

Housing

GENERAL OVERVIEW

The peak building boom in Rhinebeck occurred in the 1980's when the town's housing stock increased 18.8 percent. There was a 14.7 percent increase in housing units in the prior decade, indicating that approximately one-third of the town's housing was constructed between 1970 and 1990. This increase reflects the high rate of population growth that occurred in Rhinebeck during this time. A large percentage (33.8 percent) of the town's housing stock was constructed prior to 1939. Rhinebeck has a higher percentage of older homes than neighboring towns and Dutchess County as a whole. Between 1990 and 2000 the number of housing units increased only 8.2 percent; however, during this time population declined.

**TABLE 6.1: PERCENTAGE OF HOUSING UNITS BY YEAR OF CONSTRUCTION
RHINEBECK, NEIGHBORING TOWNS, AND DUTCHESS COUNTY**

	1939 or earlier	1940-1959	1960-1969	1970-1979	1980-1989	1990-2000
Rhinebeck*	33.8	17	7.5	14.7	18.8	8.2
Red Hook*	31.6	17.8	11	11.8	16.8	11
Milan	28	19	12.8	15.6	13.1	11.5
Clinton	24.1	15.9	11.9	19	19.8	9.3
Hyde Park	13.7	28.1	17.3	21.9	12.1	6.9
Dutchess County	20.9	21	16.7	17.4	14.4	9.6

Source: U.S. Census Bureau * Town data includes villages.

While Rhinebeck is dominated by single-family homes, it also has a high percentage of multi-family units, consisting predominantly of alternative care housing such as nursing homes, senior housing, group homes, and similar care facilities. These include but are not limited to Ferncliff Nursing Home, The Astor Home for Children, Daytop Village, Baptist Home of Brooklyn, the Thompson House, Wells Manor and Anderson House. Other affordable housing options include the multi-family Village Green Apartments in the village, the Garden Homes Mobile

Home Park, a mobile home park on Old Post Road, a multi-family development on South Mill Road, and a multi-family development on Salisbury Turnpike.

In 2000, Rhinebeck’s housing was 69 percent single-family detached units, 5.5 percent single-family attached units, four percent mobile homes, and 21 percent multi-family units. In comparison with neighboring municipalities, Rhinebeck has a higher percentage of multi-family units, as shown in Table 6.2. The percentage of mobile homes is roughly comparable with Dutchess County and surrounding communities, with the exception of Clinton, which has only one percent, and Hyde Park, which has 9.6 percent. Sixty-seven percent of occupied units in Rhinebeck are owner-occupied and 33 percent are renter-occupied.

TABLE 6.2: TYPES OF HOUSING, RHINEBECK, NEIGHBORING TOWNS*, DUTCHESS COUNTY, 2000

	Total Housing Units	Single Family Detached	Single Family Attached	Mobile Home	Multi-Family Units
Rhinebeck	3,255	2,253 (69.2%)	178 (5.5%)	130 (4.0%)	694 (21.3%)
Red Hook	3,840	2,930 (76.3%)	70 (1.8%)	203 (5.3%)	637 (16.6%)
Milan	1,090	947 (86.9%)	0 (0%)	48 (4.4%)	95 (8.7%)
Clinton	1,734	1,593 (91.9%)	27 (1.6%)	18 (1.0%)	96 (5.5%)
Hyde Park	7,704	5,301 (68.8%)	158 (2.0%)	742 (9.6%)	1,512 (19.6%)
Dutchess County	106,103	68,779 (64.8%)	4,658 (4.4%)	4,413 (4.2%)	28,253 (26.6%)

Source: U.S. Census Bureau * Town data includes villages.

While Rhinebeck has a high proportion of multi-family units, it also has a very low vacancy rate. In 2000, Rhinebeck had a total of 3,255 housing units, of which 3,001 (92.2 percent) were occupied. Of the remaining units, 4.4 percent were for seasonal, recreational or occasional use, leaving a vacancy rate of only 3.4 percent, the majority of which was in the rental sector. Housing professionals typically recognize a vacancy rate of 5 percent as the benchmark of an optimally functioning housing market. When the vacancy rate drops below the five percent benchmark, the scarcity of available units creates greater competition, which accelerates rent increases and drives up housing costs. These conditions may be occurring in Rhinebeck, as reflected in the high percentage of households (25.6 percent) which are cost-burdened, defined by the U.S. Department of Housing and Urban Development as paying more than 30 percent of gross income for housing. This is slightly higher than in Dutchess County as a whole, where 24.1 percent of residents are cost burdened. The scarcity of affordable housing can be particularly difficult for senior citizens on fixed incomes, single-income families and entry-level employees.

