

2. EXISTING CONDITIONS

The Village of Wappingers Falls is a well-established, predominately middle-income community located in the historic Hudson River Valley.

2.1 REGIONAL AND LOCAL SETTING

The historic Village of Wappingers Falls is located in the Hudson River Valley in southern Dutchess County, New York. The Village includes portions of the Towns of Wappinger and Poughkeepsie within its boundaries. Situated approximately 1.5 miles east of the Hudson River, the physical setting of the Village is quite impressive due to the presence of Wappingers

Creek, Wappinger Lake, the Falls and the gorge below the Falls.

State Route 9 traverses the east boundary of Wappingers Falls, and three primary entry points provide access to the Village. The north entry is via West Main Street (Route 9D), the east entry is via East Main Street (from Route 9), and the south entry is via South Avenue (Route 9D), which provides access from Interstate 84. Route 9D winds through the Village as South Avenue and then as East Main Street, where it crosses the Falls then turns north and becomes West Main Street.

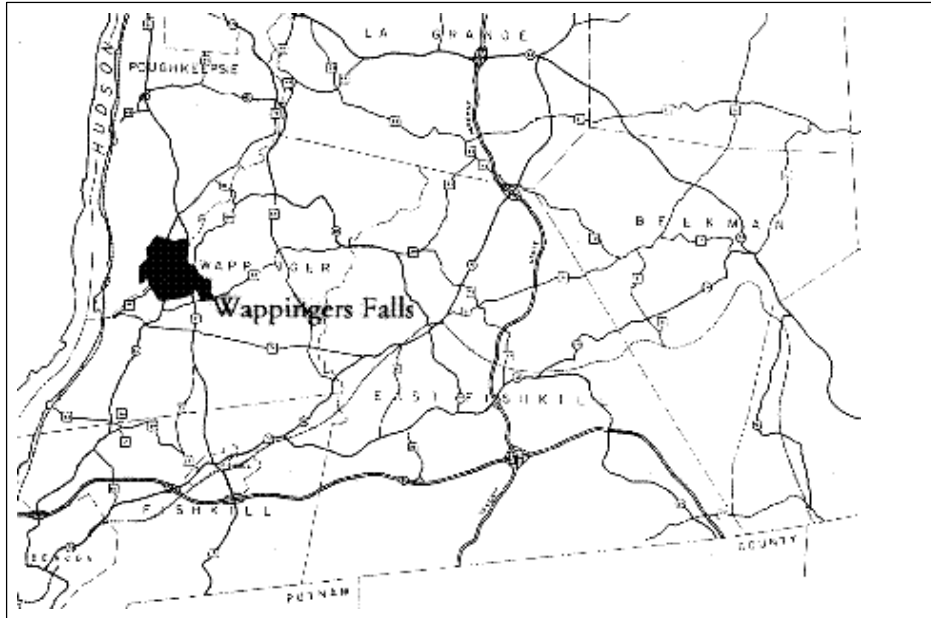
The proximity to Routes 9 and 9D is a mixed blessing. The beneficial aspect is that these routes provide excellent access to Interstate 84 approximately 10 miles south of Wappingers Falls. Eastbound Interstate 84 connects the southern end of Dutchess County with the Taconic Parkway (a major north-south thoroughfare linking Westchester County to Interstate 90) and to Connecticut, the gateway to New England. Westbound Interstate 84 connects southern Dutchess County with the bridge across the Hudson River to Newburgh, where it intersects with I-87, the New York State Thruway. Also located in Newburgh is Stewart Airport, which is an increasingly busy regional airport.

The drawback of Wappingers Falls' proximity to these major transportation corridors is that truck drivers and others who regularly use Route 9 know that Route 9D provides a direct link between Route 9 and I-84. As a result, Wappingers Falls endures a tremendous amount of commercial traffic which creates a need for continuous law enforcement. This problem is discussed in detail in Chapter 5.

Despite this problem, Wappingers Falls enjoys an excellent location about 15 minutes south of the City of Poughkeepsie, 90 minutes north of Manhattan, 90 minutes south of Albany, 50 minutes west of Danbury, Connecticut, and about 20 minutes northeast of Newburgh. The highway access, along with the Metro North commuter and Amtrak rail

stations in nearby New Hamburg, Beacon and Poughkeepsie, provide Village residents with numerous choices for employment, travel and shopping, and access to cultural and entertainment destinations.

