Assessing Housing Demand: Can Your Community Support New Housing?

Presented by Mim Evans

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The Housing Challenge

- Some are saying the community needs new housing.
- The general market place does not seem interested in meeting this need.
  - Declining number of households
  - Aging population
  - Little growth in home values
  - Perceived as unprofitable
  - Your not a destination town
- Is there truly a need and if so, what kind of units and how many?
- Can we document the need in a way that helps get the desired units built?
Mission: Is there demand for housing, and if so, create a tool to help develop policy, obtain funding and attract a developer.

- Data analysis provides credibility, background, and metrics to measure progress.
- Public input provides preferences, context, grassroots buy-in, and future supporters.
The Data:
Supply, Demand and Community Environment
Existing Housing Stock

- What kind of housing exists (single family, multifamily)?
- What size is that housing (number of bedrooms)? Other characteristics?
- Are units changing from owner occupied to renter occupied or vice versa?
- What is the vacancy rate? How are these trending?
- What are your foreclosure trends?
- How old is the existing housing?
- What condition is the housing stock?
Vacant Units
Vacant Lots
Exterior Conditions

- Roof
- Landscape
- Projects underway
- Permits
- Siding
- Windows and doors
Residential Sales Trends

- How long are houses on the market?
- What is the average selling price?
- Are sales prices going up or down?
- What kinds of housing are in demand?
- How do your trends compare to national trends for similar regions?
Residential Sales Trends
Community Environment

How does your community compare to others?

- Schools
- Transportation
- Access to jobs
- Healthcare
- Recreation
- Safety
- Affordability
- Property taxes
- Crime
- Land available for development
Public Transit and Demographics
The Data Challenge
Using the Master Address File (MAF) to Link Data

- Police
- Fire
- Park Acreage
- Property Maintenance
- Utility addresses
- Rental/Landlord
- Group Quarters/Rooming Houses
- School District
- University
- Public/Assisted Housing

- EAV
- Property Class
- Property Type
- Number of Units
- Number of Rooms
- Condition
- Sales
- Foreclosures
Neighborhood 23 is quite small with regard to acreage, population and dwelling units. It is comprised solely of residences and borders the university. It has a high concentration of rented units and no park land. Residents are young and the median household income is lower than the study area’s midpoint. A little more than 1.0% of its dwelling units were built before 1940. Quality of life and personal safety threat rates are low and the FMV is higher than average (FMR of rented units is comparable to the average of the study area). A high level of exterior condition incidents were found here.

