

Capital District Data

Summer 2017

Volume 40, # 2

A new look for Capital District Data: A letter from the editor

Patterns of Growth

With population growth slowing, patterns of growth look to become more diffuse.

New Residential Construction

Permits for new homes continue to recover, with permits for multi-family units continuing to exceed historic norms.

A new look for Capital District Data

For much of the last two years, we here at CDRPC have been working diligently on improving and expanding the role of *Capital District Data*. As the world around us has changed, it is important that *CDD* changes to meet the needs of our readers. Data is now more accessible than ever due to the internet, and *CDD*'s traditional role of data dissemination was outmoded. Today, we are awash in a sea of data, necessitating the need for objective expert analysis. CDRPC has long been the Region's leader in demographic data, and expanding the role of *CDD* to provide more analysis of data is the logical next step in its evolution. All of the changes have been designed to provide better and more insightful data analysis for our readers. CDRPC strives to add value to our products by objectively analyzing data and providing fact-based conclusions. It is in this spirit that *CDD* can evolve from data dissemination to a data analysis platform.

Beginning in 2015, CDRPC began to explore new ways of using *CDD* to better serve our readers. The first steps were small; printing in color, linking data directly back to the CDRPC website, and distilling the data overview on the front cover. Others have been more substantial, such as adjusting the release schedule to quarterly in order to accommodate for more in-depth analysis. The Summer 2017 issue adds greater context and enhanced presentation to convey a more complete picture of the topics discussed.

The Summer 2017 issue of *CDD* explores popular topics in new and exciting ways. It is our philosophy that in a world where important conversations have been relegated to 140 characters, there is still a need for long-form analysis. While brevity is the soul of wit, the Bard could not have imagined a world of raw data floating about. Without taking the time to place the data in proper context, it is too easy for data to be misconstrued or ignored. *CDD*'s mission is to tease out the connections that may require more than can fit in a tweet.

The two articles in this issue, *Patterns of Growth*, and *New Residential Construction*, explore some familiar topics in new ways. *Patterns of Growth* explores the relationship between population change and development patterns. *New Residential Construction* examines how preferences for new housing have changed in the wake of the Great Recession. These pieces complement one another and add context to a broader discussion on development and growth. What does it mean for the Region when population growth is stagnant, but new home construction is increasing and spreading out into undeveloped areas? Why is multi-family housing more popular than ever before? What does this mean for single-family development?

This is not the end of changes to *Capital District Data*. We will always strive to try new approaches and find what works best for our audience. Even now, upcoming tweaks are planned for the future. We look forward to hearing your thoughts on the direction of *CDD* and will continue to produce the highest quality publication possible.

A handwritten signature in black ink, reading "Dan Harp". The signature is fluid and cursive, with a large, stylized "D" and "H".

Dan Harp
Editor

Patterns of Growth

By Dan Harp

As population growth has slowed, and building activity recovers from the recession, the Region's pattern of growth looks to become increasingly diffuse.

CAPITAL DISTRICT DATA

SUMMER 2017

POPULATION GROWTH HAS SLOWED...

-0.7%

DECLINE IN POPULATION OF ALBANY, SCHENECTADY, TROY COMBINED SINCE 2010



5.5%

2000-2010

1.5%

2010-2016

REGIONAL GROWTH FROM 2000 TO 2010 WAS 5.5%. FROM 2010 TO 2016 IT WAS 1.5%



11%

HALFMOON HAD THE HIGHEST RATE OF GROWTH IN THE REGION SINCE 2010



8 out of 10

OF THE FASTEST GROWING MUNICIPALITIES WERE SUBURBAN TOWNS



CAPITAL DISTRICT DATA

SUMMER 2017

...WHILE DEVELOPMENT SPREADS OUTWARD

55,928 Acres

THE NUMBER OF ACRES DEVELOPED FOR SINGLE-FAMILY RESIDENTIAL HOUSING FROM 1995 TO 2015



35,111 units

THE NUMBER OF NEW SINGLE-FAMILY UNITS BUILT FROM 1995 TO 2015

5x

LAND FOR NEW SINGLE FAMILY UNITS WAS DEVELOPED AT FIVE TIMES THE RATE OF POPULATION GROWTH



214 miles

214 MILES OF NEW ROADS WERE ADDED TO THE REGION FROM 2005 TO 2015 TO ACCOMMODATE NEW DEVELOPMENT

With population growth slowing, and construction of new residential units increasing, the Region's pattern of growth is likely to become increasingly diffuse. These are the findings from an analysis of the most recent Census population estimates, and CDRPC's Community Growth Profiles. Population growth in recent years has slowed dramatically from what it was from 2000 to 2010. Meanwhile, over a 20-year period, the land consumed by single-family development was more than five times the population growth. With construction of single-family homes beginning to recover from the recession, and population growth slowing to a crawl, the imbalance between the two seems likely to continue.

What was the rate of population growth?

Population growth so far this decade is lower than that of the previous decade. From 2000 to 2010 the population increased by more than 5% to 837,967. This growth was encouraging because it was shared broadly across the Region, something that had not happened in previous Census'.

For more than 50 years, the populations of Albany, Troy, and Schenectady declined. From 1950 to 2000, tens of thousands left for the suburbs, leaving the cities financially stressed and their neighborhoods dotted with abandoned properties. This migration of people out of the Region's cities is still visible in neighborhoods like Albany's West Hill, Troy's Lansingburg, and Schenectady's Hamilton Hill. During this 50-year run, it was common for the cities to see declines of 10% or more from one census to the next. Misguided urban renewal efforts intended to reverse the losses often contributed to further population decline.

The 2010 Census reversed these trends, for the first time in half a century all three cities gained population. The gains were modest, Albany +4%; Troy +2%; Schenectady +7%; but they suggested that these cities may have turned a corner. The growth in the Region's cities was in line with trends nationwide and associated with Millennials. If young people were choosing the cities, the thinking went, then maybe the 2010 Census was evidence of a sustainable long-term trend.

