

WESTCHESTER MUNICIPAL PLANNING FEDERATION

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Thursday, March 14, 2019

SMART GROWTH AND THE PLAYBOOK

CBRE



AGENDA

What Is Economic Development?

What Is The Hottest Development Sector?

Is Multi-family Development An Economic Stimulant?

What Is The Playbook?

Q: What is Economic Development?

A: Policies and initiatives promoting equitable prosperity which foster healthy and sustainable communities.



WESTCHESTER COUNTY ASSOCIATION – SMART GROWTH INITIATIVES

ECONOMIC DEVELOPMENT



Broadband

Job Training

Healthcare Advocacy

Real Estate Play Book



CBRE

Q: What is the hottest development sector?

A: MULTI-FAMILY

MULTI-FAMILY: THE HOTTEST SECTOR

- ***SALT*** - Significant dilutes advantages to homeownership

- ***Demographics***

Millenials: Delayed family formation, flexibility

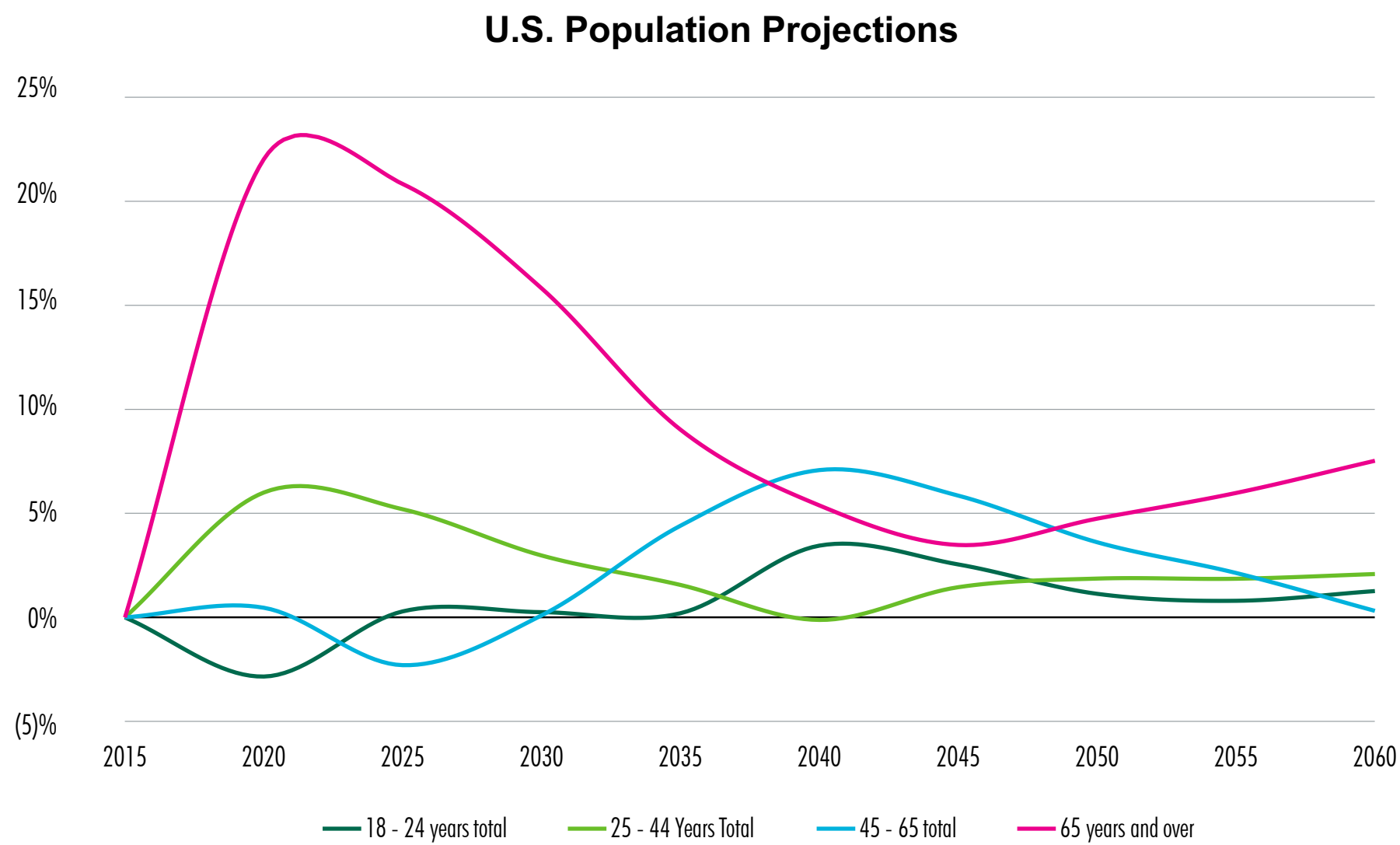
Boomers: Attractive downsizing option

- ***Westchester Underserved*** – Decades of limited new deliveries
- ***Region's strength*** – Job growth fuels demand

