



City of Covington

COMMUNITY PROFILE

Covington City, KY
Geography: Place

41,920	1.03%	2.22	48.1	37.8	\$51,730	\$172,519	\$54,842	22.8%	62.6%	14.7%
Population Total	Population Growth	Average HH Size	Diversity Index	Median Age	Median HH Income	Median Home Value	Median Net Worth	Age <18	Age 18-64	Age 65+



15.6%
Services

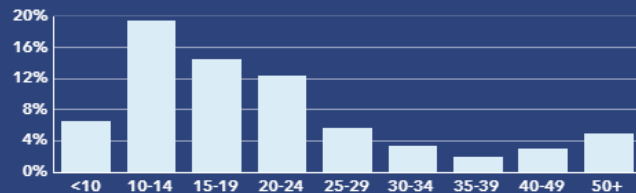


24.6%
Blue Collar



59.8%
White Collar

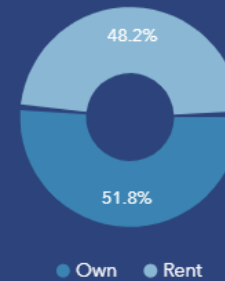
Mortgage as Percent of Salary



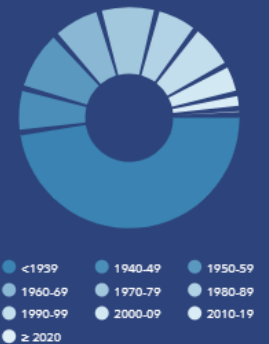
Age Profile: 5 Year Increments



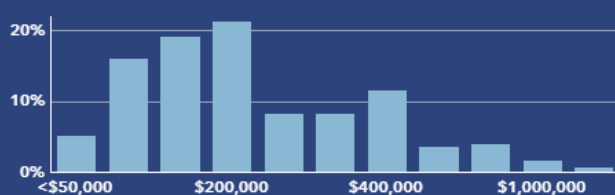
Home Ownership



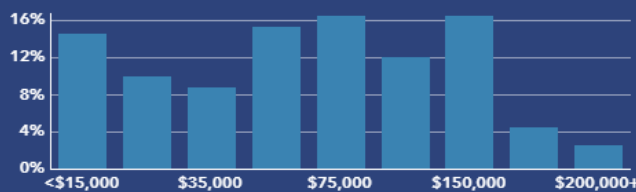
Housing: Year Built



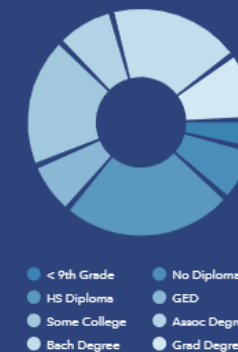
Home Value



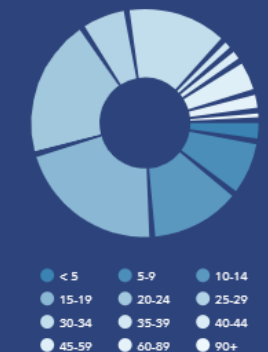
Household Income



Educational Attainment



Commute Time: Minutes



Source: Esri, ACS, Esri forecasts for 2022, 2017-2021, 2027.

Dots show comparison to **Kentucky**



High Level Analytical Take-Aways

- **Connectivity:**
 - Covington is the major urban hub of the NKADD region with close proximity to both Boone's logistics employment center and downtown Cincinnati
 - The central location means it is also easy to get to, with many people commuting to Covington rather than living where they work
- **Economy:**
 - Covington's share of medical and public sector jobs is growing at a faster rate than neighboring counties, signaling strong growth in middle to higher-income professions
 - Conversely, Covington contains a higher share of low-income households, many of whom are commuting elsewhere to work
- **Housing:**
 - Covington's new development is concentrated in the rental market as new infill rental units and conversion of units back to duplexes and triplexes is common in walkable, historic districts. Lack of available space constrains the development of new single family tract housing, a housing type common elsewhere in the region. New development is targeting professionals who work both within Covington and Cincinnati.
 - The stock of affordable rental housing is high in Covington relative to elsewhere, hence why many people in lower-income industries live in Covington and work elsewhere. Many affordable units, however, are older and in substandard condition. Redevelopment may ease pricing pressure on higher quality affordable units, but a targeted strategy to increase the stock of deeply affordable units for those earning less than 50% AMI is necessary.
 - Balance must be struck to encourage development without displacement, such as encouraging transit-oriented development projects that trade height easements for affordability requirements. Infill and remodels – especially towards rejuvenating duplexes, triplexes and rowhouses in targeted neighborhoods – could increase the stock of more affordable market-rate rentals and ownership housing, creating additional housing stock for those commuting to Covington for work in middle income occupations but currently living elsewhere.