While the growth of the cities attracted considerable attention, it was the suburbs that fueled the Region's overall growth. Of the top 10 fastest growing municipalities (not including villages) only one was a city, the city of Rensselaer. The rest of the top 10 comprised the towns of Halfmoon, Ballston, Malta, Milton, North Greenbush, Poestenkill, Stillwater, and Clifton Park. These nine municipalities accounted for almost 40% of the Region's total growth.

With these results, many felt optimistic that the Region would continue to grow. With further investments (namely the focus on high-tech jobs with SUNY Polytechnic, and Global Foundries), the Region seemed poised for more population growth over the next decade.

Average Annual Growth		
	2000-10	2010-16
Wilton	2.9%	0.6%
Halfmoon	1.7%	1.8%
Ballston	1.4%	1.5%
Malta	1.4%	1.3%
Milton	1.2%	0.5%
North Greenbush	1.2%	0.2%
Poestenkill	1.2%	0.1%
Stillwater	1.1%	0.5%
Clifton Park	1.1%	0.0%

Notice how annual growth rates have declined significantly for most of the nine fastest growing towns from 2000 to 2010. Clifton Park has seen its annual growth rate fall from 1.1% to 0.0%.

What has happened to the rate of population growth?

The 2016 population estimates provide the latest evidence that the Region is not growing at rates like that of 2000-2010. Six years of estimates show that the population has increased by 12,555, an anemic 1.5%. This rate of growth is far below the rate for the same period from 2000-2006. Furthermore, it appears that the annual rate of growth is slowing. Annual growth has been low since 2010, and slowing since 2014. From 2011 to 2013, the average annual growth was 0.34%, from 2014 to 2016 it averaged 0.16%. From 2015 to 2016 alone, growth slowed to just 0.13%.

While overall regional growth is leveling off, trends in the individual municipalities vary. While Saratoga Springs continues along with its persistent trend of steady growth, Albany, Troy, and Schenectady had mixed results.

Albany's population has fluctuated, but has remained slightly elevated from its 2010 levels. The populations of Troy and Schenectady, meanwhile, have declined gently, but consistently, since 2010.

While this is still an improvement over the population losses experienced in previous decades, the stagnation of population growth for the three cities is nevertheless disappointing. Instead of turning a corner, perhaps the cities have instead found a population floor.

Outside of the Region's cities, growth has slowed as well. Of the nine fastest growing towns in 2010, only three have seen their annual growth since 2010 remain consistent to that of 2000 to 2010. Halfmoon, Ballston, and Malta have remained on pace to grow at similar rates to the previous decade, while the other six have seen a significant decline in growth rates. North Greenbush, Poestenkill, and Clifton Park have all seen their average annual growth rates slow substantially.

The municipalities that experienced the greatest change in population from 2010 to 2016 were largely along the narrow north-south I-87 corridor. Outside of that corridor, change was very flat.

In general, municipalities with population gains followed a north-south orientation in the Region, centered very closely along the I-87 corridor. Just outside of this corridor, however, population fluctuations diminish quickly.

This relationship to growth along the corridor does not mean that areas outside of it are experiencing an exodus of their population. These predominantly rural municipalities have seen their population change only marginally since 2010. In many municipalities, the net change in population can actually be counted on two hands.

Some further observations:

- Almost half of the municipalities in the Region have seen little change. These 37 municipalities saw population change of between -0.9% and +0.9%, a very low rate of change;

- While many municipalities saw declines in population, those declines have been shallow. Petersburg had the highest rate of decline for any town at just over 2%. Amongst all 41 municipalities that saw declines (villages, towns, and cities), the average rate since 2010 was 1.2%;
- If current trends hold, by 2020 it is possible that only 5 municipalities will see double digit population growth from 2010, down from 15 from 2000 to 2010;
- Brunswick's population growth since 2010 was surprisingly strong, putting it into the top 10 fastest growing municipalities in the Region at 7.6%;

