

Housing 2016 UPDATE

October 5, 2016

1. Introduction

The purpose of the Housing Chapter is to identify Plaistow's current housing inventory and to discuss short-term housing needs. The type and availability of housing within a community are important indicators of the quality of life and play a significant role in many aspects of the community including traffic, schools and the local economy.

Goal: Maintain a well-balanced, energy efficient land use pattern that meets the needs of residents in an environmentally, economically, and equitable manner.

The following objectives are set to help satisfy the Housing Goal as stated above and include:

Objective 1: To identify the specific housing needs in Plaistow.

Objective 2: To educate and inform the townspeople on the local housing issues.

Objective 3: To ensure through the Town's Land Use Regulations that there is opportunity for a variety of choices for residential housing.

Objective 4: To promote a variety of residential opportunities throughout the community balanced against potential impacts to town services.

Objective 5: Provide appropriate housing opportunities for residents of all ages and income levels.

The information contained in this chapter represents a statistical summary and analysis of information pertaining to housing. This information is important for a variety of reasons, which include providing the ability to review recent growth trends, understand existing housing supply and makeup, and provides a basis for analyzing workforce housing criteria in order to evaluate the community's compliance with relevant statutes.

Housing and population are closely related. As population increases, the demand for housing rises. Contrarily, if population growth stagnates or decreases, the demand for housing can decrease, leading to increased vacancy rates. In addition, housing type and location are related to natural resource constraints and opportunities, community services such as transportation facilities, zoning, cost of land, and economic conditions. The magnitude and character of a community's population plays a key role in determining the type and amount of housing need, as well as what community facilities and services the community will require to support said housing. Population growth in the community has been stagnate over the last 15 years with census data showing a declining population. This has been reflected in data collected for housing starts, with only the last two years showing an increase in permit issuance.

2. Existing Conditions

2.1 Housing Inventory

Plaistow has a total of 3,085 housing units as reported by the New Hampshire Office of State

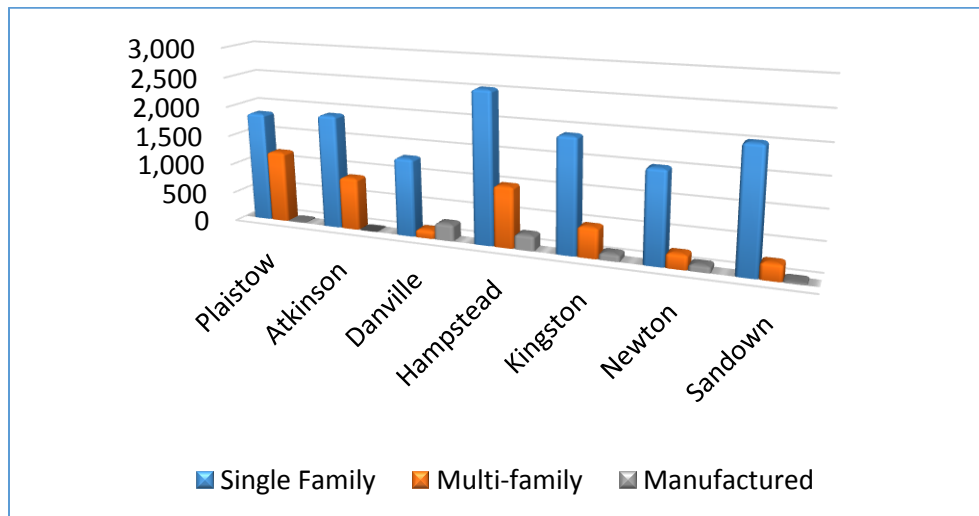
Planning and town building permit data through 2015; Table 1 and Figure 1. Plaistow has the lowest percentage of single family homes and highest percentage of multi-family housing units compared with surrounding communities.