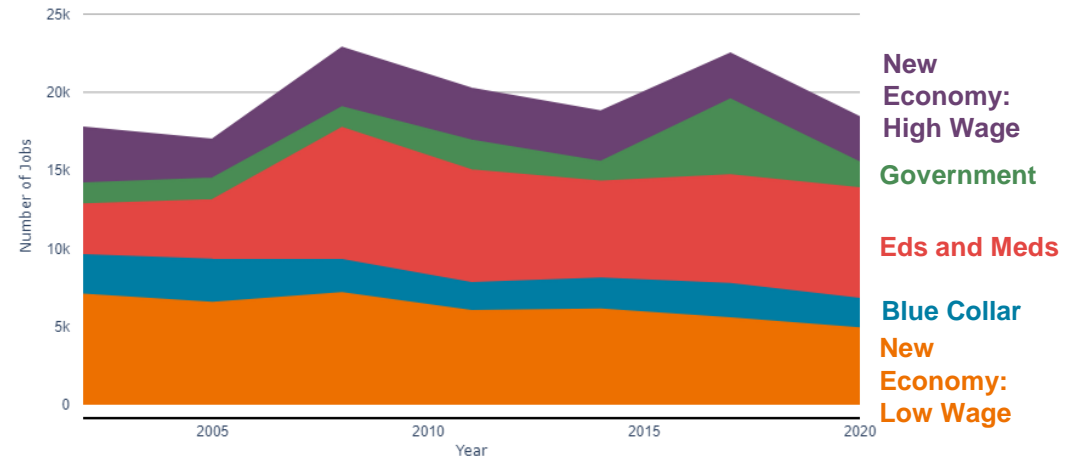


A Regional employment center for Eds and Meds jobs

As a regional urban center, the city of Covington is an employment center with government, education, and medical jobs represented in higher proportions compared to the rest of the NKADD region. Growth has been fastest in the Eds and Meds sector. The lower wage service sector jobs are concentrated in retail and food service as the region's larger logistics warehouses are in more suburban locations with cheaper land and larger lots.

City of Covington Industrial Structure

Source: LEHD, 2002-2020

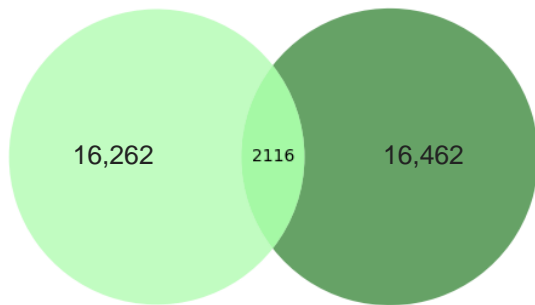
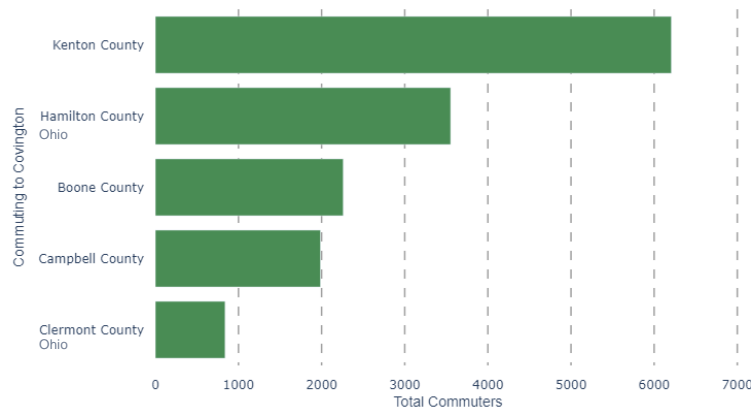


