Rockingham Planning Commission Fair Housing Equity Assessment

January 2015

This Fair Housing Needs Assessment is intended to analyze the data that is available related to the region's housing stock. In addition to the analysis of regional conditions as they relate to the state of New Hampshire, it is intended to help identify the unique characteristics of the region. It also offers information regarding concentrations of certain populations to determine if these populations are faced with undue barriers to housing. The FHEA was completed to explore other factors that may be barriers to housing access (such as cost or transportation constraints). This analysis allows communities to better assess housing needs and impacts at a deeper level than what the basic housing chapter can provide. It provides further analysis in order to better describe the factors that might be barring people from access to adequate housing in the region. This can assist communities in developing more comprehensive local development strategies if they wish.

Description of Geographic Region for Analysis

The Rockingham Planning Commission is comprised of 26 communities in southeastern NH. For this housing assessment information was utilized at the county, municipal and census tract level. At the census tract level each community is one census tract except for the communities of Exeter, Hampstead, Hampton, Portsmouth, Salem and Seabrook. In addition Kensington and South Hampton are a combined tract and Newfields and Newmarket are as well.

Demographic and Socioeconomic Trends

As reported in the population table above the region, county and State have all experienced relatively high and sustained growth over the last 30 years. For each region, The RPC area, the county and the State of New Hampshire, the highest growth period was from 1980-1990 and the slowest growth occurred in the decade from 2000 to 2010.

Table FHEA 1. Total Regional Population in 1990, 2000 and 2010.

Municipality	1990	2000	2010	1980 to 1990	1990 to 2000	2000 to 2010
Atkinson	5,188	6,178	6,751	1.7%	1.8%	0.9%
Brentwood	2,590	3,197	4,486	2.6%	2.1%	3.4%
Danville	2,534	4,023	4,387	6.8%	4.7%	0.9%
East Kingston	1,352	1,784	2,357	1.8%	2.8%	2.8%
Epping	5,162	5,476	6,411	4.1%	0.6%	1.6%
Exeter	12,481	14,058	14,306	1.2%	1.2%	0.2%
Fremont	2,576	3,510	4,283	6.8%	3.1%	2.0%
Greenland	2,768	3,208	3,549	2.7%	1.5%	1.0%
Hampstead	6,732	8,297	8,523	5.9%	2.1%	0.3%
Hampton	12,278	14,937	14,976	1.6%	2.0%	0.0%
Hampton Falls	1,503	1,880	2,236	0.9%	2.3%	1.7%
Kensington	1,631	1,893	2,124	2.1%	1.5%	1.2%
Kingston	5,591	5,862	6,025	3.1%	0.5%	0.3%
New Castle	840	1,010	968	-1.1%	1.9%	-0.4%
Newfields	888	1,551	1,680	0.8%	5.7%	0.8%
Newington	990	775	753	3.3%	-2.4%	-0.3%

Newton	3,473	4,289	4,603	1.2%	2.1%	0.7%
North Hampton	3,637	4,259	4,301	0.6%	1.6%	0.1%
Plaistow	7,316	7,747	7,609	2.7%	0.6%	-0.2%
Portsmouth	25,925	20,784	21,233	-0.1%	-2.2%	0.2%
Rye	4,612	5,182	5,298	0.2%	1.2%	0.2%
Salem	25,746	28,112	28,776	0.7%	0.9%	0.2%
Sandown	4,060	5,143	5,986	7.0%	2.4%	1.5%
Seabrook	6,503	7,934	8,693	0.9%	2.0%	0.9%
South Hampton	740	844	814	1.2%	1.3%	-0.4%
Stratham	4,955	6,355	7,255	7.1%	2.5%	1.3%
Windham	9,000	10,709	13,592	4.7%	1.8%	2.4%
RPC Region	161,071	178,997	191,975	1.8%	1.1%	0.7%
Rockingham County	245,845	277,359	295,223	2.6%	1.2%	0.6%
New Hampshire	1,109,252	1,235,550	1,316,470	1.9%	1.1%	0.6%

Source: US Census 1990-2010

The two tables below offer insight into the anticipated change of age of residents in our region according to recent studies by the New Hampshire Housing Finance Authority. As shown in the table the total population for the region in 2020 is expected to decrease from 178,383 to 161,571 with the majority of this being the result of Windham leaving our planning region. Although the total population goes down by 2020, the number of those older than 65 rises sharply from 25,544 to 34,577.

Table FHEA 2. 2020 population projections by age group.

Age Group	Total Population	Total Households	Ownership Tenure	Rental tenure	%Own	%Rent
Under 15	30,912	---	---	---	---	---
15 to 24	19,763	1,364	241	1,123	17.7%	82.3%
25 to 34	17,305	7,170	3,270	3,900	45.6%	54.4%
35 to 44	25,399	13,165	9,844	3,321	74.8%	25.2%
45 to 54	33,131	18,649	15,062	3,587	80.8%	19.2%
55 to 64	25,396	14,918	12,532	2,386	84.0%	16.0%
65 to 74	14,414	8,916	7,484	1,432	83.9%	16.1%
75 to 84	8,537	5,557	4,393	1,164	79.1%	20.9%
85 & older	3,526	2,188	1,407	781	64.3%	35.7%
Total	178,383	71,927	54,233	17,694	75.4%	24.6%

Group Quarters Population

Total	2,139
Under Age 65	1,206
65 & Older	933

Population in Households (Total less Group Quarters)		Total Households	Owner Households	Renter Households	%Own	%Rent
Total	176,244	71,927	54,233	17,694	75.4%	24.6%
Under Age 65	150,700	55,266	40,949	14,317	74.1%	25.9%
65 & Older	25,544	16,661	13,284	3,377	79.7%	20.3%

Average Number of Persons per Household (excluding GQ Population)

Total	2.45	Resulting ratios held constant in forecast years
Under Age 65	2.73	Ratios that change with projection age distribution
65 & Older	1.53	

Age Group	Total Population	Total Households	Ownership Tenure	Rental tenure	%Own	%Rent
Under 15	4,098	---	---	---	---	---
15 to 24	19,718	1,361	240	1,120	17.7%	82.3%
25 to 34	23,300	9,654	4,403	5,251	45.6%	54.4%
35 to 44	21,633	11,213	8,384	2,829	74.8%	25.2%
45 to 54	25,898	14,578	11,774	2,804	80.8%	19.2%
55 to 64	31,263	18,364	15,427	2,937	84.0%	16.0%
65 to 74	21,572	13,344	11,201	2,143	83.9%	16.1%
75 to 84	9,991	6,504	5,141	1,362	79.1%	20.9%
85 & older	4,098	2,543	1,635	908	64.3%	35.7%
Total	161,571	77,560	58,206	19,354	75.0%	25.0%

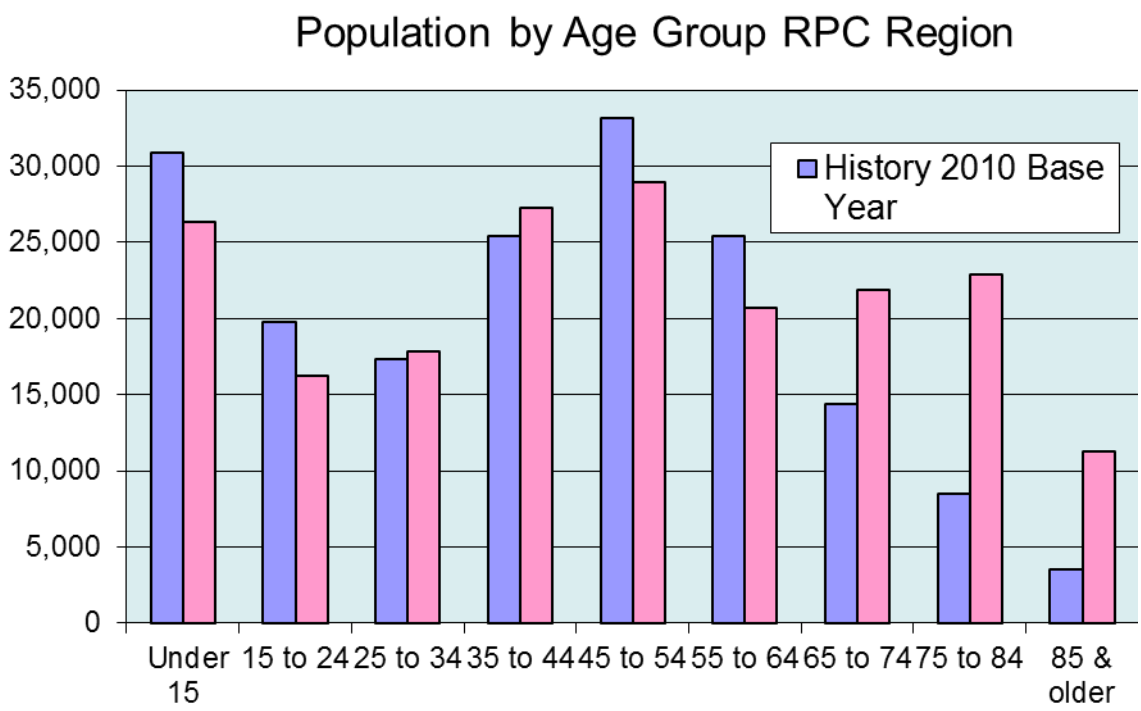
Group Quarters Population

Total	2,298	
Under Age 65	1,214	<---Grows based on 25 to 64 cohort
65 & Older	1,084	<---Grows based on 85 & Older cohort

