

NEWBURYPORT HOUSING NEEDS ASSESSMENT

Newburyport Affordable Housing Trust

Susanne Cameron

Madeline Nash

Judith Tymon

Karen Wiener

Mayor Donna Holaday

**Andy Port, Director of Planning
and Development**

Karen Sunnarborg Consulting

**Abacus Architects + Planners,
Consultants**



Benefits

- **Key component of a Housing Production Plan**
- **Provides information on priority housing needs**
- **Promotes the production of affordable housing**
- **Supports future planning and grantmaking efforts**
- **Assists in making funding decisions**



Housing Goals

Updated goals from the 2001 Master Plan

- **Promote an increase in affordable housing to support a diverse population and meet the range of housing needs in the community (including those who are largely priced out of the local market such as teachers, police, artists, service workers, etc.).**
- **Strive to meet state 10% affordability goal.**
- **Preserve the existing affordable housing stock.**
- **Encourage the integration of smart growth principles in the development of housing.**

Housing Goals

- **Ensure the design of new development and redevelopment complements the historic character of neighborhoods.**
- **Ensure that new housing developments are designed to protect the City's natural and cultural resources and preserve open space corridors.**
- **Promote a wide range of housing options (structure types, tenure types, cost levels) in order to maintain diverse neighborhoods and accommodate households with varying housing needs and family structures.**

What is Affordable Housing?

Affordable housing (40B definition):



- **Deed restricted**
- **Affirmatively marketed**
- **Available to households earning at or below 80% of area median income**

Who Needs Affordable Housing?

- **Children who grew up in Newburyport and want to raise their own families locally.**
- **The cashier in the local grocery store earning little more than minimum wage.**
- **The school cafeteria worker and husband working at Anna Jacques Hospital with combined earnings of less than \$55,000 with 2 children.**
- **An elderly woman who just lost her husband and can't afford to remain in her home.**
- **The disabled veteran returning home from the military.**

Key Demographic Trends

- **Stabilized population**
- **Decreasing household size**
- **Growing numbers of middle-aged and older residents**
- **Relatively high income levels but significant numbers of low-income households**



Key Housing Trends

- **High level of owner-occupancy**
- **Declining rental stock**
- **Prices remain high -- \$420,000 for median single-family home**
- **Widening income gap of owners versus renters**
- **Approximately $\frac{1}{4}$ of households were spending too much on housing**

What housing is “affordable” in Newburyport?

- **Of the 8,015 year-round housing units, 629 units or 7.8% are included in the Subsidized Housing Inventory (SHI).**
- **Gap of 173 units to meet the 10% state target.**
- **Buildout estimates indicate that Newburyport can accommodate almost 500 more housing units based on current zoning (meaning that about 1/3 of all new units must be affordable to reach 10% under existing zoning).**

Priority Housing Needs



- **Rental housing for individuals**
- **Rental housing for families**
- **Preservation and improvement of existing housing stock**
- **Affordable homeownership for families**
- **Housing for at risk and special needs populations**

Priority Housing Needs

Rental housing for individuals

- **Poverty levels are increasing for individuals, including seniors.**
- **Median income of unrelated member households was \$38,868, \$36,927 for seniors, and \$109,880 for families.**
- **Most rents are high and not affordable to lower income individuals.**
- **Renting an apartment requires substantial upfront cash.**

Priority Housing Needs

Rental housing for families

- **Almost 10% of all households with children were headed by a single parent, 77% involving single mothers, with limited incomes.**
- **More than 10% of families had incomes of less than \$35,000.**
- **Long wait times for Kelleher Park.**
- **Rental costs are high as the lowest priced 2-bedroom apt. was listed for \$1,050, while average rents are more than \$1,300.**

Priority Housing Needs

Preservation and improvement of existing housing stock.

- **There has been a net loss of rental units (383 since 1990).**
- **About half of Newburyport's housing stock was built before World War II.**
- **Homes built before 1978 are likely to have traces of lead-based paint which is hazardous to children.**
- **Residents with limited incomes have difficulty keeping up with home maintenance needs.**
- **The historic character of older buildings needs to be maintained.**

Priority Housing Needs

Affordable homeownership for families

- **About \$90,500 in income needed to afford median priced home of \$420,000 based on 80% financing.**
- **Affordability gap of approximately \$70,000 – the difference between the median priced home and what a household earning at median income can afford (\$350,000).**
- **Gap widened by the likely need for at least \$90,000 in cash for the down payment and closing costs.**
- **Affordability gap of at least \$215,000 for those who are earning at or below 80% of area median income which is \$51,400 for a 2-person household.**

Affordability Gaps

Income Level	House Price Single-family	Affordability Gap Single-family
\$51,400 80% AMI	\$205,000 (95% financing)	\$215,000 + Upfront cash
\$76,148 median income	\$350,000 (80% financing)	\$70,000 + Upfront cash
\$90,500	\$420,000 Median price	

Affordability Gaps

Income Level	House Price Condo	Affordability Gap Condo
\$51,400 80% AMI	\$164,000 (95% financing)	\$108,000 + Upfront cash
\$76,148 median income	\$290,000 (80% financing)	No gap but Upfront cash
\$90,500	\$272,000 Median price	

Priority Housing Needs

Housing for at risk and special needs populations

- **Almost 3,000 residents claimed a disability, representing almost 18% of the population.**
- **More than 40% of seniors claimed a disability.**
- **Affordability gap is widest for the disabled as they are disproportionately low-income.**
- **Few available handicapped accessible units (only 6 units in NHA housing for example).**

Next Steps



- **Draft next section of Plan**
- **Conduct other public meetings**
- **Obtain approvals**
- **Submit Plan to the state**
- **Visit City's website for more information**

Potential Housing Strategies



- **Insure adequate staffing to implement the Plan**
- **Develop City-owned land, including tax title property, for affordable housing**
- **Pursue partnerships with non-profit and for profit developers**
- **Explore “friendly” 40B projects**

Potential Housing Strategies

- **Consider zoning changes**
 - **Inclusionary zoning**
 - **Amending in-law apt. ordinance**
 - **Smart growth/40R districts**
 - **Allow 2-family homes in more districts**
 - **Revisit density increases and bonuses in OSRD**