Figure 1: Regional Location



Village of Wappingers Falls, New York

2.2 HISTORIC BACKGROUND OF WAPPINGERS FALLS

The Village of Wappingers Falls was settled about 1730 and was later incorporated in 1871. The presence of the Creek and the Falls attracted the first settlers. The Falls generated hydropower which fueled the industrial base of the local economy. The first industrial building was a flour mill constructed around 1738 by Adolphus Brewer who owned most of the land which was to become the Village of Wappingers Falls. The increasing agricultural activity in Dutchess County created a demand for flour production and related support industries. Peter Mesier, a New York City merchant, acquired Brewer's property in 1776, continued to operate and expand the mill, and then opened a shipyard. The Mesier Homestead remains as a monument to these founders of the Village's industrial base.

After the Revolutionary War, and heightened by the War of 1812, trade embargoes and anti-British sentiment created a demand for American-made products. This spurred the construction of small factories for manufacturing and printing cotton fabrics in the Village, beginning in 1819 with the establishment of a cotton mill on the Creek's west

side by John Gnans and Benjamin DeLavernge. The textile plants were consolidated under the corporate umbrella known as the Dutchess Company by 1850, and Wappingers Falls was then considered a factory town. Over 1,000 of the 4,210 residents in 1880 were employed by the Dutchess Company, many of whom lived in the 460 houses that the company built and owned.

Despite significant population growth, commercial expansion along West Main Street did not begin until the late 1860's. As noted in the National Register of Historic Places Inventory nomination form, "*the limited number of storefronts reflects the limited disposable income of the worker and disproportionate influence of the small managerial class. The number of civic structures in the business district distinguishes Main Street as a social common ground serving philanthropic interests of some and pretensions of others.*"

In 1909, the new owners of the Dutchess Company restricted their operation to bleaching and dyeing textiles, and the company then became known as the Dutchess Bleachery. By the late 19th century, industrial and commercial growth in the Village had subsided, and most construction was limited to infill housing along South Avenue and on the former Mesier property, which had been subdivided. The Depression caused the dramatic decline of aging plants, including the Bleachery. An opportunity may have existed for industrial revitalization of the Bleachery if management had not discouraged the inquires of firms, such as the National Biscuit Company, Ford Motor Company and General Electric, that expressed interest in acquiring the plant both for its facilities and its excellent work force. Although the Bleachery eventually closed in 1955, the Village's tradition as a "company town" reemerged after World War II with the establishment of IBM's manufacturing headquarters north of Wappingers Falls. Considering its industrial and company town roots, the influence of IBM on the post-World War II growth of Wappingers Falls was destined to be significant.

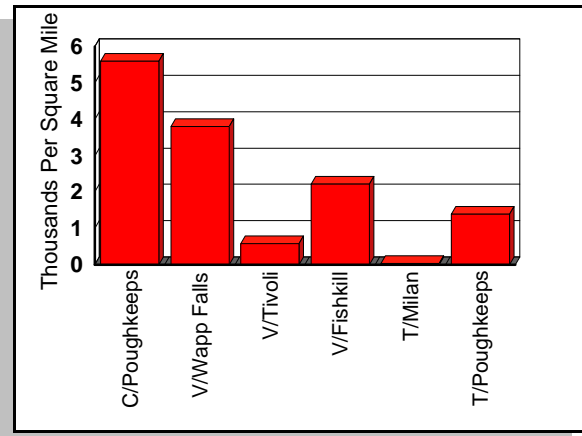
2.3 DEMOGRAPHIC PROFILE

A primary component in planning a community's future land use, capital improvements and public services is a thorough analysis of the socio-economic characteristics of its residents. This section includes discussions of population characteristics, such as age distribution, racial and ethnic background, household and family composition. Economic factors are considered in the following section and include income levels, employment, and economic conditions. The final section addresses housing. The data and trends discussed in the respective analysis of each of these factors provides the basis for developing strategies to address the needs of Wappingers Falls residents and businesses in the future. The complete socio-economic data can be found in the *Background Studies Supplement to the Comprehensive Plan*.