Sprawl without Growth

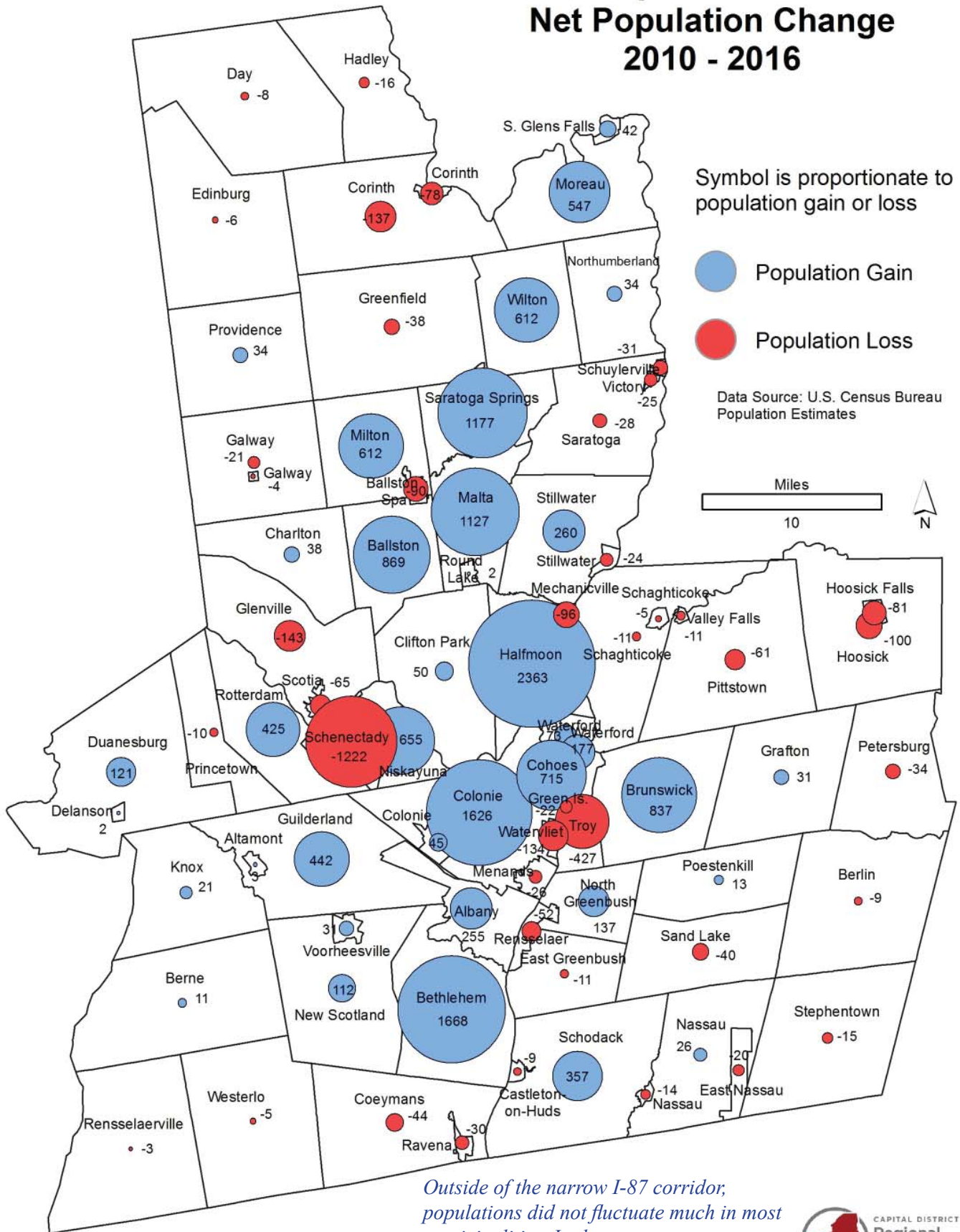
How does the slow-down in population growth relate to development patterns? CDRPC's *Community Growth Profiles* provide detailed information regarding patterns of development across the Region over a 20-year period. When analyzed with past and present population trends, a detailed picture emerges about how population growth and patterns of development interact.

The analysis shows that over a 20-year period, while the Region's population growth was slowing, construction of single-family homes was soaring. More recently, as population growth has declined to almost zero, single-family housing construction has begun to increase. Construction of single-family homes have slowly begun to rebound from the recession while population growth has not. The increase in single-family home construction, when paired with flat population growth, means that the disconnect between the two is likely to persist as part of a pattern of "sprawl without growth."

Typical low density suburban development is not a new trend in the Region. Most of the residential development in the Post-War era is in suburban, auto-oriented communities. As early as 1967, CDRPC identified patterns in the Region's development as a concern. The 1967 CDRPC Annual Report stated:

"...development of the Capital District Region reflects a haphazard growth spreading out from the centers of the cities of Albany, Troy, Saratoga, and Schenectady, along the roads linking them together."