The median value of owner-occupied units in Rhinebeck in 2000 was \$168,300, which is higher than the median of \$154,200 in Dutchess County. However, a survey of the for-sale housing market undertaken by the Smart Growth Housing Task Force indicates that between 2000 and 2002, the median sales price of a single-family home in the county increased 36 percent. A household would need to

While Rhinebeck has a high proportion of multi-family units, it also has a very low vacancy rate, which may adversely impact housing affordability.

make \$70,000 to afford the median priced house of \$210,000. Contract rent in Rhinebeck (\$714 per month) was comparable to that in Dutchess County (\$707 per month). Housing costs have increased even further since surveys were taken.

TABLE 6.3: RHINEBECK HOUSING UNITS, 2000

	Rhinebeck*	Town of Rhinebeck**	Village of Rhinebeck
Total Housing Units	3,255	1,792	1,463
Owner-Occupied Units	2,018	1,221	797
Renter-Occupied Units	983	404	579
Seasonal, Recreational or Occasional Use	144	101	43
Vacant Units	110	66	44

Source: U.S. Census Bureau. * Includes both town and village. **Excludes village.

TABLE 6.4: AVERAGE VALUES OF OWNER-OCCUPIED HOUSING UNITS RHINEBECK*, NEIGHBORING TOWNS*, AND DUTCHESS COUNTY

	1980	2000
Rhinebeck	\$52,783	\$168,300
Red Hook	\$47,544	\$144,600
Milan	\$44,531	\$138,000
Clinton	\$53,592	\$162,200
Hyde Park	\$48,702	\$130,400
Dutchess County	\$52,775	\$154,200

Source: U.S. Census Bureau * Town data includes villages.

A F F O R D A B L E H O U S I N G

Like all other municipalities, the town of Rhinebeck has a responsibility, and is working to provide a balance of housing for all its residents, including families with children, the elderly, young households and empty nesters, people just entering the workforce, and families of limited or fixed income. The provision of a diversity of housing types and costs is important for sustaining businesses and encouraging economic growth, since businesses are unlikely to establish themselves or remain in an area where their employees cannot afford to live. Moreover, as housing costs increase, people must work longer hours, leaving them little time to volunteer. Many important services in Rhinebeck are staffed through volunteers. If a shortage of volunteers forces these services to convert to paid positions, the town's municipal budget will be strained. In the city of Poughkeepsie, for instance, paid fire protection services cost approximately \$664 per structure. Finally, when employees cannot afford to live in the community where they work, they are forced to commute, which contributes to auto dependency and traffic congestion.

The availability of diverse housing choices is critical for the economic vitality of the town. Moreover, Rhinebeck residents value the diversity of their community. Retaining that diversity

depends upon providing a variety of housing choices for households with different needs and income levels to house high wage earners and young professionals, teachers, nurses, volunteer firefighters, and minimum wage earners. Since market conditions alone do not necessarily encourage housing diversity, the Rhinebeck community recognizes a need to:

Use appropriate proactive strategies to ensure housing opportunities exist for persons with diverse income levels. Particular emphasis should be placed on providing housing opportunities to the workers in Rhinebeck's schools, fire and police departments, hospital, retirement homes and special care facilities, public services, libraries, restaurants and retail establishments.

According to the Mid-Hudson Multiple Listing Service, sale prices of homes in Dutchess County continue to climb. The median single family home price in October 2004 was \$313,000, up from \$300,000 in September 2004 – a four percent increase in just one month. A year previously, in October 2003, the median was \$275,000 – a 13 percent increase in one year. Prevailing low mortgage rates, increasing demand, and declining inventories have resulted in significant increases in sales activity and prices in Rhinebeck, as in the Northern Dutchess region as a whole. Using the U.S. Department of Housing and Urban Development's (HUD) guidelines that a household should not pay more than 30 percent of their gross income for housing, including utilities, households would need an annual income of \$89,320 to afford a \$313,000 home.¹ In order to purchase a \$250,000 home, households would have to earn approximately \$73,000.