Table 1
Housing Units in Plaistow & Region

	Single Family	Multi-family	Manufactured	Total Units
Plaistow	1,862	1,209	14	3,085
Atkinson	1,928	888	0	2,816
Danville	1,318	139	282	1,739
Hampstead	2,546	1,021	254	3,821
Kingston	1,920	505	114	2,538
Newton	1,540	245	107	1,893
Sandown	2,039	275	33	2,347
Rockingham	84,201	38,655	7,750	130,507
NH	397,316	193,659	36,173	627,148

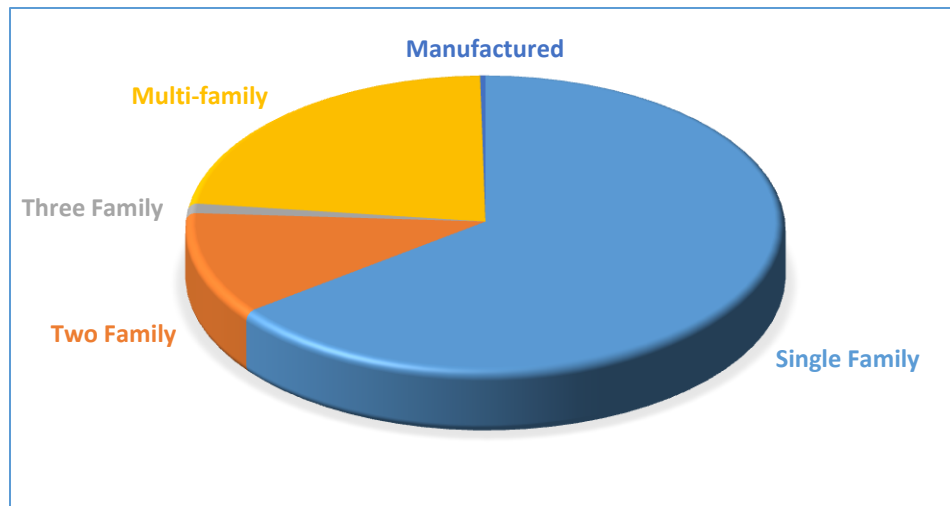
Source: Current Estimates and Trends in NH's Housing Supply, Update 2014 (Office of State Planning) & US Census Building Permit data 2015.

Figure 1
Housing Units in Plaistow and Region



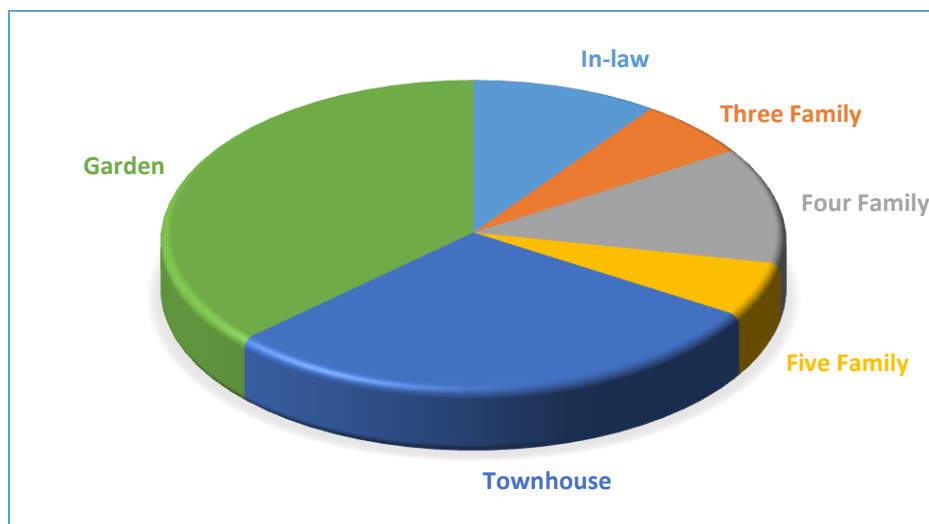
In reviewing the specific breakdown of the types of housing units in Plaistow, it can be seen that single family homes make up a majority, followed by multi-family housing units, two-family, three family and manufactured; Figure 2.

Figure 2
Housing Unit Breakdown¹



Plaistow’s 525 multi-family housing units consist of the second highest percentage of housing in the community encompassing a wide variety of housing types as shown in Figure 3. Although In-law apartments are not traditionally considered “multi-family”, they are included here as these 52 housing units play a critical role in the community by providing alternative housing for relatives.