Capital District Net Population Change 2010 - 2016

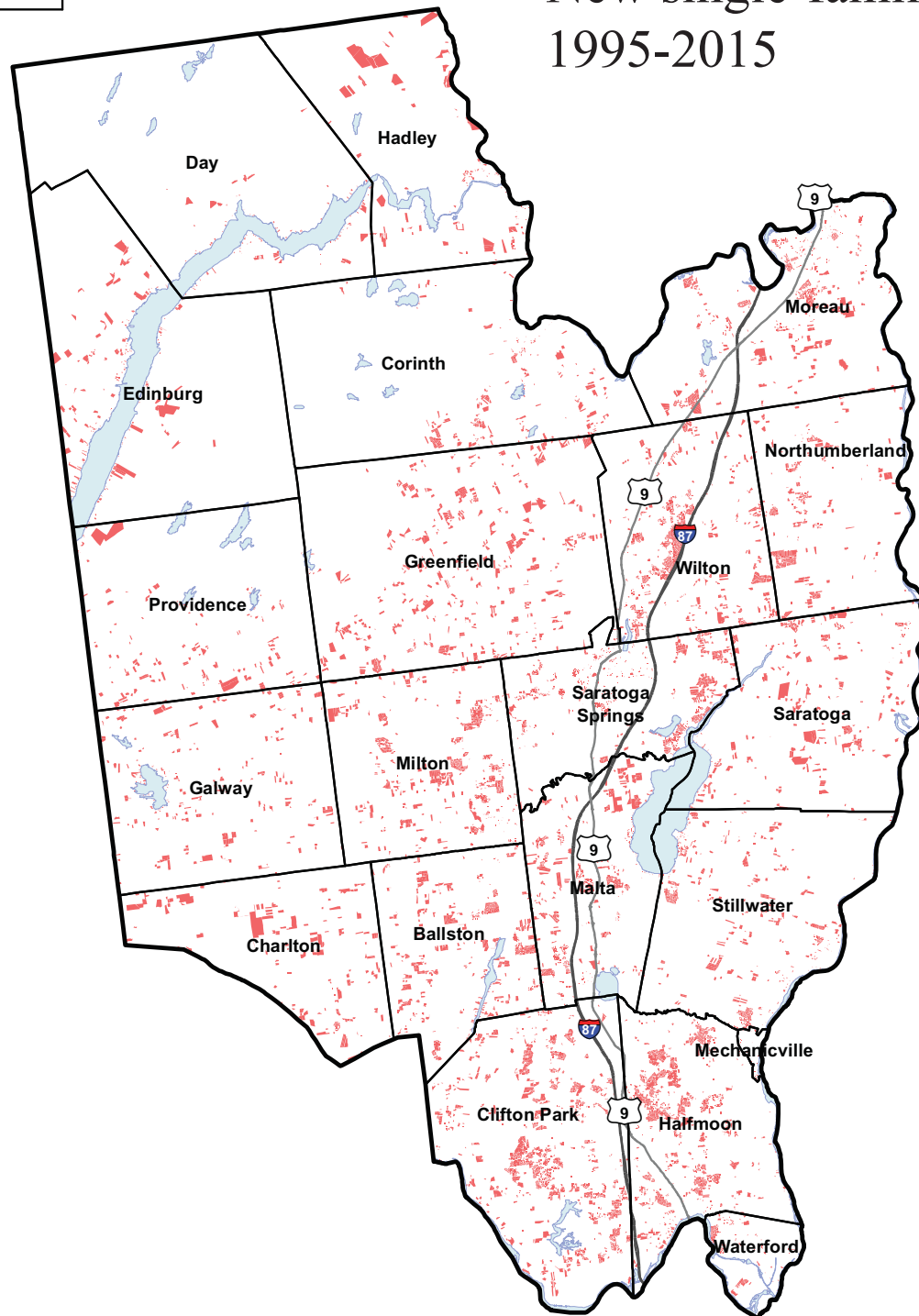


Outside of the narrow I-87 corridor, populations did not fluctuate much in most municipalities. In the more remote areas of the Region, population changed can commonly be counted on two hands.



0 4 8 Miles

New single-family parcels 1995-2015



The pink shades highlights a single-family parcel of property developed between 1995 and 2015. While the heaviest development in the County was generally located along the southern border with Albany County, low-density development spread across almost every municipality.

...This type of disorderly growth has been the major cause of many of our present-day problems. There has been no overall direction for the development of the Region..."

Large communities of single family homes, often without sidewalks and convenient pedestrian access to local amenities, are the dominant development pattern for the Region. From 1995 to 2015, development of single family homes across the Region totaled 35,111 units, occupying 55,928 acres. Development in this 20-year period expanded the total acreage consumed by single-family housing in the Region by 38% from levels in 1994. In that same period, the population of the Region grew by roughly 7%. Quite simply, the Region consumed land at almost five and half times the rate of population growth. To put this development into context, the roughly 56,000 acres of land developed equate to 87.5 square miles, an area of land larger than the entire town of Duanesburg (72 square miles). To add even more context on a micro level, from 1995 to 2015, the Region's population increased by roughly 55,000. This means that the Region developed roughly an acre of land for each new person.

...the 56,000 acres of land developed equate to 87.5 square miles, an area larger than the entire town of Duanesburg. ...the region developed roughly an acre of land for each new person.

As population growth continues to slow, and housing construction begins to increase, the disconnect could between the two could become larger. While new housing construction slowed significantly during the Great Recession, it has recovered to a greater degree than population growth. If these trends continue, they could amplify our Region's current pattern of sprawl without growth.

This situation is cause for concern because of the expense associated with it. Studies* show that low-density development can become very expensive for a municipality. When parcels are spread-out across a large area, it becomes expensive to connect them to utilities

and services. In addition, the taxes collected on single-family lots often do not cover the expense of servicing them. To compensate for this, many municipalities rely on continual population growth to expand the tax-pool. But, if population growth is slowing, this strategy can become problematic.

The Capital Region Moving Forward

According to population projections produced by CDRPC, the Region's population by 2020 is projected to reach 864,426, a 3.2% increase since 2010. Currently, the Region is trending to be slightly below this, so growth will likely fall short of already modest projections. If the current trend of 0.2% annual growth holds, the Region's total population growth from 2010 to 2020 will be only 2.3%.

This meager growth should prompt us to ask some questions: Why has population growth slowed so dramatically? What is the right level of growth for the Region? Where in the Region should we concentrate growth? How can we encourage sustainable growth?

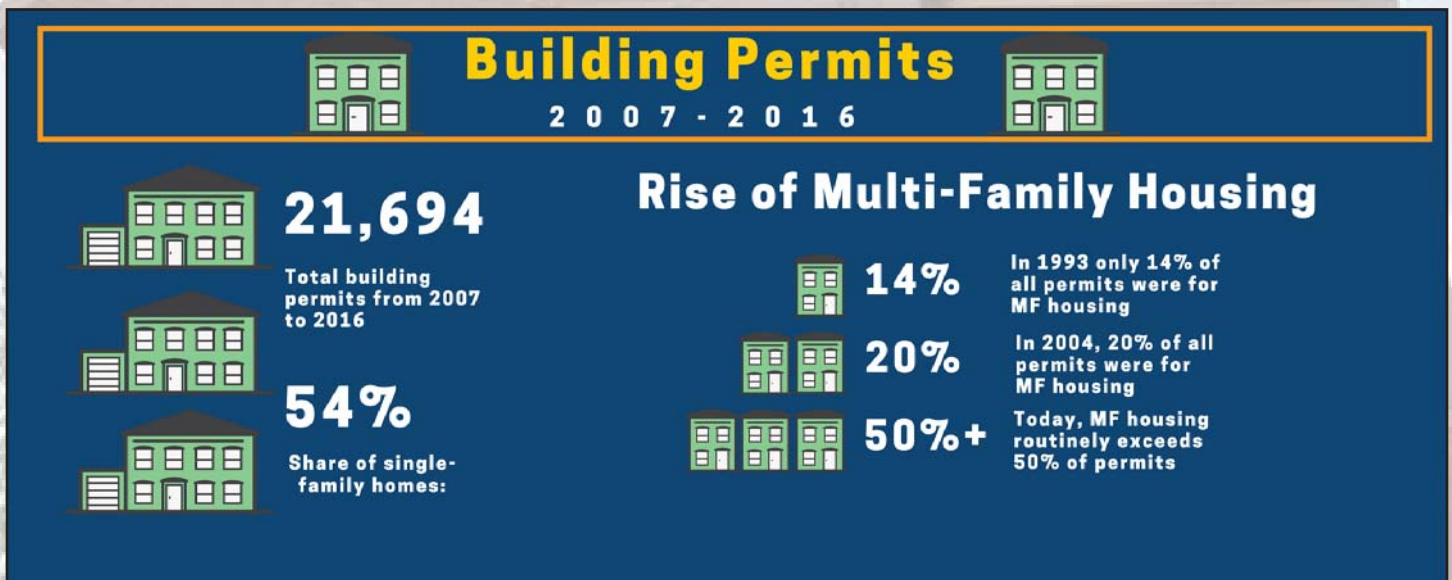
How these questions are answered will guide how the Region and its municipalities will develop.

