

Ideas for Creating More Affordable & Diverse Housing in Saratoga Springs while preserving “The City in the Country”

It is expensive to live in Saratoga Springs. This is the downside of the decades-long success story that transformed a down-and-out community in the 1960s and 1970s into the thriving city we love today. We are the envy of similarly sized cities all over New York and throughout the northeast, but it is still increasingly difficult for people of low and moderate means to afford to live here and to find the type of housing to fit their needs.

We have an affordable housing problem, and some are suggesting that we abandon the “City in the Country” concept—the bedrock principle of our Comprehensive Plan—to solve it. **Sustainable Saratoga urges that we not abandon the thing that makes Saratoga Springs special with quick-fix solutions that will not work. Rather, we need to tackle the hard work laid out in the 2015 Comprehensive Plan to make our community more affordable for its citizens.** We do not need to reinvent the wheel—but we do need to take action.

The issue of affordable and diverse housing is difficult and complex. We and other resort communities have been attempting to address these issues for many years. There is no single clear-cut approach. Addressing it will require ongoing discussion and sustained effort. In collaboration with the entire community, Saratoga officials should re-examine the city’s affordable housing policies and programs in the interest of long-term sustainability.

In recent years, cities across the country have adopted a variety of broader and more comprehensive measures to address their affordability challenges, some of which could work in our city. We present some of them in this paper with the hope of beginning a community discussion about which measures might be adopted and, where appropriate, incorporated into our zoning regulations. We encourage the city to bring all stakeholders together to identify and implement new programs and ordinances that could be slightly revised or modified to meet our specific housing needs.



The Comprehensive Plan is the vision

The opening page of the Saratoga Springs 2015 Comprehensive Plan states:

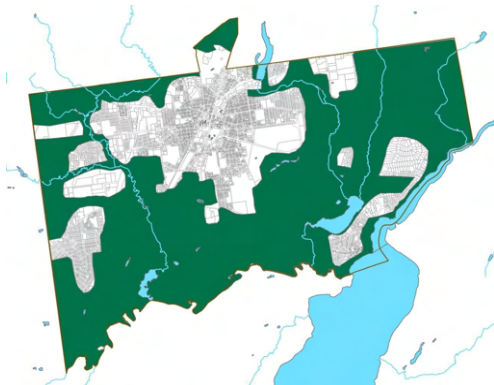
“The overriding philosophy that will guide future development of our “City in the Country” will be sustainability. Sustainable development meets the needs of the present without compromising the ability of future generations to meet their own needs.”

To be sustainable, our city needs a greater diversity of housing types that are affordable over a range of income levels, particularly for employees of local businesses, residents who grew up here and wish to remain, and older people. The city's housing goals are well articulated in the 2015 Comprehensive Plan (see **appendix A**). However, progress toward meeting them has been limited. Developers are continuing to choose to build most of their new housing for high-income households. Our 2015 Comprehensive Plan has a plethora of recommended actions, but we have barely touched them. Rather the City has mostly relied on the work of several not-for-profit entities to provide affordable housing for a select set of populations with special needs.

In the adopted 2015 Comprehensive Plan, the city has retained its commitment to the identity of Saratoga Springs as “the City in the Country.” The vision statement begins:

“Saratoga Springs is the “City-in-the-Country.” This concept reflects a city with an intensively developed urban core and an economically vibrant central business district, with well-defined urban edges and an outlying area of rural character, comprised of agriculture, open lands, natural and diverse environmental resources, and low-density residential development.”

The “City-in-the-Country” theme is a simple yet powerful expression of the development pattern that has long supported Saratoga Springs’ outstanding economic success and quality of life, and has protected our city’s environmental resources and aesthetic qualities. Our award-winning main street, the hallmark of our vibrant downtown, and the outlying area of rural character known as the Greenbelt are characteristics that have made Saratoga Springs unique among upstate New York cities in attracting visitors, businesses, and an increasing number of people who want to live here.



Some have suggested that we can solve our affordable housing crisis by relaxing the protections for the Greenbelt, allowing the core urban area of the community to sprawl outward into the “country.” Simply allowing more development in the Greenbelt will put our natural resources and our sustainable future at risk while doing little or nothing to reduce home prices. It will compromise the very thing that makes Saratoga Springs special.

Rezoning the Greenbelt to allow a higher density of housing would:

- Violate the 2015 Comprehensive Plan, which calls for the area surrounding the urban core to have low-intensity development.
- Not guarantee additional affordable housing units. History has shown that most new residential development has been constructed for high income households.
- Increase costs for the construction and maintenance of new roads and utilities.
- Increase traffic and the impacts of automobile use, including carbon emissions.

- Increase costs for delivering municipal services.
- Cause fragmentation of wildlife habitat and adversely impact sensitive environmental areas.
- Compromise the very basis of the “City-in-the-Country” framework of the Comprehensive Plan

While some commercial and development interests in the city have pushed for the expansion of residential development into the Greenbelt, simply building more housing in the Greenbelt will not reduce housing costs. In keeping with the overall vision of the 2015 Comprehensive Plan, new approaches to affordable and diverse housing should largely be confined to the urban core.

