period between 1964 and 1966. It seems reasonable to assume that the applications to build these units were submitted in anticipation of the demand that would be created by the increase in employment at IBM. Multifamily construction (in permit and non-permit issuing places) accounted for about 27 percent of total residential construction in 1964, 40 percent in 1965, and 48 percent in 1966.

Inasmuch as the bulk of multifamily construction occurred in the towns of Poughkeepsie and Wappinger, the occupancy level in these two towns is the lowest of any areas in the HMA. The occupancy level is very low in the town of Wappinger because the projects have had only

short periods of market exposure. None the less, the absorption has been less than satisfactory in both towns. In about 330 multifamily units completed in the town of Wappinger in 1966 and 1967, a total of 170, or 52 percent, were occupied in May 1967. In the town of Poughkeepsie, 670 (77 percent) of the 870 multifamily units completed between 1965 and 1967 were occupied. The occupancy ratio in the total of 1,200 units was 70 percent in May 1967.

Virtually all of the new rental projects were offering one month free rent for each one year of the lease, and some paid moving expenses. The rents in these projects, not including electricity and not figuring the rent concession, range from \$115 to \$145 for one-bedroom units and \$140 to \$190 for two-bedroom units. Gross rent levels, including all utilities and adjusted for the one month of rent-free occupancy, would be about \$5 to \$10 a month less. The projects with the lower rents generally have fewer amenities and tend to have the lower occupancy levels.

Although the bulk of new construction of rental housing has occurred in the towns of Poughkeepsie and Wappinger, new construction also has occurred in the cities of Beacon and Poughkeepsie. Several rental projects were built in Poughkeepsie in the early 1960's and occupancy in each project presently is at a sustaining level. As a result, the rental market in the city of Poughkeepsie is in a sound competitive position.

Rental Housing Under Construction. There were about 700 multifamily rental units under construction in May 1967. About 600 units were under construction in the town of Wappinger and 100 units were being built elsewhere in the HMA. In addition to the 700 rental units that were under construction, an eight-story, 84-unit luxury project is planned for construction at the corner of Academy and Livingston Streets in the city of Poughkeepsie.

#### Mortgage Market

After experiencing a shortage of funds and stringent credit requirements for conventionally financed mortgages in 1966, such as an increase in the interest rate from 5 3/4 percent to six percent, a decrease in the ratio of loan to value from 80 percent to 75 percent, and a decrease in the length of the mortgage from 30 years to 25 years, the market has returned to a more normal condition and the terms on conventional mortgages have been returned to the pre-1966 levels. This return to normal is on the supply side only, however, for the demand for mortgage funds has not increased above the depressed levels in 1966. If demand for these funds returned to the pre-1966 levels, there is doubt that the supply would be adequate to satisfy the demand.

### Public Housing

As of May 1967, there were only two public housing projects in the HMA. Both are New York State-aided projects in the city of Poughkeepsie with a total of 286 units. Twenty-five units are occupied by elderly families. A project of 200 units is in the loan and grant study stage of development. The city of Beacon is planning a 175-unit public housing project, 125 units for elderly families and 50 units for other low-income families.

### Urban Renewal Activity

There were two urban renewal projects in the execution stage in the Poughkeepsie HMA in May 1966, the Riverview Project in Poughkeepsie and Beacon Renewal Project Number One in Beacon. In addition to these two projects, another in the city of Beacon and two in the city of Poughkeepsie may enter the execution stage during the next two years.

Beacon. Beacon Renewal Project Number One (R-187) consists of 133 acres in the western part of the city. The area is bounded by North Avenue, South Avenue, and Dinan Street on the east, Wolcott Avenue in the south, the Hudson River and the New York Central tracks on the west, and Tompkins Avenue, High Street, and Bank Street on the north. Approximately 460 families reside in the project area, of whom 370 will be relocated. The other 90 families live in areas that will receive conservation treatment. Based on a 25 percent sample survey of the 370 families to be relocated, the Beacon Urban Renewal Authority determined that 90 families were low-income, 170 families were middle-income, and 110 families were above middle-income. The authority estimated that only 50 of the 370 families would be relocated in the next two years and an additional 150 families in the following year or two.