Employees come from across the region

Chart and map of home locations for county employees

Commuting to County Jobs

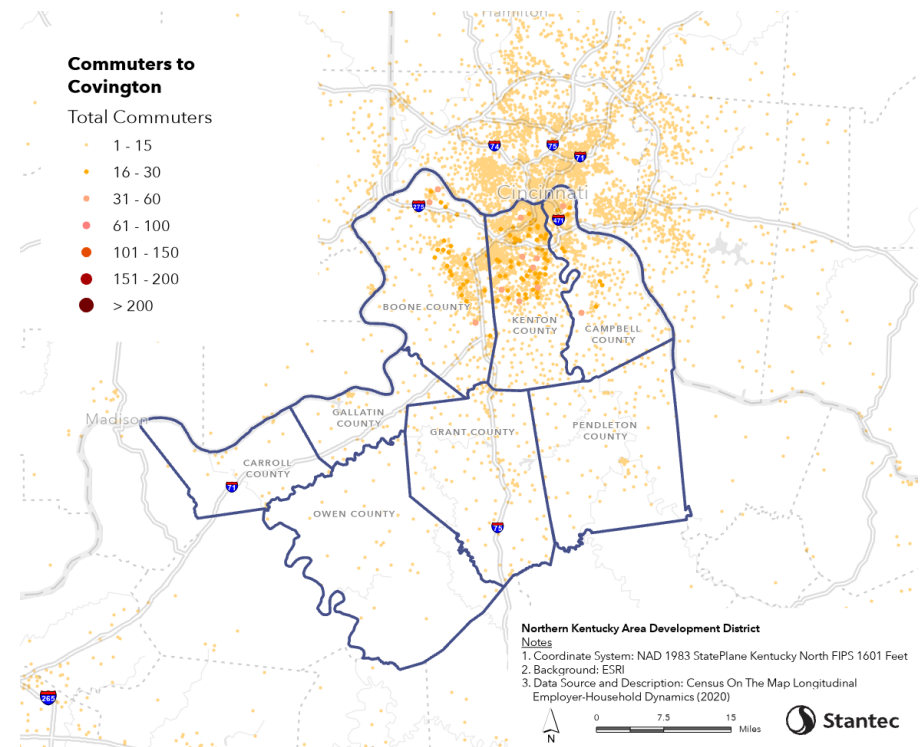
Source: LEHD, 2020



Work in Covington, Live Elsewhere

2,116 Live and Work in Covington

Work Elsewhere, Live in Covington





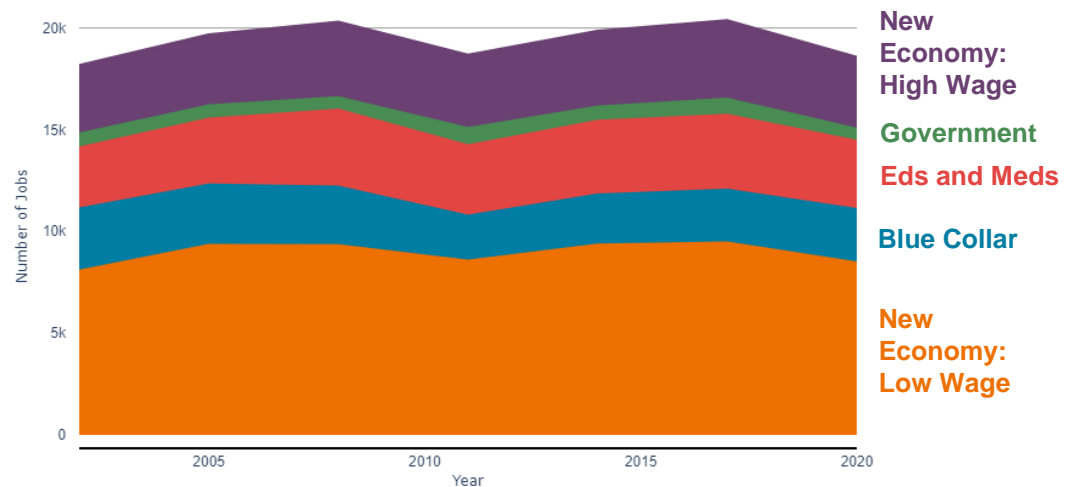
Many Covington residents work in lower-wage New Economy industries outside the area.