Defining Affordability

According to the US Department of Housing and Urban Development (HUD), a residence, whether owned or rented, is not affordable if the occupants are paying more than 30% of their income for housing costs, including rent or a mortgage, taxes, utilities, and insurance.

A sustainable community should strive to provide adequate housing for households in all income categories.

Our Housing Needs are still Significant

Saratoga Springs is a desirable place to live. Housing demand is strong and prices are among the highest in the region. Even with a moderate increase in the number of new homes and apartments in recent years, the average home price has continued to rise.

A number of trends affecting the local housing market have reduced the availability of affordable housing and are expected to continue.



- Demand is strong for single-family homes, multi-family condominium and rental units, and second homes.
- The increasing cost of land and housing has been squeezing lower- and middle-income residents out of the city.
- An increasing number of housing units have been converted into short-term rentals and removed from the residential housing market. Some units are being bought and converted by out-of-town investors. Saratoga County has estimated that nearly 1,000 housing units within the city are being advertised for short-term rental.

Housing needs are not likely to be met through the free market alone. Housing should be viewed as the right of all citizens, not a privilege for those who can afford it.

Marketing home ownership as a financial investment artificially inflates housing costs and worsens the affordability problem.

According to data from the Capital District Planning Commission (CDPC), in 2020 the population of Saratoga Springs was 28,491, an increase of 1,905 from 2010. The planning commission's data shows that in 2020 the city had 14,605 housing units, a gain of 1,669 units since 2010, or an annual increase of 170 units – about 1%. One third of new housing units were single family homes, while two-thirds were in multi-family structures. The number of people per housing unit fell from 2.13 in 2010 to 2.11 in 2020.

In 2016, the most recent year of available planning commission data, 3,550 households in Saratoga Springs – 26% of all households in the city – spent more than 30% of their income on housing costs, including:

- 24% of all homeowners, or 1,171 households
- 37% of all renters, or 2,379 households

Past housing initiatives have not produced enough results

The City has relied mostly on the work of several not-for-profits to provide affordable housing for a select set of populations with special needs, but has supported a few specific programs and projects and has implemented some land use policies and regulations that support affordable and diverse housing.

- The City Council has supported efforts by the Saratoga Springs Housing Authority and some private developers to seek federal and state grants for the construction of guaranteed affordable housing. There are approximately 500 such subsidized housing units within the city, including senior housing, workforce housing, and those whose occupants receive rental subsidies under the Housing Choice Voucher Program (Section 8).
- The City Council also has supported the development of a few single-family homes sponsored by Habitat for Humanity and has used HUD Community Development funds to rehab existing housing for low- and moderate-income residents.
- Since 1990, successive zoning ordinances have included voluntary density bonus incentives in some zoning districts. However, with one exception, developers have not used the incentives.
- For more than 20 years, zoning ordinances allowed “temporary accessory dwellings,” or in-law apartments, in almost all zoning districts of the city. But fewer than 20 units were created. The 2021 UDO eliminated the provision.

- In 2003 the City Council rezoned a significant portion of underutilized land in the urban core for higher-density mixed-use development, creating the T-6, T-5 and T-4 zoning districts. As a result, many multi-family buildings with nearly 2,000 new residential units have been constructed. However, none is guaranteed to be affordable. Though some people believed that building more residential units would decrease demand and lower housing costs, demand remains high and costs continue to rise.
- In 2006 and again in 2017, the City Council considered a proposed inclusionary zoning ordinance for Saratoga Springs that would have required new housing projects to include a prescribed proportion of units that would be affordable by low- and middle-income households. In exchange, the developer would be awarded a density bonus. Each time the Council declined to act on the proposed ordinance.

Tackling affordable housing will take action—but we have a good blueprint.

In order to foster a more sustainable community in Saratoga Springs, new residential development should continue to be directed to the urban core, where vacant or underutilized developable land is still available. The City should initiate new programs and land use regulations that will increase the affordability of housing that is well integrated into every neighborhood, consistent with the numerous recommended actions from the 2015 Comprehensive Plan.

There are several policies that other cities with similar characteristics have implemented to provide more affordable and diverse housing. Some of them could work here.

- **Inclusionary Zoning** - Inclusionary zoning is a municipal ordinance that would require new housing projects to include a small percentage of affordable units in exchange for a density bonus that would relieve the developer from absorbing the cost of the lower-income housing. The goal is to promote income-integrated communities by ensuring that new housing developments have a mix of income levels.
- **Subsidies for Single-site Workforce Housing** - A community can promote the development of low-income housing by encouraging developers to apply for available federal and state funding and tax credits. Though this approach can result in a relatively rapid increase in the number of affordable housing units, it has the disadvantage of segregating the population by income. Workforce housing is generally understood to mean affordable housing for households with earned income that is insufficient to secure quality housing.
- **A Diversity of Housing Types** - A zoning ordinance can encourage more affordable housing by allowing innovative housing types, such as cooperative housing, co-housing, micro-housing, and concierge housing.
- **Temporary Accessory Dwellings (TADs)** - TADs, which can be restricted to specific defined conditions, such as limiting them to extended family or home

healthcare providers, can be permitted as a density bonus allowing one more residential unit on a lot than otherwise permitted by the zoning ordinance.

