

# **HIGH TAXES, LOW GROWTH & MISSED OPPORTUNITIES**

## ***A Multi-Part Report by Concerned Geneva Taxpayers***

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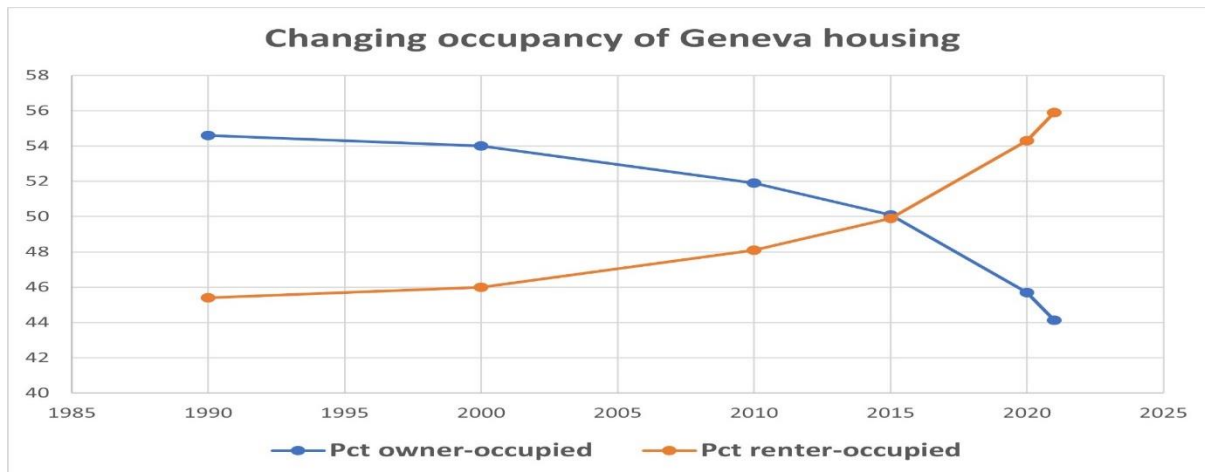
### **INSTALLMENT TWO: HOUSING STOCK**

A municipality's demographics (including its poverty rate) and the quality of its housing stock are related factors to consider when seeking to assess the desirability of committing to a community. Also, a decline in one of those aspects tends to lead to an increase in the other, and the City of Geneva does not appear to be doing particularly well on either front.

From 1960 through 2022, the population of the City declined from 17,286 to 12,503, a 28% decrease. While this is somewhat consistent with the experience of other rural municipalities in central and western New York, the population of Ontario County did, in fact, increase by 66% during that same period. While the City's decline was exacerbated by a slow but steady migration of some of the City's better-heeled residents from the City to the Town, other dynamics played a role as well, as will be seen later in this installment and the installments to follow.

It is clear, based on some of the remarkable and historic homes in the City, that many once thought Geneva was a great place to live. Nevertheless, and in light of its many and significant civic positives, including its extraordinary location in the region's burgeoning wine industry, it is hard to understand why the City has been unable to achieve far better results when it comes to the condition of its housing stock.

A key shift in the Geneva housing market over the past three decades, as shown in the chart below, has been the decrease in owner-occupied housing, with an accompanying increase in renter-occupied units. While not always an indication of decline, this is certainly not a positive sign for the direction in which a community is headed.



Another related circumstance requiring evaluation is the amount of rent subsidies being pumped into the economy, as that is likely indicative of a move downward in the financial resources of the renter cohort. In 2022, those subsidies totaled approximately \$4,800,000, and are reflective of the pro-active approach the Geneva Housing Authority and others have taken in recent years towards providing subsidized housing in Geneva for those in need. In fact, the City’s current property assessment roll lists 47 properties controlled by the Geneva Housing Authority. Of the 29 single family homes included in that total, 28 are assessed at less than \$100,000, which is below Geneva’s median home value for owner-occupied homes as pointed out below.

The National Low-Income Housing Coalition estimates that households in Ontario County needed an annual income of \$40,240 in 2021 to afford a two-bedroom unit. According to the 2020 U.S. Census, a third of the City’s households made less than \$35,000. The poverty rate in Geneva has steadily climbed over the past three decades, and, depending on the measure used, is now at a mid-20% to 30% level. Exactly where the “point of no return” for a community’s “recovery” actually lies, it seems inarguable that the City needs to strive for (and incentivize) a more healthy balance in its population mix.

In addition to the increase in subsidized housing, many of the City’s larger homes have been carved up to allow for multi-tenant occupancy. While some of this was probably inevitable given the change and evolution in lifestyles and the aversion (or inability) many have to maintaining a large residence, it’s not at all clear that there was any concerted effort to resist this trend and save one of the City’s most interesting attributes.

New single-family home construction is virtually non-existent in the City of Geneva, with permits for the construction of roughly 32 total new units over the past 22 years having been identified. This compares to 190 (or more than six times as many) in the Town of Geneva and 326 (more than ten times as many) in the City of Canandaigua over the same period. The decline in owner-occupied home values, when adjusted for inflation, is also concerning, with the 2022 median value of owner-occupied homes in the City of Geneva being \$106,100. Most of the country is headed in the opposite direction, with the national median sales value of a single-family home during that same 22-year period having increased by approximately 182%.

If the City of Geneva has any hope of being seen as a vital community where people want to live, it would seem essential that it successfully address the condition of its housing stock and related population mix. We’ve been forewarned: in a study conducted by Charles Buki’s firm completed

in December 2008 (titled “A Report on Strategic Investments in Community Health and Strong Markets), it was said that “The question is not whether to intervene. Geneva has no choice. No indication of market health is more important than comparative population gain and loss. People leave places that fail to inspire confidence.” This was 15 years ago! Unfortunately, addressing this problem does not seem to have ranked high on the City’s priority list.

*Next: Installment Three – New Development*

*Concerned Geneva Taxpayers is a small group of individuals with a mission of informing the public about aspects of the financial crisis that is engulfing the City of Geneva and threatening to further limit the quality of life here. More on the organization can be found at [www.concernedgenevataxpayers.org](http://www.concernedgenevataxpayers.org).*