Figure 3
Multi-family Housing Breakdown

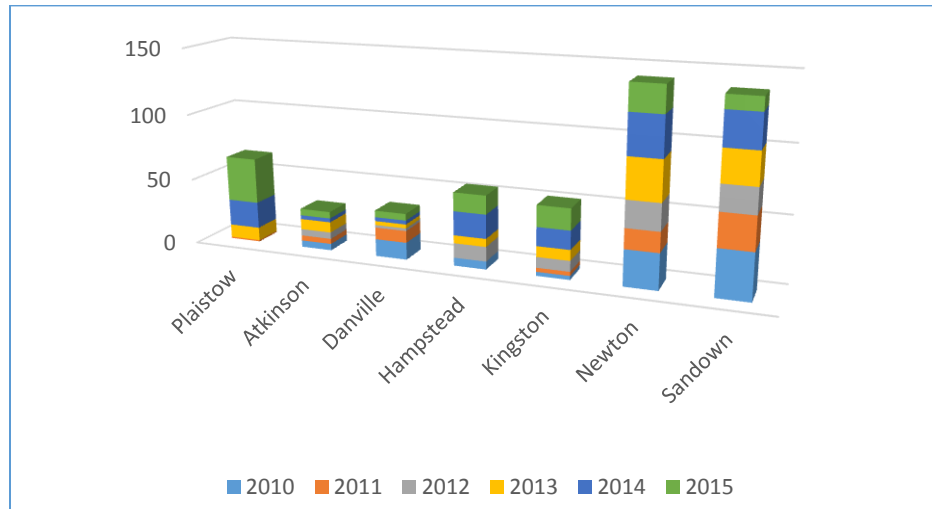


2.2 Recent Residential Construction Trends

¹ Plaistow Assessing Office Data

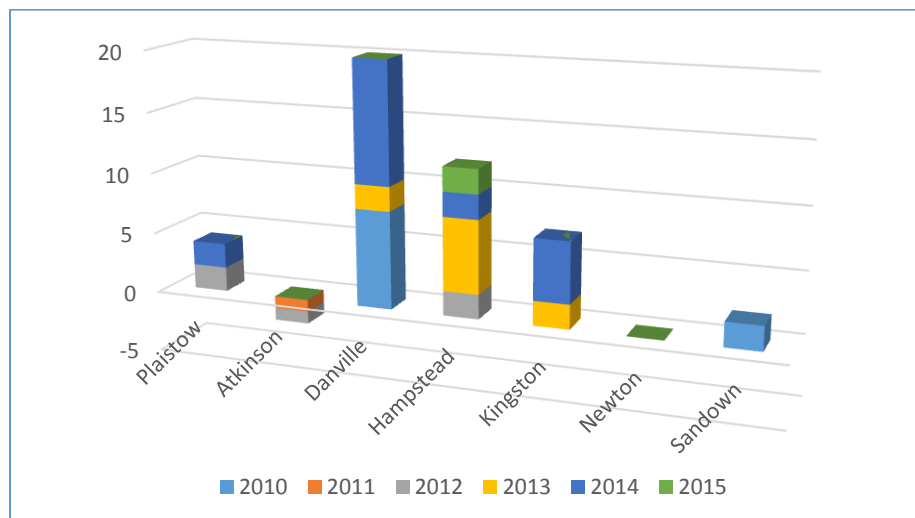
Recent residential building activity in the region, as well as statewide, has been very targeted, with just one town seeing significant housing growth as the adjoining communities see little. There are many factors impacting these conditions, including location, quality of schools and local tax rates. Figure 4 outlines the regions single family permit activity since 2010, with Newtown issuing the most permits and Atkinson issuing the least. Plaistow, Hampstead and Kingston have had similar building activity levels.

Figure 4
Single Family² Permits 2010 – 2015



New multi-family activity has been minimal in the region over the last 6 years, with only 20 units added in Danville and two communities issuing no permits; Figure 5

Figure 5
Multi-family Permits 2010 – 2015



² US Census Bureau & NHOEP

Over the last five years, as noted, Newton has seen the highest housing growth rate in the region, followed by Sandown; Table 2. Plaistow is rated sixth of the seven area communities in housing growth and has the lowest growth rate over a 15 year period. This minimal increase is reflective of the data outlined in the Population Chapter (2012) showing an actual decrease in population since 2000. Population data from 2014 continues to reflect this anemic growth rate. Although housing starts have increased, population growth has not, which could have a number of root causes such as an aging population. The median age of the community has increased from 37.4 to 44.1 since 2000 and continues to experience reverberations from the Great Recession.