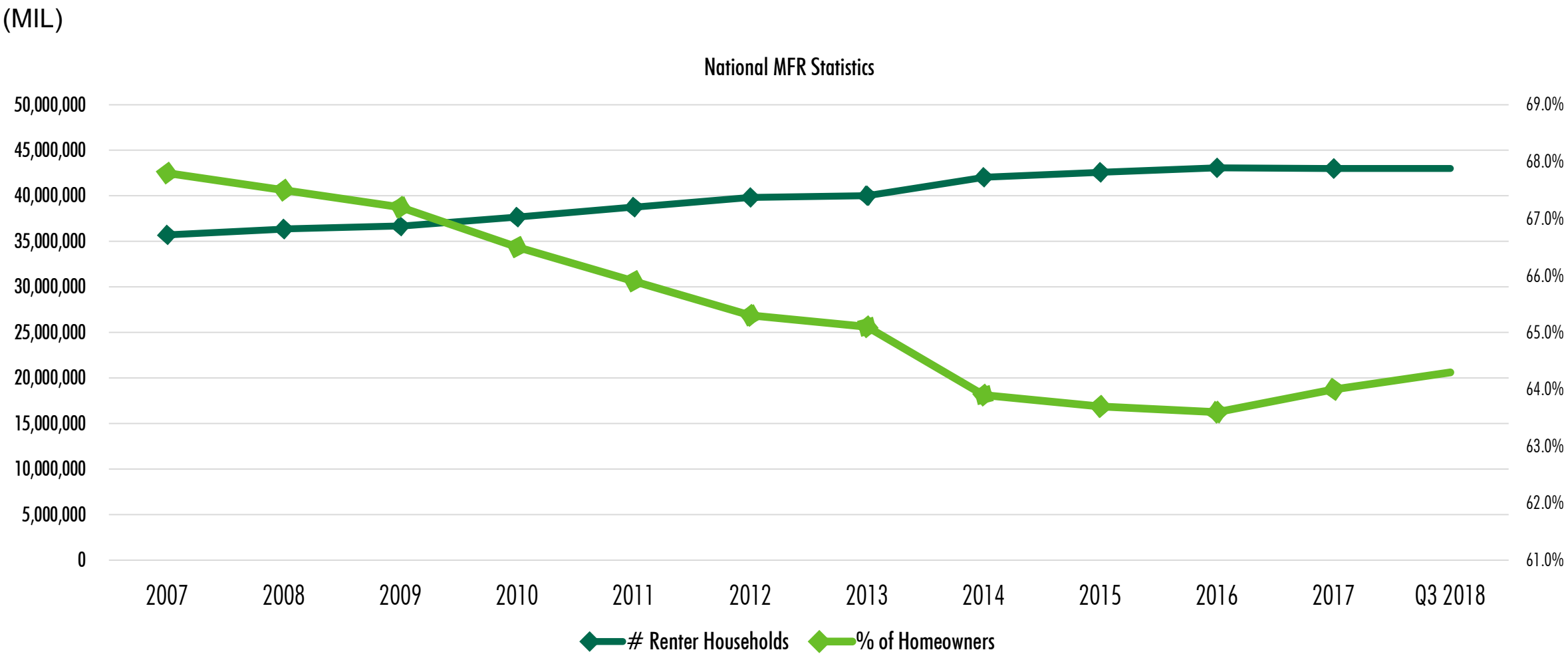
FUTURE DEMOGRAPHIC TRENDS

TRI-STATE APARTMENT MARKET OVERVIEW

Increasing Population for Millennials and Boomers, prime renters.



