

Executive Summary

Housing availability and affordability for all residents are critical components of the overall quality of life and economic stability in the Upper Valley Lake Sunapee Regional Planning Commission region. This Housing Needs Assessment reveals the current status of housing need, both housing availability and affordability and the projected future housing demand. The following points have surfaced as critical findings of this study and indicate a need for intermunicipal and regional planning approaches to address future housing needs.

Age Shift in the Population and Shrinking Households

The two most significant demographic changes of the 1990-2010 period center on the shifting age distribution of the population and decreasing household size. In 2010, 26% of the region's households were headed by a person aged 65 or older. By the year 2030, senior households could comprise about 48% of all households in the region (contributing to smaller household size.) The number of households headed by persons under 65 years old is predicted to decline if younger workers and families do not migrate into the area.

Housing Affordability at a Distance

Even after the housing market adjustments due to economic changes which began in 2008, there remains a major home price difference among sub-areas in the region. Home prices are highest close to the Lebanon NH-VT NECTA center: median primary home sale prices on the New Hampshire side of the NECTA are nearly double those in other areas. Differentials in rental costs among sub-areas in the region are not as significant, but rental availability remains low despite construction of new rental housing. During 2010 the major economic and population centers in the region - Lebanon, Hanover, Claremont and Newport contained 80% of the region's jobs and 50% of the housing.

Distribution of Housing and Jobs

Job growth in the UVLSRPC region is concentrated in central areas, while housing development is more dispersed. As of 2010, Lebanon, Hanover, Claremont and Newport contained 80% of the region's jobs. In 1990, these communities had 54% of the region's housing units, but by 2010 that ratio declined to 49% of the regional total. Between 1990 and 2010, the four principal job centers accounted for only 28% of regional housing growth; 72% of the net growth in the year-round housing stock occurred outside the four major job centers.

High Housing Cost Burden

In general, housing choice, availability and affordability decrease dramatically for households earning at or below the area median income within sub-regions. Estimates indicate approximately 36% of all households in the region have a **high housing cost burden** where housing costs consume more than 30% of the household income.

New Housing Production

The housing needs assessment projections include housing demand, supply, cost and affordability, regional economic conditions and the distribution of affordable housing. The housing production model projects a need for the UVLSRPC region to add 3,800 to 4,600 total year-round housing units from 2010 to 2020, or approximately 380 to 460 new units per year. About 41% of these units (up to 190 units per year) should ideally be affordable at income levels defined by New Hampshire Workforce Housing Statutes at RSA 674:58, IV. These production estimates would allow for housing supply to keep pace with regional employment and population growth.

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