Table 2
Housing Growth³ 2000 – 2015

	2000	2010	2015	% Increase 2010-2015	% Increase 2000 - 2015
Plaistow	2927	3016	3085	2.29%	5.40%
Atkinson	2431	2788	2816	1.00%	15.84%
Danville	1479	1684	1739	3.27%	17.58%
Hampstead	3276	3727	3821	2.52%	16.64%
Kingston	2265	2480	2538	2.34%	12.05%
Newton	1552	1751	1893	8.11%	21.97%
Sandown	1777	2214	2347	6.01%	32.08%
Rockingham ⁴	113,023	126,709	130,507	2.9%	1.54%
New Hampshire	547,024	614,230	627,148	12.2%	14.6%

2.3 Senior Housing

Plaistow currently has 136 units of senior housing, with some of these units having been approved but not yet constructed; Table 3. Pine Park is a Federally subsidized development for those who are over the age of 62. The remaining units were approved under the former Elderly Housing District Ordinance, which was repealed, and restrict occupancy by requiring at least one person in the home to be over the age of 55. Given the responses in the 2015 community survey, the Town may want to reconsider reinstating this type of housing for seniors.

Table 3
Senior Housing Units

Project	Units	Constructed
Pine Park	24 Rentals	24
Chandler Place	39 Rentals	0
Reserve @ Snows Brook	34 Owner	18
Falls at Gunstock	39 Owner	0

³ US Census

⁴ Rockingham County and New Hampshire data is from 2014.

2.4 Vacancy Rates

Vacancy rates are used as an indicator of the health of the housing market. They are also used by public and private sector organizations to evaluate the need for new housing programs and initiatives. For a unit to be considered vacant, it must fall under one of the following categories: no one is living in the unit at the time the census was taken unless its occupants are only temporarily absent; the unit is temporarily occupied entirely by persons who have a usual residence elsewhere; or new units that are ready for occupation, but are not yet occupied.

At this time, the housing market in Plaistow and the region is very healthy with a very low vacancy rate for both owner occupied and rental housing units; Table 4. This finding is further supported by real estate closing data from the Multi Listing Service (MLS) over the last year which reports that the average “days-on-market” (DOM) for condominiums is 23 while the DOM for single family homes is 36. In the real estate industry a DOM value under 60 is considered a “hot” market.

Table 4
Vacancy Rates for Plaistow & Region

	% of Vacant Housing Units Owner Occupied	% of Vacant Housing Units Renter Occupied
Plaistow	1.3 %	0
Atkinson	1.6%	0
Hampstead	0	0
Kingston	1.5%	0
Newton	0	6.3%
Danville	3.6%	0
Sandown	0	0
Rockingham	.9	3.6
New Hampshire	1.4	4.9

Source: 2015 US Census

2.5 Median Household Income

The median household income in Plaistow is \$70,264, which is the lowest in the region; Table 5. This ranking has not changed since the 2000 Census. Atkinson has the highest median income in the area which also has not changed since the 2000 Census. Plaistow’s median income is lower than the County’s but higher than the State’s

Table 5
Median Household Income

	Median Household Income
Plaistow	\$70,264
Atkinson	\$95,341
Hampstead	\$88,689
Kingston	\$74,817
Newton	\$78,980
Danville	\$90,938
Sandown	\$78,840
Rockingham	\$79,368
New Hampshire	\$65,986

Source: 2014 US Census

2.6 Regional Housing Needs Assessment

The Rockingham Regional Planning Commission (RPC) published a Regional Housing Needs Assessment in October of 2015. After a review of data analyzed and presented by the Commission, the Town of Plaistow's Planning Board found that the existing housing stock within the community is sufficient to not require the adoption of a Workforce Housing Ordinance.

3.0 Key Issues and Challenges

This section of the Housing Chapter identifies issues and challenges that need to be resolved before the Housing objectives can be met.

Objective 1: This plan objective has been met by the Master Plan survey completed in 2015.

Objective 2 & Objective 5: This objective will be met when a potential new affordable elderly housing zoning ordinance is constructed and public hearings are conducted on the ordinance.

Objectives 3 & Objective 4: These objectives will be met as the recommendations mentioned later in this chapter are implemented.

3.1 Build-Out Analysis

A future Build-out Analysis will identify undeveloped areas of land that are zoned residential which will provide an estimate of how many more dwelling units can be built and serviced in Plaistow.