Many Covington residents work in lower wage industries outside of the city of Covington, with many commuting to Boone and Hamilton counties to work in retail and warehousing. There are also higher proportions of the region's lowest earning households concentrated in Covington. As a result, the median household income is \$20K less than Kenton County as a whole.

There is also a slowly growing contingent of New Economy high wage and Eds and Meds workers who live in Covington proper, especially in the downtown region where redevelopment is creating housing for younger professionals.

Covington Residents: Industry Sector Employed

Source: LEHD, 2002-2020



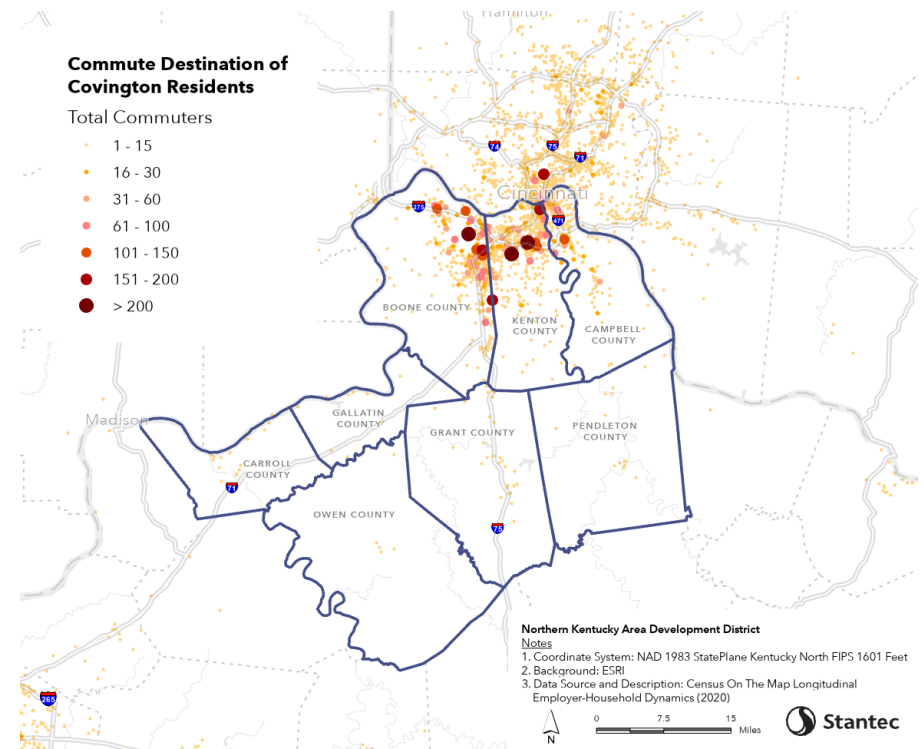
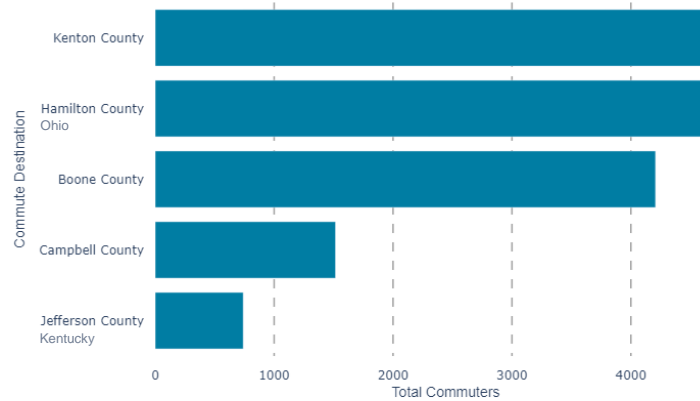