According to the Dutchess County Rental Housing Survey 2003, the vacancy rate for apartments in the town of Rhinebeck in 2003 was 0 percent. For the county as a whole, the vacancy rate was 1.8 percent. Housing experts recognize a five percent vacancy rate as an indicator of a healthy rental market. An extremely low vacancy rate may benefit landlords but it negatively affects tenants by accelerating rent increases and making housing unaffordable. The town of Rhinebeck has 144 apartments (all located in the Village Green complex within the village)² and no new apartment complexes have been built in over 20 years. During the month of October 2003, a newspaper survey conducted for the Rental Housing Survey indicated that local newspapers advertised 21 multi-family units, 20 homes and one condominium for rent in the town of Rhinebeck. Average rents for apartments, multi-family units and homes/condos in the town of Rhinebeck in 2003 are shown in Table 6.5.

TABLE 6.5: AVERAGE RENTS IN THE TOWN OF RHINEBECK, 2003

Unit Type	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Apartments	N/A	\$738	\$905	N/A
Multi-family units	\$694	\$787	\$1,075	N/A
Homes/condos	N/A	\$892	\$1,283	\$1,669

As shown in Table 6.6, average rents have increased in all categories in the last two years (between 2001 and 2003), with increases ranging from two percent for a two-bedroom multi-family unit to 29 percent for a three-bedroom home.

¹ Assumes a 5 percent down payment, a 6 percent interest rate on a 30 year fixed term mortgage, \$3,000 per year in real estate taxes, and \$200 a month in utilities.

² All of these are market-rate apartments. The Town of Rhinebeck has no subsidized housing.

TABLE 6.6: PERCENT CHANGE FROM 2001 TO 2003

	Studio	1 Bedroom	2 Bedroom	3 Bedroom
Apartments	N/A	5%	4%	N/A
Multi-family units	20%	10%	2%	N/A
Homes/condos	N/A	6%	8%	29%

Using the HUD guidelines referenced above, households would need the following annual incomes to afford the average Rhinebeck rents cited in Table 6.7:³

TABLE 6.7: INCOME REQUIRED TO AFFORD RENTAL UNITS

Unit Sizes	Annual Income
Apartment Complexes	
Studio	\$25,720*
1 Bedroom	\$29,520
2 Bedroom	\$36,200
3 Bedroom	\$52,280**
Multi-Family Units	
Studio	\$27,760
1 Bedroom	\$31,480
2 Bedroom	\$43,000
3 Bedroom	\$49,400***
Homes/Condos	
Studio	No data
1 Bedroom	\$35,680
2 Bedroom	\$51,320
3 Bedroom	\$66,760

* Since no data is available for this category in the town of Rhinebeck, this figure is based on the County average rent of \$643/month for a studio apartment.

** Based on the county average rent of \$1,307/month for a three-bedroom apartment.

*** Based on the county average rent of \$1,235/month for a three-bedroom, multi-family unit.

Use of the term “affordable housing” can be relative. After all, what is affordable to someone whose income is a quarter of a million dollars (\$250,000) per year is far different from what is affordable to someone making twenty five thousand dollars (\$25,000) per year. That is why many housing planners prefer to use the term “work-force housing” to describe housing that is

³ Since most multi-family units do not include utilities in the rent, a utility allowance, was added to each multi-family unit types’ average rent before the annual income was calculated. Similarly, since the rental fee for most apartment complexes does not include electric, an electric allowance, was added to all apartment complex rents.

affordable to those persons who are gainfully employed but with limited financial resources, such as teachers, municipal workers, laborers, and retail or service workers. Nevertheless, the US Department of Housing and Urban Development (HUD) defines “affordable housing” as a home or rental unit within the means of a household income that is 80 percent or less than the prevailing median income in the area. According to the U.S. Census data, the median household income in the town of Rhinebeck in 2000 was \$52,679.