3.2 Workforce Housing

The State's Workforce Housing Statute, RSA 674:58 – 61, became effective on January 1, 2010. The law requires that communities provide a "reasonable and realistic opportunity for the development of workforce housing". This includes allowing "workforce housing to be located in a majority, but not necessarily all of the land area that is zoned to permit residential uses". Workforce housing is defined as "*housing which is intended for sale and which is affordable to a household with an income of no more than 100% of the median income for a 4-person household*". Based upon a figures produced by the New Hampshire Housing Finance Authority (NHHFA), for 2015, the median income for the region was \$86,800 which equates to an "affordable" home purchase price not exceeding \$281,000⁵. In addition, the definition also means "*rental housing which is affordable to a household with an income of no more than 60% of the area's median income for a 3 person household*". For Plaistow, that equates to a maximum income of \$46,870, which reflects a maximum gross monthly rent⁶ not exceeding \$1,170.

Workforce housing applications that are denied or are approved with conditions that have a substantial adverse effect on the viability of a project have the right to petition the court for a hearing within 6 months. If a hearing is not granted within this time frame, a referee may be appointed to decide the case. The statute does provide a provision that allows communities to take into consideration their existing housing stock if it is "sufficient to accommodate its fair share of the current and reasonable foreseeable regional need". If such a finding is determined, then "the municipality shall be deemed to be in compliance with....the statute".

Based upon a review of recent single family home sales, as outlined in Table 6, at this time the average home price is well below the Workforce Housing "affordable" criteria of \$281,000. The median condominium value is \$155,000. Every year, NHHFA conducts a statewide rental cost survey and for Plaistow the median rent for all units was \$1,169 a month which is just under the Statute guidelines for affordability \$1,170.

⁵ New Hampshire Housing Finance Authority, based upon a 5% down payment, & a 30 year mortgage at 4.17%.

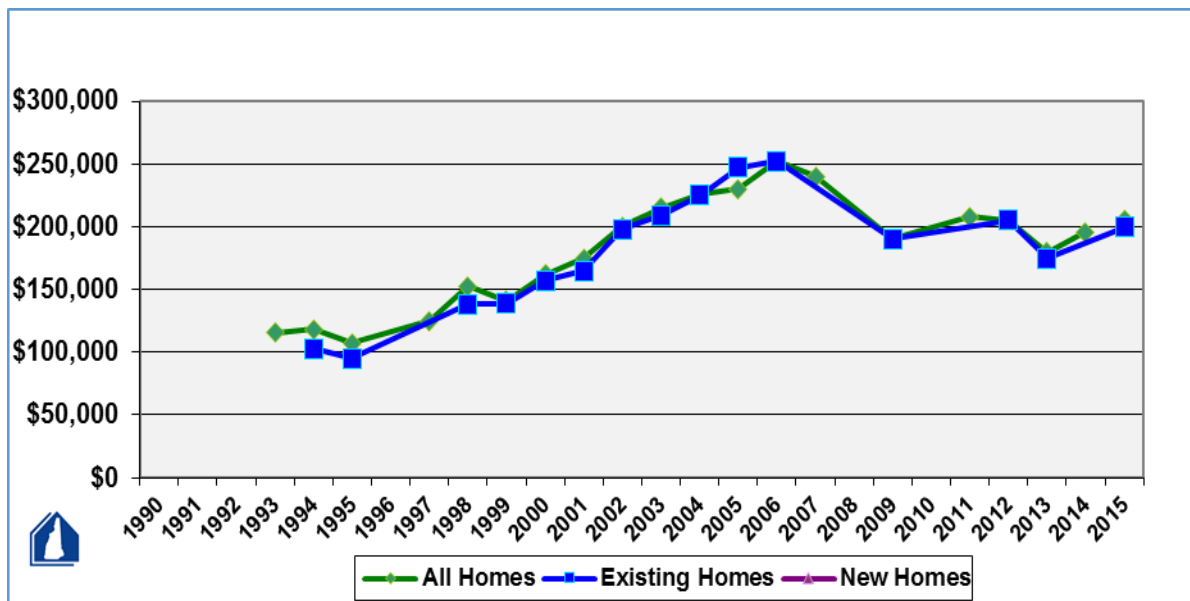
⁶ Rent includes utility costs.