Planned redevelopment in the area includes the relocating and widening of U.S. Route 9D and construction of connector routes, establishing industrial areas in the southern and northwestern portions of the area for relocating firms from proposed urban renewal projects, and constructing 175 units of public housing and several hundred units of middle-income housing. The new housing would provide relocation resources for families to be moved from future urban renewal areas.

Beacon Renewal Project Number Two lies within Verplanck Avenue on the north, Fishkill Avenue on the east, Catherine and Dewindt Streets on the south, and North Walnut Street on the west. Approximately 155 families will be relocated from the area. The schedule for relocating these families may be accelerated to coincide with the relocation of families from Project Number One. The proposed project area contains most of the central business district of Beacon, and the major concern of the redevelopment will be the replanning and consolidating of this district. This will include rehabilitation and clearance of commercial structures, the widening of some existing streets, the building of parking facilities, the construction of a new post office, and the possible closing of Main Street to create a pedestrian mall. The residential areas north and south of Church and Dewindt Streets will remain and receive

conservation and rehabilitation treatment. A part of the project area will be used for new, medium density, residential development.

Poughkeepsie. Riverview (R-166) is an 80-acre site on the western edge of the city, bounded by Main Street on the north, U.S. Route 9 on the east, Pine Street on the south, and the New York Central tracks and the Hudson River on the west. The project entered the execution stage in August 1966, and relocation of families and demolition of structures has commenced. A 100-unit public housing project was completed in April 1967 and another 200 units are proposed, as are several hundred units of middle-income housing.

The City Hall Project (R-199) should enter the execution stage in 1967. About 80 families reportedly will be relocated from the area by May 1969. Commercial and civic redevelopment is proposed.

The Jefferson Street Project (R-213) is in the western portion of Poughkeepsie, bounded by Church Street on the north, Market Street on the east, Montgomery Street on the south, and U.S. Route 9 on the west. This project will not enter the execution stage until the early part of 1969; only a few of the 300 families in the area will be relocated by May 1969.



## Demand for Housing

### Quantitative Demand

Demand for new housing in the Poughkeepsie HMA in the two years, May 1967 to May 1969, is based on an annual growth of 1,050 households and the demolition of 150 housing units each year. To these basic factors, adjustments are made for an expected continued shift from renter to owner occupancy, for the present level of vacancy, and for the anticipated level of residential construction. Based on these considerations, annual demand for new housing is estimated at 900 units a year, all of which will be for new single-family housing.

The projected demand for 900 single-family units a year is about one-third less than the average number of single-family units started each year since 1960 and is about one-half the number of units estimated to have been started during 1963, 1964, and 1965. The expected lower demand for new housing during the next two years results from reduced growth of households because of a lower rate of economic expansion and from the necessity to reduce the level of vacancy.

The 1,750 vacant units for rent and the 700 units of rental housing that are under construction will satisfy the quantitative demand for rental housing that may arise during the next two years. Any further additions to the supply of rental housing, therefore, must be carefully geared to the marketing and absorption of the existing supply. Only prime locations for the quality of housing contemplated should be considered. Because of the anticipated relocation of middle-income families from urban renewal areas in the cities of Beacon and Poughkeepsie during the next two years, and because virtually no relocation resources are available in the cities for these families (some of the lower-rent, conventionally-financed rental projects in the towns of Poughkeepsie and Wappinger might meet the rent-level requirements of families to be relocated, but the project locations are unsatisfactory, for the most part), a demand appears in evidence for about 100 units annually of middle-income rental housing that may be marketed only at rents achievable with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. These estimates do not include public low-rent housing or rent-supplement accommodations.