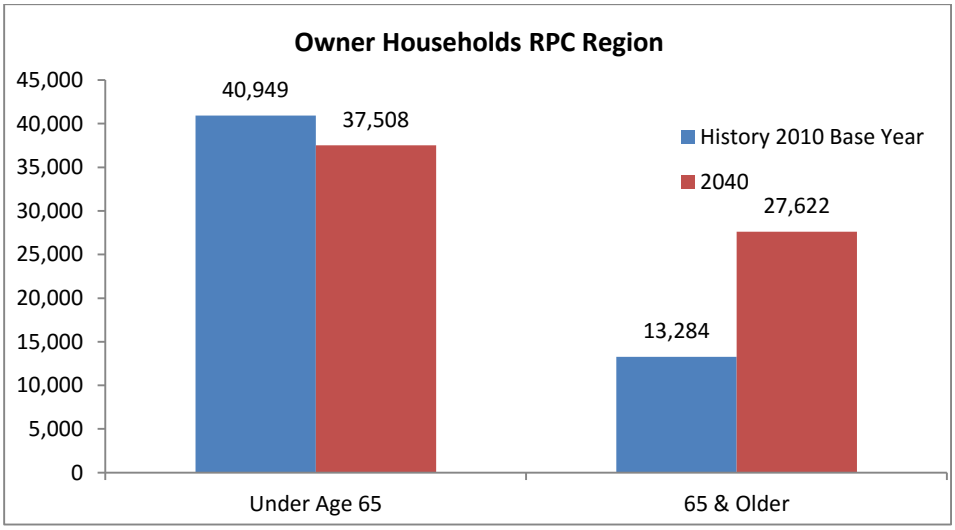
Population in Households (Total less Group Quarters)		Total Households	Owner Households	Renter Households	%Own	%Rent
Total	159,272	77,560	58,206	19,354	75.0%	25.0%
Under Age 65	124,696	55,170	40,229	14,941	72.9%	27.1%
65 & Older	34,577	22,390	17,977	4,413	80.3%	19.7%

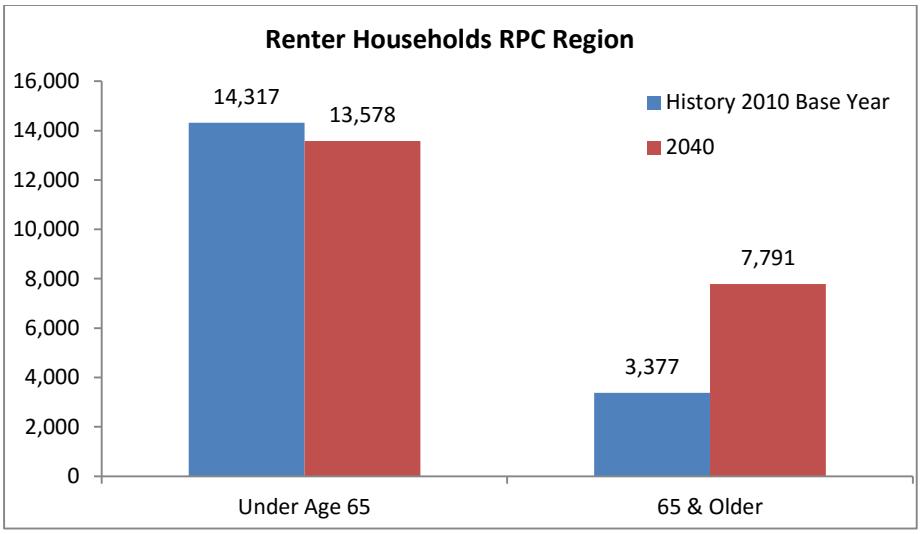
Average Number of Persons per Household (excluding GQ Population)

Total	2.05	Resulting ratios held constant in forecast years
Under Age 65	2.26	Ratios that change with projection age distribution
65 & Older	1.54	



The graphs above and below show this dramatic shift in population toward an older citizenry. By age group in 2010 the population of those aged 65 and older represented the smallest cohort groups in total numbers. By 2040 these cohort groups grow significantly and are exceeded only by those cohort groups aged under 15 or aged 35 to 54. Concurrently the number of persons aged 65 and older living in both owner units and renter units more than doubles by the year 2040.





This dramatic increase in the number of elderly citizens will have an impact upon housing in the region in several ways. First, many older residents chose to stay in their homes as they get older even though this often places a heavy burden upon them financially as their income opportunity typically decreases with age meaning that a greater percentage of their income is required to maintain their homes. In addition elderly people often experience a decrease in overall health which can make staying in large single family homes more difficult.

Over the past five to ten years the region has seen a proliferation of age restricted units. Predominantly age 55 and up these developments have been fairly well received by communities because for the most part such development do not result in new populations of school aged children and the associated education costs at the local level. There have however been some concerns about these developments. One is that they are often located fairly distant from the municipal and other services like shopping areas, hospitals and medical offices that are important for this population. Keeping these developments closer to town centers reduces the resident's reliance upon automobiles for accessing these services.

Another concern that has been discussed but not observed is the potential to saturate a community with older residents. There are few educational costs required of these developments so communities have been fairly accepting of them. Some concern has been raised that if community populations become too elderly, proposals for education initiatives that require voter support may be challenged by large populations with little interest in passing such projects.

Source: NHHFA 2013

Table FHEA 3. 2012 home prices by municipality within the region.

RPC REGION HOME PRICES 2012

	All Homes		Existing Homes		New Homes	
Town/Area	Median Purchase Price	Sample Size	Median Purchase Price	Sample Size	Median Purchase Price	Sample Size
Atkinson	$260,000	58	$260,000	54	$229,900	4
Brentwood	$325,000	68	$333,000	41	$299,759	27
Danville	$190,000	27	$190,000	23	$204,500	4
East Kingston	$275,000	31	$239,000	28	$279,000	3
Epping	$230,000	83	$199,900	62	$245,600	21
Exeter	$252,000	191	$242,000	152	$286,650	39
Fremont	$193,000	48	$193,000	39	$195,895	9
Greenland	$360,000	48	$349,000	32	$407,000	16
Hampton	$284,000	202	$275,000	190	$358,365	12
Hampstead	$249,933	70	$249,900	63	$270,000	7
Hampton Falls	$385,000	29	$348,500	26	$399,900	3
Kensington	$375,000	16	$375,000	16	0	0
Kingston	$216,200	67	$202,000	58	$259,900	9
New Castle	$972,500	21	$972,500	20	$700,000	1
Newfields	$395,000	19	$395,000	19	0	0
Newington	$530,000	3	$530,000	3	0	0
Newton	$247,900	56	$245,000	42	$247,933	14
North Hampton	$405,000	44	$390,000	38	$449,000	6
Plaistow	$205,000	59	$205,000	58	$159,900	1
Portsmouth	$340,000	255	$320,550	225	$395,660	30
Rye	$512,500	64	$512,500	61	$650,000	3
Salem	$238,000	226	$229,300	203	$305,000	23
Sandown	$229,900	74	$215,000	54	$279,933	20
Seabrook	$265,000	59	$238,000	48	$388,385	11
South Hampton	$520,000	3	$520,000	3	0	0
Stratham	$322,000	118	$320,000	106	$343,478	12
RPC Region	$337,613	1939	$328,813	1664	$333,918	275
Rockingham County	$255,000	3,118	$247,900	2,700	$299,933	418
New Hamsphire	$205,000	11,693	$199,000	10,790	$280,000	903

The table above shows the median home price for both new and existing homes for the communities in the Rockingham Planning Region. The home values are significantly higher than those for both Rockingham County as a whole and those for the State of New Hampshire. The median home costs presently nearly match the affordable housing limits established by the Department of Housing and Urban Development for one of the federally delineated housing markets in the Rockingham Planning Commission Region. As an indicator that the region is still feeling the impacts of the recession, four communities (Kensington, Newfields, Newington and South Hampton) in the region saw no new home construction in 2012

The table below provides information regarding the number of dwelling units in each RPC community as well as the number of occupied and vacant units. In 2010 which was in the mid-point of the recession the region had an occupancy rate of roughly 89%. This is higher than the State rate of 83% for the same period.