City of Covington: A broad commuting profile

Chart and map of work locations for city residents

County Residents: Commute Destination

Source: LEHD, 2020





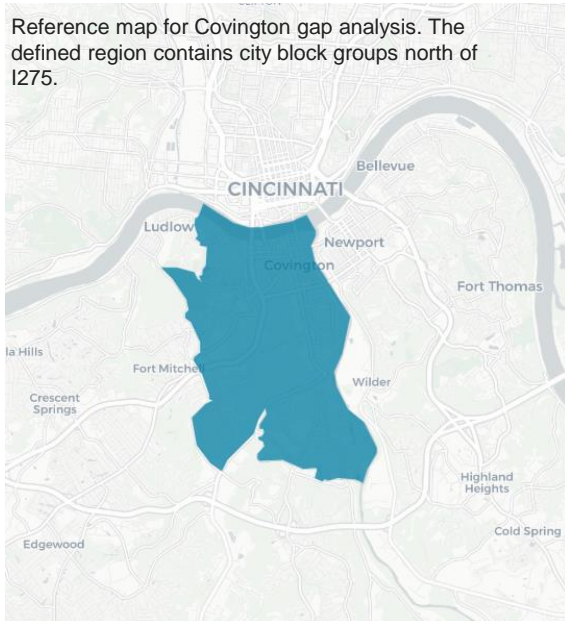
Covington contains a larger proportion of low-income houses in the rental market, and strong demand for mid-sized, middle-income households

Deeply affordable housing is required for a large proportion of current Covington residents. This also reflects the present of more dense senior housing and public housing available currently available in Covington.

Housing demand: households profiled by tenure, size, and spending capacity

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper

Household Income Required	Max Monthly Housing Cost	Rent				Own			
		1BR	2BR	3BR	4BR+	1BR	2BR	3BR	4BR+
Less than \$15000	\$313	969	870	422	79	57	201	356	112
\$15,000-24,999	\$521	544	549	337	98	34	163	297	64
\$25,000-34,999	\$729	442	553	299	51	24	160	351	111
\$35,000-49,999	\$1,042	579	698	372	79	34	208	570	169
\$50,000-74,999	\$1,563	377	600	392	79	41	298	920	361
\$75,000-99,999	\$2,083	116	218	144	29	30	126	625	321
\$100,000-149,999	\$3,125	83	160	141	38	17	164	756	581
\$150,000-199,999	\$4,167	33	35	35	12	3	24	155	181
\$200,000 or more	--	24	31	10	2	5	26	149	295





Covington supply contains higher proportions of lower income rental housing and mid-tier ownership.

Covington contains a large stock of rental housing, ranging from older mixed-use neighborhoods with duplexes, triplexes, and townhomes, to suburban garden and low-rise style apartment complexes, to luxury high-rise and mid-rise apartments near the river.

The city also contains a higher concentration of single-family homes in mid to lower price points, a consequence of older housing stock relative to newer developments further afield.

Housing supply: units categorized by tenure, size, and monthly cost

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper

Household Income Required	Max Monthly Housing Cost	Rent				Own			
		1BR	2BR	3BR	4BR+	1BR	2BR	3BR	4BR+
Less than \$15,000	\$313	9	0	0	0	6	37	57	17
\$15,000-24,999	\$521	416	4	2	0	31	190	125	14
\$25,000-34,999	\$729	1,279	549	13	0	83	404	425	52
\$35,000-49,999	\$1,042	1,299	621	314	13	82	783	1,714	256
\$50,000-74,999	\$1,563	376	1,060	625	18	40	451	1,352	498
\$75,000-99,999	\$2,083	259	639	971	222	16	229	566	350
\$100,000-149,999	\$3,125	144	184	115	491	3	143	374	477
\$150,000-199,999	\$4,167	0	53	16	22	3	77	69	116
\$200,000 or more	--	0	0	0	0	3	42	70	59



Covington needs more affordable rental units relative to current supply.

Housing is relatively balanced with a slight lack of housing for middle incomes.