2.3.1 Population: Trends and Projections

Wappingers Falls is the second most densely populated community in Dutchess County. Although the 1.21 square mile Village comprises only 0.15 percent of the County's 802 square miles, the Village's 1990 population of 4,605 residents represented 1.8 percent of the County's total. This represents a density of 3,805 persons per square mile, second only to the City of Poughkeepsie. Density in other Dutchess County villages ranges from 589 persons per square mile in Tivoli to 2,234 persons per square mile in Fishkill. When the density of Wappingers Falls is considered in relation to that of other Dutchess County municipalities, the urban character of the community is obvious.

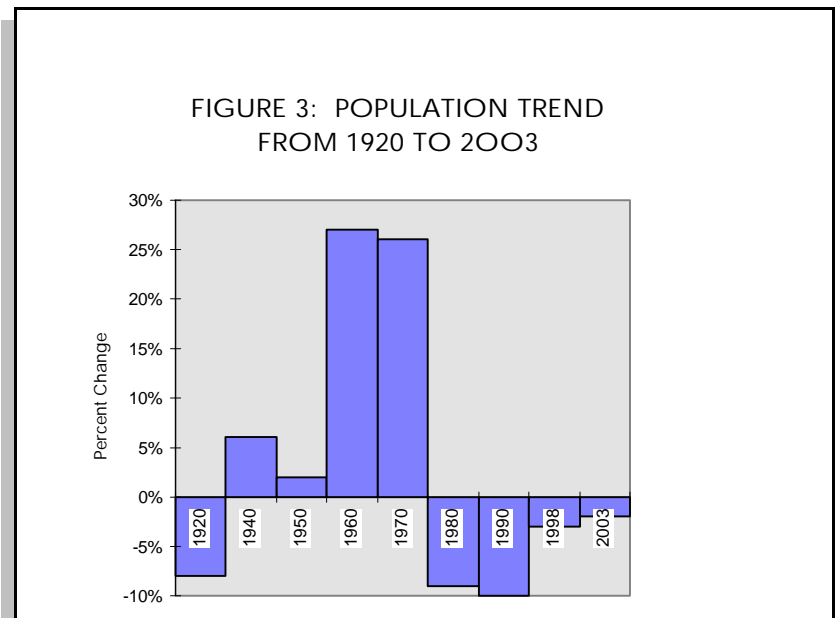
Figure 2: Population Density



Population shifts in Wappingers Falls since 1900 highlight some of the most significant events of the century. For instance, the Village population declined from 3,504 in 1900 to 3,235 in 1920, a loss of 269 people, or 7.6 percent. Contributing factors to this decrease may have been the influenza epidemic that claimed many lives in the early twentieth century, and the American involvement in World War I. The largest increases in population occurred between 1950 and 1960, when a 21.5 percent increase occurred, and between 1960 and 1970, when the Village gained an additional 1,170 residents, a 20.6 percent increase. These significant increases resulted from the post-World War II "baby boom," along with the establishment of IBM's engineering headquarters during the early 1950s a few miles north of the Village in the Town of Poughkeepsie, and the expansion of its operations in 1960-61 with the construction of its East Fishkill facility.

Another factor that contributed to the increasing population in the Village during the 1960s was the growth of suburbs throughout the country, particularly those with good access to employment centers.

FIGURE 3: POPULATION TREND FROM 1920 TO 2003



As the "baby boom" children approached teenage years, many people looked to the suburbs as a safer environment with larger homes and newer schools. New Yorkers were no different from other American city dwellers in this regard, and many moved to suburbs with neighborhoods perceived as safer, along with good transportation systems oriented to the car. By the 1960s, IBM's firmly established presence in the region contributed greatly to the recognition of Dutchess County an influential employment center, and this attracted many new families to the area.

However, population in Wappingers Falls has been declining since 1970 when the population peaked at 5,607 residents. The greatest decrease occurred between 1980 to 1990, when the Village lost 505 people or 9.9 percent of its population. By 1990, the population was only 4,605. In 1998, the Village population was estimated to have declined further to 4,507 residents, and the projected population for 2003 is only 4,411. Thus, population has been projected to continue to decline in the near future, although at a slower rate. A major factor contributing to the recent population decline was the downsizing of IBM and other corporations during the early 1990s.

2.3.2 Household Trends

The Village's decreasing population has been accompanied by declines in both the number of households and the average household size. Between 1980 and 1990, the number of households declined by 4.56 percent (to 1,862 households) and the average household size decreased from 2.62 persons per household to 2.47 persons. The decline in number and size of households is expected to continue, with a projected number of households in 2003 of only 1,821 and an average household size of 2.42. These declines reflect a national trend resulting from the aging of the "baby boomer" population. In addition, lifestyle alternatives, such as higher divorce rates, a decrease in the number of children per family, and a growing number of single parent households have further contributed to this trend.