Table FHEA 4. Dwelling units, occupancy and persons per household by municipality.

Dwelling Units, Occupancy and Persons per Households Rockingham Planning Commission Region 2010					
Municipality	Total Population	Total dwelling units	Occupied	Vacant	PPH
Atkinson	6,751	2,788	2,666	122	2.53
Brentwood	4,486	1350	1,319	49	3.02
Danville	4,387	1684	1,569	62	2.79
East Kingston	2,357	907	862	740	2.73
Epping	6,411	2723	2,466	45	2.60
Exeter	14,306	6496	6,114	257	2.28
Fremont	4,283	1573	1,508	382	2.81
Greenland	3,549	1443	1,372	65	2.57
Hampstead	8,523	3727	3,396	71	2.51
Hampton	14,976	9921	6,868	331	2.16
Hampton Falls	2,236	900	834	3,053	2.68
Kensington	2,124	806	761	66	2.79
Kingston	6,025	2480	2,288	45	2.63
New Castle	968	537	449	333	2.16
Newfields	1,680	591	575	88	2.92
Newington	753	322	292	16	2.53
Newton	4,603	1751	1,667	282	2.76
North Hampton	4,301	1914	1,760	84	2.44
Plaistow	7,609	3016	2,911	252	2.61
Portsmouth	21,233	10625	10,014	105	2.03
Rye	5,298	2852	2,252	329	2.34
Salem	28,776	11,810	11,145	600	2.57
Sandown	5,986	2214	2,072	665	2.89
Seabrook	8,693	4544	3,706	142	2.34
South Hampton	814	504	315	838	2.58
Stratham	7,255	2864	2,746	189	2.64
RPC Region	178,383	81,138	71,927	9,211	2.57

Source: 2010 US Census

The table below displays the most recent information regarding rental prices in the RPC region. Rents have shown a continuous increase over time with the greatest increases being shown in those units with two or more bedrooms. These units are particularly important to families and the increased cost is an important factor to keep in mind when housing affordability is considered.

Table FHEA 4. Gross median rent from 2000 to 2014.

Gross Median Rent by Year Rockingham Planning Commission Region					
Year	Median Gross Rent	Median Gross Rent	Median Gross Rent	Median Gross Rent	Median Gross Rent
2014	$1,162	$798	$947	$1,237	$1,526
2013	$1,114	$814	$948	$1,224	$1,523
2012	$1,114	$768	$908	$1,176	$1,536
2011	$1,065	$796	$913	$1,202	$1,521
2010	$1,086	$742	$910	$1,205	$1,463
2009	$1,047	$743	$905	$1,161	$1,482
2008	$1,042	$725	$902	$1,160	$1,447
2007	$1,038	$725	$821	$1,095	$1,450
2006	$999	$712	$895	$1,066	$1,367
2005	$975	$653	$780	$1,044	$1,150
2004	$1,010	$628	$865	$1,041	$1,200
2003	$958	$555	$792	$1,009	$1,280
2002	$944	$582	$762	$989	$1,236
2001	$838	$529	$734	$936	$1,142
2000	$802	$516	$657	$839	$1,081

Source: NHHFA 2014

The table above displays median homes sales prices for Rockingham County since 2003. The table illustrates the impact of the recent recession on home values. The median value in Rockingham County reached a high of $299,900 in 2005 and a low of $237,518 in 2011. Median Prices have increased since then to a median average of $257,500 in 2013. The number of homes sold has steadily increased since 2010 and the average monthly listings have declined along with the time required to absorb homes as the county begins to shake the effects of the recession.

Table FHEA 5. Property valuation and taxes from 2000 to 2010.

Property Valuation and Taxes - 2000 and 2010

Town/Area	Total Population 2000	Property Valuation and Taxes (excluding State School Tax portion) 2000 Total Equalized Valuation	2000 Valuation per Capita	Full Value Tax Rate	Total Population 2010	Property Valuation and Taxes (excluding State School Tax portion) 2010 Total Equalized Valuation	2010 Valuation per Capita	Full Value Tax Rate
Atkinson	6,178	$ 568,265,309	$ 91,982.08	$15.53	6,751	$ 861,030,452	$ 127,541	$ 18.09
Brentwood	3,197	$ 233,194,427	$ 72,941.64	$20.41	4,486	$ 470,144,965	$ 104,803	$ 24.14
Danville	4,023	$ 214,092,999	$ 53,217.25	$21.23	4,387	$ 334,406,107	$ 76,227	$ 26.75
East Kingston	1,784	$ 154,616,166	$ 86,668.25	$19.47	2,357	$ 289,170,347	$ 122,686	$ 23.70
Epping	5,476	$ 287,776,138	$ 52,552.25	$17.06	6,411	$ 625,629,077	$ 97,587	$ 22.66
Exeter	14,058	$ 935,779,524	$ 66,565.62	$25.62	14,306	$ 1,621,490,834	$ 113,343	$ 23.48
Fremont	3,510	$ 199,089,190	$ 56,720.57	$16.95	4,283	$ 356,628,293	$ 83,266	$ 26.67
Greenland	3,208	$ 377,967,612	$ 117,820.33	$13.38	3,549	$ 661,543,605	$ 186,403	$ 13.99
Hampstead	8,297	$ 624,215,437	$ 75,233.87	$18.30	8,523	$ 1,002,613,788	$ 117,636	$ 21.26
Hampton	14,937	$ 1,712,248,450	$ 114,631.35	$17.84	14,976	$ 2,848,886,991	$ 190,230	$ 17.20
Hampton Falls	1,880	$ 254,650,452	$ 135,452.37	$17.86	2,236	$ 430,759,104	$ 192,647	$ 19.15
Kensington	1,893	$ 168,381,556	$ 88,949.58	$16.04	2,124	$ 320,650,021	$ 150,965	$ 20.12
Kingston	5,862	$ 418,903,013	$ 71,460.77	$17.91	6,025	$ 647,698,604	$ 107,502	$ 22.20
New Castle	1,010	$ 354,151,741	$ 350,645.29	$8.26	968	$ 600,907,304	$ 620,772	$ 6.82
Newfields	4,289	$ 259,137,332	$ 60,419.06	$19.86	1,680	$ 238,242,064	$ 141,811	$ 23.79
Newington	1,551	$ 158,882,087	$ 102,438.48	$17.92	753	$ 975,640,252	$ 1,295,671	$ 7.57
Newton	775	$ 561,026,562	$ 723,905.24	$10.39	4,603	$ 458,059,244	$ 99,513	$ 23.78
North Hampton	4,259	$ 610,719,443	$ 143,395.03	$14.80	4,301	$ 1,018,252,684	$ 236,748	$ 14.77
Plaistow	7,747	$ 630,961,687	$ 81,445.94	$18.98	7,609	$ 920,467,303	$ 120,971	$ 22.18
Portsmouth	20,784	$ 2,565,939,311	$ 123,457.43	$15.89	21,233	$ 4,088,268,814	$ 192,543	$ 16.51
Rye	5,182	$ 1,063,922,690	$ 205,311.21	$12.34	5,298	$ 1,787,153,031	$ 337,326	$ 9.95
Salem	28,112	$ 2,498,642,148	$ 88,881.69	$17.29	28,776	$ 3,834,094,419	$ 133,239	$ 18.07
Sandown	5,143	$ 283,183,773	$ 55,061.98	$23.77	5,986	$ 525,943,436	$ 87,862	$ 22.87
Seabrook	7,934	$ 1,474,672,085	$ 185,867.42	$15.67	8,693	$ 2,416,157,324	$ 277,943	$ 14.16
South Hampton	844	$ 84,461,383	$ 100,072.73	$15.39	814	$ 144,846,432	$ 177,944	$ 16.86
Stratham	6,355	$ 659,211,043	$ 103,731.08	$16.63	7,255	$ 1,171,990,634	$ 161,542	$ 19.15
RPC Region	168,288	$ 17,354,091,558	$ 103,121.38	$17.11	178,383	28,650,675,129	$ 160,613	$ 19.07
Rockingham County	***277,359***	***$24,135,313,224***	***$87,018.32***	***$17.89***	***295,223***	***$ 41,057,907,008***	$ 139,074	***$ 19.04***
New Hampshire	**1,235,786**	***$ 86,703,541,057***	***$ 70,160.64***	***$20.10***	***1,316,759***	***$ 156,897,212,108***	$ 119,154	***$ 19.56***

Source: N.H. Department of Revenue Administration (comparison of effective tax rates); US Census, 2000, 2010

The table above shows the increase in property valuation in the region between 2000 and 2010. Two things are clear; the RPC region experienced a sharp increase in property valuation in the decade going from 17 billion dollars in taxable valuation to over 28 billion in taxable valuation. The valuation per capita increased significantly as well going from $103,000 per capita in 2000 to $161,000 in 2010. This increase represents the basis for increases in person property taxes. Per capita valuation in the RPC region surpasses both the county as a whole and the State by a considerable amount.