NATIONAL MFR STATISTICS

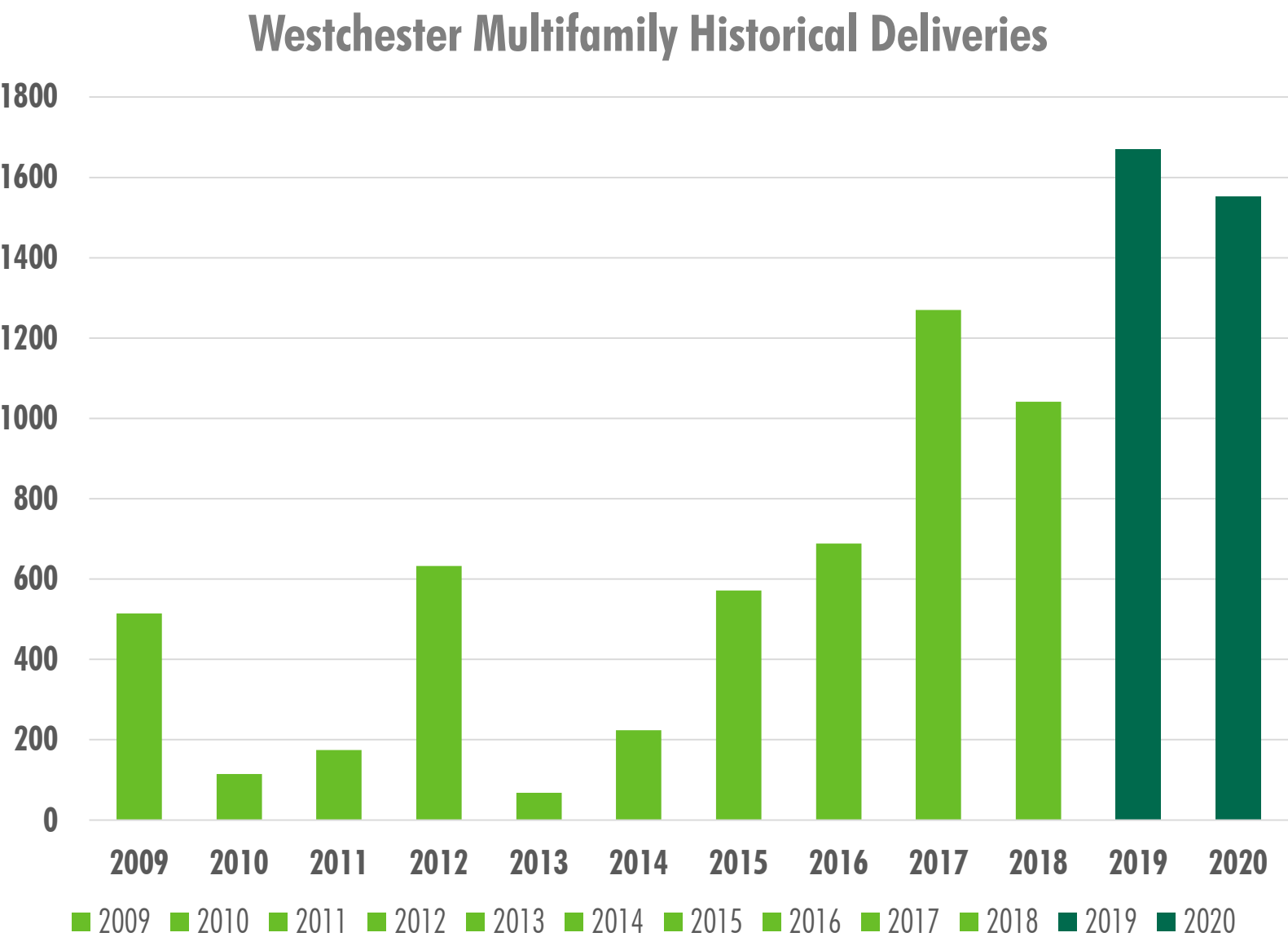


of renters increase 20.4% between 2007 – 2018

% of home owners decreased 3.5 between 2007 - 2018

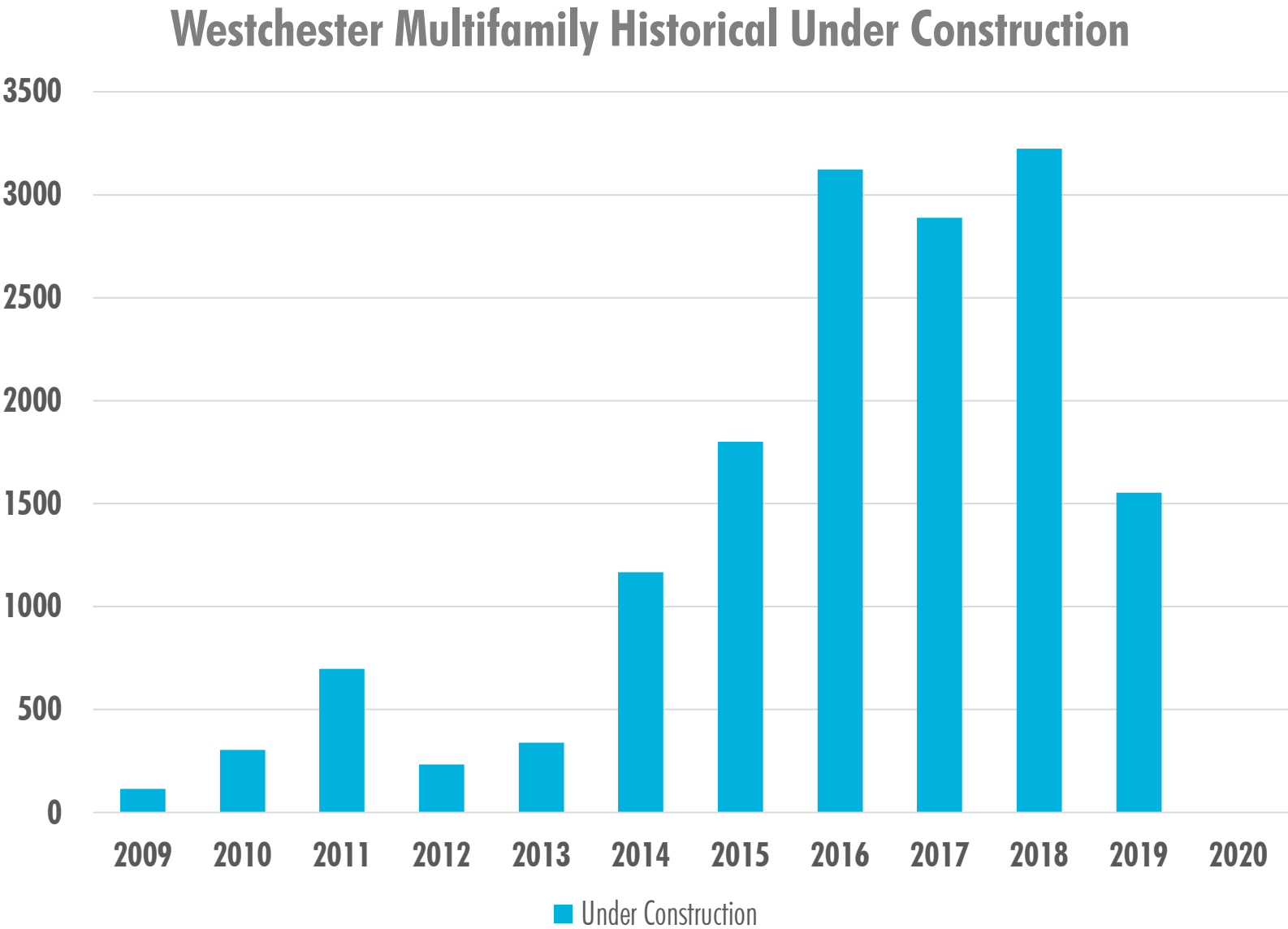
WESTCHESTER MULTIFAMILY HISTORICAL DELIVERIES

| YEAR | Deliveries |
