

HOUSING

INTRODUCTION

Housing is a defining component of a community's character and quality of life. For example, housing density can affect the interactions between neighbors and diversifying the housing units can allow for a mix of people from different societal backgrounds. Community planning is very cognizant of the importance to plan for housing and its relevance in a master plan. Through planning, communities can determine appropriate zones for residential use and how residential areas connect with surrounding land uses.

The primary purposes of the Housing Chapter are to review the housing stock, identify trends in housing development and recommend actions town can take to assist the housing needs of the residents. The focal point for these three directions is the diversity of housing stock available in Atkinson. Having a diverse housing stock means that a municipality has a variety of price points to allow all segments of a population to live within their community. Specifically, affordable housing offers services workers such as teachers, police and firefighters who earn lower wages to live within the community they serve. Secondly, affordable housing provides young families a place to raise their children. Both of these are integral aspects relative to the vesting of residents into their community and creating a community that is welcoming, engaging and caring. It is in Atkinson's best interest both from a legal perspective and at a functioning capacity of the community that they analyze the diversity of housing and determine what actions, if they are needed, should be taken.

The Housing Chapter will tackle this issue from two perspectives. The Housing Demographics section will focus on population, housing stocks and its projected growth over the short-term future. The second section, Housing Economics, will be more geared towards the financial aspects of the housing market in Atkinson and comparing Atkinson's affordability to surrounding communities.

BACKGROUND

The last Master Plan was updated in 1998, when the country and the region were experiencing a robust economy and New England's job market was booming. Specifically, job creation in Boston has had a residual effect on the southern regions of New Hampshire. As these jobs have increased, so have the housing prices in Boston. As people have moved away from Boston in search of more affordable housing, their high paying positions have been one factor which has caused the increase of the housing prices in southern New Hampshire. These increases in housing prices combined with the influx of people have raised some questions about how communities can properly plan for the additional housing demands.

For the purposes of this Master Plan, the term affordable housing will be used. The terms workforce housing and low/moderate income housing are also often used in discussion relating to affordable aspects of housing. The intentions of these terms are synonymous in that they are concerned with providing housing options to lower income households that are equitable to the income they earn.

Municipalities have been given a legal obligation by the New Hampshire General Court and the New Hampshire court system to address the housing needs and take measures to provide a diverse mix of housing. RSA 672:1 III-e declares that all citizens benefit from a balanced supply of housing including affordable housing. Case law has helped to define the state statutes, with one of the first cases being *Soares v. Atkinson* in 1987. In this case the court suggested that towns are responsible not only for accepting a fair share of population growth and housing, but also for providing opportunities for a variety of housing types to be built. Following the *Soares v. Atkinson* case, *Britton v. Town of Chester* in 1991 had similar results. The court ruled that the Town of Chester had created exclusionary zoning by allowing multifamily housing only in a Planned Residential Development (PRD). PRD's were only allowable in 1.73% of the town's land area and the town created the ordinance without consideration of the "general welfare of the community" where community was defined to include surrounding municipalities. The ruling was in favor of the developer and permitted them a builder's remedy to construct the project. Most recently was the case of *Great Bridge Properties, LLC v. Town of Ossipee ZBA* in 2005. At the time, Ossipee's zoning ordinance allowed for multifamily units to be constructed only in existing structures, limited to four units per structure and only one principal structure per parcel. The developer sought to build a new project on a 9-acre parcel, 3.5 acres to be developed, with 6 four unit structures. The master ruling was in favor of the developer. The decision was largely based on testimony from the ZBA chairperson who stated the intention of the ordinance was to exclude affordable housing from town. Subsequently the master found that the zoning was exclusionary and gave the planning board orders to review the site plan with 45 days or two meeting cycle, whichever came first.

After the *Soares v. Atkinson* case, Atkinson adopted a Low-Moderate Income ordinance to allow for more affordable housing to be built in town. Since it was passed, there have been three amendments which have updated the ordinance. In 1992 the ordinance was amended to require that at least 20% of the development had to be deemed affordable. By 1997 the ordinance was amended to ensure the units met federal guidelines. Then in 2001 it was amended to limit affordable housing density bonus to multifamily units only. The final amendment was in 2003 where it added the Assurance of Benefits provision requiring the units be deeded as a Low-Moderate unit for at least five years and the units complied with NHHFA before a certificate of occupancy was issued. Using the *Great Bridges v. Town of Ossipee* case as a guide, a cursory analysis was done to estimate the approximate number of parcels and acres which permit

affordable housing based on the requirements of the Low-Moderate Income Ordinance. The restrictions for the analysis included undeveloped parcel sizes greater than 10 acres and whose property was not placed under any conservation easement. The results showed that approximately 30 parcels in town fit these requirements. The total acreage was just more than 900 acres and equates to approximately 13% of the total area of Atkinson.

Atkinson has taken two additional steps to provide for affordable housing. First, accessory dwellings, which are sometimes referred to as in-law apartments, have become a permitted use in town. However, there is a restriction that these units can only be built for extended family members housing needs. Second, the Town also permits manufactured housing in all of the five residential zones in town, provided that it is built within a rural cluster residential development. Manufactured Housing Parks are also permitted but they are restricted to RR-3 and TR-2 districts.

HOUSING DEMOGRAPHICS

The community profile chapter of the Atkinson Master Plan addresses the effect an increasing population will have on Atkinson and surrounding communities. Table H-1 is a condensed version of the population changes for the area. Atkinson's population has grown at a moderate rate over the last three decades, with an average annual population increase of 1.6% from 1980-1990, 1.7% from 1990-2000 and 1.2% from 2000-2005. These values fall below the average growth rate of 3.5%, 1.9% and 1.4% for the Timberlane School District during the respective time periods. The rate of growth for Atkinson is more closely aligned with the regional growth rates for Rockingham County.

Table H-1

POPULATION HISTORY Atkinson & Surrounding Communities 1980-2005

TOWN/AREA	US Census				Average Annual Change		
	1980	1990	2000	OEP Est. 2005	1980-1990	1990-2000	2000-2005
Atkinson	4,397	5,188	6,178	6,560	1.6%	1.7%	1.2%
Danville	1,318	2,534	4,023	4,490	6.3%	4.5%	2.2%
Plaistow	5,609	7,316	7,747	7,820	2.6%	0.6%	0.2%
Sandown	2,057	4,060	5,143	5,850	6.6%	2.3%	2.5%
Timber. Sch. Dist.	13,381	19,098	23,091	24,720	3.5%	1.9%	1.4%
Rock. County	190,345	245,845	277,359	296,740	2.5%	1.2%	1.3%
NH State	920,475	1,109,252	1,235,786	1,315,000	1.8%	1.1%	1.2%

Sources: 1980-2000 - US Census Bureau.
2005 - NH Office of Energy and Planning.