Table FHEA 6. Comparison of per capita income by municipality in 2010, 2011 and 2012.

RPC Region Per Capita Income			
Municipality	2010	2011	2012
Atkinson	$41,588	$41,143	$39,628
Brentwood	$37,518	$37,385	$35,815
Danville	$28,716	$29,699	$30,857
East Kingston	$42,114	$42,916	$43,887
Epping	$34,193	$30,179	$32,416
Exeter	$37,043	$38,018	$38,220
Fremont	$29,486	$29,274	$32,512
Greenland	$42,017	$45,333	$53,652
Hampstead	$37,666	$38,704	$37,425
Hampton	$37,680	$41,022	$40,827
Hampton Falls	$53,371	$57,770	$54,410
Kensington	$39,837	$44,747	$49,509
Kingston	$29,267	$30,549	$30,025
New Castle	$70,462	$83,682	$86,051
Newton	$31,969	$32,027	$32,207
Newfields	$43,346	$50,351	$52,774
Newington	$39,115	$36,086	$37,970
North Hampton	$45,595	$48,534	$57,216
Plaistow	$34,147	$35,390	$31,583
Portsmouth	$36,823	$39,344	$40,111
Rye	$51,493	$56,171	$54,214
Salem	$33,751	$34,496	$35,290
Sandown	$32,961	$33,208	$34,130
Seabrook	$29,907	$30,218	$30,014
South Hampton	$41,185	$41,922	$40,721
Stratham	$45,238	$51,674	$53,833
RPC Region	$39,480	$41,532	$42,511
Rockingham County	*$35,889*	*$37,422*	*$37,820*
New Hampshire	*$31,422*	*$32,357*	*$32,758*

Source: American Community Survey, 2010, 2011, 2012

Per capita income in the RPC region was $42,511 in 2012. The region's per capita income is higher than both Rockingham County and the State of New Hampshire.

Segregation and Racial Concentrations of Poverty

The following tables and maps show the areas and populations of minorities found within the RPC planning region. As detailed below, the region is overwhelmingly white with small populations of Black, Hispanic, Asian, Pacific Islander, and Native

American residents. These tables and maps also show that except for concentrations of populations in some census tracts in Portsmouth, Exeter, Salem and Hampton the populations of minorities are a small percentage of overall population in the majority of our communities. Racial concentrations of poverty are often the result of segregation correlating to poverty. The RPC region is very homogeneous and lacks any statistically significant racial segregation

Table FHEA 7 Neighborhood Segregation Index	Share of Population		Dissimilarity Index	
	RPC Planning Area (2000) (1)	RPC Planning Area (2010) (2)	RPC Planning Area (2000) (3)	RPC Planning Area (2010) (4)
Non-White/White	**4%**	**6%**	**0.25**	**0.24**
Black-African American/White	**1%**	**1%**	**0.00**	**0.38**
Hispanic/White	**1%**	**2%**	**0.28**	**0.28**
Asian/White	**1%**	**2%**	**0.38**	**0.35**
Pacific-Islander/White	**0%**	**0%**	**0.00**	**0.00**
Native-American/White	**0%**	**0%**	**0.00**	**0.00**

	Share of Population		Isolation Index (2010)	
	RPC Planning Area (2000) (1)	RPC Planning Area (2010) (2)	RPC Planning Area (2000) (5)	RPC Planning Area (2010) (6)
Non-White/White	**4%**	**6%**	**0.03**	**0.04**
Black-African American/White	**1%**	**1%**	**0.00**	**0.01**
Hispanic/White	**1%**	**2%**	**0.01**	**0.02**
Asian/White	**1%**	**2%**	**0.02**	**0.02**
Pacific-Islander/White	**0%**	**0%**	**0.00**	**0.00**
Native-American/White	**0%**	**0%**	**0.00**	**0.00**

Table FHEA 7 shows ethnic populations when reviewed for concentration of population. Values in column (1) and (2) are the share of racial/ethnic groups in the participant geography in years 2000 and 2010, respectively. Columns (3) and (4) are the dissimilarity index for years 2000 and 2010. The index compares the spatial distribution of the two groups identified in the left-hand column, summarizing neighborhood differences over a larger geography (in this case the RPC region). Higher values of dissimilarity imply higher residential segregation. Column (5) is the isolation index calculated over the program participant geography for the year 2000, column (6) is the same for the year 2010. The isolation index compares average neighborhood minority share for a minority person to the average minority share in the larger geography (again the RPC planning Commission Planning Region). Again, higher values imply higher levels of segregation. These index are calculated using block group 100% count data from the 2000 and 2010 Decennial Census SF1.

As can be seen, there are no areas indicating residential segregation by race in the RPC Planning Region.

Table FHEA 8 - Disparity in Access to Neighborhood Opportunity - All Persons

Rockingham Planning Commission

Program Participant Area

Panel A - All Persons (All Households)																
								Disparities								
	All Persons	**White Persons**	**Black /African American Persons**	**Hispanic or Latino Persons**	**Asian Persons**	**Native American Persons**	**Pacific Isldr. Person s**	**Black - White [(2)-(3)]**		**Hispanic - White [(2)-(4)]**		**Asian - White [(2)-(5)]**		**Native Amer. - White [(2)-(6)]**		**Pacific Isldr. - White [(2)-(7)]**
	(1)	**(2)**	**(3)**	**(4)**	**(5)**	**(6)**	**(7)**	**(8)**		**(9)**		**(10)**		**(11)**		**(12)**
Opportunity Dimensions:																
Poverty Index	64	64	59	67	68	0	0	5	**	-3	N/A	-4	**	0	N/A	0
School Proficiency Index	71	71	68	69	68	0	0	3	**	3	N/A	3	**	0	N/A	0
Labor Market	52	52	52	49	50	0	0	0	0	4	AN	2	*	0	N	0

Engagement Index																
Job Access Index	32	31	45	36	41	0	0	-14	***	-4	N/AN/AN	-10	***	0	N/AN/AN	0
Transit Access Index	1	1	1	1	1	0	0	0	0***	0	N/AN/AN	0	***	0	N/AN/AN	0
Health Hazards Exposure Index	78	78	77	77	77	0	0	1	***	1	N/A	1	***	0	N/A	0
Counts	178,383	168,039	1,043	3,696	2,990	231	58									