2.3.3 Racial and Ethnic Characteristics

In 1998, the population of Wappingers Falls was predominantly White. The remainder of the population was comprised of 4.4 percent Black, 5.6 percent Asian, and 6.5 percent Hispanic. However, the Village's population is gradually becoming more diverse. Despite a population decline in 1998, minority groups increased from 8.6 percent of the population in 1990 to an estimated 16.5 percent in 1998. The trend towards increasing diversification is occurring on the County level as well. Between 1990 and 1996, the County's Hispanic population increased by 17 percent, while the Black population increased six percent. This trend is expected to continue as Metro North expands northward and more City dwellers discover that Dutchess County is within reasonable commuting distance.

2.3.4 Age Group Distribution

Consistent with the statewide trend, the number of elderly residents in the Village is increasing as a percentage of total population. In 1990, 15.3 percent of the residents were over 65. By 1998, this percentage had increased to 15.6 percent. The increase in the proportion of elderly people indicates that the “baby boom” generation is aging and, in general, people are tending to live longer. Another contributing factor may be the recent trend toward “aging in place.” As more home-care services become available, people are able to remain in their own home if they do require specialized health care.

Also consistent with the statewide demographic trend, the Village has seen a decrease in the percentage of young people. In 1990, persons age 35 and under comprised 54.3 percent of the total population in the Village, while in 1998, they comprised only 47.7 percent. This decrease may be due to the tendency of young adults to leave home for college or to relocate to pursue their goals. Developing youth programs may reverse this trend by encouraging young people to remain in the Village as adults. The Village should also adopt policies and programs to attract young families and singles to the Village. One approach is to work with banks and realtors to develop a home-buyer assistance program.

Age Group	Percent of Total Population	
	1990	1998
under 5	6.8	6.6
5-19	18.3	18.8
20-34	29.2	22.3
35-54	22.4	29.5
55-64	8.0	7.2
65 and over	15.3	15.6
Total	4,605	4,480

The greatest increase in age groups in the Village is seen in the “baby boom” generation. The baby boom, which occurred between 1946 and 1964, is reflected in the age 35-54 segment of the population, which increased dramatically from 22.4 percent to 29.5 percent of the Village population between 1990 and 1998. Baby boomers represent the largest segment of the Village’s population, and will have a strong voice in setting the community’s priorities in the future. Finally, the aging of the Village’s population is reflected in the median age of its residents, which is relatively advanced at 37.9 years in 1998.

2.3.5 Household Composition

Wappingers Falls is a stable, well-established community whose residents have deep roots in the community. The 1990 Census reported that one-third of all households were established prior to 1980, and 16 percent moved to the Village between 1980 and 1984. Even more impressive is the length of time that renters have lived in the same home. The 1990 Census indicates that 27 percent of renters had been at the same address for at least five years, and of those, 14 percent had moved in prior to 1980. However, the stability

of the Wappingers Falls community can be an obstacle to attracting young families to the area. In a developed community with a limited supply of vacant land, it is difficult to build houses large enough to accommodate families. Moreover, as more elderly people choose to remain in their homes, there is less turnover in the real estate market and fewer opportunities for home-ownership. As mentioned previously, efforts should be made to attract young families to the Village.

A number of other household characteristics reinforce the impression of Wappingers Falls as a stable, middle-class community. Married couples occupied half the households in 1990, while only about seven percent were occupied by individuals with no spouse and no child. Two-thirds of the households were family households. Half the residents of legal age were married, eight percent were divorced, and 11 percent were widowed. The proportion of divorcees is fairly low, which is reflected on the County level as well. The County-wide proportion of divorced people is only seven percent, which may be due, in part, to the large proportion of Roman Catholics in Dutchess County. According to the 1998 Data Book published by the Poughkeepsie Journal, 68 percent of Dutchess County residents with a religious affiliation were Roman Catholic.

The major contrast between Wappingers Falls and the County was the proportion of widows and married women. In the Village, 18 percent of women were widows and 51 percent were married. In the County, seven percent of women were widowed and 57 percent were married. The County-wide proportion of widows and widowers was nearly equal at seven percent and five percent respectively. In the Village, only three percent of men were widowers.