Difference between supply and demand: units by tenure, size, and monthly cost

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper

Household Income Required	Max Monthly Housing Cost	Rent				Own			
		1BR	2BR	3BR	4BR+	1BR	2BR	3BR	4BR+
Less than \$15000	\$313	-967	-870	-422	-79	-51	-164	-299	-95
\$15,000-24,999	\$521	-472	-547	-336	-98	-3	27	-172	-50
\$25,000-34,999	\$729	-236	-419	-292	-51	59	244	74	-59
\$35,000-49,999	\$1,042	-442	-555	-231	-77	48	575	1,144	87
\$50,000-74,999	\$1,563	-265	-110	175	-62	-1	153	432	137
\$75,000-99,999	\$2,083	-63	333	811	193	-14	103	-59	29
\$100,000-149,999	\$3,125	-78	-101	-26	453	-14	-21	-382	-104
\$150,000-199,999	\$4,167	-33	-13	-19	10	0	53	-86	-65
\$200,000 or more	--	-24	-31	-10	-2	-2	16	-79	-236

Note on interpretation: Blue cells denote a deficit of housing at that size and price point. For example, there is a deficit of one- and two-bedroom units in the home ownership market. The darker the color, the deeper the deficit. Red cells represent a housing surplus, or where the supply of housing is larger than current demand. Here, there is a surplus of 3- and 4-bedroom units in mid-price ranges.



New Ownership: New tracts outside the municipal area are attracting development.

* 'New' Development is post-2000

New construction is sparse relative to new ownership development elsewhere in the region as available greenfield sites are sparse. Most new development are infill projects.

Not included here are remodeled properties that are common in historic neighborhoods that have essentially refurbished units to 'new' standards.

Household Income Required	Max Costs	Condominium			Duplex	Manufactured Home	Single Family				Townhouse
		1BR	2BR	3BR	4BR	2BR	1BR	2BR	3BR	4BR+	4BR+
Less than \$15,000	\$313	0	0	0	0	0	0	2	1	3	0
\$15,000-24,999	\$521	0	0	0	0	3	1	3	1	1	0
\$25,000-34,999	\$729	0	0	0	0	0	3	7	10	4	0
\$35,000-49,999	\$1,042	0	0	0	0	0	0	1	9	15	0
\$50,000-74,999	\$1,563	0	1	0	0	0	0	0	6	1	0
\$75,000-99,999	\$2,083	0	0	0	1	0	0	1	6	5	0
\$100,000-149,999	\$3,125	1	27	3	0	0	0	3	22	10	0
\$150,000-199,999	\$4,167	1	30	0	0	0	0	1	8	9	1
\$200,000 or more	--	2	18	11	0	0	0	1	3	2	5

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper



New Rental: A mix of garden and infill luxury low and mid-rise are entering the market.

* 'New' Development is post-2000

Household Income Required	Max Costs	Apartments			Duplex				Triplex			Garden			Low-Rise			Mid-Rise		Hi-Rise		Single Family					
		1BR	2BR	3BR	1BR	2BR	3BR	4BR+	2BR	3BR	4BR+	1BR	2BR	3BR	1BR	2BR	3BR	1BR	2BR	1BR	2BR	1BR	2BR	3BR	4BR+		
\$15,000-24,999	\$521	0	0	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
\$25,000-34,999	\$729	6	0	0	2	4	0	0	3	0	0	0	4	0	23	22	0	0	0	0	0	0	0	0	0	0	0
\$35,000-49,999	\$1,042	0	6	1	0	2	6	0	0	6	0	56	0	0	18	22	26	0	0	0	0	0	0	0	0	0	0
\$50,000-74,999	\$1,563	52	14	0	0	1	11	4	0	1	1	0	49	0	5	13	4	0	0	0	0	7	34	51	1		
\$75,000-99,999	\$2,083	0	14	4	0	1	5	38	0	0	4	0	0	15	0	0	0	19	0	15	0	2	2	11	26		
\$100,000-149,999	\$3,125	0	0	0	0	0	0	15	0	0	17	0	0	0	0	0	0	0	67	140	0	1	1	2	19		
\$150,000-199,999	\$4,167	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	32	0	0	1	3		

Source: Woods & Poole, Replica, ACS, CoStar, Apartments.com, Padmapper

New rental construction is diverse, ranging from suburban low-rise and garden apartments to new mid-rise and hi-rise units in downtown Covington. Many of the low-rise and garden apartments are competitively priced, whereas mid-rise and high-rise markets are targeting higher income professionals who may work in Covington and Cincinnati but currently live elsewhere.



Covington is expected to add more higher-income households with projected moderate growth.

This graph tracks total household change over time by income to indicate overall trends as well as growth or reduction within individual income brackets.