The population growth trend is closely correlated to the increase in Atkinson's housing units. Since 1980, the housing units have grown substantially from 1,428 to 2,650 units in 2005, representing a 53% increase (Table H-2). The annual growth rate in housing units for Atkinson was 2.7% from 1980-1990, 2.5% from 1990-2000 and 1.7% from 2000-2005. This declining trend in housing units is also expressed within the Timberlane School District and at a regional level. When compared with projected population estimates in the Community Profile chapter, the most recent trends of approximately 1%-2% annual growth can be expected for the near future.

Table H-2

**HOUSING UNITS
Atkinson & Surrounding Communities
1980-2005**

TOWN/AREA	US Census				Average Annual Change		
	1980	1990	2000	NHHFA Est. 2005	1980- 1990	1990- 2000	2000- 2005
Atkinson	1,428	1,885	2,431	2,650	2.7%	2.5%	1.7%
Danville	439	960	1,479	1,662	7.5%	4.2%	2.3%
Plaistow	1,827	2,691	2,927	2,990	3.8%	0.8%	0.4%
Sandown	736	1,488	1,777	2,051	6.8%	1.8%	2.8%
Timber. Sch. Dist.	4,430	7,024	8,614	9,353	4.5%	2.0%	1.6%
Rock. County	69,375	101,773	113,023	122,322	3.8%	1.0%	1.6%
NH State	349,172	503,904	547,024	588,895	3.6%	0.8%	1.5%

Sources: 1980-2000 - US Census Bureau.
2005 - NH Housing and Finance Authority.

In reviewing the housing growth, Atkinson must be evaluated based on its ability to accommodate the projected demand that will be placed on the community. Using the NH Housing Finance Authority (NHHFA) 2005 estimates and OEP population estimates from Table H-1, the number of persons per unit is estimated to be 2.48. By the year 2010, the NH Office of Energy and Planning projects Atkinson's population to reach 6,800. If the 2005 person per unit ratio of 2.48 remains constant, the projected demand on housing units will increase by 91 units which equates to a 3% increase to 2,741 units.

With the charge from the RSA and subsequent rulings from the NH Supreme Court, Atkinson has worked to provide a range of housing types allowed through their zoning ordinances. Table H-3 details the change in housing types between 1990 and 2005 for Atkinson relative to the Timberlane School District towns, Rockingham County and the State of NH. The change in Atkinson between 1990 and 2005 suggests that the multi-family/condo are becoming an

increasing share of the housing stock, 14.9% to 27.1% respectively. Subsequently, the shares of single-family units have decreased from 84.4% in 1990 to 72.5% in 2005. The trend of an increasing share of multi-family/condo units is unique to Atkinson. The other three towns of the Timberlane school district, Rockingham County and the state of NH all showed a decline in the share of multi-family/condo units and an increase in single family homes.

Table H-3

HOUSING BY TYPE
Atkinson & Surrounding Communities
1990 & 2005

Town/Area	1990						Total
	Single Family (detached)		Multi-family & Condominiums		Manufactured		
	#	%	#	%	#	%	
Atkinson	1,591	84.4%	281	14.9%	13	0.7%	1,885
Danville	592	61.7%	76	7.9%	292	30.4%	960
Plaistow	1,529	56.8%	1,080	40.1%	82	3.0%	2,691
Sandown	1,215	81.7%	174	11.7%	99	6.7%	1,488
Timber. Sch. Dist.	3,712	67.1%	1,437	26.0%	387	7.0%	5,536
Rock. County	61,147	60.1%	31,688	31.1%	8,938	8.8%	101,773
NH State	297,777	59.1%	164,184	32.6%	41,943	8.3%	503,904

Source: 1990, NH Housing Finance Authority.

Town/Area	2005- (estimate)						Total
	Single Family (detached)		Multi-family & Condominiums		Manufactured		
	#	%	#	%	#	%	
Atkinson	1,921	72.5%	717	27.1%	12	0.5%	2,650
Danville	1,212	72.9%	83	5.0%	367	22.1%	1,662
Plaistow	1,846	61.7%	1,127	37.7%	17	0.6%	2,990
Sandown	1,746	85.1%	192	9.4%	113	5.5%	2,051
Timber. Sch. Dist.	6,725	71.9%	2,119	22.6%	509	5.4%	9,353
Rock. County	79,143	64.7%	35,098	28.7%	8,091	6.6%	122,332
NH State	371,969	63.2%	177,921	30.2%	39,005	6.6%	588,895

Source: 2005, NH Housing Finance Authority.