|------|------------|
| 2009 | 515 |
| 2010 | 155 |
| 2011 | 175 |
| 2012 | 632 |
| 2013 | 68 |
| 2014 | 224 |
| 2015 | 571 |
| 2016 | 689 |
| 2017 | 1270 |
| 2018 | 1041 |
| 2019 | 1671 |
| 2020 | 1552 |



WESTCHESTER MULTIFAMILY HISTORICAL DELIVERIES

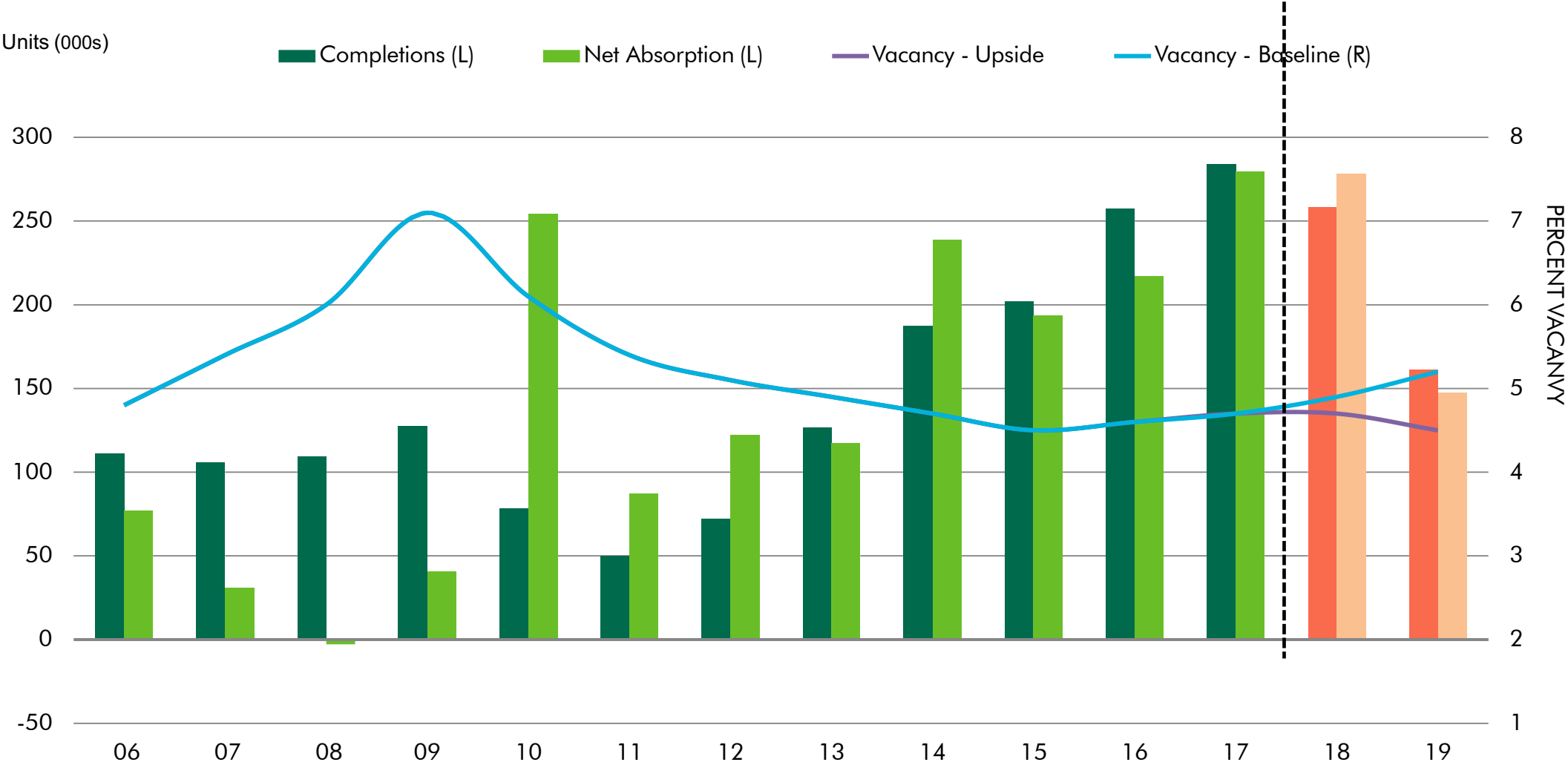
| YEAR | Under Construction |
|------|--------------------|
| 2009 | 115 |
| 2010 | 305 |
| 2011 | 698 |
| 2012 | 234 |
| 2013 | 339 |
| 2014 | 1167 |
| 2015 | 1800 |
| 2016 | 3122 |
| 2017 | 2887 |
| 2018 | 3223 |
| 2019 | 1552 |
| 2020 | 0 |