Over one-third of Wappingers Falls' elderly residents live alone, and over half live in family households. Given the extended length of residency of Village households, it is reasonable to assume that the majority of senior citizens have lived in the Village most of their adult lives.

As discussed previously, "baby boomers" make up the largest segment (29.5 percent) of the Village population. An additional 16 percent are in the 25-34 year age group. Thus nearly half of the Village's population are in an age range when people are most actively employed--either just beginning or at the peak of their careers.

About half of Village householders aged 25 to 64 years old are in the \$35,000 to \$74,999 income range. Twenty-nine percent of householders aged 45 to 64 years earns \$50,000 to \$74,999, and another 25 percent earns over \$75,000. The 25 to 44 year old age group includes only 14 percent in the \$75,000 and over income range, while 38 percent earn less than \$35,000. This indicates that many of these people are in the early stages of their careers; however, the income distribution for the 45 to 64 year old age group suggests that these younger workers have excellent earning potential.

The 65 years and over age group includes retirees and people who are nearing the final years of their work life. Although 34 percent of these householders earn less than \$15,000, this does not necessarily mean that a third of the elderly population is in poverty. Many have assets, such as their homes, savings, and investments, that are not included in annual income figures. The large proportion (42 percent) that earn \$15,000 to \$34,999 and the 24 percent that earn \$35,000 or more indicates that many in this age group earn a pension and are also continuing to work well beyond the traditional retirement age of 65 years.

2.4 ECONOMIC PROFILE

The economic profile of a community's residents can be drawn through an analysis of income data, educational background, and employment trends in the area. This section expands on the income discussion that concluded the preceding section to address these topics. It begins with a description of the income and educational background of the Village residents, and includes descriptions of major occupations and employers, unemployment rates, commuting time, and mode of transportation to work. The discussion concludes with an overview of the economic climate of Dutchess County and the Hudson Valley region in relation to Wappingers Falls.

2.4.1 Income Characteristics

Wappingers Falls is a middle-income community with nearly half of its households earning between \$35,000 and \$75,000. Another 14 percent earn over \$75,000. However, 27 percent of the households earn less than \$25,000. These are the households of concern when such issues as affordable housing and methods for moving renters into home-ownership are examined.

The 1989 median household income for Wappingers Falls was \$36,083 and the 1998 estimate is \$40,115. When compared to the other 29 Dutchess County communities, Wappingers Falls ranks eighteenth in income. In 1989, the median household incomes in the County ranged from \$26,853 in Millerton to \$54,510 in East Fishkill.

Another economic indicator that should be considered is household wealth. This is particularly important in a mature community with an aging population and a significant number of people on fixed incomes. Household assets considered in the wealth estimate include retirement savings, the current value of real estate and vehicles, and the market value of securities (stocks, bonds and mutual funds). Liabilities include mortgage balance, credit card balance, auto loans and personal loans. Liabilities are deducted from assets to estimate wealth.

In 1998, the average household wealth in the Village was \$107,741. This indicates that the primary asset of Village residents, like most Americans, is their home. However, nearly half of households in the Village had less than \$25,000 in wealth, and the estimated *median* household wealth was only \$36,929. This is due to the large proportion of households who rent, rather than own, their homes. On a more positive note, the length of time that most owner-occupants have lived in their homes indicates that many have seen a substantial increase in the value of their homes and probably have little or no mortgage balance.

2.4.2 Education

In 1990, one-third of Village residents over the age of 25 were at least high school graduates. Over 43 percent had some higher education, including 18 percent with Bachelor Degrees. In Dutchess County as a whole, 25 percent of the population had Bachelors Degrees, indicating a well-educated County population. The proportions of college graduates in the County ranged from 10 percent in Dover to 34 percent in the Town of Poughkeepsie. The Dutchess County proportion is higher than the percent of college graduates in New York (23.1 percent) and the United States (20.3 percent).

Given the many fine colleges and schools in Dutchess County, and the close proximity to educational centers in Orange County, Ulster County, Westchester County, New York City, and Connecticut, the high level of educational attainment should come as no surprise. Many fine colleges and universities are within a one hour commute of the Village of Wappingers Falls.