*[Analysis of Public Policies that unintentionally encourage and subsidize urban sprawl](http://static.newclimateeconomy.report/wp-content/uploads/2015/03/public-policies-encourage-sprawl-nce-report.pdf). Todd Litman, Victoria Transport Policy Institute, published in *The New Climate Economy*. March, 2015.
<http://static.newclimateeconomy.report/wp-content/uploads/2015/03/public-policies-encourage-sprawl-nce-report.pdf>

New Residential Construction

By Dan Harp

Building permit issuances continue their slow recovery from the Great Recession. While permits for single-family homes reported their best year since 2007, permits for multi-family housing continue to exceed historic norms.



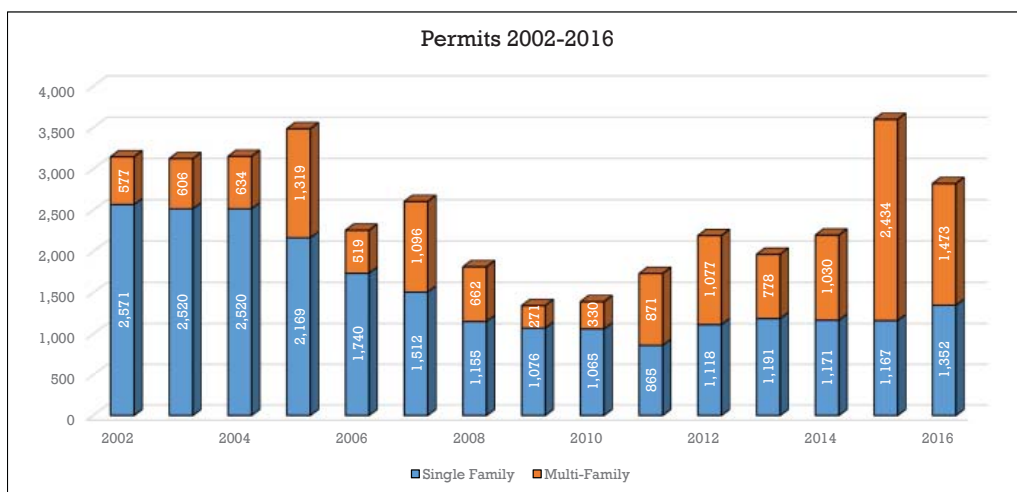
Residential

construction continues its slow recovery from the depths of the Great Recession. Since bottoming out in 2009 and 2010, building activity has finally begun to reach pre-recession levels. While permits for single-family units had their strongest year since 2007, the popularity of multi-family units continues to be the big story. The emergence of apartments, townhouses, and condos as popular alternatives to the traditional single-family house suggests that attitudes towards the homeownership may be changing.

Regional Trends

Construction of new residential units cratered in 2009 with just 1,347 permits issued. Since then, the recovery has been slow and uneven. In 2015, permits increased sharply to 3,601 units, reaching pre-recession levels, before returning to their steady annual increases in 2016. The 2,825 new permits issued in 2016 continue the general increase in units, but they would have been on the low end in the years prior to 2006.

For many years, single-family homes dominated building activity, sometimes accounting for two or three times the number of new multi-family units. Recently, however, multi-family housing has gained considerable popularity across the Region. From 1984 to 2014, the record for permits issued to multi-family units in a single year was 1,500 set in 1984. Since 2011, however, the construction of new multi-family housing has soared, setting a historical high mark in 2015 with 2,434 permits.



Regional Building Permits- Since cratering in 2009 and 2010, building permit issuances have slowly crept towards pre-recession levels. The most dramatic difference in pre and post-recession permits is the growth of multi-family units. While permits for multi-family units have soared, permits for single-family units have risen very slowly. For seven consecutive years, permits for single-family units failed to exceed 1,200, while prior to 2008, they had never failed to exceed 1,500.

The surge of multi-family homes has driven much of the housing market's recovery while permits for single-family homes have been much slower. While the total number of permits issued has slowly increased since 2009, those for single-family homes only just recently began to increase. The increase was modest, but for the first time since 2007, permits for single-family homes exceeded 1,300 in 2016. From 2002 to 2005, the Region averaged 2,445 single-family permits annually. As the housing market began to collapse, single-family permits fell to just 865 in 2011. Since then, the market has recovered to an average of 1,200 annually.

County Trends

New residential construction has long been concentrated in Saratoga County. From 2007 to 2016, 10,565 permits were issued for new residential units in Saratoga County, nearly half of the Region's total 21,694. During this period, Saratoga County was home to 51.8% of all single-family permits, and 45% of all multi-family permits.

As new development has concentrated in Saratoga County, it has diminished shares in the other three counties. Albany County's new building activity is a distant second, accounting for only a quarter (26.6%) of all new building permits since 2007. Of the three remaining counties, Albany has seen its share of new building activity decline the most relative to Saratoga. From 1984 to 1993, Albany County averaged 33.1% of all permits annually, but from 2007 to 2016 it only averaged 26.3% annually. Rensselaer and Schenectady counties, meanwhile, account for almost equal shares (12.3% and 12.4% respectively) from 2007 to 2016. While these two counties see a much lower level of

activity than either Albany or Saratoga, their share has remained more or less stable since 1984.

As a percentage of all permits, the growth in popularity of multi-family units has been most dramatic in Schenectady County. While year-to-year fluctuations do occur, new multi-family units have dominated the last three years. In both 2015 and 2016, more than 80% of the permits issued were for multi-family units.

Historically, Albany and Schenectady counties had higher shares of permits for multi-family housing. Rensselaer and Saratoga, conversely, have historically been dominated by permits single-family homes. This divide has closed in recent years, with both Rensselaer and Saratoga experiencing a 50/50 split between single-family and multi-family permits.