NATIONAL SUPPLY, ABSORPTION & VACANCY TRENDS

TRI-STATE APARTMENT MARKET OVERVIEW

Construction deliveries peak nationally in 2017 with 284,000 units and drops 43% to 161,000 units in 2019.



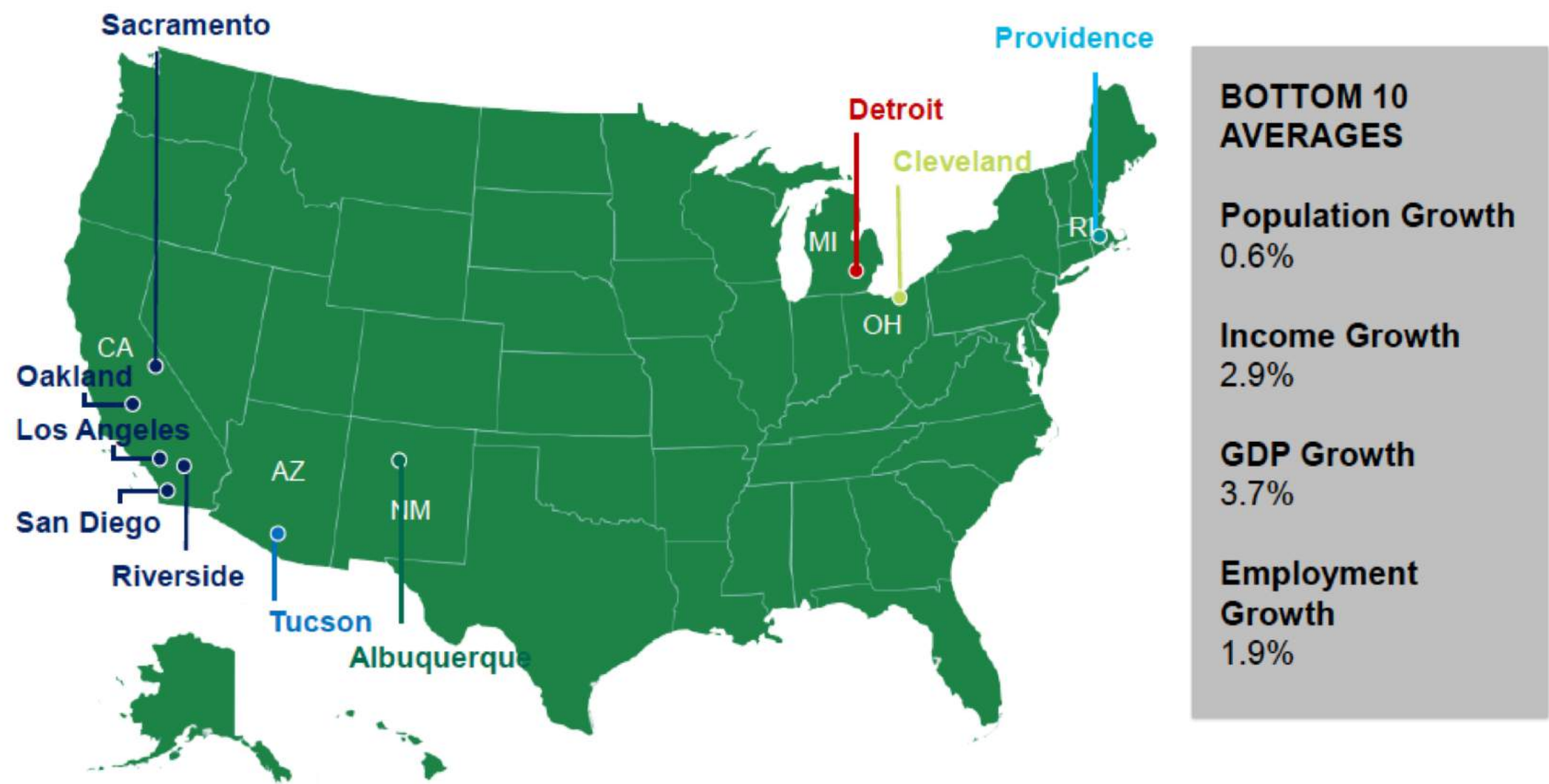
Q: Is Multi-family an
Economic development Stimulant?

A: YES!