Table 6
Median Rental & Housing Costs⁷

	Median ⁷ Rent	Median ⁷ Cost
Plaistow	\$1,169	\$205,000
Atkinson ⁸	\$760	\$292,800
Hampstead ⁸	\$783	\$307,000
Kingston	\$1,132	\$241,000
Newton	N/A	\$262,000
Danville	\$983	\$258,000
Sandown	N/A	\$257,000
Rockingham	\$1,163	\$275,000
New Hampshire	\$1,069	\$221,000

Figure 6 provides a history of home pricing since 1994 showing Plaistow's market peaking in value in 2006. The Great Recession reduced pricing by 20% through 2010 but additional value loss was seen in 2013. Over the past year, values have started to regain positive appreciation, and given the low vacancy rate, this trend is expected to continue into the near future.

Figure 6
Plaistow Median Home Price History
1992 - 2015



The Town of Plaistow's existing housing stock provides ample workforce housing opportunities from both owner occupied and rental housing units. Plaistow has the highest percentage of

⁷ Includes condominiums

⁸ A majority of the rents reported for Atkinson & Hampstead were for one bedroom units.

multi-family units in the region. Zoning provides opportunity for the addition of new housing units, including duplex and multi-family. Plaistow's current housing market conditions show that both owner occupied and rental units meet statutory requirements for workforce housing. Given these findings, the Town of Plaistow is in compliance with the Workforce Housing statute as the existing housing stock can accommodate its fair share of current and reasonable foreseeable regional need.

4. Recommendations

4.1 On even-numbered years, review the town's current land use regulations in order to determine if the existing regulations adequately encourage the type and location of quality affordable housing in Plaistow.

4.2. Review the objectives and density for the Low Density Residential Zone. Such large lots may contribute to sprawl and keep significant open space in private ownership. Consider increasing the density for residential uses in the ICR Zone in order to promote more compact development adjacent to certain transportation nodes along Newton Road/NH Route 108.

4.3. On even-numbered years, investigate techniques and strategies to ensure that the Town promotes affordable housing in new residential developments. These could include but not be limited to:

- a. Housing size and design,
- b. Smaller lot sizes,
- c. The concept of using zero lot lines, build to lines or maximum setbacks rather than minimum setbacks,
- d. Flexibility for accessory dwelling units,
- e. Incentive zoning that might include density bonuses, and
- f. Modification of infrastructure requirements for subdivisions which are practicable and appropriate and do not sacrifice public safety.

4.4. A sizable percentage of respondents (42.9%) to the 2014 master plan community survey indicated that Plaistow residents would like to see more opportunities for over 62 housing. Given the aging demographic of the community, this finding is not surprising. A number of written comments echoed the need for senior housing opportunities, including affordable housing. Given the appearance of this need, the Planning Board should explore allowing for the development of higher density senior housing in locations convenient to meet the needs of this population. Garden style, three to four story buildings would provide the best opportunity to reduce costs and maximize locational options. Assess the Planned Residential Development (PRD) provision of zoning ordinance (Article VI) to determine if it encourages a mix of housing types. The town should assess the success of this option as it relates to the quality of the housing and design of such developments. Also review Article VII--Affordable Elderly Housing Community, to determine if it is meeting the objective and purpose of this section of the ordinance and the goals and objectives of the Town's Master Plan. One alternative to the AEHC provision is a town-wide affordable housing overlay district except in selected locations or zones such as the industrial zone.

4.5. Workforce housing affordability statistics should be reviewed on odd-numbered years to ensure compliance with statutory requirements. The present average rental rate is very close to the maximum allowable rent, which further justifies the yearly review.

4.6 Devise a review sheet to record the review results from the recommended reviews enumerated in numbers 1 through 5 above.

4.0 Implementation

Recommendation Number	Expected Completion Date	Person/Org Assigned to Task
1. Review land use regulations	6/1/17	Staff, Planning Board
2. Review objectives & density of LDR zone.	6/1/17	Staff, Planning Board
3. Strategies to promote affordable housing.	6/1/18	Staff, Planning Board
4. Affordable Elderly Housing Community (AEHC) review – possible new zoning ordinance	3/15/18	Staff, Planning Board – ordinance prep 2017, Town Meeting 2018.
5. Review workforce housing statistics.	6/1/18	Staff, Planning Board
6. Review sheet design	8/17/17	Planning Board (Included in Housing Chapter approval).