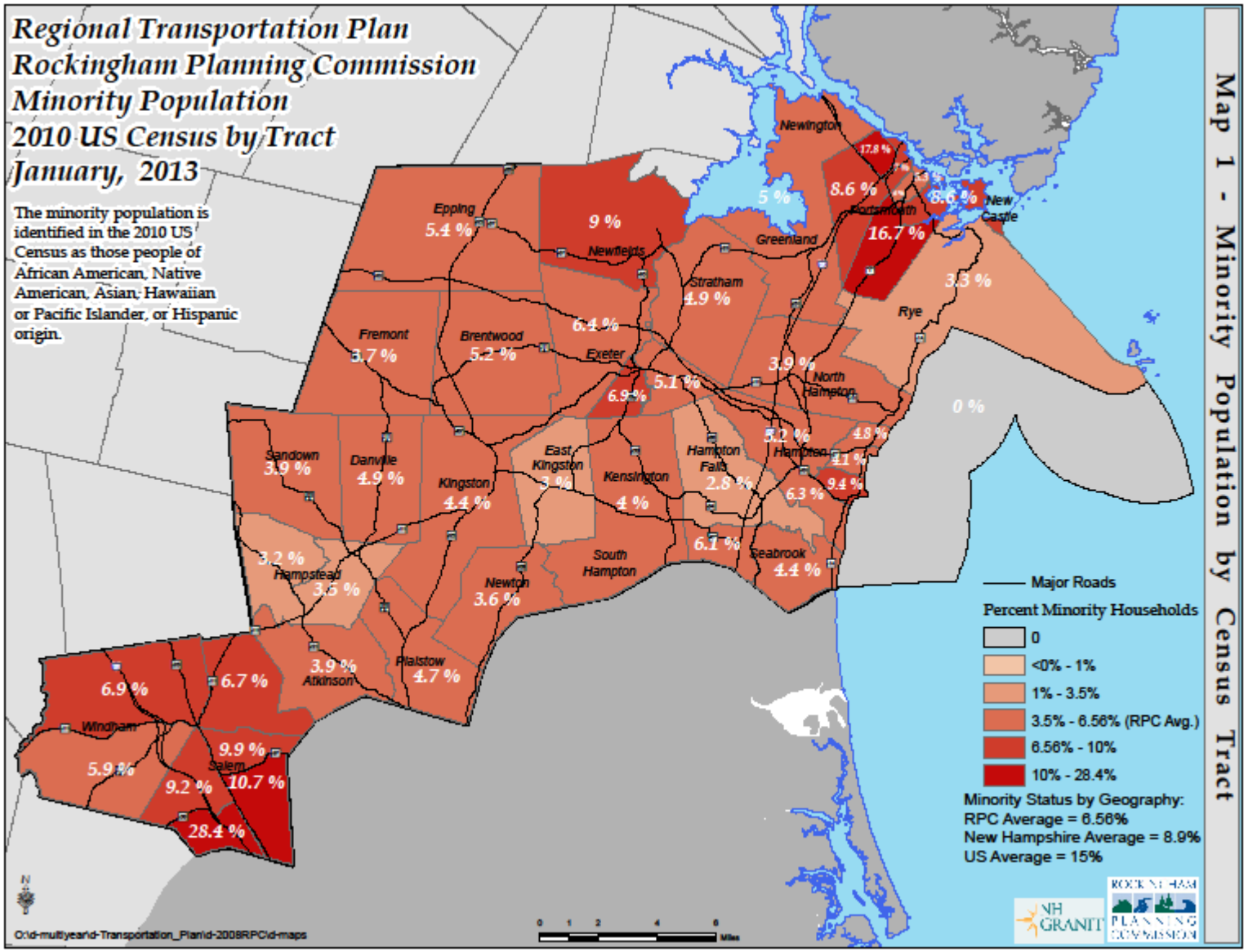
Panel B: Persons in Poverty								**Disparities**					
	All Poor Persons (1)	**Poor White Persons (2)**	**Poor Black Persons (3)**	**Poor Hispanic or Latino Persons (4)**	**Poor Asian Persons (5)**	**Poor Native American Persons (6)**	**Poor Pacific Isldr. Persons (7)**	**Poor Black - White [(2)-(3)] (8)**	**Poor Hispanic - White [(2)-(4)] (9)**	**Poor Asian - White [(2)-(5)] (10**	**Poor Native Amer. - White [(2)-(6)] (11**	**Poor Pacific Isldr. - White [(2)-(7)] (12**

Opportunity Dimensions:																
Poverty Index	54	55	0	0	0	0	0	0	N/A	0	N/A	0	N/A	0	N/A	0
School Proficiency Index	68	69	0	0	0	0	0	0	N/A	0	N/A	0	N/A	0	N/A	0
Labor Market Engagement Index	49	49	0	0	0	0	0	0	N/A	0	N/A	0	N/A	0	N/A	0
Job Access Index	30	27	0	0	0	0	0	0	N/A	0	N/A	0	N/A	0	N/A	0
Transit Access Index	1	1	0	0	0	0	0	0	N/A	0	N/A	0	N/A	0	N/A	0
Health Hazards Exposure Index	78	78	0	0	0	0	0	0	N/A	0	N/A	0	N/A	0	N/A	0
Counts	3,221	2,897	164	144	123	11	0									

Notes: Colums (1)-(7) provided a weighted average neighborhood percentile ranking for each dimension (row) described in the left-hand column, weighted by corresponding population group in each column header in Panel A. *The percentiles are expressed as 100 centile buckets. Higher percentile values always reflect more favorable average neighborhood characteristics irrespective of the dimension being an asset (proficient schools) or a stressor (poverty)*. Exposure weighted average are calculated of the program participant geography. Columns (8)-(12) are the differences across average neighborhood conditions between whites and the column group indicated in the header. Positive values imply that whites are in a differentially higher ranking neighborhood on average than the particular group for the given dimension. Negative values imply the reverse, that the given racial/ethnic group is in a differentially higher ranking neighborhood relative to whites along the given dimension. Panel B repeats the analysis in Panel A, but focuses on the average neighborhood of persons in poverty (income< federal poverty line) . Disparities may differ due to rounding. Data for the opportunity dimensions are described in detail in the data documentation. Data on the populations in Panel A is from the 2010 Decennial Census SF1. Data on impoverished population in Panel B comes from the American Community Survey (ACS) 2006-2010 five year estimates. Population groups smaller than 250 people (in census 2010) or 1,000 people for ACS-sourced data are coded as zero. The higher minimum population threshold for the ACS data is motivated by concerns about sampling error. Disparity columns (8-12) have associated significance flags for statistically significant differences. *** 0.01 significance level **0.05 significance level *0.1 significance level

Although Table FHEA 8 is difficult to read the information it shows is important for the RPC region. For the six Opportunity Dimensions measured, the centile buckets for the different racial groups within our region display roughly the same levels of opportunity. Across the categories the values for each of the Opportunity Dimensions are similar and for the most part high. For instance for "poverty" across the racial categories, if the population was significant enough to garner a rating these ratings ranged between 59 and 68 indicating little disparity between races. Of note is the very low rating for transit access for all races within the region. Access to transit resources is extremely limited for the majority of residents in the Rockingham Planning Commission region.

The "school proficiency index" shows the same relative equality for the racial groups represented. The range of ratings is even less distributed in this category with a range from 68-71 for the racial groups represented.


Regional Transportation Plan
Rockingham Planning Commission
Minority Population
2010 US Census by Tract
January, 2013
The minority population is identified in the 2010 US Census as those people of African American, Native American, Asian, Hawaiian or Pacific Islander, or Hispanic origin.
Map 1 - Minority Population by Census Tract
Major Roads
Percent Minority Households
0
<0% - 1%
1% - 3.5%
3.5% - 6.56% (RPC Avg.)
6.56% - 10%
10% - 28.4%
Minority Status by Geography:
RPC Average = 6.56%
New Hampshire Average = 8.9%
US Average = 15%
Newington
17.8 %
8.6 %
8.6 %
New Castle
Portsmouth
16.7 %
5 %
Greenland
Epping
5.4 %
9 %
Newfields
Stratham
4.9 %
3.3 %
Rye
Fremont
5.7 %
Brentwood
5.2 %
6.4 %
Exeter
3.9 %
North Hampton
5.1 %
6.9 %
0 %
5.2 %
4.8 %
Hampton
4.1 %
9.4 %
6.3 %
Hampton Falls
2.8 %
Sandown
3.9 %
Danville
4.9 %
Kingston
4.4 %
East Kingston
3 %
Kensington
4 %
6.1 %
Seabrook
4.4 %
South Hampton
3.2 %
Hampstead
3.5 %
Newton
3.6 %
3.9 %
Atkinson
Plaistow
4.7 %
6.9 %
6.7 %
Windham
5.9 %
9.9 %
Salem
9.2 %
10.7 %
28.4 %
O:\d-multiyear\d-Transportation_Plan\d-2008RPC\d-maps
Miles