### Qualitative Demand

Single-family Housing. Based on family incomes in May 1967, on typical ratios of income to purchase prices, and on recent market experience, the annual demand for 900 single-family units is expected to be distributed as shown in the following table. Based on existing land prices and construction costs in the Poughkeepsie HMA, it is judged that single-family houses that meet minimum standards cannot be produced to sell for less than \$15,000.

Annual Demand for New Single-Family Housing by Price Class  
Poughkeepsie, New York, HMA  
May 1967 to May 1969

<u>Sales Price</u>	<u>Number of units</u>	<u>Percent of total</u>
Less than \$16,000	60	7
\$16,000 - 17,999	110	12
18,000 - 19,999	120	13
20,000 - 24,999	190	21
25,000 - 29,999	160	18
30,000 - 34,999	150	17
35,000 and over	<u>110</u>	<u>12</u>
Total	900	100

Multifamily Housing. The monthly rentals at which 100 units of middle-income rental housing might best be absorbed by the rental market are achievable only with the aid of below-market-interest-rate financing or assistance in land acquisition and cost. About 25 units yearly will be required in Beacon and 75 in the city of Poughkeepsie. Of the 100 units, about 35 one-bedroom units, 45 two-bedroom units, and 20 three-bedroom units will be in demand.

The location factor is of especial importance in the provision of new units at the lower-rent levels. Families in this user group are not as mobile as those in other economic segments; they are less able or willing to break with established social, church, and neighborhood relationships, and proximity to place of work frequently is a governing consideration in the place of residence preferred by families in this group. Thus, the utilization of lower-priced land for new rental housing in outlying locations to achieve lower rents may be self-defeating unless the existence of a demand potential is clearly evident.

Nursing Home Demand

There were 151 beds in seven proprietary nursing homes and 174 beds in infirmaries and homes for the aged in the Poughkeepsie HMA in May 1967. Fifty of the 174 infirmary beds are in the Poughkeepsie City Home and Infirmary, 113 beds are in the Dutchess County Home and Infirmary, and 11 beds are in a voluntary home for the aged. Of the total of 325 nursing and infirmary beds, only 65 beds in the county infirmary conform to the New York State hospital code; none of the nursing beds conform. The only known empty beds in May 1967 were in the county infirmary; only four were unoccupied. The rates charged for basic services range from about \$300 to \$475 a month in the nursing homes. The Dutchess County Welfare Department will pay the prevailing rate (only six welfare patients are in proprietary nursing homes at present), but the more costly facilities generally do not accept welfare patients.

There were no nursing homes under construction in the HMA in May 1967, but several were in the planning stage. Based on the 65 existing beds in the fireproof section of the county infirmary, on the 460 beds that are approved or for which approval is pending, and on a Hospital Review and Planning Council of Southern New York population projection of 211,000 in 1970, the Council calculates that no further approval of nursing home beds is necessary although a shortage of beds will exist during the next three years. The proposed nursing homes should be coming on the market after that.

Since the population of the area already is estimated to be in excess of the 211,000 figure used in calculating need, it is likely that a revision planned for later in 1967 will result in a calculation of additional need. Independent estimates made in connection with this report suggest a need for about 150 additional beds. It should be noted, however, that a substantial part of the added requirements might well be satisfied by the new Rhinecliff facility if, in fact, most of the demand for its beds does not come from outside Dutchess County, as has been assumed by the planning council.

Table I

Civilian Work Force Components  
Poughkeepsie, New York, Housing Market Area  
Annual Average 1960 - 1966