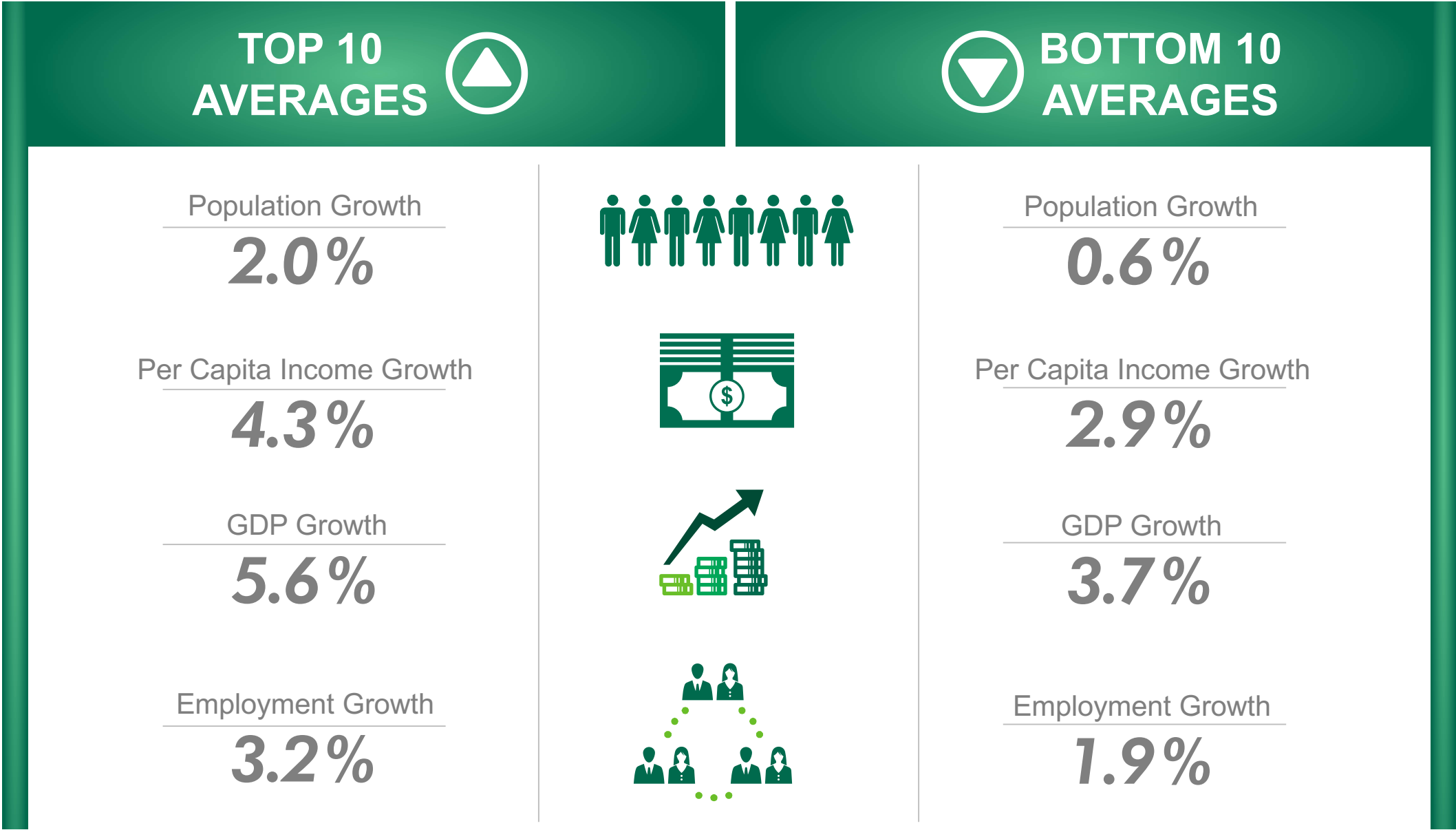
TOP 10 U.S. MARKETS: TRENDS | 2012-2017



BOTTOM 10 U.S. MARKETS: TRENDS | 2012-2017



BOTTOM 10 U.S. MARKETS: TRENDS | 2012-2017



RATIONALE FOR PERFORMANCE DISPARITIES

- ***New development creates temporary and permanent jobs***
- ***New residents add labor to the market***
- ***Disposable income from renters exceeds owners***
- ***Development generates municipal fees and accretive tax revenue***



Q:

What is the Playbook?

A:

- Created by the WCA and the PACE Law School Land Use Institute.
- Strategies and resources to help implement smart growth development.

MODIFY ZONING REGULATIONS

ACCOMMODATE “SMART GROWTH”.



Implement Smart Growth “Overlay Zone”, “Special Permit” Provisions or “Form Based” Codes.



Municipalities can produce and update a Generic Environmental Impact Statement (“GEIS”) for Smart Growth Districts.



Ensure the regulation is market realistic.



Streamline the review and approval process.

LEVERAGE INCENTIVES

SUPPORT HOUSING POLICY INITIATIVES



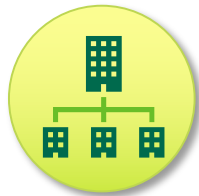
What is the region's Housing Policy?



Can zoning encourage "Smart Growth" with enhanced density and reduced parking requirements?



Why can't 10% at 80% AMI and 10% at 60% AMI be the norm with incentives?



IDAs, LDCs and PILOTs are the tools to build-out a successful Housing Policy



THANK YOU

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