Wappingers Falls	18%
Dover	10%
Town of Poughkeepsie	34%
Dutchess County	25%
New York State	23%
United States	20%

2.4.3 Employment Trends

In 1990, approximately 96 percent of the labor force in the Village was employed. Sixty percent of employed persons were male, and 36 percent were female. The unemployment rate in the Village was roughly the same as the County average of three percent. In comparison, both the New York State and the national average unemployment rates in 1990 were nearly double the Dutchess County rate, at 5.2 percent and 5.5 percent, respectively. Between 1982 and 1998, the Dutchess County unemployment rate was less than the State and national rates in all but two years. The slightly higher unemployment rate in the County in 1993 and 1994 was due to the difficult economic conditions during the early 1990s when several IBM facilities in the area were affected by plant closings and thousands of employees were laid off. However,

the continual decrease in the County unemployment rate since 1994 indicates that Wappingers Falls is in a region with a relatively healthy economy. In 40 percent of Village households with children, both parents worked, as compared with half of County households. Twenty-seven percent of Village children had only one parent in the work force, as compared with 13 percent of children in the County as a whole. The large percentage of working women with children in the Village indicates that many are single mothers and the sole support of their families.

The Wappingers Falls occupational distribution is similar to that of the County in many areas. For instance, 60 percent of the Village's employed persons are occupied in sales or services, compared with 67 percent of County residents. However, the Census data on employment by industry indicates that the highest proportion of Village residents are employed in the retail or wholesale trade, while on the County level, the highest proportion are in professions.

The Public Opinion Survey conducted by the Comprehensive Plan Committee in January, 1998 indicated that the majority of Wappingers Falls residents still work close to home. Nearly two-thirds of the respondents said they worked in Southern Dutchess County, and 34 percent of these said they worked in Wappingers Falls. According to the 1990 US Census data, 76 percent of employed persons in the Village had less than a 30 minute commute, and only 12 percent commuted more than 45 minutes.

In 1993, the twelve major employers in Dutchess County provided 40,870 jobs, or nearly one-third of the employment in the County. IBM was, and still is, the County's largest single employer. However, after the peak employment year in 1990 when 121,000 jobs were based in Dutchess County, the region began to feel the effects of IBM's downsizing. By 1994, the total County-based employment had declined 15.8 percent to 102,000. In 1995, employment was on the rise and, by the close of 1997, the number of jobs had increased to 106,500. The economic upturn was primarily due to about 50 corporate expansions and relocations between 1993 and 1997, rather than the result of activity by a single firm. The County's recovery is continuing due to increased diversification and efforts to discourage the dominance of a single industry or corporation. Ironically, 400 of the new jobs in Dutchess County

Table 5:
Major Employers in Dutchess County, 1992-1993

Employer	Type	Employees
International Business Machines (IBM)	Manufacturing	11,000
State of New York	Government	9,500
Federal Government, including Post Office	Government	1,600
Local Government, including Education	Government	11,500
Central Hudson Gas & Electric Corp.	Utility	1,375
St. Francis Hospital	Hospital	1,238
Vassar Hospital	Hospital	1,200
Vassar College	Education	1,005
Texaco	Petroleum	685
Marist College	Education	935
Bard College	Education	382
Culinary Institute of America	Education	450
Total Major Employers Jobs		40,870
Total County Employment		121,000

were created by Micrus in East Fishkill, a joint venture between IBM and Cirrus Logic. This venture was bought out by Phillips in the Fall of 2000, and now employs over 1,200 people. In November of 2000, IBM announced that it would undertake a \$2.5 billion expansion at its East Fishkill plant. The purpose of the expansion is to create an advanced semiconductor facility. IBM expects that it will create 1,000 new jobs by 2003.

Another phenomena spurred by the economic downturn in the early 1990s was the growth of home-based businesses. In 1990, 2.4 percent of Dutchess County residents and 1.2 percent of Wappingers Falls residents worked at home. Since 1990, the number of home-based workers has increased significantly. According to the National Personal Transportation Survey (NPTS) conducted by the US Department of Transportation, in 1995 about 6 percent of Dutchess County residents worked from home. The state-wide proportion was fairly close to that of Dutchess County with about five percent working from home. With the advent of telecommuting and the increasing availability of rapid Internet access, home-based businesses are expected to increase.