	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>
Civilian work force	<u>67,100</u>	<u>68,100</u>	<u>71,000</u>	<u>72,300</u>	<u>76,900</u>	<u>80,300</u>	<u>82,000</u>
Unemployment	2,400	2,400	2,400	2,200	2,000	1,900	1,900
Percent	3.5	3.6	3.3	3.1	2.7	2.4	2.4
Agricultural employment	2,400	2,300	2,300	2,100	1,900	1,700	1,600
Nonagricultural employment	<u>62,300</u>	<u>63,300</u>	<u>66,400</u>	<u>67,900</u>	<u>73,000</u>	<u>76,700</u>	<u>78,500</u>
Wage and salary	<u>55,500</u>	<u>56,300</u>	<u>58,300</u>	<u>59,900</u>	<u>64,500</u>	<u>68,200</u>	<u>70,300</u>
Manufacturing	21,800	21,900	22,600	22,500	25,400	27,900	28,400
Nonmanufacturing	33,700	34,400	35,700	37,400	39,000	40,300	41,900
All other	6,800	7,000	8,100	8,000	8,500	8,500	8,200

Source: New York State Department of Labor, Division of Employment.

Table II

Nonagricultural Wage and Salary Employment a/  
Poughkeepsie, New York, Housing Market Area  
February 1966 and 1967

<u>Industry</u>	<u>1966</u>	<u>1967</u>
Total wage and salary employment	<u>68,000</u>	<u>68,300</u>
Manufacturing	<u>28,300</u>	<u>27,000</u>
Durable goods	<u>21,200</u>	<u>19,800</u>
Machinery, including electrical	20,400	18,700
Other durable goods	900	1,000
Nondurable goods	<u>7,100</u>	<u>7,300</u>
Apparel	1,200	1,300
Printing and publishing	1,900	2,000
Other nondurable goods	4,000	4,100
Nonmanufacturing	<u>39,600</u>	<u>41,200</u>
Contract construction	2,600	2,700
Trans., comm., & public utilities	2,500	2,500
Wholesale and retail trade	9,900	10,200
Finance, insurance & real estate	1,900	2,100
Services & miscellaneous	9,100	9,700
Government	13,700	14,000

a/ Totals may not add, because of rounding.

Source: New York State Department of Labor, Division of Employment.

Table III

Employment and Wages of Workers Covered by Unemployment Insurance  
Poughkeepsie, New York, Housing Market Area  
1960 - 1966

<u>Industry</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>
<u>Covered employment</u>							
All industries	38,978	39,580	41,322	42,706	46,555	50,565	51,569
Manufacturing	21,828	21,896	22,609	22,480	24,798	27,929	28,459
Nonmanufacturing	17,151	17,684	18,713	20,226	21,759	22,634	23,108
Contract construction	2,021	2,246	2,445	2,751	3,616	3,437	3,010
Trans., comm. & public utilities	1,954	1,938	1,936	2,014	2,082	2,153	2,247
Wholesale and retail trade	8,117	8,224	8,403	9,303	9,580	10,075	10,300
Finance, insurance, & real estate	1,434	1,481	1,571	1,642	1,728	1,898	1,991
Services	3,285	3,477	4,010	4,160	4,358	4,635	5,085
All other 1/	340	318	347	356	395	436	475
<u>Average weekly earnings</u>							
All industries 1/	\$104	\$107	\$113	\$118	\$126	\$128	\$129
Manufacturing	121	127	134	143	151	152	153
Nonmanufacturing 1/	81	83	86	89	97	98	99
Contract construction	103	109	116	119	138	136	133
Trans., comm. & public utilities	111	116	119	125	131	132	136
Wholesale and retail trade	73	74	77	79	83	86	89
Finance, insurance, & real estate	92	96	96	100	106	109	114
Services	66	66	68	71	71	72	75

Source: New York State Department of Labor, Division of Employment.

1/ Includes statistics for industries not shown separately such as mining, forestry, fishing and unclassified.