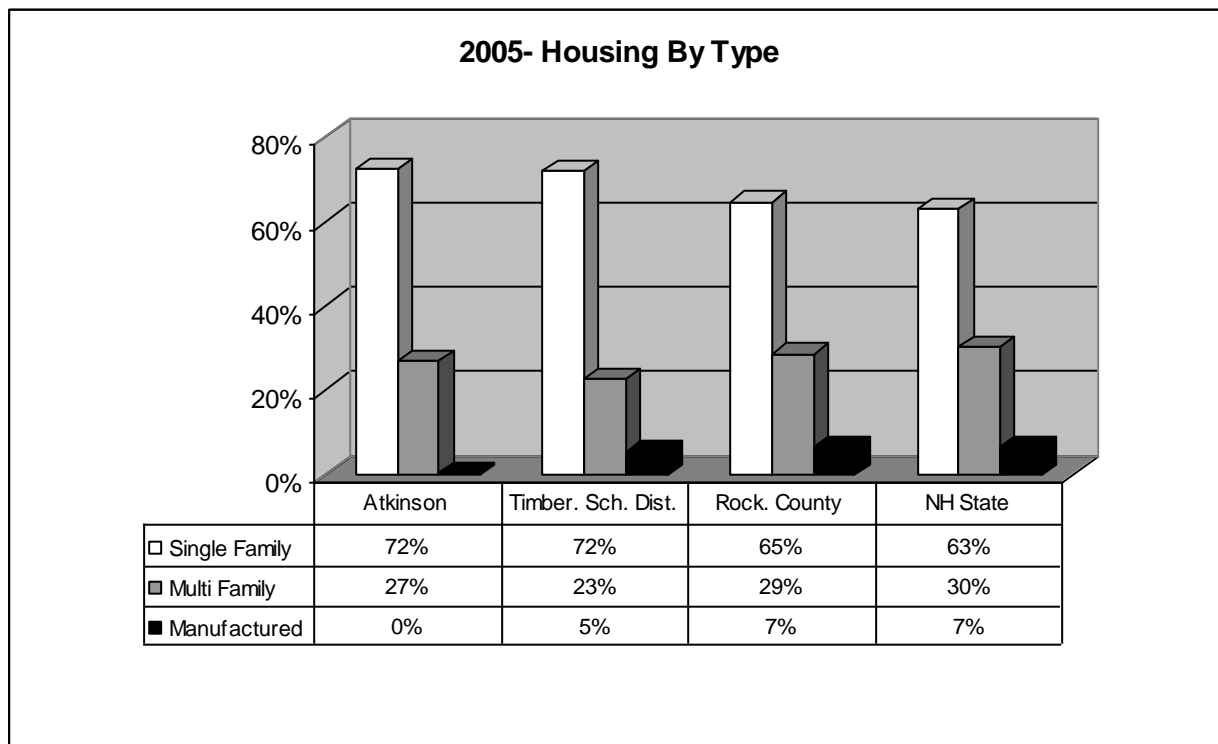
Using the data in Table H-3, it is possible to compare the growth rate of housing units for the town and regions. Single family units in Atkinson grew from 1,591 to 1,921 representing a 17% growth. This growth was substantially lower than the multi-family/condo growth which saw a 61% increase. Additionally, it is believed that there are a number of single-family homes that have been converted to multi-family units without appropriate permits or approvals. Although

these units are sometimes found during property valuations, not all are accounted for in this statistical analysis. The Timberlane School District’s growth in single family and multi-family units was 45% and 32% respectively while Rockingham County realized a 22% growth in single family units and 10% growth in multi-family/condo units. These numbers support the trend shown in housing shares which show Atkinson having an increasing development of multi-family/condo units compared to other towns and regions.

Figure H-1 illustrates the housing type data from Table H-3 between Atkinson, Timberlane School District, Rockingham County and the state of NH for 2005. Atkinson mix of housing types is similar to the mix of the comparative regions. All of them have strong concentrations of single-family units which are double the share of multi-family/condo units. Manufactured homes are shown to be a lower share in Atkinson (.5%) versus the Timberlane School District (5.4%) and Rockingham County (6.6%).

FIGURE H-1

**HOUSING TYPE
Atkinson & Surrounding Community
2005**



Source: 2005, NH Housing Finance Authority.

The increase in multi-family/condo units which in 2005 accounted for 27.1% of Atkinson’s housing is equivalent to the housing stock of multi-family/condo units in Rockingham County (28.7%) and falls just short of the 30.2% for the state of New Hampshire.

There is also a correlation between housing type, occupancy status and housing tenure, which categorizes housing units by ownership and rental status. In 2000, Atkinson's total number of occupied housing units was 2,317, leaving approximately 5% of housing units vacant (Table H-4). Ideally vacancy levels should hover around 3% which places Atkinson slightly above desired levels. However, these levels are considered acceptable due to the higher seasonal housing compared to surrounding communities. The nonseasonal vacancy percent (1.6%) is relatively low and this category includes house that are for sale or available rental units. The lower nonseasonal vacancy percent attests to the constraints the housing industry has experienced in Atkinson and the state of New Hampshire.

Owner-occupied units represent 84.7% of all housing units and renter-occupied units stood at 10.6%. These levels are analogous to levels in Timberlane School District but fall short of the county and state levels. The connection to housing type is that multi-family/condo units tend to have a higher percentage of occupants who rent, and rental units are traditionally more affordable.

TABLE H-4

HOUSING UNITS BY TENURE
Atkinson & Surrounding Communities
2000

Town/Area	Total	Occupancy					Tenure			
	All Housing # units	All Occupied # units	Vacant Housing Units				Owner-occupied		Renter-occupied	
			Non Seasonal		Seasonal		#	%	#	%
			#	%	#	%				
Atkinson	2,431	2,317	39	1.6%	75	3.1%	2,060	84.7%	257	10.6%
Danville	1,479	1,428	34	2.3%	17	1.1%	1,302	88.0%	126	8.5%
Plaistow	2,927	2,871	30	1.0%	26	0.9%	2,264	77.3%	607	20.7%
Sandown	1,777	1,694	39	2.2%	44	2.5%	1,521	85.6%	173	9.7%
Timber. Sch. Dist.	6,837	6,616	103	1.5%	118	1.7%	5,626	82.3%	990	14.5%
Rock. County	113,023	104,529	2,435	2.2%	6,059	5.4%	78,999	69.9%	25,530	22.6%
NH State	547,024	474,606	15,167	2.8%	57,251	10.5%	330,783	60.5%	143,823	26.3%

Source: 2000, U.S. Census Bureau.