Thus, affordable housing would be housing that could be afforded by households making 80 percent of this income, or \$42,143. Given the median single-family home price in Rhinebeck, these households will have a difficult time finding a home they can afford to buy in the town. While households in this income bracket could afford to rent a one- or two-bedroom apartment, there is currently a 0 percent vacancy rate for these units (and no studio apartments available in Rhinebeck). Thus, many Rhinebeck households will only be able to afford studio or one-bedroom multi-family units, or one-bedroom homes/condos. Families with children, workers who need a second bedroom for a home office and seniors or invalids who need a second bedroom for a caregiver will be particularly affected by the local housing market and will be “housed out” of the community.

When the 2000 Census was conducted, it found that one-third of Rhinebeck residents are employed in educational, health services, or social services fields, which typically pay anywhere from \$29,000 to \$60,000 annually. Twelve percent are employed in retail trade, earning approximately \$15,400 to \$19,600 annually. The balance of Rhinebeck residents are employed in a variety of professional, administrative, construction, or hospitality trades, earning anywhere from \$17,000 to \$89,000 annually. Nearly 36 percent of Rhinebeck households earn less than \$35,000 annually, and these households cannot afford most current market rents in Rhinebeck. Thirty-two percent earn between \$35,000 and \$75,000 annually, and these households would not be able to afford to buy a home. Thus, households with moderate income have very few housing choices in Rhinebeck.

The term “affordable housing” is often misunderstood. As stated above, a better term for this type of housing is “work force” housing, since it is working members of the community, like teachers, nurses, volunteer firefighters, and shopkeepers who are included in the HUD definition. However, the emphasis should not just be on workers, since a broad range of lifestyles require affordable housing, including people who no longer work and are on fixed incomes, like senior citizens. Whatever it is called, it is important to provide a variety of housing types, rather than serving only one household type and income group, in order to encourage an economically diverse community and permit people in all stages of life to live and stay in the community.

During the visioning meetings and in the public opinion survey conducted for The Rhinebeck Plan, many Rhinebeck residents expressed concern that they would be forced to leave the community when they retire, or that their children would be not be able to afford to remain in the community when they grow up. Clearly, there is a need for a balanced housing stock that meets the Rhinebeck community’s diverse housing needs. The Rhinebeck Plan recommends a number of strategies for providing affordable housing to meet this need. These recommendations are outlined below and are considered as part of an overall land use strategy outlined in Chapter 5. The Rhinebeck Plan incorporates the work of the Open Space and Affordable Housing Committee which investigated specific approaches and strategies for implementing solutions for affordable housing. The report of the Committee is included in Appendix 5.

Vision: Strive to achieve social, economic and cultural diversity within the community by planning for a diverse array of housing types, strive to provide housing for Rhinebeck’s first time homebuyers, seniors, and work force including retailers, school, hospital/health care, fire and law enforcement personnel and office workers, among others.

Housing provides residents with shelter and is a key factor in determining quality of life, jobs-housing balance, access to transportation, commutation to work, access to services and schools, consumption of energy and other natural resources. The provision of quality housing for people of all income levels in the community and a balanced housing stock is a key part of any smart growth strategy. By using smart growth to create a diverse range of housing choices, Rhinebeck can use its infrastructure more efficiently, support its commercial centers, better accommodate the housing needs of all residents, help its aging citizens stay in their homes, and reduce or eliminate the impacts of auto-dependent development.

Rhinebeck is a town nationally recognized for its unique sense of place and for its irreplaceable quality of life. The town’s land area is finite, and eventually build-out will occur; but it should be based upon a sound “smart growth” strategy. The most vibrant and successful communities are the ones that actively take a role in maintaining diversity. Today, these communities take a multi-pronged approach to development by incorporating a smart growth strategy into their overall growth management system.

Objective: Accommodate the housing needs of a broad spectrum of community residents so that our local workforce, senior citizens, first time homebuyers and the children of residents can afford to live in Rhinebeck.