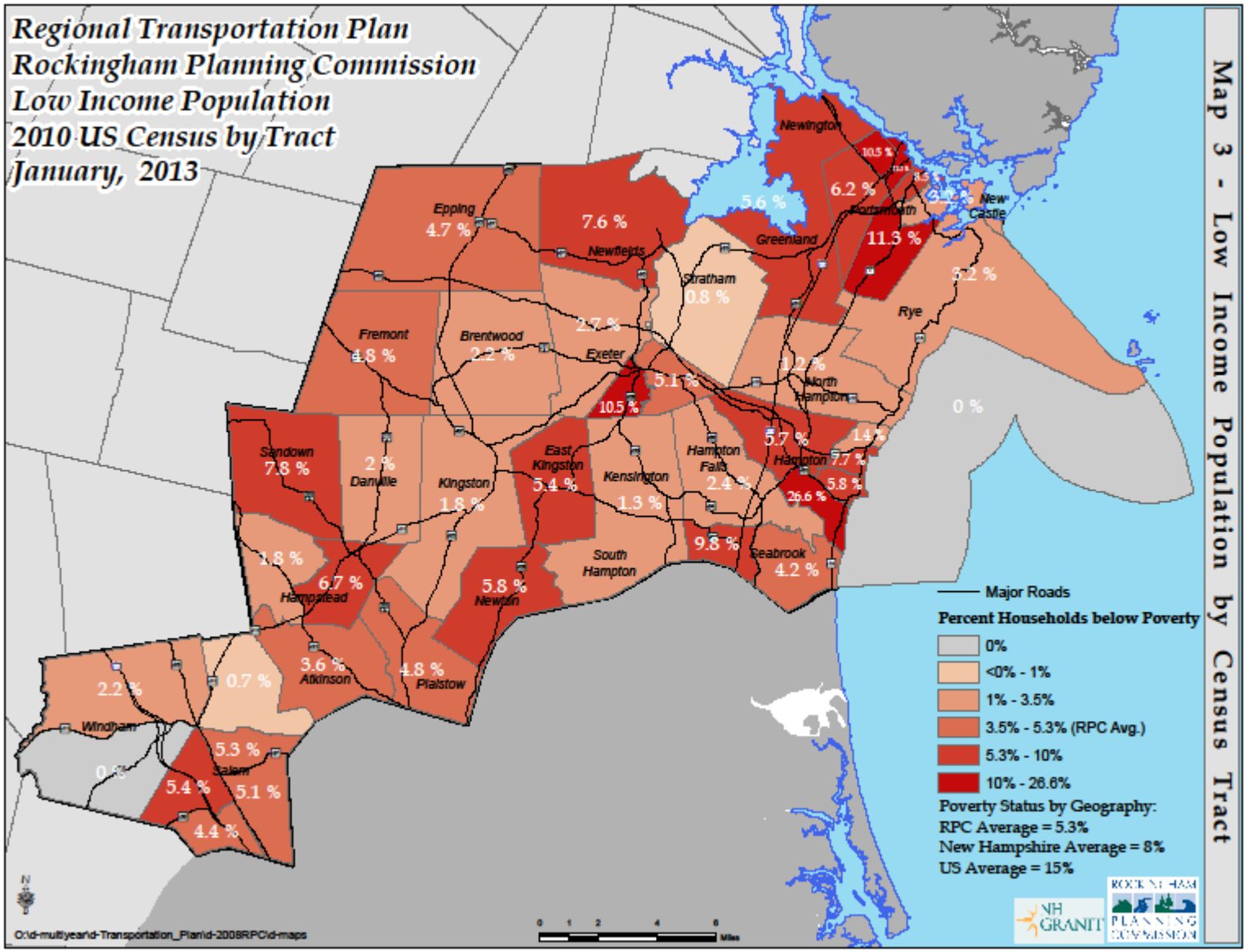

Regional Transportation Plan
Rockingham Planning Commission
Low Income Population
2010 US Census by Tract
January, 2013
Map 3 - Low Income Population by Census Tract
Newington
10.5 %
6.2 %
5.6 %
Portsmouth
New Castle
Greenland
11.3 %
Epping
4.7 %
7.6 %
Newfields
Stratham
0.8 %
Rye
Fremont
4.8 %
Brentwood
2.2 %
Exeter
North Hampton
0 %
Sandown
7.8 %
Danville
Kingston
1.8 %
East Kingston
5.4 %
Kensington
1.3 %
Hampton Falls
2.4 %
Hampton
26.6 %
5.8 %
9.8 %
Seabrook
4.2 %
South Hampton
Hampstead
6.7 %
Newton
5.8 %
Atkinson
3.6 %
Plaistow
4.8 %
0.7 %
2.2 %
Windham
Salem
5.3 %
5.4 %
5.1 %
4.4 %
Major Roads
Percent Households below Poverty
0%
<0% - 1%
1% - 3.5%
3.5% - 5.3% (RPC Avg.)
5.3% - 10%
10% - 26.6%
Poverty Status by Geography:
RPC Average = 5.3%
New Hampshire Average = 8%
US Average = 15%
O:\d-multiyear\d-Transportation_Plan\d-2008RPC\d-maps
Miles

Table FHEA 9 Racial & Ethnic Makeup of Rockingham Planning Commission MPO Region
Source: 2010 U.S. Census

Area	Total Pop	Black	Amer Indian	Asian & Pacific Islander	2+ Races	Hispanic or Latino	Minority Total	Minority Percent
Atkinson	6,751	34	3	65	50	96	**264**	**3.9%**
Brentwood	4,486	30	6	50	59	67	**233**	**5.2%**
Danville	4,387	28	8	15	83	68	**214**	**4.9%**
East Kingston	2,357	3	1	17	21	22	**71**	**3.0%**
Epping	6,411	22	13	84	105	100	**343**	**5.4%**
Exeter	14,306	79	15	289	234	240	**887**	**6.2%**
Fremont	4,283	9	6	11	66	54	**159**	**3.7%**
Greenland	3,549	22	3	66	45	31	**177**	**5.0%**
Hampstead	8,523	23	7	71	87	84	**287**	**3.4%**
Hampton	15,430	89	32	199	205	264	**867**	**5.6%**
Hampton Falls	2,236	9	1	17	17	14	**63**	**2.8%**
Kensington	2,124	7	4	24	14	24	**77**	**3.6%**
Kingston	6,025	20	16	34	90	85	**264**	**4.4%**
New Castle	968	1	1	8	8	5	**23**	**2.4%**
Newfields	1,680	6	2	17	10	22	**64**	**3.8%**
Newington	753	4	1	10	9	8	**36**	**4.8%**
Newton	4,603	14	11	19	41	67	**167**	**3.6%**
North Hampton	4,301	19	8	56	38	41	**167**	**3.9%**
Plaistow	7,609	42	13	45	47	175	**358**	**4.7%**
Portsmouth	20,779	359	46	725	479	573	**2,335**	**11.2%**
Rye	5,298	16	1	50	41	58	**177**	**3.3%**
Salem	28,776	259	42	942	410	1,270	**3,454**	**12.0%**
Sandown	5,986	18	7	19	61	94	**232**	**3.9%**
Seabrook	8,693	46	10	92	119	126	**446**	**5.1%**
South Hampton	814	8	0	4	13	13	**41**	**5.0%**
Stratham	7,255	11	7	143	90	95	**356**	**4.9%**
MPO Region	**191,975**	**1,237**	**290**	**3,472**	**2,586**	**3,914**	**12,638**	**6.6%**
Rock County	**295,223**	**1,996**	**486**	**5,043**	**4,054**	**6,142**	**19,399**	**6.6%**
State of NH	**1,316,470**	**15,035**	**3,150**	**28,791**	**21,382**	**36,704**	**117,124**	**8.9%**

Map 1 and Table FHEA 9 above indicate that there are very small populations of minorities in the RPC planning region. With the exceptions of The City of Portsmouth and the Town of Salem none of our communities have populations greater than the averages for the county or the State of New Hampshire. In addition, these higher concentrations are located in the communities offering the highest levels of social services and greater access to public transportation.

Map 3 shows the geographic distribution across our communities of low income persons by census tract. There are only 3 census tracts in our region that exceed the Statewide average of 8% . These census tracts are located in Portsmouth (16.7%, 17.8% and 10.5%), Exeter (10.5%) and Seabrook (9.8%). Two of these census tracts exceed the national average of 15%.

Housing Needs Assessment

NHRSA §36:47 requires that "For the purpose of assisting municipalities in complying with RSA §674:2, III(m), each regional planning commission shall compile a regional housing needs assessment, which shall include an assessment of the regional need for housing for persons and families of all levels of income." RSA §674:2, II(l) provides guidance for municipalities which include a housing section in their master plan, suggesting that any such section include a discussion of affordable housing based on the regional housing needs assessment performed by the regional planning commission. This document fulfills the requirements of RSA §36:47.

The immediate purpose of the Regional Housing Needs Assessment is to quantify and project the demand for housing in the RPC region in the horizon year (2020 in this update), and further to estimate the present and projected need for housing that is considered affordable for various household income groupings, both for owned and rented units. The more general purpose for the Needs Assessment is to provide communities in the region with background information and analysis needed to develop their own housing needs assessments for master planning purposes.

