

NKF Migration Analysis for Ulster and Dutchess Counties

Background

- Membership and Board requested additional data for Ulster and Dutchess counties following Nov 2021 Town Halls.
- Engaged NKF for the additional analysis.

Summary Points

- United States Postal Service (USPS) data shows that while there was a large inflow to Ulster and Dutchess counties in 2020, outflows in 2021 and to date in 2022 outpace the gain from 2020, **resulting in net outflows since the start of the pandemic for the region overall.** Outflow is defined as migration out of the area.
- Ulster, Dutchess and Putnam counties have had **net inflows** since 2020, but have now **reverted to the long-term outflow trend.** Inflow is defined as migration into the area.
- The largest inflows from NYC in absolute terms were seen in **Suffolk and Nassau counties** on Long Island, with smaller numbers relocating to Westchester County and Fairfield County in CT. Counties directly across the Hudson River in NJ also had significant inflows.
- Historically, when small cities across the Hudson Valley have been “revitalized” the **net impact is an overall population decrease** because **smaller more affluent households displace larger less affluent households.**
- Increased home sales are **not** a good indicator of population growth because **housing supply growth has been limited** and most sales are of existing homes where the **sellers intend to move elsewhere.**
- Historically across the Hudson Valley, population changes have had a strong racial factor with **higher income white families displacing lower income minority families**, as seen in the city of Hudson from 1990 to 2017.

Conclusions

- The magnitude of inflows in 2020 for Ulster and Dutchess counties was **anomalous and has not altered the long-term trend, suggesting further decline in the future.**
- While the demographic that makes up the Hudson Valley will likely continue to change, this will **not** result in a significant population increase because **housing price increases will accelerate outflows and slow the rate of inflows.**

Property Strategy Impact

No change to our current property strategy is warranted at this time.