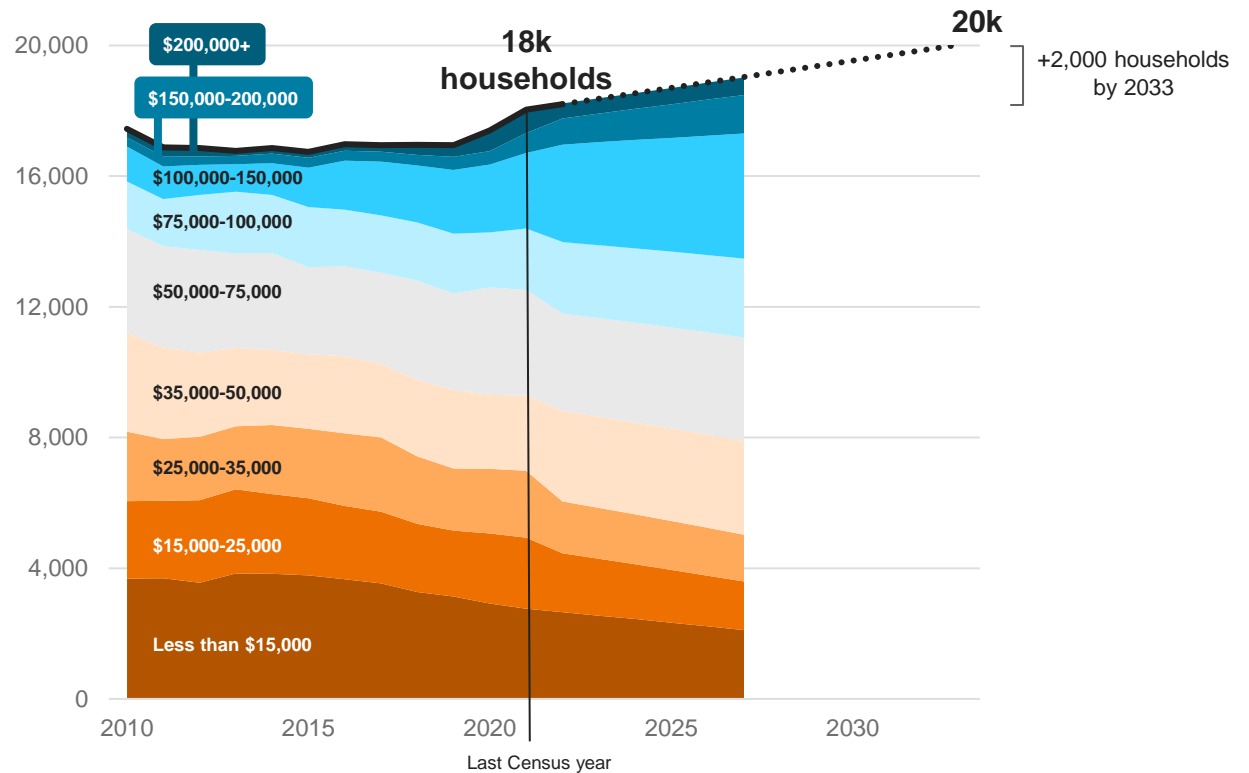
These income brackets correspond to household income and housing unit cost levels on other charts in this section to help compare the current status with historical and future conditions.

Covington is relatively stable and is expected to see slight growth.