This Needs Assessment is written with the understanding that the passage of RSA §674-58 Workforce Housing (7/2008), both provided definitions for "affordable" and "workforce" housing, and placed new emphasis on the obligations that communities in New Hampshire have to accommodate the development of such housing. As such it has been updated from previous editions to use definitions and thresholds for rental and owner affordability that are consistent with the new law. In addition, the needs assessment has been apportioned to the town level to help communities quantify their proportionate share of the region's housing need.

Prior Housing Needs Assessments

The RPC developed its first Regional Housing Needs Assessment in 1989 as a component of its regional master plan. The assessment was updated in 1994 to incorporate updated income and household data from the 1990 US Census. It was substantially replaced in 2008 with a new Needs Assessment which employed a different method to estimate housing needs and omitted the town-by-town fair share estimate of new affordable units needs in each community.

While RSA §36:47 requires that all regional planning commissions prepare regional housing needs assessments, the statute does not prescribe a methodology. An initial standard methodology for New Hampshire was developed among the RPCs and NHOEP which was adapted from the fair share distribution methods created to address the landmark U.S. Supreme Court case from the community of Mt. Laurel in New Jersey. This method produced an estimate of the number of additional affordable rental housing that was needed in each community to address the regional need for affordable housing. The method resulted in a redistribution of housing need based on 5 factors: income, employment, size of community, assessed value and amount of developable land. The results, while technically sound, appeared inconsistent and in some cases illogical; as a result the needs assessment was not well accepted or used by the communities in the region.

In 2013 The NH Housing Finance Authority (NHHFA) worked with the NH Center for Public Policy to update the State's housing production needs model to better reflect changes in demographics and employment. This model examines factors influencing future housing needs in NH and forecasts anticipated housing supply needs for the period between 2010 and 2040.These estimates of future housing production are projected at the state, county, and regional planning commission levels.

The model utilized two approaches to calculating anticipated housing need. The first is a population-based housing production model which rests its assumptions in part on demographic data from the 2010 U.S. Decennial Census. Demographic indicators include population, household formation the distribution of population and households by age groups and the number of NH residents in group quarters. The second is an employment-based housing production model which relies on economic forecasts of labor force, employment and county commuting patterns.

An average of the employment and population based estimates projects housing production across New Hampshire to grow by 5,264 units per year (4,398 owner units and 866 renter units) from 2010 to 2020. For Rockingham County (this study was performed at the county level not the regional level) the average of the employment and population based estimates projects housing production to grow by 16,523 units by 2020. This results in an annual production of 1652 units of which 1,294 will be owner units and 348 will be renter units.

Table FHEA 10. Estimated housing supply requirements in 2020 excluding seasonal units.

Estimated Housing Supply Requirements - 2020 - Excluding Seasonal Units						
Basis	Employment-Driven*	Employment Population Average	Population-Driven**	Average Annual Production Needed 2010-2020		
Rockingham County						
	2020 A	**2020 B**	**2020 C**			
Owner	106,009	102,783	99,558			
Renter	33,560	32,459	31,359			
Total	139,569	135,243	130,916			
Total Production Potential 2010-2020						
Owner	16,164	12,938	9,713	1,616	1,294	971
Renter	4,685	3,584	2,484	468	358	248
Total	20,849	16,523	12,196	2,085	1,652	1,220
Subtotal: Need for Residents Working Within County						
Owner	8,720	6,980	5,239	872	698	524
Renter	2,527	1,934	1,340	253	193	134
Total	11,247	8,913	6,579	1,125	891	658

* ELMI 2010 to 2020 Forecast ** NH RDC Projections April 2013 Source NHHFA, 2013

Table FHEA 11. Projected housing demand in 2020

Household Type	2010 total (existing)	2020 Projected Demand	2010 % (existing)	2020 Projected Demand
Homeowners				
Under 30% MAI	6,243	7,063	7.0%	7.4%
Under 50% MAI	14,526	16,435	16.2%	16.3%
Under 60% MAI	18,979	21,472	21.1%	21.4%
Under 80% MAI	27,917	31,584	31.1%	32.8%
Under 100% MAI	36,875	41,719	41.1%	45.1%
Under 120% MAI	45,618	51,611	50.9%	57.5%
All Homeowners	89,626	101,400	100.0%	100.0%
Renters				
Under 30% MAI	6,345	7,819	25.3%	21.7%
Under 50% MAI	10,790	13,297	43.0%	40.0%
Under 60% MAI	13,113	16,159	52.2%	48.8%
Under 80% MAI	17,019	20,972	67.8%	64.9%
Under 100% MAI	20,505	25,266	81.7%	76.0%
Under 120% MAI	21,956	27,055	87.4%	86.0%
All Renters	25,108	30,939	100.0%	100.0%
Total Households				
Under 30% MAI	12,588	14,882	10.7%	11.2%
Under 50% MAI	23,317	29,731	20.3%	22.5%
Under 60% MAI	32,092	37,630	27.9%	28.4%
Under 80% MAI	44,936	52,556	39.1%	39.7%
Under 100% MAI	57,381	66,967	50.0%	50.6%
Under 120% MAI	67,574	78,666	58.9%	59.4%
All Households	114,734	132,339	100%	100.0%

Estimated Proportionate Fair Share Work Force Housing Need
Rockingham Planning Commission Region
2010 and 2020
PRELIMINARY DRAFT

A	B	C	B	C	D	E	F	G	H	I	J	K
Community	2010 Households	2010 Share of Regional Households	2020 Households	2020 Share of Regional Households	HUD HMFA Area	HMFA 100% Median Income (4-person Household)	Max. Monthly Payment, Owner	HMFA 60% Median Income (3-person Household)	Max Monthly Payment, Renter	Estimated Workforce Housing Need		Increase in Need 2010-2020
										2010	2020	
Atkinson	2,666	3.7%	2,844	3.8%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	1,144	1,221	77
Brentwood	1,488	2.0%	1,920	2.6%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	639	824	186
Danville	1,570	2.2%	1,671	2.2%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	674	717	43
East Kingston	862	1.2%	1,070	1.4%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	370	459	89
Epping	2,466	3.4%	2,797	3.7%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	1,058	1,201	142
Exeter	6,263	8.6%	6,211	8.3%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	2,688	2,666	(22)
Fremont	1,526	2.1%	1,788	2.4%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	655	767	113
Greenland	1,382	1.9%	1,490	2.0%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	593	640	46
Hampstead	3,398	4.7%	3,404	4.5%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	1,458	1,461	3
Hampton	6,921	9.5%	6,751	9.0%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	2,970	2,898	(72)
Hampton Falls	834	1.1%	958	1.3%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	358	411	53
Kensington	761	1.0%	832	1.1%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	327	357	31
Kingston	2,288	3.1%	2,293	3.1%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	982	984	2
New Castle	449	0.6%	415	0.6%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	193	178	(15)
Newfields	575	0.8%	608	0.8%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	247	261	14
Newington	297	0.4%	280	0.4%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	127	120	(7)
Newton	1,667	2.3%	1,747	2.3%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	715	750	34
North Hampton	1,760	2.4%	1,732	2.3%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	755	743	(12)
Plaistow	2,913	4.0%	2,774	3.7%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	1,250	1,191	(59)
Portsmouth	10,452	14.4%	10,409	13.9%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	4,485	4,468	(17)
Rye	2,270	3.1%	2,262	3.0%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	974	971	(3)
Salem	11,187	15.4%	11,164	14.9%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	4,801	4,792	(9)
Sandown	2,073	2.8%	2,339	3.1%	Lawrence MA-NH	$82,800	$2,070	$44,710	$1,118	890	1,004	114
Seabrook	3,706	5.1%	3,977	5.3%	Boston-Cambridge-Quincy	$94,100	$2,353	$52,810	$1,320	1,590	1,707	117
South Hampton	315	0.4%	294	0.4%	Boston-Cambridge-Quincy	$94,100	$2,353	$50,810	$1,270	135	126	(9)
Stratham	2,746	3.8%	3,047	4.1%	Portsmouth-Rochester	$84,300	$2,108	$45,520	$1,138	1,178	1,308	129
TOTAL	**72,835**	**100.0%**	**75,077**	**100.0%**	**NA**	**NA**	**NA**	**NA**	**NA**	**31,255**	**32,224**	**969**