Actions:

1. Use *the Smart Growth Network’s “Ten Principles of Smart Growth,”* to create a wider range of housing choices, to use infrastructure more efficiently and cost-effectively and as a policy guide for sound planning:
 - Create a range of housing opportunities and choices
 - Provide a variety of transportation choices
 - Create walkable neighborhoods
 - Encourage community and stakeholder collaboration in development decisions
 - Take advantage of compact building design
 - Strengthen and direct new development toward areas of existing development
 - Make development decisions predictable, fair and cost- effective
2. Rhinebeck has a multitude of large scale alternative care and senior housing developments, as described above, but is in need of smaller scale senior developments. Create senior housing floating zone provisions in the Zoning Law and use stringent performance standards to guide the development of small-scale projects for senior citizens in appropriate locations.
3. Prohibit gated communities in the town.

Objective: Create an overall Town strategy for achieving affordable housing goals.

Actions:

1. Create an Open Space and Affordable Housing Board to lead the Town's efforts in identifying opportunities for affordable housing that are in keeping with the Town's goals to protect community character and open space.⁴
2. Develop a set of Affordable Housing strategies that would mandate inclusion of affordable housing at the rate of 20 percent of the total number of market-rate units in any new development of 5 units or more. Allow in-lieu payment for affordable housing units in new developments of 4 units or less. Allow transfer of inclusionary obligations to other parcels within Town under limited conditions.
3. Develop "Least Cost" strategies to allow creation of new housing units such as accessory apartments, cottage units, two-family units, or multi-family units.
4. Consider creation of a Community Trust Fund to serve as a funding option for preservation of open space and affordable housing.
5. Create a mechanism in Town Code to maintain work-force housing stock for an appropriate period of time. Ensure that the units are available for as long as legally possible.¹ Utilize the Dutchess County Department of Planning and Development as a resource in establishing work-force housing standards.



Six first time homebuyer townhouses designed to look like a "mansion"

Vision: Take into account the requirements of special, diverse populations when addressing housing needs of the community.

All persons have a right to be treated respectfully and equally, and it is a duty of government to ensure that freedom from discrimination extends to all persons, regardless of their special needs.

Objective: Special needs of physically handicapped persons should be considered in the review of all new residential and non-residential developments.

Actions:

1. Incorporate strategies to address the needs of handicapped persons in all public improvements at the design and approval stages of development.
2. Develop sidewalk and walking path specifications to ensure handicapped access.
3. Appoint an *ad hoc* committee to advise the Planning Board, during the review and approval process, comprised of handicapped persons and professionals with education and experience in meeting the specialized needs of handicapped persons.

If we can afford to build million dollar homes in this community, then we can afford to build housing that meets the needs of all of our residents.

Steve Rosenberg, Plan
Committee Member

⁴ The Open Space and Affordable Housing Committee has already completed a study which is included in the Rhinebeck Plan as Appendix 5.

Objective: The development of accessory apartments should continue to be permitted, as long as appropriate standards are met and neighborhood character is maintained.

Actions:

1. Review accessory apartment requirements in the Zoning Law to determine whether to expand the requirements governing where the apartments can be developed (i.e., in existing residences, accessory structures or new construction). Re-visit the size limits, water and sewer requirements and other conditions on accessory apartments to ensure that they remain accessory apartments. Create a provision whereby input from the Planning Board is provided on all applications before the Zoning Board of Appeals for area variances for accessory apartments.

Objective: Protect the character of existing residential neighborhoods, historic architecture, and avoid upward pressure on property values by constraining teardowns of existing housing stock.

Actions:

1. Prohibit outright teardowns of existing housing stock in the town by using a demolition delay zoning provision for historic structures, in order to provide time for a threatened structure to be bought, relocated and rehabilitated for continuing affordability. Incorporate this prohibition into the Historic Structures Law.

Vision: Plan all development to be appropriately in keeping with Rhinebeck's unique, small-town character and its historic and architectural heritage.

When left to market forces, development often happens in a way that maximizes profit for the developer at the expense of a community's unique character and community preferences. Design Standards are one of the most effective tools available to assist in retaining the town's rural, scenic and historic qualities. A primary objective of the standards is to show, through graphic illustrations and photographs, that the natural environment can remain the primary feature of the landscape, as opposed to the residential structures and house lots being imposed as the predominant feature. The right design standards illustrate how residences can complement and be integrated into the natural landscape.

Objective: Architecture of proposed new structures should enhance the character of the town.