Local Activity

Total Building Permits

The list of the top 10 municipalities for total building permits includes the traditional leaders: Halfmoon; Colonie; and Saratoga Springs, as well as some municipalities that were perhaps unexpected: Rotterdam and Moreau. Some interesting findings include:

- These ten municipalities combined for a total 12,302 permits, almost 57% of the Region's total;
- In the ten-year period from 2007 to 2016, Halfmoon led the Region with 2,287 permits, including a region-leading 1,437 single family permits;
- The majority of the permits issued were for multi-family units in seven of the ten municipalities. In fact, a total of 6,634 permits for multi-family units were issued for these municipalities, almost 31% of the Region's total permits;
- The ten municipalities contributed more than a quarter (26%) of the Region's total single-family permits;
- Building activity in Albany and Rotterdam were heavily concentrated in multi-family units, while Ballston and Colonie were most heavily concentrated in single family units;
- Six of the top ten municipalities were located in

Saratoga County, three from Albany County, and one from Schenectady County;

Single-Family Permits

The top ten municipalities for single-family units was similar to that of total permits, but there were differences. Clifton Park, Guilderland, and Niskayuna replaced Albany, Rotterdam, and Moreau.

- These municipalities combine for more than half of all the Region's single-family permits;
- Halfmoon's 1,437 permits were more than double those of Clifton Park.;
- Halfmoon's 1,437 single-family permits account for more than 12% of the Region's total single-family permits, while Niskayuna's account for almost 3%;
- The distribution of municipalities was the same as for total building permits, six from Saratoga County, three from Albany County, and one from Schenectady County;

Multi-Family Permits

The top ten municipalities for multi-family units were virtually unchanged from those for total permits except for Brunswick, replacing Ballston.

- Permits for multi-family units did not experience the same dramatic drop-off between municipalities that was seen in the top ten municipalities for single-family units.
- The 6,883 permits for multi-family units from the ten municipalities represent almost 69% of the Region's entire stock of new multi-family units. This represents an incredibly high concentration of multi-family units in only a handful of municipalities. In fact, if the range is expanded to the top 15 municipalities, they would account for almost 86% of all multi-family building permits.
- Saratoga Springs accounted for almost 10% while Moreau accounted for almost 5% of the Region's total number of multi-family units;
- The distribution of municipalities was slightly different than that of total permits. Five municipalities were in Saratoga County, three in

Share of Permits Issued 2007-16



Above:

Share of Permits Issued 2007-16: Saratoga County dominates the Region for new residential development. From 2007 to 2016, Saratoga County accounted for 48.7% of all residential permits. The split between single-family and multi-family permits was fairly even over this period, single-family homes contributed 27.9 of the 48.7 percentage points, while multi-family permits contributed 20.8 percentage points.

Reverse:

Building Permits by Municipality 2007-16:

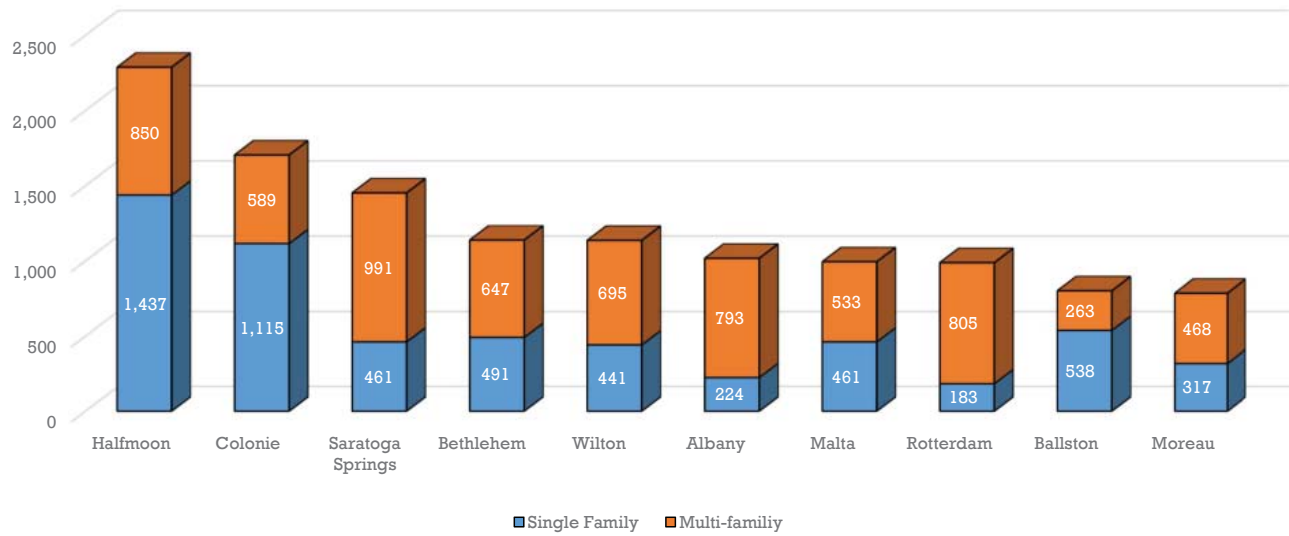
Notice the strong north-south correlation to high levels of building permits. The I-87 corridor is clearly the epicenter of new residential construction in the Region. With Halfmoon at the eye of the storm, development is creeping its way north to places like Wilton and Moreau. Development in the towns Ballston, Milton, and Stillwater, is also beginning to increase. This suggests that development in the I-87 corridor is beginning to spill over into the surrounding, more rural, municipalities.