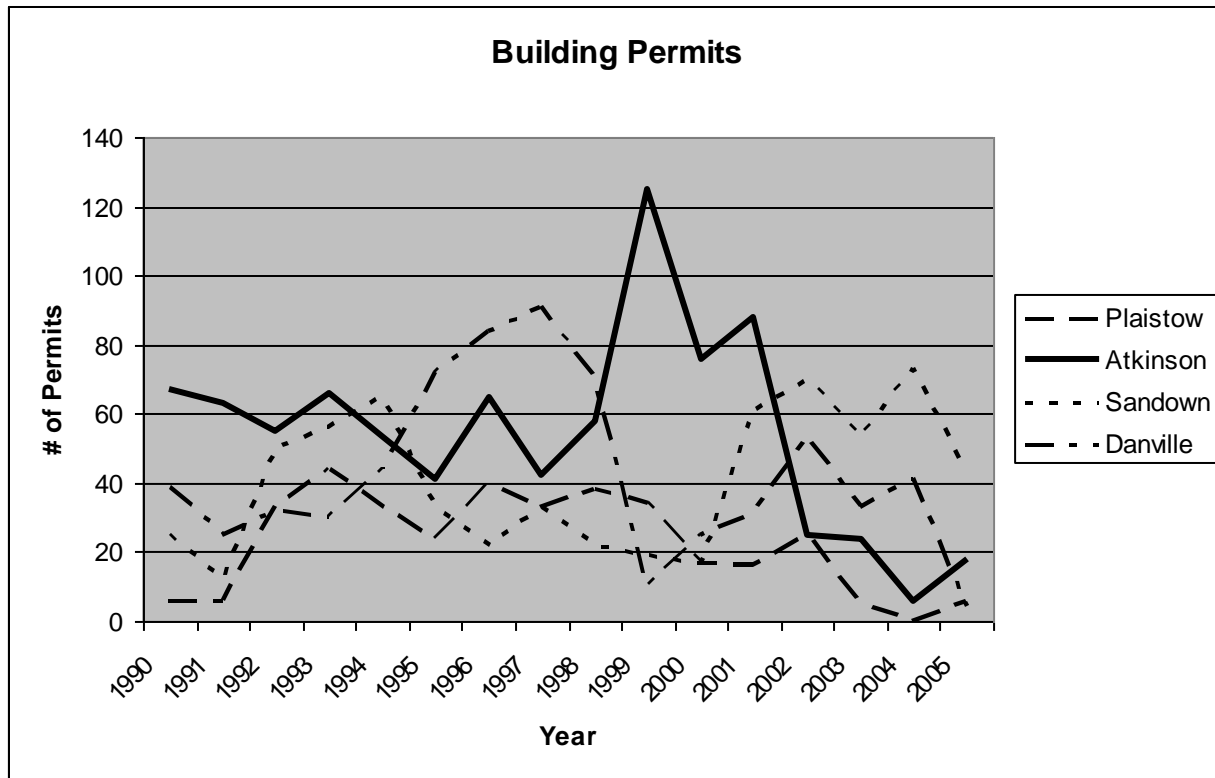
HOUSING ECONOMICS

The cost of housing has seen a significant increase in the Seacoast region of New Hampshire over the past decade. As discussed in the background of the housing chapter, this has been partially affected by Boston's housing market but also by the quality of life in the region, favorable mortgage rates and supply levels.

One variable which fluctuates with housing market prices is building permits. Figure H-2 lists the number of building permits granted between 1990 and 2005. Until 1998, Atkinson experienced consistent growth, with only slightly higher number of building permits compared to surrounding towns. An interesting pattern occurred between 1999-2002. During this timeframe Atkinson saw a record number of permits while permits in surrounding towns saw a decline. There were four large developments which caused this spike in building permits. They included Settler's Ridge (99 units), Centerview Hollow (63 units), Cogswell Farm (55 units) and Mill Stream (24 units). After 2002, the number of building permits declined and a relatively low number of building permits have been granted since the spike which was experience earlier in the decade.

FIGURE H-2

BUILDING PERMITS
Atkinson & Surrounding Communities
1990-2005



Source: 2005, New Hampshire Housing Finance Authority.

Data for Figure H-2

TOWN/AREA	1990	1991	1992	1993	1994	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004	2005
Atkinson	67	63	55	66	53	41	65	42	58	125	76	88	25	24	6	18
Danville	39	25	32	30	44	72	84	91	70	10	25	31	53	33	41	4
Plaistow	6	6	33	44	33	24	40	33	38	34	17	16	25	5	0	6
Sandown	25	12	50	56	65	33	22	33	22	19	17	61	70	53	73	43
Timber. Sch. Dist.	137	106	170	196	195	170	211	199	188	188	135	196	173	115	120	71
Rock. County	1048	982	1234	1495	1347	1239	1286	1646	1873	2061	2064	1576	1579	2071	2019	1583
NH State	4745	3717	4334	4647	4731	4472	5200	5992	6653	7286	7551	7079	8907	9270	9064	2445

As identified earlier, the Seacoast region of New Hampshire has experienced several significant changes in recent decades; one of those being the escalating costs of housing. The Rockingham Planning Commission has worked throughout the 1990's to understand these impacts by coordinating regional housing need assessments. The purpose of the assessment was to quantify the size and distribution of the need for affordable housing in the region. By quantifying the stock of affordable housing, towns can assess whether they are meeting their required "fair share" of affordable housing. However, the assessment clearly states that this information is meant to be used only as a general indicator of the distribution of housing needs in the region, not as a prescription of units needed in a particular town.

The U.S. Census and New Hampshire Housing and Finance Authority are valuable sources to analyze current patterns in affordable housing. Table H-5 lists the median home price and median rents for Atkinson and surrounding communities between 1990-2006. Atkinson had a 48.3% increase in median home price for this time period with a median house price of \$337,000 in 2006. Likewise, the median rental costs in Atkinson escalated 28.7% to \$600 in 2005. Comparatively, Atkinson's rental housing is lower than surrounding communities. This is due in large part to the available rental inventory being mostly apartments versus duplex, townhomes and multifamily homes in the surrounding areas.

TABLE H-5

MEDIAN HOUSING VALUE AND RENTAL COSTS
Atkinson & Surrounding Communities
1990-2006

Town/Area	1990 Median Home Price	2006 Median Home Price	% change 90-06	1990 Median Rent (\$/month)	2006 Median Rent (\$/month)	% change 90-06
Atkinson	\$174,100	\$337,000	48.3%	\$428	\$600*	28.7%
Danville	\$147,800	\$285,000*	48.1%	\$553	\$944*	41.4%
Plaistow	\$149,900	\$252,350	40.6%	\$714	\$983	27.4%
Sandown	\$142,400	\$298,400	52.3%	\$789	\$818**	3.5%
Timber. Sch. Dist.	\$158,250	\$295,917	46.5%	\$609	\$983	38.1%
Rock. County	\$149,800	\$303,000	50.6%	\$614	\$994	38.2%
NH State	\$129,300	\$250,000	48.3%	\$549	\$928	40.8%

*- Data from 2005

** - Data from 2000

Source: 1990, 2000, U.S. Census Bureau.
2005, 2006, New Hampshire Housing and Finance Authority.

Table H-6 takes the median housing and rental costs a step further and analyzes the year 2000 prices to county medians. With a median house price of \$197,900, Atkinson was 20% higher than Rockingham counties median housing price (\$164,900). The median mortgage payment for Atkinson was \$1,465 and was the highest of the represented towns.