Government and educational institutions continue to be major employers in the County, although the number of State jobs has dropped from about 9,500 in 1993 to 7,000 in 1998. A major contributor to this decrease was the closing of the Harlem Valley Psychiatric Center in 1994, which caused an economic crisis in eastern Dutchess County similar to that of IBM-dependent communities like Wappingers Falls. Thus, the danger of relying on a dominant industry is very real throughout the County and makes the recent growth of small businesses an encouraging sign. Numerous restaurants, small retail shops, and services have emerged as a result of the influx of new residents, many of whom have moved up from the New York Metropolitan area in search of a quieter, more affordable lifestyle, and by countywide efforts to bolster the tourism industry.

2.5 HOUSING CHARACTERISTICS

The housing stock of a community is a major determinant of its quality of life and its ability to attract new residents. Mature communities like the Village of Wappingers Falls must confront such problems as an aging housing stock, a limited amount of developable vacant land, and a proliferation of rental units. Housing characteristics reported in the 1990 Census for residential building construction during the past decade, and the condition of the housing stock throughout the Village are the issues discussed in this section.

2.5.1 Type of Housing

The housing stock in Wappingers Falls is urban in character. Only one-quarter of the Village’s 2,058 dwelling units are single-family detached residential structures, as compared to 62 percent in the County. The largest portion of housing stock in the Village is multi-family (structures with two units or more), which accounts for 60 percent of units. In contrast, multi-family units comprise only 28 percent of the County’s total. Many residential units in Wappingers Falls are located in converted single-family structures which can only be distinguished as multiple residential by the number of electric meters or mailboxes.

	Village	County
Single-Family Detached	27.8%	62%
Single-Family Attached	9.6%	3.5%
2 Unit Structures	19.3%	7%
3-4 Unit Structures	11.2%	7%
5-49 Unit Structures	20.4%	12.6%
50+ Unit Structures	9.5%	1.8%
Mobile Homes, Trailers	2.2%	6.1%
Total Multi-Family	60.4%	28.4%

➔ Important Planning Concern: *A problem with the oversupply of multiple-residential structures throughout the Village is that it limits the opportunities to increase owner-occupancy and creates a need for building code enforcement (especially where illegal single-family to multi-family conversions occur), which can result in property neglect by absentee landlords.*

2.5.2 Age of Housing

One-third of the housing in the Village was built prior to 1940. Many of the residences in the vicinity of downtown Wappingers Falls were built as workers’ housing by the Dutchess Company and date back to the last half of the 19th century. The Wappingers Falls Historic District, which was listed on the National Register of Historic Places in 1984, includes 125 residential structures. The list of historic sites in Wappingers Falls can be found in the *Background Studies Supplement*.

The next flurry of construction activity in the Village occurred between 1950 and 1970, when over 40 percent (877 dwelling units) of the housing was built. This period coincides with the “baby boom” era, the suburbanization of America, and the growth of IBM. Another

Construction Period	% of Homes Built
Before 1940	33%
1940-1950	6%
1950-1970	43%
1970-1980	12%
1980-1990	6%

238 units were constructed between 1970 and 1980. Construction activity then declined to 134 units between 1980 and 1988.

Of the 208 new units constructed during the 1990s, only four were single-family detached homes. The rest were multi-family residences, including a six-unit building constructed in 1994, a 32-unit senior citizen complex built in 1995, a 12 unit building constructed in 1997, and a four-unit building constructed in 1998 to replace a six-unit building destroyed by fire. In 1999, the Village approved 150 multi-family units for senior citizens on Imperial Boulevard.

Single-Family Detached	4
Multi-Family Units	204
Total Units Built	208

✓ Important Planning Concern : *The decrease in single-family residential housing is greater than the data reflects because the residential construction activity report does not include single-family houses illegally converted to multiple-residential structures.*

2.5.3 Renter-Occupied Housing Conditions and Rents

The abundance of multiple residential structures in Wappingers Falls has resulted in a predominantly renter-occupied housing stock. In 1990, over half the housing units in the Village were renter-occupied, which is considerably higher than the County's proportion of 31 percent. Furthermore, 10 percent of the Village housing units were vacant, while the county-wide vacancy rate was only eight percent. These figures are relatively high for a municipality the size of Wappingers Falls, and are indicative of the age of its housing stock. Many of the rental units are in former large, single-family houses. The conversion of these houses to apartments further reduces the already limited opportunities for home ownership. It also creates the problem of neglect by absentee landlords.