Right:

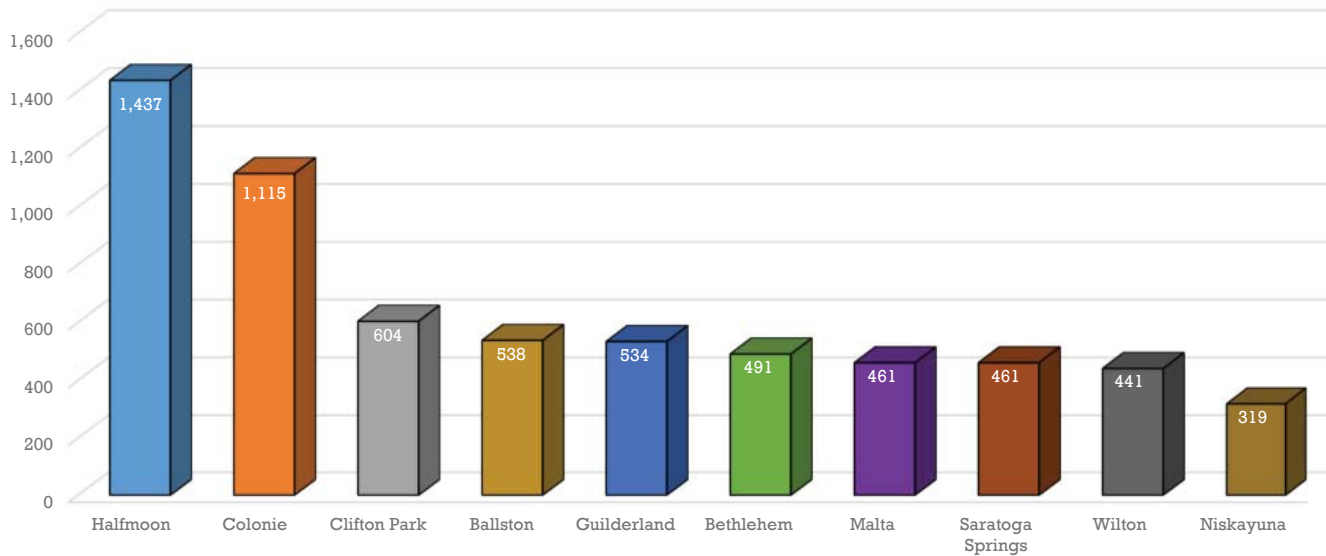
Local Building Permit Issuances:

The three charts rank municipalities by building permits. Notice the steep drop-off in single family permits from #2 Colonie to #3 Clifton Park. Permits for multi-family permits, in contrast, were more consistent across the top 10 municipalities. Permits for single-family units declined by almost 78% from #1 Halfmoon to #10 Niskayuna, while multi-family permits declined 53% from #1 Saratoga Springs to #10 Moreau.

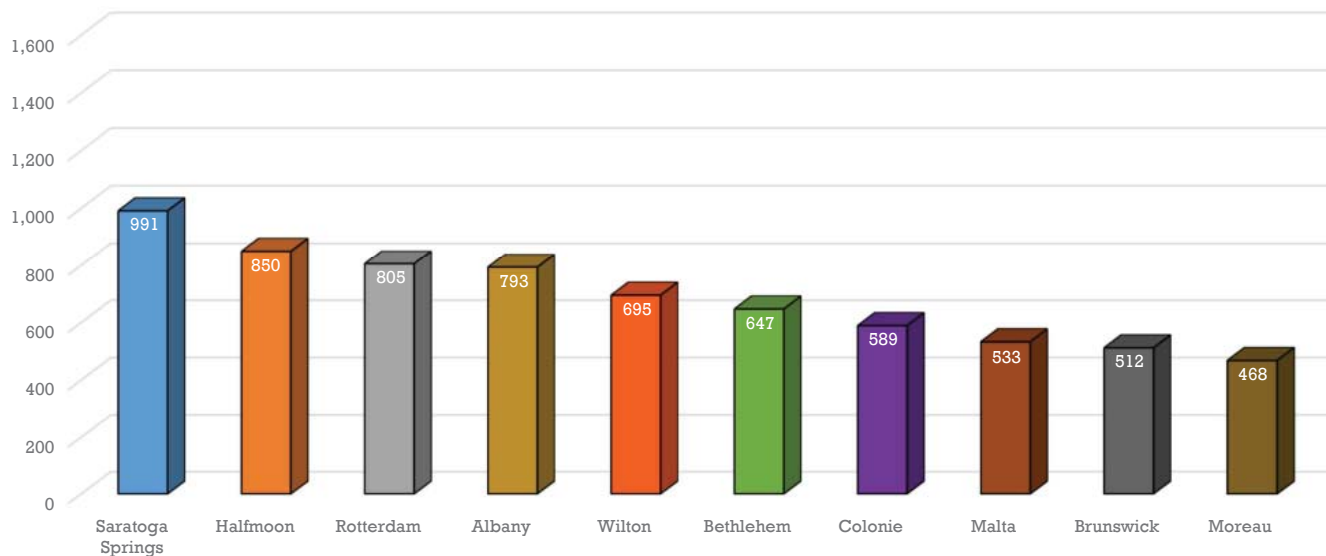
Top 10 for Building Permits (2007-16)