Table IV

Distribution of All Families and Renter Households  
by Annual Income After Deduction of Federal Income Tax  
Poughkeepsie, New York, Housing Market Area  
May 1, 1967 and May 1, 1969

Annual income after tax		Percentage distribution				a/
		All families		Renter households		
		1967	1969	1967	1969	
Under	\$3,000	8	7	11	10	
3,000 -	3,999	5	5	7	7	
4,000 -	4,999	6	6	9	8	
5,000 -	5,999	8	7	12	11	
6,000 -	6,999	10	9	10	10	
7,000 -	7,999	10	9	10	9	
8,000 -	8,999	8	8	10	9	
9,000 -	9,999	9	9	8	9	
10,000 -	12,499	16	17	12	13	
12,500 -	14,999	10	10	6	7	
15,000 and over		<u>10</u>	<u>13</u>	<u>5</u>	<u>7</u>	
Total		100	100	100	100	
Median		\$8,425	\$8,825	\$7,150	\$7,500	

a/ Excludes one-person renter households.

Source: Estimated by Housing Market Analyst.

Table V

Population, Households, and Household Size Trends  
Poughkeepsie, New York, Housing Market Area  
April 1950 - May 1967

<u>Area</u>	<u>April 1950</u>	<u>April 1960</u>	<u>May 1967</u>	<u>Average annual change</u>				<u>a/</u>
				<u>1950 - 1960</u>	<u>b/</u>	<u>1960 - 1967</u>	<u>b/</u>	<u>b/</u>
	<u>Number</u>			<u>Rate</u>		<u>Number</u>	<u>Rate</u>	
<u>Population</u>								
HMA, total	<u>136,781</u>	<u>176,008</u>	<u>217,000</u>	<u>3,923</u>	<u>2.6</u>	<u>5,800</u>	<u>3.1</u>	
Beacon	14,012	13,922	14,500	-9	-0.1	80	0.6	
Poughkeepsie	41,023	38,330	36,900	-269	-0.7	-200	-0.5	
Rest of area	81,746	123,756	165,600	4,201	4.2	5,900	4.2	
<u>Households</u>								
HMA, total	<u>34,448</u>	<u>46,962</u>	<u>59,500</u>	<u>1,251</u>	<u>3.1</u>	<u>1,775</u>	<u>3.4</u>	
Beacon	3,581	3,769	4,050	19	0.5	40	1.1	
Poughkeepsie	12,420	12,750	12,750	33	0.3	-	-	
Rest of area	18,447	30,443	42,700	1,200	5.1	1,725	4.9	
<u>Household size</u>								
HMA, total	<u>3.27</u>	<u>3.23</u>	<u>3.22</u>					
Beacon	3.33	3.22	3.14					
Poughkeepsie	3.19	2.93	2.82					
Rest of area	3.30	3.35	3.34					

a/ Total may not add, because of rounding.

b/ Derived through a formula designed to calculate rate of change on a compound basis.

Sources: 1950 and 1960 Censuses of Population.

1967 estimated by Housing Market Analyst.



Table VI

Components of Population Change  
Poughkeepsie, New York, Housing Market Area  
April 1950 - May 1967

<u>Area</u>	<u>Average annual change, 1950-1960</u>			<u>Average annual change, 1960-1967</u> <sup>a/</sup>		
	<u>Population</u>	<u>Net natural increase</u>	<u>Net migration</u>	<u>Population</u>	<u>Net natural increase</u>	<u>Net migration</u>
HMA total	<u>3,923</u>	<u>1,559</u>	<u>2,364</u>	<u>5,800</u>	<u>2,000</u>	<u>3,800</u>
Beacon	-9	119	-128	80	140	-60
Poughkeepsie	-269	339	-608	-200	290	-490
Rest of HMA	4,201	1,101	3,100	5,900	1,575	4,325

<sup>a/</sup> Columns may not add, because of rounding.

Sources: Dutchess County Planning Board.  
 1950 and 1960 Censuses of Population.  
 Estimates by Housing Market Analyst.