✓ Important Planning Concern : *Unless some limitation is established on future conversions, it will be difficult to attract young home-owners to the Village. The recent and continuing in-migration of metropolitan NY residents to Dutchess County, many of whom have relatively high incomes and good earning potential, presents a great opportunity to revitalize the Village. However, if the conversions are not curtailed there will be a minimal amount of housing available for single-family home-ownership.*

Affordability is an indicator that measures housing cost as a percentage of income. When a large proportion of households pay over 30 percent of their income for housing, this usually implies that the housing supply falls short of demand. In 1990, the Village was among the most affordable communities in the County, with most renters paying 25

percent of their income to rent and utilities. The County-wide percentage was 26 percent, indicating that housing was affordable to most Dutchess County renters. In 1990, median rent in the Village was \$530 a month, the same as in Dutchess County.

✓ Important Planning Concern : *Affordable rent is a positive feature as related to cost of living. On the negative side, it may indicate that supply exceeds demand, creating vacancies and property neglect that poses a potential threat to neighborhood character.*

2.5.4 Owner-Occupied Housing Condition and Value

Given the high proportion of rental units in the Village and the shortage of single-family homes, the 1990 median housing value in the Village of \$118,904 is somewhat of an anomaly. One would expect that the limited amount of single-family residential housing would push the housing value to a price above the County-wide median value of \$149,200. However, the 1990 housing value in the Village was one of the lowest of any municipality in the County, which ranged from \$111,600 in Tivoli to \$179,300 in the Town of East Fishkill. The relatively low housing value may have been due, in part, to the onset of IBM's downsizing and the ensuing economic problems in the early 1990s.

Nearly half of the Village's owner-occupied housing values ranged from \$100,000 to \$149,999. The next largest range was \$75,000 to \$99,999, with 25 percent. The remaining one-quarter of the values were scattered throughout the ranges below \$200,000. Only 3 percent of the owner-occupied housing stock was valued over \$200,000.

Affordability for owner-occupied housing is determined by the percentage of income paid for housing costs, including total mortgage payment, taxes, insurance, and utilities. The affordability measure for owner-occupied housing is the same as for renter-occupied housing, namely 30 percent of income. In 1990, Dutchess County was generally affordable, with most owner-occupants paying less than 30 percent of income for housing costs. The affordability measure for the County ranged from a low of 18 percent in the Town of Washington to a high of 27 percent in the Town of North East. In Wappingers Falls the affordability measure was 19 percent, considerably lower than the County-wide average of 22 percent.

Housing values in the County remained relatively stagnant in the early 1990s due to the economic problems in the region. Since 1995, the housing market has recovered, and values have increased significantly with the gradual diversification of the economy and the in-migration of more affluent people seeking a more affordable and quieter quality of life.

Recent price listings in the Village indicate a demand for smaller houses. The average listing prices for two- and three-bedroom houses increased 18 percent and three percent respectively, while the average prices for four- and five-bedroom houses declined by 18

percent and four percent. The prices for townhouses were higher than those for two-bedroom houses and not much less than the average for three-bedroom houses. Furthermore, two family structures were listed for prices lower than single-family houses and townhouses.

➔ Important Planning Concern: *The apparent demand for two- to three-bedroom residences, and the similar prices between two-family structures and the smaller single-family houses, makes it understandable that an owner of a large single-family house would be tempted to convert it to a two-family residence. The rent from a second unit provides additional income for an owner-occupant. For an investor, the price is low enough to consider acquisition of the property. These conversions are depleting the single-family housing inventory in the Village. Unless this situation is curtailed, it will be impossible to raise the proportion of homeowners. The danger in allowing the proliferation of rental units to continue is that the blight resulting from neglectful and/or absentee landlords will continue to creep into neighborhoods until it is beyond control. This, in turn, will make it increasingly difficult to attract potential home owners to the Village.*

2.5 SUMMARY

The Village of Wappingers Falls is a well-established, predominately middle-income community with a relatively high level of educational attainment. As the Village's population ages and as more of its younger residents leave the Village to live and work elsewhere, retaining or attracting new young people to the Village will be an on-going challenge. In addition, the Village must encourage the development of more single-family homes. In recent years, new construction has been dominated by multi-family structures, and numerous conversions of single-family homes to multi-family units have occurred. To attract new young families to the Village and to maintain its single-family character, the Village must reverse this trend.