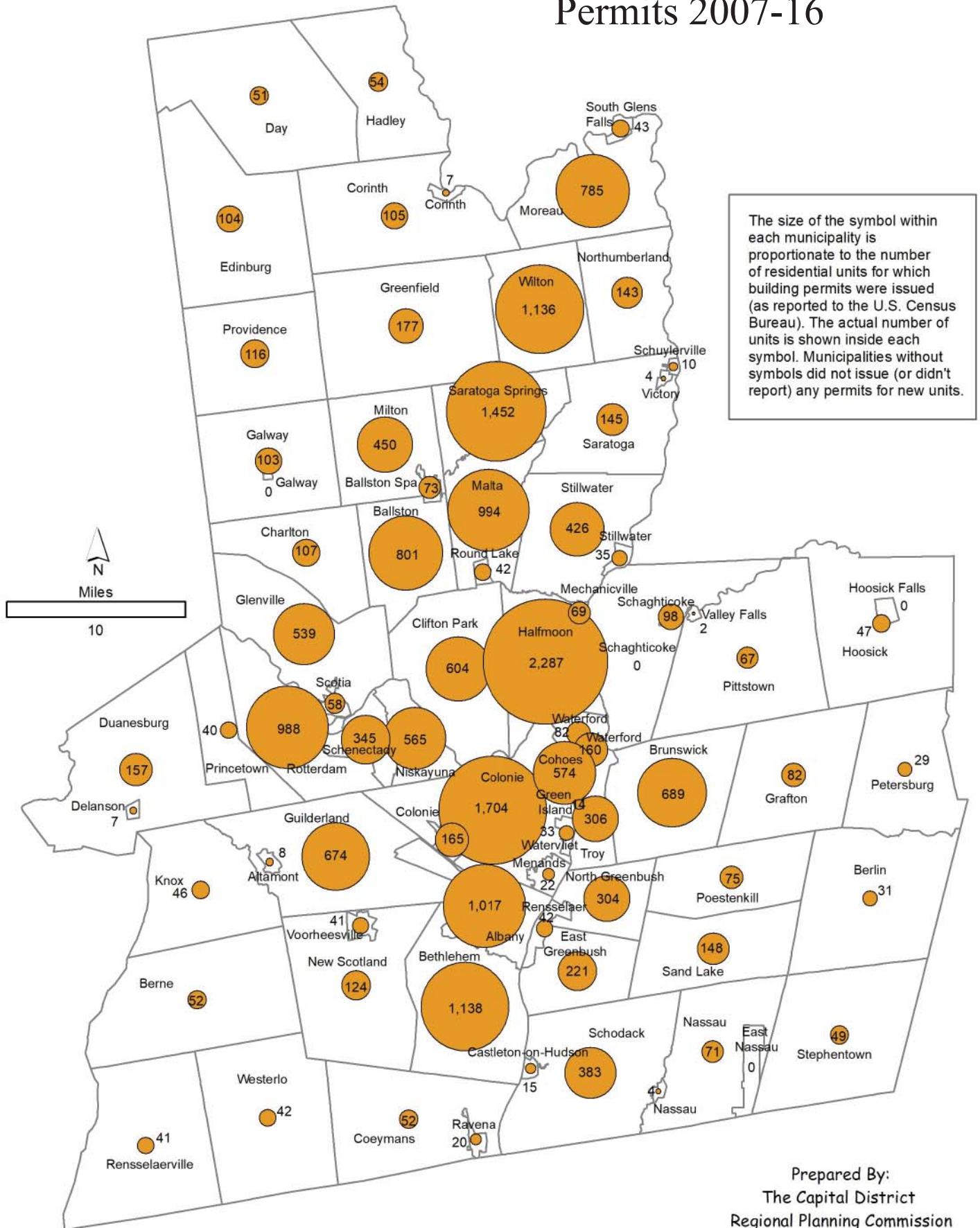
Top 10 for Single-Family Permits (2007-16)



Top 10 for Multi-Family Permits (2007-16)



Total Residential Building Permits 2007-16



Prepared By:
The Capital District
Regional Planning Commission
2017

Albany County, one in Schenectady County, and one in Rensselaer County. Brunswick was the only municipality from Rensselaer County in any top ten;

Villages

Building activity in the Region's villages was very uneven. Some villages saw considerable new development, while others saw none at all. Furthermore, the development seemed to favor single-family homes.

- In total, 529 single-family units and 285 multi-family units were permitted for construction in the Region's villages. This means that 65% of all new construction was for single-family homes;
- The villages of Colonie and Waterford led the Region's villages in new development with 165 and 160 total building permits respectively from 2007 to 2016. Meanwhile, Hoosick Falls; East Nassau; and Galway reported no new building permits;
- Colonie and Waterford experienced very different patterns in their building activity. Over 73% of Colonie's permits were for single-family homes, while almost 69% of Waterford's were for multi-family units;

Final thoughts

There are a handful of major takeaways from the building activity.

- The housing market is improving. 2016 provides more evidence that the housing market is slowly recovering to pre-recession levels of activity;
- Single-family homes are still in demand. While it is true that in recent years multi-family units have grown in popularity, over a ten-year period single family units were still more prevalent. Almost 54% of all new housing units from 2007 to 2016 were single-family. While it is true that in previous years the share would have been more lopsided in favor of single-family units, demand has not vanished;
- Concentration of multi-family units. Most new multi-family units were built in a relative handful of municipalities;
- Shifting focus to outlying towns. Development in

Clifton Park is slowing, and Halfmoon is the center of new development, but some of the outlying towns are seeing increasing development. Ballston (801), Milton (450), and Stillwater (426) have seen the pace of development begin to increase. As available developable land close to the Region's urban centers becomes limited, these outlying towns could begin to fill the gap. While these towns are familiar with development, they may see historically high rates in the coming years;

The growth in popularity of multi-family units is unprecedented for the Region. Clearly, tastes are evolving and demanding alternatives to single-family homes. While it is incorrect to say that single-family homes are no longer in demand, they have certainly struggled to recover from the recession. Multi-family housing is a useful tool for municipalities interested in preserving open space through landuse policies. Construction of multi-family units can help limit land consumption by concentrating growth, but are not a magic bullet. Multi-family housing is most effectively utilized as part of a larger development strategy/plan that can maximize infrastructure and services. A well planned multi-family development can more efficiently accommodate its population than the equivalent number of single-family homes. With the market for single-family homes pricing many people out, smaller townhouses and condos may substitute as a new kind of starter home for many people.



CAPITAL DISTRICT
**Regional
Planning
Commission**

One Park Place, Suite 102, Albany, New York 12205

Phone: 518-453-0850

Fax: 518-453-0856

E-mail: cdrpc@cdrpc.org

Web Site: <http://cdrpc.org>

Judith H. Breselor, AICP, Chair

Mark A. Castiglione, AICP, Executive Director

Daniel M. Harp Jr., Editor