Table VII

The Housing Inventory by Occupancy and Tenure    a/  
Poughkeepsie, New York, Housing Market Area  
April 1950 - May 1967

Area and year		Housing inventory, total	Occupied housing units			Vacant units				Other vacant
			Total	Owner	Renter	Total	Available			
							Total	Sale	Rent	
HMA, total:	April 1950	38,344	34,448	18,610	15,838	3,896	442	212	230	3,454
	April 1960	54,647	46,962	30,410	16,552	7,685	1,433	483	950	6,252
	May 1967	69,000	59,500	40,600	18,900	9,500	2,550	800	1,750	6,950
Av. annual change:	'50-'60	1,630	1,251	1,180	71	379	99	27	72	280
	'60-'67	2,025	1,775	1,450	330	260	160	45	110	100
Beacon:	April 1950	3,706	3,581	1,919	1,662	125	21	8	13	104
	April 1960	3,980	3,769	2,374	1,395	211	116	20	96	95
	May 1967	4,300	4,050	2,450	1,600	250	150	25	125	100
Av. annual change:	'50-'60	27	19	46	-27	9	10	1	8	-1
	'60-'67	45	40	10	30	5	5	-	5	-
Poughkeepsie:	April 1950	12,609	12,420	4,658	7,762	189	96	21	75	93
	April 1960	13,362	12,750	5,297	7,451	612	395	35	360	217
	May 1967	13,450	12,750	5,350	7,400	700	475	75	400	225
Av. annual change:	'50-'60	75	33	64	-31	42	30	1	29	12
	'60-'67	10	-	5	- 5	10	10	5	5	-
Rest of HMA:	April 1950	22,029	18,447	12,033	6,414	3,582	325	183	142	3,257
	April 1960	37,305	30,443	22,739	7,706	6,862	922	428	494	5,940
	May 1967	51,250	42,700	32,800	9,900	8,550	1,925	700	1,225	6,625
Av. annual change:	'50-'60	1,528	1,200	1,071	129	328	60	25	35	268
	'60-'67	1,975	1,725	1,425	310	240	140	40	100	95

a/ Totals may not add, because of rounding.

Sources: 1950 and 1960 Censuses of Housing.  
1967 estimated by Housing Market Analyst.

Table VIII

Housing Units Authorized by Building Permits <sup>a/</sup>  
Poughkeepsie, New York, Housing Market Area  
January 1960 - March 1967

<u>Municipality</u>	<u>1960</u>	<u>1961</u>	<u>1962</u>	<u>1963</u>	<u>1964</u>	<u>1965</u>	<u>1966</u>	(3 mos.) <u>1967</u>	<u>Total</u>
Beacon	13	23	26	28	29	169	62	-	350
Hyde Park town	157	84	110	134	152	179	78	-	894
La Grange town	134	176	156	168	149	116	186	2	1,087
Pawling town	20	18	17	16	27	32	24	1	155
Poughkeepsie	37	38	145	32	37	43	35	2	369
Poughkeepsie town	255	353	406	496	916	613	315	5	3,359
Wappinger town	NA	222	NA	358	429	801	343	5	2,158
Rest of HMA	<u>5</u>	<u>41</u>	<u>42</u>	<u>53</u>	<u>82</u>	<u>63</u>	<u>62</u>	<u>34</u>	<u>382</u>
HMA total	621	955	902	1,285	1,821	2,016	1,105	49	8,754

a/ Excludes units in public housing.

Sources: United States Bureau of the Census.  
New York State Division of Housing.  
Local Building Inspectors.