TABLE KEY	
Column	Explanation
A	RPC Community
B	Total number of households, (single, multi, and manufactured), OEP estimate.
C	Town's share of the region's (26 town RPC region) total households in 2010 and 2020
D	The town's federally assigned HUD-Fair Market Rent Area Housing Market: Lawrence NH-MA, Bos-Q-Cmb., or Ports.-Rochester
E	HUD Fair Market Rent Area's "100%" Median Area Income (MAI) for a 4-person family. Amount called out in SB 342
F	Maximum payment (mortgage, Insurance and taxes) for a ownership unit to qualify as Workforce Housing
G	60% of HUD Fair Market Rent Area's Median Area Income (MAI) for a 3-person family. Amount called out in SB 342.
H	Maximum payment (Rent and Utilities) for a rental unit to qualify as Workforce Housing
I	Estimated Workforce Housing need for 2010
J	Estimated Workforce Housing need for 2020
K	Increase in Workforce Housing need between 2010 and 2020

INCOME LIMIT CALCULATION (per NHHFA, 2012)		
HOME OWNERSHIP		
		Est. Max Purchase
100% MAI, 4 pers. Hsld		30 yr, 4% int 5% down, incl PM
Bos-Q-C	$94,100	$339,000
Lawr MA-NH	$82,800	$266,000
Ports-Roch	$84,300	$284,000
HOME RENTAL		
60% MAI, 3 pers. Hshld		Estimated Max Rent/mo.
Bos-Q-C	$50,810	$1,270
Lawr MA-NH	$44,710	$1,120
Ports-Roch	$45,520	$1,140

The fair share work force housing need table on the preceding page gives a best estimate of the number of workforce housing units (owner and renter units combined) for each community in our region. This exercise is an attempt to give our member communities an idea of the number of affordable units they should be providing for their residents. The total number of units found in column K is the result of projected numbers of renters in the income bands lower than 30% a area median income and homeowners making 100% of area median income as derived by the NH Housing Finance Authority. They derived these figures for each planning region throughout the state and a direct percentage growth figure mirroring the population growth estimate was applied to determine the number of units for 2020. For our region this number is 969 units and these units have been apportioned to each community based open that communities 2010 percentage of units.

The table also shows the income limits required for the HUD determined threshold limits for owner occupied and renter housing. As the tables earlier showed per capita income for the region is roughly $42,000 meaning a dual income household doesn't qualify for the homeownership in those parts of our region that fall in the Boston market. Concurrently the gross median rent for a 2-bedroom unit in our region is $1.237. This threshold barely qualifies in the Lawrence Ma-NH market and is lower than the Boston market threshold. The median home price in the RPC region in 2012 for all homes (new construction and existing) was 337,000. This is $2,000 less than maximum purchase price threshold for the Boston market but considerably more than the Lawrence Ma – NH market ((266,000) and the Portsmouth-Rochester market which has a threshold of $284,000. With the trend for both median house prices and median gross rents moving constantly higher it seems likely that residents earning the median income in the RPC region will continue to find housing costs a challenge

Implications for Local/Regional Planning

Overly restrictive local zoning and land use regulations are the most often cited reason for limiting the supply of housing in Southern New Hampshire. While local regulation is certainly an important contributing factor, there are other causes and factors that are as important in constraining the supply of housing.

Towns without access to sewer and water infrastructure are limited in their ability to address the single most the important factor in accommodating more affordable housing: the ability to support overall development densities that are high enough to make building lower cost housing economically attractive or viable to developers.

There are other barriers as well, both market and non-market driven. These barriers include a diminished construction labor force, more restricted access to capital; limited supply of developable land resulting in high land costs; high commodity and construction costs, community resistance to residential development. In our recent history, the supply of housing has been also constrained by the attractiveness of developing upscale homes on large lots because of the lower risk and greater profitability and high demand for this type of development. Our proximity to the Boston metro area and its higher relative incomes has helped skew the demand toward higher end housing.

While it may appear that communities are attempting to prevent new housing development, many municipal officials believe that they are carrying out goals stated in the Master Plan that stress the importance of maintaining community character. Local efforts to manage growth are usually driven by valid concerns about the impact of development the environment, on sprawl and loss of community character and open space, on municipal infrastructure and facilities and similar concerns. While these are valid they must be properly balanced with other community and regional needs, such as for workforce and affordable housing.

Several indicators, median home costs, median gross rents and per capita income all show that for our region there is a fairly small margin within which a necessary proportion of housing will remain affordable. HUD established limits for home ownership and rental units seem to be running at exactly the median levels for these indicators. As the region recovers from the recession housing cost trends seem to be on the increase which will mean housing affordability will remain a challenge and may in fact housing across the region may become less affordable in the future making it all the more necessary for towns to take measures to ensure that the opportunity to create workforce housing exists. While it is clear that local land use controls are but one of several interrelated causes of the housing problem, communities can and should play a role in reducing the barriers and creating incentives where they can to stimulate the development of workforce housing.

As discussed in the Transportation chapter residents of the region are often spending more than 50% of their income on transportation costs and housing costs combined. This offers weight to the argument that well placed housing proximate to employment opportunities is an important consideration in future development of the region.

The New Hampshire Housing Finance Authority recently (2013) commissioned a study on the state's future housing needs and preferences, performed by the New Hampshire Center for Public Policy Studies and Applied Economic Research. The purpose of

the study was to gauge the amount and type of housing that needs to be generated over the next ten years, as well as identify the impacts demographic and market trends are having on the types of housing that Granite State residents want.

The study is made up of three parts: The first focuses on perceptions and preferences about housing; the second on housing the growing senior population; and the third on the future of housing in New Hampshire. Below are summarized the major findings of this study.

Overall homeownership demand in New Hampshire is declining.

The reasons for this include the weak economy, lower rates of in-migration, and difficulties in obtaining financing. Among older homeowners, low levels of liquidity continue to pose problems, while high levels of student debt and mediocre wage growth limit home-buying options for younger generations. In the more rural parts of the state this decline in demand has been particularly apparent in communities that are more than two towns removed from major transportation networks. Real estate professionals, in particular, noted significant differences in demand geographically. Moreover, growth in low-wage service jobs and housing costs are described as creating a growing affordability problem, particularly north of Concord.

New Hampshire's current housing supply is poorly aligned with evolving preferences among different age groups

This mismatch exists both for aging Baby Boomers and younger workers. Older residents are likely to seek to "down-size" to smaller living arrangements, yet housing units of 3+ bedrooms far outnumber one- and two-bedroom units in the state. Given the relatively small number of young households in the state, it's unclear whether the larger units built for Boomers during their childrearing years will draw sufficient interest from buyers in future years.

In addition, younger age groups are, in general, less likely to be homeowners compared to previous generations. In fact, each new group of young people is increasingly less likely to be homeowners. Moreover, financial pressures cause younger generations to gravitate toward more non-conventional housing solutions, including co-ownership and "doubling up," and a preference for the flexibility associated with renting.

Affordability and the New Hampshire advantage

These factors have an impact on the affordability of housing in New Hampshire, something which may have been a big part of New Hampshire's attraction to new migrants from higher-priced states over the past four decades. While the median price of homes is more affordable than just a few years ago, this is not necessarily true for first-time buyers, who have traditionally provided important liquidity to the housing market. The home purchases of first-time buyers enabled those who were selling their homes to "move up" or "down-size." But younger residents now face inferior job prospects and high levels of student debt, and they are delaying marriage, and are unsure of the benefits of homeownership—including the ability to easily resell at a later date.

In addition, the state's rental market has grown less affordable in recent years. NHHFA's 2013 rental housing survey indicated that since 2006, the median monthly gross rent rose by 4 percent (in contrast to the 40 percent drop in the monthly mortgage cost) and vacancy rates decreased, meaning renters were paying more, with fewer options to choose from. This reflects a national pattern for a growing percentage of households in rental housing.

Seniors Will Occupy a Growing Proportion of the State's Housing Units.

New Hampshire's senior population is expected to nearly double between 2010 and 2015, from 178,000 to 323,000 people, a change that is not matched among younger age groups. As a result, seniors will occupy a growing proportion of the state's housing units, filling one in three units by 2025. The number of senior households in the state, both owners and renters, will nearly double by 2025. While seniors generally want to age in place, this desire is complicated by several factors, including high rates of disability, lower median income and savings, declining caregiver population and other factors. The median income of the state's senior homeowners is barely half that of the state median, and their home equity has been significantly reduced by the state's housing downturn.

New construction will likely be limited in a projected era of slower population growth.

The rehabilitation of the existing housing stock may become more needed, yet much of New Hampshire's housing regulations, including local planning and zoning ordinances, are not currently geared towards this segment of the market.