<table>
<thead>
<tr>
<th>VARIABLE</th>
<th>NEIGHBORHOOD</th>
<th>NEIGHBORHOOD AVERAGE</th>
<th>STUDY AREA</th>
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<tbody>
<tr>
<td>Total Acres</td>
<td>76</td>
<td>251</td>
<td>5,480</td>
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<td>Park Acres</td>
<td>0</td>
<td>18</td>
<td>440</td>
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<tr>
<td>Public Schools (PK-12)</td>
<td>0</td>
<td>0</td>
<td>0</td>
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<tr>
<td>Population</td>
<td>975</td>
<td>1,569</td>
<td>40,374</td>
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<tr>
<td>NIO Students</td>
<td>204</td>
<td>339</td>
<td>8,145</td>
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<tr>
<td>PK-12 Students</td>
<td>57</td>
<td>202</td>
<td>4,849</td>
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<tr>
<td>Pre-K through 5</td>
<td>35</td>
<td>103</td>
<td>2,463</td>
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<tr>
<td>Middle School</td>
<td>11</td>
<td>44</td>
<td>1,051</td>
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<tr>
<td>High School</td>
<td>11</td>
<td>56</td>
<td>1,625</td>
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<tr>
<td>Median Age</td>
<td>20.9</td>
<td>24.1</td>
<td>24.1</td>
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<tr>
<td>Median Household Income</td>
<td>$30,020</td>
<td>-</td>
<td>$39,123</td>
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<tr>
<td>% of students in NH on Free or Reduced-Priced Lunches</td>
<td>75%</td>
<td>57%</td>
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<tr>
<td>Voucher Holders</td>
<td>2</td>
<td>2</td>
<td>336</td>
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<tr>
<td>Quality Of Life Threats per 1,000 People</td>
<td>344</td>
<td>247</td>
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<tr>
<td>Personal Safety Threats per 1,000 People</td>
<td>35</td>
<td>49</td>
<td></td>
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<tr>
<td>Total Dwelling Units (DUs), Excludes GQ</td>
<td>324</td>
<td>680</td>
<td></td>
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<tr>
<td>Density (DUs/acre)</td>
<td>4</td>
<td>4</td>
<td>3</td>
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<tr>
<td>Owned DUs</td>
<td>57</td>
<td>301</td>
<td>7,214</td>
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<tr>
<td>% Owned DUs</td>
<td>30%</td>
<td>51%</td>
<td>84%</td>
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<tr>
<td>Median FMV</td>
<td>$114,397</td>
<td>$175,473</td>
<td>$175,473</td>
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<tr>
<td>Rented DUs</td>
<td>227</td>
<td>301</td>
<td>9,108</td>
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<tr>
<td>% Rented DUs</td>
<td>70%</td>
<td>49%</td>
<td>56%</td>
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<tr>
<td>Average ZMS (Multi-family)</td>
<td>20.73</td>
<td>11.24</td>
<td>6,682</td>
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<td>Subsidized DUs</td>
<td>0</td>
<td>54</td>
<td>1,445</td>
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<tr>
<td>Share of Foreclosures</td>
<td>2.1%</td>
<td>4.3%</td>
<td>100.0%</td>
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<td>Residential Properties Listed</td>
<td>0</td>
<td>17</td>
<td>0</td>
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<tr>
<td>Average List Price</td>
<td>$133,883</td>
<td>$138,739</td>
<td>$138,739</td>
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<td>Residential Properties Sold</td>
<td>3</td>
<td>15</td>
<td>352</td>
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<tr>
<td>Average Number of Days on the Market</td>
<td>80</td>
<td>140</td>
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<tr>
<td>Group Quarters Capacity</td>
<td>0</td>
<td>25</td>
<td>7,560</td>
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<tr>
<td>Percentage of DUs Built Prior to 1940</td>
<td>11.7%</td>
<td>17.5%</td>
<td></td>
</tr>
<tr>
<td>Exterior Condition Score</td>
<td>3.0</td>
<td>3.0</td>
<td>2.4</td>
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</tbody>
</table>
Public Participation
Reaching the Target Audience

- Who do you want to reach?
- How can you reach them?
- What obstacles might exist?
A Traditional Small Town
Where to Live

• Why do people live where they do now?
• What would motivate them to move?
• Are there new factors that people would consider if they were to choose a new place to live?
Where to Live - Continued

• What kind of a residence do people want?
  • SF, MF
  • Rent, own
  • Size, cost
  • Primary, secondary

• Who is most likely to move?
  • age
  • annual income
  • Household budget
Community Improvements

• What changes in the area would encourage people to move into your area?
• What changes would encourage existing residents to upgrade their housing?
Putting It All Together
Approach & Results

• How many new homes based on *household incomes* and current housing expenditures
• How many new homes based on *population projections of additional households*
• How many new homes based on *commuting patterns*
• How many new homes based on *job growth*
• How many new homes based on *sales trends and vacancy rates*
• How many new homes based on *survey responses*
And What if the Answer is No: Marketing a Lifestyle
Can Housing be Upgraded and New Residents Attracted?

- Follow-up visitors’ surveys regarding relocation interest
- Market the lifestyle
- Consider tiny homes or yurts as 2nd homes
- Explore need for elder-friendly housing that opens up older homes
- Renew infrastructure facilities
- Encourage updating of existing homes through technical assistance, financial assistance, and tax relief
- Develop incentives for incoming families