Table IX

Poughkeepsie, New York, Area Postal Vacancy SurveyApril 25-May 10, 1967

Postal area	Total residences and apartments						Residences						Apartments						House trailers		
	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant units				Under const.	Total possible deliveries	Vacant	
		All	%	Used	New			All	%	Used	New			All	%	Used	New			No.	%
The Survey Area Total	<u>43,737</u>	<u>2,159</u>	<u>4.9</u>	<u>1,545</u>	<u>614</u>	<u>779</u>	<u>33,149</u>	<u>729</u>	<u>2.2</u>	<u>595</u>	<u>134</u>	<u>138</u>	<u>10,588</u>	<u>1,430</u>	<u>13.5</u>	<u>950</u>	<u>480</u>	<u>641</u>	<u>748</u>	<u>40</u>	<u>5.3</u>
Poughkeepsie	<u>24,289</u>	<u>1,026</u>	<u>4.2</u>	<u>809</u>	<u>217</u>	<u>69</u>	<u>16,870</u>	<u>304</u>	<u>1.8</u>	<u>241</u>	<u>63</u>	<u>39</u>	<u>7,419</u>	<u>722</u>	<u>9.7</u>	<u>568</u>	<u>154</u>	<u>30</u>	<u>325</u>	<u>9</u>	<u>2.8</u>
Main Office	13,862	481	3.5	444	37	40	8,336	111	1.3	99	12	10	5,526	370	6.7	345	25	30	182	3	1.6
Branch:																					
Arlington	10,427	545	5.2	365	180	29	8,534	193	2.3	142	51	29	1,893	352	18.6	223	129	-	143	6	4.2
Other Cities & Towns	<u>19,448</u>	<u>1,133</u>	<u>5.8</u>	<u>736</u>	<u>397</u>	<u>710</u>	<u>16,279</u>	<u>425</u>	<u>2.6</u>	<u>354</u>	<u>71</u>	<u>99</u>	<u>3,169</u>	<u>708</u>	<u>22.3</u>	<u>382</u>	<u>326</u>	<u>611</u>	<u>423</u>	<u>31</u>	<u>7.3</u>
Beacon	4,839	189	3.9	164	25	-	3,506	49	1.4	48	1	-	1,333	140	10.5	116	24	-	95	-	0.0
Hyde Park	2,825	98	3.5	69	29	32	2,551	44	1.7	21	23	19	274	54	19.7	48	6	13	43	-	0.0
Pawling	1,611	47	2.9	46	1	10	1,442	29	2.0	28	1	10	169	18	10.7	18	-	-	-	-	-
Red Hook	2,005	64	3.2	56	8	17	1,882	43	2.3	36	7	17	123	21	17.1	20	1	-	96	11	11.5
Rhinebeck	1,876	93	5.0	81	12	11	1,798	73	4.1	62	11	11	78	20	25.6	19	1	-	44	1	2.3
Wappingers Falls	6,292	642	10.2	320	322	640	5,100	187	3.7	159	28	42	1,192	455	38.2	161	294	598	145	19	13.1

The survey covers dwelling units in residences, apartments, and house trailers, including military, institutional, public housing units, and units used only seasonally. The survey does not cover stores, offices, commercial hotels and motels, or dormitories; nor does it cover boarded-up residences or apartments that are not intended for occupancy.

The definitions of "residence" and "apartment" are those of the Post Office Department, i. e.: a residence represents one possible stop with one possible delivery on a carrier's route; an apartment represents one possible stop with more than one possible delivery.

Source: FHA postal vacancy survey conducted by collaborating postmaster(s).

Table X

New Homes Completed in Selected Subdivisions      a/  
Poughkeepsie, New York, Housing Market Area  
as of January 1, 1967

<u>Sales price</u>	<u>Houses completed</u>			<u>Speculative Construction</u>			
	<u>Number</u>	<u>Percent</u>	<u>Presold</u>	<u>Total</u>	<u>Number sold</u>	<u>Number unsold</u>	<u>Percent unsold</u>
\$15,000 - 17,499	48	13	39	9	9	-	-
17,500 - 19,999	35	10	32	3	2	1	33
20,000 - 24,999	102	28	66	36	15	21	58
25,000 - 29,999	78	22	38	40	24	16	40
30,000 - 34,999	62	17	44	18	8	10	56
35,000 and over	<u>35</u>	<u>10</u>	<u>31</u>	<u>4</u>	<u>2</u>	<u>2</u>	<u>50</u>
Total	360	100	250	110	60	50	45

a/    Covers all subdivisions in which five or more houses were completed during the year.

Source: Annual survey of unsold inventory of new houses conducted by the Albany Insuring Office.