TABLE H-6
COUNTY COMPARISON OF MEDIAN HOUSING AND RENTAL COSTS
Atkinson & Surrounding Communities
2000

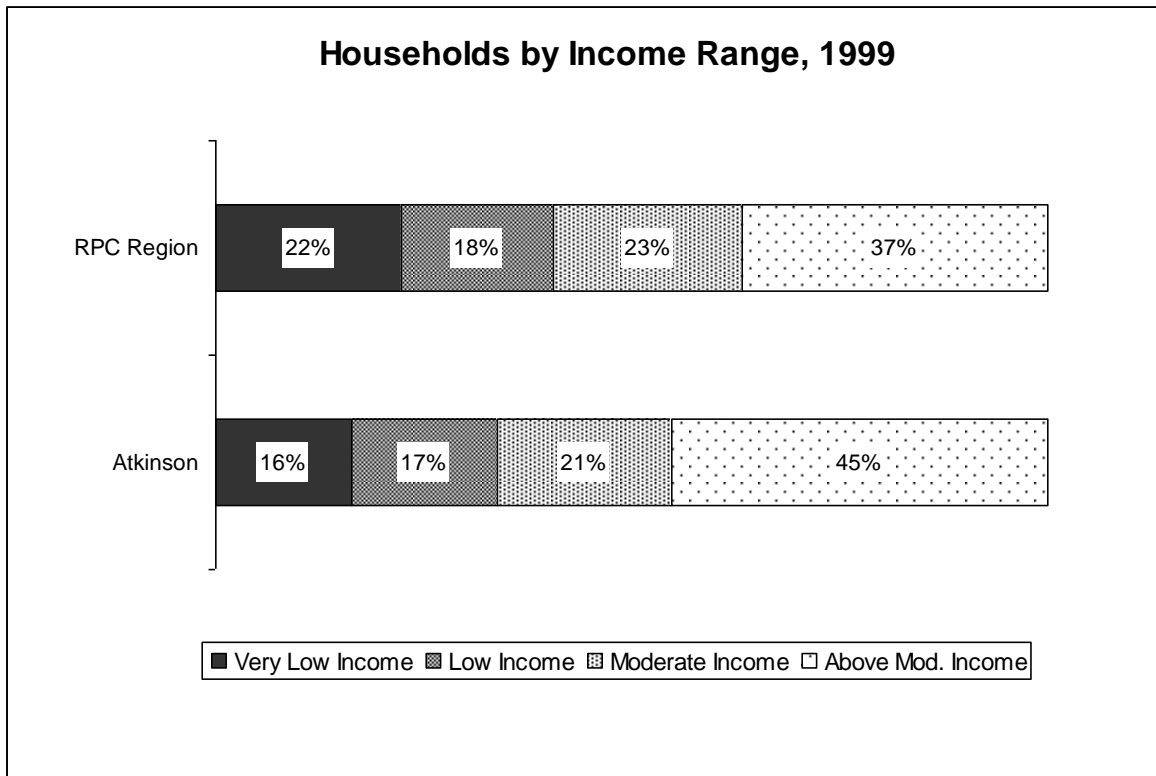
Town/Area	2000 Census					Real Estate Sales Data: Jan02-Sep03	
	Median Price	% of County Median	Median Rent (\$/month)	% of County Median	Median Mortgage (\$/month)	Avg. Res. Sale Price	# Sales Reported
Atkinson	\$197,900	120.0%	\$509	71.0%	\$1,465	\$297,524	206
Danville	\$160,900	97.6%	\$613	85.5%	\$1,340	\$224,534	152
Plaistow	\$158,100	95.9%	\$793	110.6%	\$1,338	\$227,845	246
Sandown	\$144,100	87.4%	\$818	114.1%	\$1,384	\$229,286	248
Timber. Sch. Dist.	\$171,000	103.7%	\$664	92.5%	\$1,402	\$244,797	852
Rock. County	\$164,900	100.0%	\$717	100.0%	\$1,390	\$285,684	7,833
NH State	\$133,300	80.8%	\$646	90.1%	\$1,226	N/A	N/A

Source: 2000, U.S. Census Bureau.
2003, Real Data Corp.

Household income in Figure H-3 shows that Atkinson is slightly more affluent than the Rockingham Planning Commission region. The largest discrepancy between the two areas is in the number of above moderate income residents. Atkinson has 45% of its residents within this class while the RPC region had 37%. The second largest discrepancy was in the very low income where only 16% of the population in Atkinson fell into this classification compared to 22% in the RPC region.

FIGURE H-3

**HOUSEHOLDS BY INCOME RANGE
Atkinson & Rockingham County
1999**



Source: 2000, U.S. Census Bureau.

On the following page, Table H-7 depicts the affordability of owning a home in Atkinson and surrounding communities for the years 2000 and 2006. For each community, the median affordable home price (MAHP) was calculated by taking 30% of the median household income and applying it into a standard mortgage product (30 years, 6% interest). House insurance, mortgage insurance and property taxes for the given year were also factored into the housing costs. This is an estimate that could adjust depending on an individual’s down payment, interest percentage on the mortgage and other factors. The MAHP is then compared with the number of home sales in the community, showing how many of these home sales fell above and below the MAHP. The table can be interpreted to read that Atkinson in 2000 had 4.6% of its home sales (5 homes) sell at a price below the MAHP of \$201,972. Conversely, 95.4% of the home sales (103 homes) sold at a price greater than the MAHP.

In 2000, the housing market was in a boom. The Timberlane School District saw 385 homes sell during this time period and 46.5% (179 homes) sold below the MAHP for the district. Atkinson

had 108 home sales and as mentioned above, had 4.6% (5 homes) sell below its MAHP, falling substantially lower than the surrounding communities in the number of home sales that are deemed affordable. By 2006, the housing market had shifted dramatically. There were far fewer homes selling on the market. This is exhibited by only 226 homes being sold in the Timberlane School District for this time period, a 41% drop in number of homes sold in 2000. Secondly, the number of homes sold below the MAHP for the communities fell dramatically. As an example, Sandown saw 74.4% (61 homes) sell below its MAHP in 2000 but in 2006, this number fell to 13.4% (9 homes). Atkinson was the one community which remained level to its 2000 sales selling below its MAHP with 7.5% (7 homes). This was in large part due to the already high costs for housing in Atkinson.