Households, by income bracket

Source: ACS, ESRI, Woods & Poole

Households





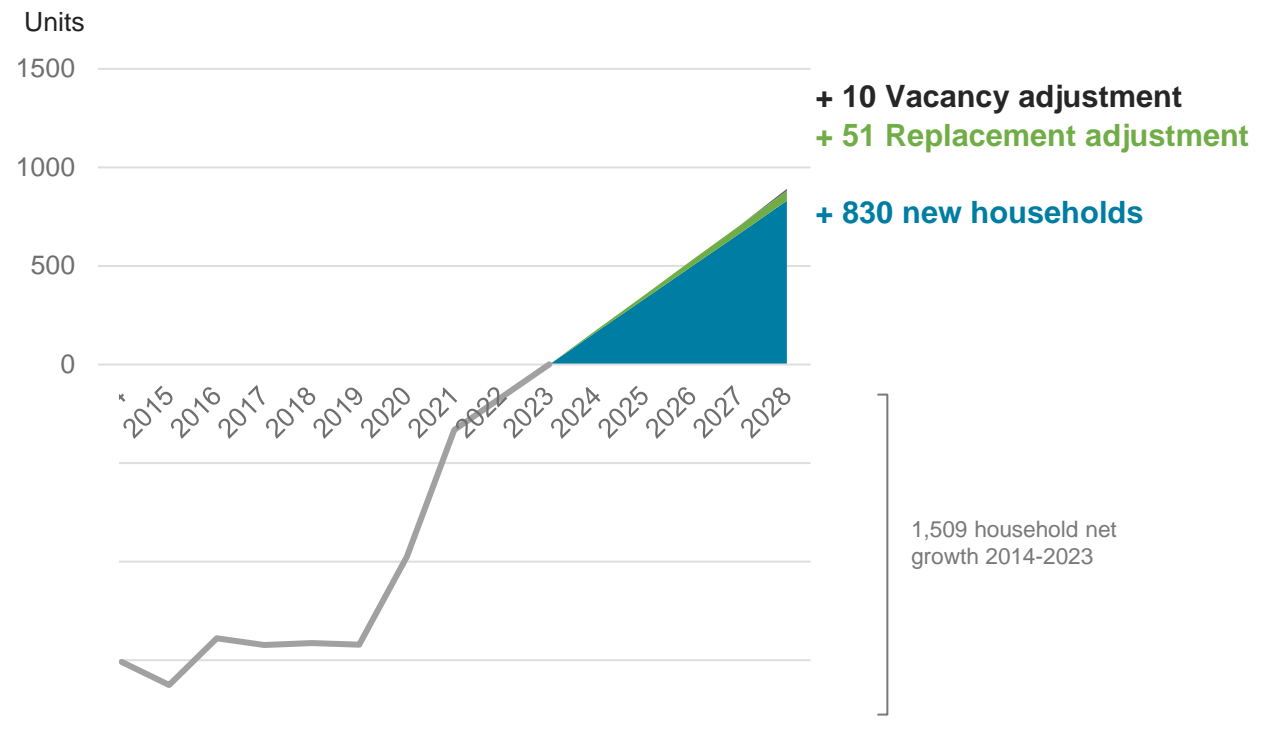
Production needs

This forecast indicates the housing production necessary over the next 5 years to accommodate projected new households while also incorporating other market dynamics such as organic unit replacement and vacancy fluctuations.

The totals at right combine to represent the number of new units required to meet demand driven by these new households.

2028 Housing production need forecast: **891 units**

Source: ACS, ESRI, Woods & Poole





Five-year production need

This step in the analysis translates the production need forecast into a distribution of needed housing units in terms of cost, tenure (rent/own), and bedroom count.

Larger numbers indicate unit types (cost/tenure/size) that should be developed at higher volumes to meet expected household growth.

Smaller numbers indicate unit types less urgently in need based on projected household growth.

The table is annotated with the approximate % AMI levels associated with each monthly cost bracket to help indicate which batches of units might require subsidy or other support to deliver. In general, housing that is affordable to households at or above 120% AMI is considered feasible to develop without subsidy.

5-year production need: new units by tenure, size, and monthly cost to accommodate the forecasted household growth and any replacement and vacancy adjustment

Maximum monthly housing cost	Rent				Own				
	1BR	2BR	3BR	4BR+	1BR	2BR	3BR	4BR+	
\$313	35	32	14	4	2	4	6	2	<60% AMI
\$521	22	23	11	2	1	3	5	2	
\$729	20	22	10	2	1	3	6	2	
\$1,042	34	40	21	5	2	8	18	6	
\$1,563	31	39	23	6	2	10	27	11	
\$2,083	16	24	17	5	1	7	28	16	60-80% AMI
\$3,125	16	29	25	9	1	10	47	40	
\$4,167	3	7	6	2	0	3	15	19	80-120% AMI
More than \$4,167	1	2	2	1	0	1	6	10	>120% AMI

Notes:

- **Darker purples** indicate proportionally higher production volumes needed.
- **Lighter purples and white** indicate proportionally lower production volumes needed.
- *Kenton County's Area Median Income (AMI) = \$103,600*