Actions:

1. Require that the town's design standards for non-residential development be considered in the approval process for all new commercial development and re-development.
2. Prepare criteria and design standards that would apply to all new developments in the town. Include guidance on assessment and control of such desirable neighborhood characteristics as scale and mass of existing, *versus* new structures in the design standards.
3. Prepare design standards for new development which include, but are not limited to: protection of the natural and cultural features of a site; keeping buildings below on-site ridgelines or tree lines; use traditional building materials (and/or environmentally-friendly, "green" building materials which closely resemble traditional materials), and traditional architectural styles and roof lines; use muted and earth-toned colors; maintain natural vegetation; preserve historic landscape features; site driveways unobtrusively; encourage use of stone walls rather than fences; and hide garages
4. Enact protective regulations that restrict development on ridgelines and other environmental features.

Objective: All housing should meet environmental, public health and safety criteria.

Actions:

1. Encourage (through local tax incentives or other means) adherence to such "green building" techniques as the US Green Building Council's "Leadership in Energy and Environmental Design (LEED) Green Building Rating System," in order to reduce environmental impacts. Accordingly, rate the design and construction of building projects that preserve natural vegetation; contain non-toxic or recycled-content building materials; maintain good indoor air-quality; use water and energy efficiently; conserve natural resources; feature natural lighting; include recycling facilities throughout; include access to public transportation; feature flexible interiors; and recycle construction and demolition waste.
2. Adopt a green building guidebook that describes energy-efficient and environmentally sensitive building techniques that would pass town inspection. Include, in the Guidebook, potential cost savings or other benefits of using such techniques. Require developers undergoing subdivision or site plan review to consider the Guidebook's techniques.
3. Require projects developed with public funding, including all town projects, to make use of green building techniques, the projects thus serving both as models and test cases for private development.
4. Make information available to development applicants on the State's Green Tax Credit, and strongly support and encourage applications for use of the credit.
5. Educate residents about green building techniques and their advantages, and encourage energy-efficient habits for individuals and households. Bolster public education efforts, particularly through the schools, on the use of solar heating, solar electricity and geothermal heating/cooling. Use the town's Web site to promote conservation best practices. Send property owners a brochure with conservation tips in their tax bills, similar to the "Homeowners Guide to Living with Nature," distributed by the Shawangunk Ridge Biodiversity Partnership.

Objective: Create opportunities for the provision of a reasonable supply of moderately priced housing, while maintaining high standards of architectural and site design.

Actions:

1. Adopt a Cottage Housing Development Amendment to the Zoning Law that would allow compact housing densities for small houses in designated priority growth areas. Set standards for siting that would require common areas, private yards, sidewalks, gardens and parking hidden from the street.
2. Amend the Zoning Law to allow residential dwellings to be built in conjunction with commercial development, and require developers to set aside a percentage of any units built as affordable housing to residents earning less than 50 percent of the Area Median Income and also for residents earning between 50 and 80 percent of the Area Median Income. Allow such mixed-use developments within the proposed Astor Flats TND. Create special rules for design, siting, parking, open space, and percentage of residential *versus* non-residential development.
3. Support first-time homebuyers in priority growth areas through tax credits or direct down payment assistance.



Multi-family and single-family can co-exist side-by-side

4. Support housing for people in all stages of life, from young adults and couples, to families with children, to seniors, by creating an Inclusionary Housing Program in the town.

Require that ten percent of the units in every market-rate housing development be kept affordable to moderate-income families and tied to a benchmark in common use,



Handicapped accessible multi-family units can be designed to resemble traditional farm structures.

such as 80 percent of median income, to define affordability. Consider exempting affordable units from the town's recreation and other fee requirements.

5. Use SEQR to analyze the necessity of providing affordable housing in new developments as mitigation to minimize adverse effects of new single-family development.
6. Amend the Zoning Law to allow a reasonable number of homes in suitable locations that are within economic reach of town residents by allowing development in priority growth areas.
7. Consider the use of appropriate municipally owned lands for development of small (6 to 12 unit) affordable multi-family dwellings, designed to resemble traditional farm structures and managed by a not-for-profit housing organization. If the town and village ever consolidate their highway departments, consider the use of the current village highway garage for such use. Explore the potential for use of some of the town-owned lands on Stone Church Road for such use.

1 Some communities require 15 to 30 years; other communities require its maintenance in perpetuity.