TABLE H-7

**HOUSING OWNERSHIP AFFORDABILITY
Atkinson & Surrounding Towns
2000 & 2006**

Town/Area	2000						
	Median Household Income	MAHP (Median Affordable Home Price)	Homes Sales				
			Total	Less than MAHP		Greater than MAHP	
			#	#	%	#	%
Atkinson	\$69,729	\$201,972	108	5	4.6%	103	95.4%
Danville	\$57,287	\$164,313	49	18	36.7%	31	63.3%
Plaistow	\$61,707	\$177,691	146	87	59.6%	59	40.4%
Sandown	\$67,581	\$195,470	82	61	74.4%	21	25.6%
Timber. Sch. Dist.	\$64,076	\$184,862	385	179	46.5%	206	53.5%
Rock. County	\$58,150	\$166,926	4,901	1,871	38.2%	3,030	61.8%
NH State	\$49,467	\$140,644	18,837	9,234	49.0%	9,603	51.0%

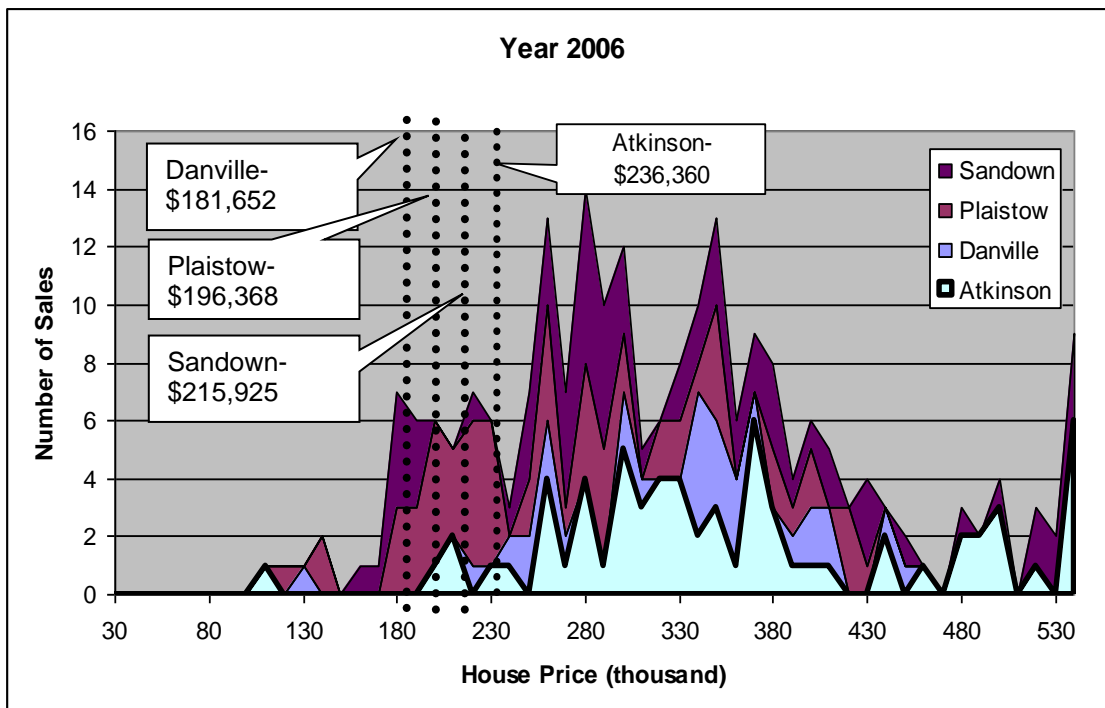
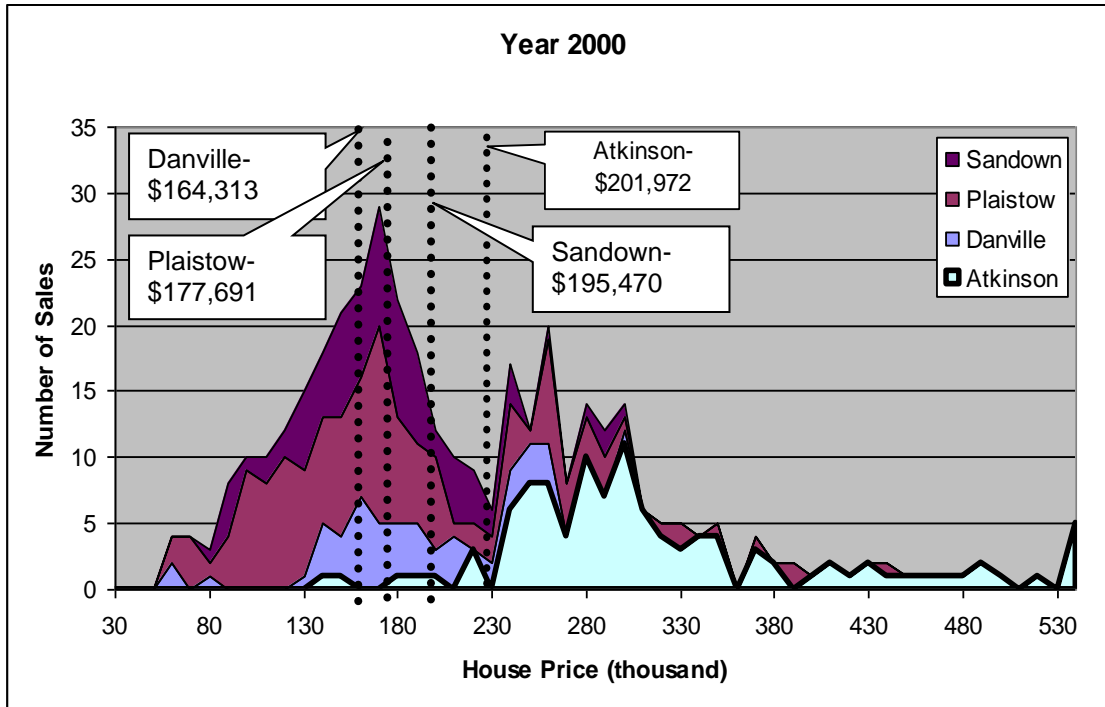
Town/Area	2006						
	Median Household Income	MAHV (Median Affordable Home Price)	Homes Sales				
			Total	Less than MAHP		Greater than MAHP	
			#	#	%	#	%
Atkinson	\$76,702	\$236,360	67	5	7.5%	62	92.5%
Danville	\$63,015	\$181,653	30	1	3.3%	29	96.7%
Plaistow	\$67,877	\$196,369	62	9	14.5%	53	85.5%
Sandown	\$74,339	\$215,926	67	9	13.4%	58	86.6%
Timber. Sch. Dist.	\$70,483	\$175,982	226	7	3.1%	219	96.9%
Rock. County	\$63,965	\$184,526	3,115	314	10.1%	2,801	89.9%
NH State	\$54,414	\$155,617	14,390	1,771	12.3%	12,619	87.7%

Source: 2007 New Hampshire Housing Finance Authority.