- **Regulating Short-Term Rentals** - It is estimated that in Saratoga Springs there are nearly 1,000 short-term rental units, many owned by investors and absentee landlords who have converted residential units into tourist accommodations. An ordinance can be crafted to limit the impacts of short-term rentals on available housing.
- **Housing Trusts** - Not-for-profit land trusts or housing trusts compete on the open market for sites to build and operate affordable housing. Trusts can be supported by foundation grants, large donations, government subsidies, or impact fees on market-rate housing.
- **Higher Housing Density** - In residential areas within the urban core that have single-family zoning, increasing allowable housing density can encourage the construction of two- to four-family buildings with more affordable purchase and rental prices.
- **On-site Housing for Employees** - Some resort communities allow special onsite housing accommodations for employees of commercial projects, providing affordable housing for the employees of retail stores and offices, as well as institutional, agricultural, and industrial uses.
- **Reducing On-site Parking Requirements** - To reduce development costs, on-site parking requirements can be reduced or eliminated for defined affordable housing.

It's hard. But it's not too hard.

We have the vision, and now we need to do the work. We are not alone. Affordable housing is an issue around the country. We can learn from others while we develop the actions that make sense in Saratoga Springs. City government and those interested in housing issues should work together to review all options, educate the public, and build consensus on the best approach for our city.

On October 2, 2023 this policy document was endorsed by the Land Use Committee. On February 12, 2024 this policy document was adopted by the Board of Sustainable Saratoga.

APPENDIX A: 2015 SARATOGA SPRINGS COMPREHENSIVE PLAN RECOMMENDED ACTIONS FOR HOUSING

- 3.4-50** Encourage a range of residential opportunities that will be available to all residents to promote the social and economic diversity vital to a balanced community.
- 3.4-51** Actively promote affordable housing of all types and tenure throughout the City, and avoid overconcentration in any one area to reduce the potential for isolation of income groups.
- a. Promote diversity of housing types in close proximity to employment centers such as Downtown, the hospital, Skidmore College, the racetracks, etc.
 - b. Encourage the development of higher density residential alternatives within the urban core including the conversion to residential use of upper floors in commercial districts.
 - c. Make greater use of City-owned properties for affordable housing and consider acquiring additional properties for this purpose.
- 3.4-52** Promote the implementation of the City's "Consolidated Plan" to achieve identified community development objectives and increase the availability of safe, affordable housing and promote the pursuance of funding opportunities to assist with implementation.
- 3.4-53** Support existing and consider new partnerships to address housing needs. Continue supporting collaborative efforts to develop additional affordable housing with organizations such as the Saratoga Affordable Housing Group and Saratoga Springs Housing Authority.
- 3.4-54** Rehabilitate and develop affordable housing via a "whole-site approach" with attention to site location and layout, façade design, pedestrian movement and accessibility, adequate infrastructure provision, and sensitivity to historic preservation and neighborhood context. This will also assist to revitalize and/or preserve existing neighborhoods.
- 3.4-55** Assist At-Risk Persons with housing needs.
- a. Provide adequate temporary shelters for the homeless and at risk population.
 - b. Increase supportive housing and services that enable persons with special needs to live in dignity and independence.
 - c. Assist homeless and persons at risk of becoming homeless in obtaining affordable housing.
- 3.4-56** Promote more effective development incentives.
- a. Consider incentives, such as density bonuses, temporary property tax relief from building setback, and parking requirements, to encourage affordability.
 - b. Consider providing infrastructure incentives for developments with affordable units.
- 3.4-57** Address procedural items related to housing Citywide.
- a. Review zoning, subdivision, building codes, and develop policies to actively encourage affordable housing construction or redevelopment.

b. Investigate appropriate opportunities for the conversion, building, and permanent residential use of building code compliant accessory buildings such as carriage houses and garages.

c. Promote more aggressive enforcement of housing codes and zoning regulations.

3.4-58 Identify funding resources to assist the City and its residents in meeting its housing needs.

a. Consider establishing dedicated funds (e.g., development fees, nonprofit PILOT programs, etc.) or land trusts for affordable housing development, land acquisition, construction subsidies, etc.

b. Maximize participation in Federal and State funding programs for the construction and rehabilitation of affordable rental and homeowner units.

3.4-59 Provide housing opportunities to support an aging population.

a. Encourage construction of senior housing in proximity to transit service as well as health and community services.

b. Allow for diverse types of senior housing such as: cooperative housing, concierge housing, senior rooming houses.