

Big Houses, Small Wallets

Matching still-slim Sullivan County salaries with the houses they can afford is the newest challenge on the horizon

By Jason Dole

So what is affordable housing? Well...how much money do you have? Depending on the context and the person speaking, the phrase “affordable housing” can mean many things. It’s such a sticky, gray-area topic” says **Jeremy Gorelick**, local developer and President of Emanon Equities.

Gorelick is all too familiar with the flexible and fickle nature of the term. At a recent national conference on affordable housing, he was surprised to find a workshop about helping second home buyers find “affordable housing”.

“The idea of worrying about what a second home buyer can afford is incongruous with the concept of affordable housing” says **Gorelick**. “... How can that be justified?”

Gorelick says that affordable housing is a key issue for any community within a two-hour radius of New York City. He also says that Sullivan County is “severely lacking” in housing that falls somewhere between government subsidized housing and regular “market-rate” housing.

More projects need to come on line that provide for that market niche” he says. “Homes in the \$250,000 range are needed, but that doesn’t help the growing number of people who are lower to middle-class who need housing as well.”

Of course, that’s the problem: while the need for affordable housing has grown, so has the overall cost of housing in Sullivan County.

Joe Czajka, Community Development and Grants Supervisor at the Sullivan County Division of Planning, says that the median income for a family of four in Sullivan County is \$50,000 a year. Accordingly, they should be able to afford a home that is \$125-150,000, but, he says, the median cost of a house in Sullivan County is now between \$180-190,000.

So, on the average, the difference between the actual price of a home and what a family of four can afford is about \$50,000, equivalent to what that family makes in a year.

“There’s the gap” says Czajka. “At the 2000 census, we were still under a hundred thousand dollars (for the median cost of a house). It basically doubles, and the wages have not.”

Imagine a young married couple with one full-time job, one part-time job and maybe a growing family. These are the people who are least likely to find an affordable house in Sullivan County says Patricia Pomeroy. She sees both ends of the housing spectrum through Elliot & Pomeroy Realtors (her real estate company) and through her role as vice president of the Sullivan County chapter of Habitat for Humanity.

Pomeroy uses the hypothetical example of the household where, for instance, a prison guard’s salary of \$35,000 is joined with that of a spouse who’s working a part-time job at Wal-Mart or Kohl’s for (give-or-take) \$9 an hour. If this couple has two kids and all the expenses that come with parenting, they’re likely to be out of luck when it comes to finding a house they can afford.

“There’s not a lot there for them,” says Pomeroy. A family like this could afford a home priced between \$120,000 and \$130,000. In that price range, the couple might be able to find a mobile home (which is not much of an investment for the young couple), or they might find a handyman special (which would require continuing investments of cash that the couple may simply not have).

In the case of a Habitat for Humanity house, the families who are eligible for a home must have a good credit rating and track record of employment. Debt alone can keep some people out of the running.

Then, even if a couple or individual can afford a home, the taxes might price them out of the market. In the case of the county's two Habitat homes (one that is built in Monticello and one that is being built in Liberty), the cost of the taxes is more than the cost of the mortgage payment.

So, what's to be done? Pomeroy says that one sign of recognition of the housing problem is that realtors are getting involved with programs like Habitat for Humanity. She also concedes that housing question is as much a policy question as it is anything else.

So, as Town Supervisor in the Town of Rockland, Pomeroy says she supports a new plan to build senior housing units in Livingston Manor. When senior citizen move into places that are easier to maintain and less costly, their old family homes are freed up as starter homes for young families, which is one way of gaining more housing stock in a market that's having trouble coming up with it on its own.

"No matter how you slice it, affordable housing is something that absolutely needs to be reviewed in Sullivan County" says **Jeremy Gorelick**. For him it's not just an issue of finding people a place to live, but an issue that affect the integrity of local communities. **Gorelick** points out Sullivan County has a diverse population, and it would be a disappointment to bar people from the area because they can't afford to live here.

"It's great to have all types of people in an area" he says. "Limiting it to weekenders or second homeowners does not help Sullivan County with creating a more colorful picture."

Gorelick is currently overseeing the construction of the "Schoolbell Townhouses" above the High School in Liberty. Priced between \$120-147,000, he's proud that these condominiums fit the definition of affordability. The first closings at Schoolbell are going through now, three families are moving in at the end of this month, and more are slated to follow in the following months.

"We are all very pleased with the sales and the type of person coming in" says **Gorelick**. He says that they have seniors that are living on a fixed income, people who are two or three years out of some sort professional school (nurses, police officers) who are looking for a first home, and people who are looking for a transitional home into the community.

Gorelick is confident in his commitment to affordable housing in the area, though his work in other places has shown him how flexible the term "affordable" can be.

"One of my projects on Long Island that's "affordable housing" would definitely not qualify as affordable housing up here," he says. There's nothing wrong with affordable housing being a relative term from place to place. The trick is getting consensus within a locality, and **Gorelick** would like to see that happen at an upcoming Housing Summit.

"I hope that part of what comes from next week's conference is a clear definition of what affordable housing is in Sullivan County" says **Gorelick**. Of course, he points out, even if people can agree on a definition, there's nothing obligating professionals to adhere to it.

"Who is going to ensure that that standard is met?"