Figure H-4 on the next page visually shows the data for the communities of Timberlane School District shown in Table H-7 above. The graph is an area graph and the communities are aggregated to show the home sales for the Timberlane School District. It could be said then that in 2000, there were 29 homes sold in the school district for \$170,000, with 9 homes sales in Sandown, 15 in Plaistow, 5 in Danville and 0 in Atkinson. The additional benefit of the graph is to compare the ability of residents to access affordable housing not only in their own community but also in the communities in the school district. The graph reveals that in 2000, 73.6% of the home sales in Danville, Plaistow and Sandown were sold at a price below the MAHP for Atkinson while only 4.6% of the homes in Atkinson were below the Atkinson MAHP. As mentioned earlier, in 2006 there was a large increase in home prices of the surrounding communities of Danville, Plaistow and Sandown. With the MAHP in Atkinson being \$236,360, 24.5% of the home sales in Danville, Plaistow and Sandown fell below this level, representing a large reduction in the number of affordable homes in the district. It's difficult to quantify why there was such a steep shift in the market price of surrounding communities. Some explanation may lie in the appreciation in the housing market, the shifting demographics of the buyers (ie. less low income buyers), deflated costs of housing in surrounding communities in 2000 and possibly the reduction in building permits for new construction projects.

Figure H-4

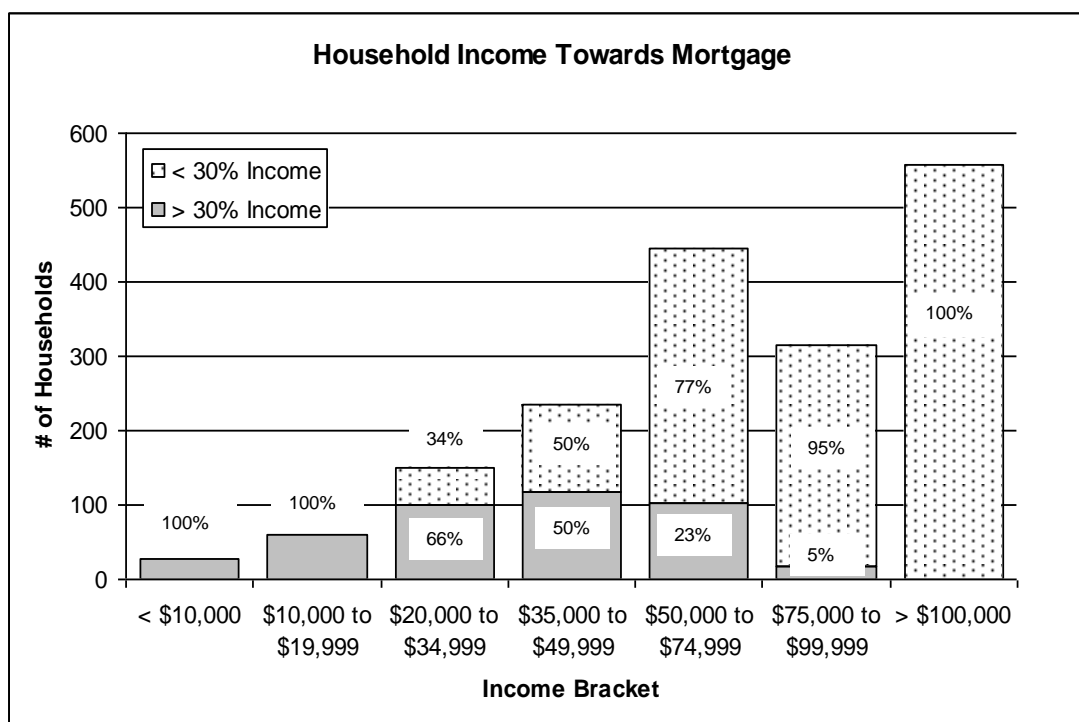
HOUSING OWNERSHIP AFFORDABILITY
Atkinson & Surrounding Towns
2000 & 2006



Source: 2007 New Hampshire Housing Finance Authority.

In the explanation for the previous figure, it was mentioned that 30% of a household's income was determined to be the equitable amount which should go towards housing costs. The New Hampshire Housing Finance Authority categorizes this information into income brackets to show the percent of property owners who pay less than 30% and more than 30% of their income towards housing costs (figure H-5). The figure reveals that 76% of households from all income brackets pay less than 30% of their income towards housing costs. This percent is considerably high but it is difficult to apply to the larger picture of affordable housing. The statistic is simply showing that a high proportion of residents earn enough money to keep their housing costs at or below the 30% of their income level. It does not show that housing is affordable in Atkinson. As expected, there is a positive correlation between income bracket and number of households who own their property. Also revealed is the relationship between income and the percent of income which goes towards mortgage payment. The lower income levels pay a greater percentage of their income towards their mortgage payment versus the higher income brackets that pay a lower percentage of their income.

FIGURE H-5
HOUSEHOLD INCOME TOWARDS HOUSING COSTS- OWNERSHIP
Atkinson
2005



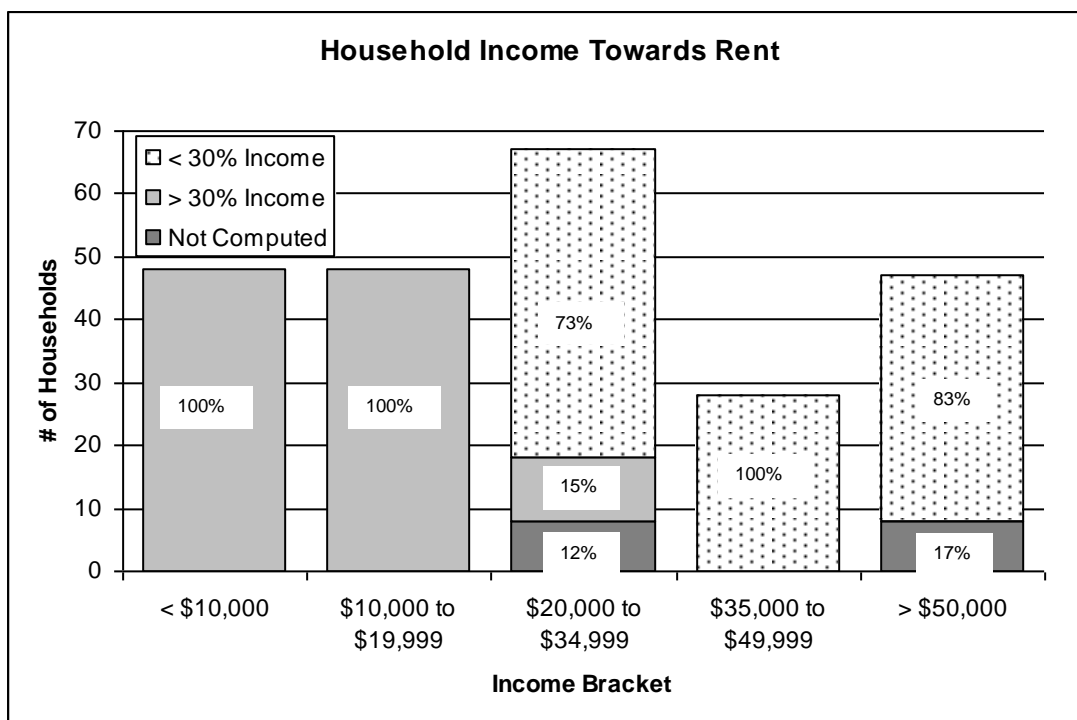
Data

Category	< \$10K	\$10,000 to \$19,999	\$20,000 to \$34,999	\$35,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	> \$100K	Totals
< 30% Income	0	0	52	117	342	298	558	1,367
> 30% Income	28	60	99	118	102	17	0	424
Not Computed	0	0	0	0	0	0	0	0
All Owner Households	28	60	151	235	444	315	558	1,791

Source: 2005 New Hampshire Housing Finance Authority.

Figure H-6 is similar to Figure H-5 but this time it compares the percent of household income which goes towards rental costs. In addition to the mutually exclusive greater than 30% and less than 30%, there is a third category titled “not computed”. These households opted not to provide their information to NHHFA. The patterns in figure H-6 are similar to figure H-5; Households who are in a higher income bracket, pay less of their income towards rental costs. Figure H-6 does differ though. Instead of a positive correlation between housing income and the number of households renting, there is a negative correlation. In other words, it could be stated that as income increases, there are less households who rent. This is logical and the opposing findings between rental costs and mortgage costs support each other’s results. A final note of interest is the scale on the y axis in both figures. Similar to the data from Table H-4 which found that a majority of households own property (84.7%) versus those who rent (10.6%), there are hundreds more households in figure H-5 compared to figure H-6.

FIGURE H-6
HOUSEHOLD INCOME TOWARD HOUSING COSTS- RENTAL
Atkinson
2005



Data

Category	< \$10K	\$10,000 to \$19,999	\$20,000 to \$34,999	\$35,000 to \$49,999	> \$50K	Totals
< 30% Income	0	0	49	28	39	116
> 30% Income	48	48	10	0	0	106
Not Computed	0	0	8	0	8	16
All Renter Households	48	48	67	28	47	238

Source: 2005 New Hampshire Housing Finance Authority.

The previous figures compared the percent of household income towards housing costs in Atkinson but case law has pointed out the importance to look at how a specific town compares to neighboring communities. Table H-8 takes the percent of income which goes towards housing costs and evaluates Atkinson with surrounding communities in the Timberlane School District.

TABLE H-8

HOUSEHOLD INCOME TOWARD HOUSING COSTS
Atkinson & Surrounding Communities
2005

Rental

Town/Area	<30% HH Income		>30% HH income		Not Computed		Total
	#	%	#	%	#	%	
Atkinson	116	48.7%	106	44.5%	16	6.7%	238
Danville	88	69.8%	30	23.8%	8	6.3%	126
Plaistow	359	59.1%	232	38.2%	16	2.6%	607
Sandown	73	43.7%	64	38.3%	30	18.0%	167
Timber. Sch. Dist.	636	55.9%	432	38.0%	70	6.2%	1,138
Rock. County	10,524	62.2%	5,351	31.6%	1,036	6.1%	16,911
NH State	86,913	61.5%	46,636	33.0%	7,678	5.4%	141,227

Mortgage

Town/Area	<30% HH Income		>30% HH income		Not Computed		Total
	#	%	#	%	#	%	
Atkinson	1,367	76.3%	424	23.7%	0	0.0%	1,791
Danville	617	70.0%	265	30.0%	0	0.0%	882
Plaistow	1,333	71.8%	505	27.2%	19	1.0%	1,857
Sandown	943	73.6%	324	25.3%	15	1.2%	1,282
Timber. Sch. Dist.	4,260	73.3%	1,518	26.1%	34	0.6%	5,812
Rock. County	30,985	74.9%	10,216	24.7%	171	0.4%	41,372
NH State	192,691	77.3%	55,504	22.3%	1,150	0.5%	249,345

Source: 2005 New Hampshire Housing Finance Authority.

On the positive side, the data suggest that the percent of resident's income going towards monthly mortgage is relatively low to surrounding communities. The table shows that 23.7% of residents in Atkinson pay greater than 30% of their household income towards mortgage payment. This is the second lowest percent out of the towns/areas included in study area. So even though the market price of houses in Atkinson is higher than Rockingham County, residents are receiving higher wages to pay for their housing. It is also possible that residents are increasing their down payments when purchasing their houses, thus reducing the monthly mortgage payments. One area of concern is noted in the percent of residents in Atkinson whose rental housing costs are greater than 30% of their household income. Atkinson has 44.5% of households who are renting and pay more than 30% of their income towards housing costs. This percent leads all surrounding communities, Rockingham County and New Hampshire.

CONCLUSION

In summary, there is a regional concern for affordable housing across Southern New Hampshire communities. State statutes and case law have required municipalities to encourage and provide means for a diverse stock of housing options. The purpose of this Housing Chapter is to review the housing stock in town and determine the how available affordable housing is to its residents.

The data highlights some achievements Atkinson has made. There has been considerably more multifamily housing development in town. Such development meets the needs of the growing populace of the area while also helping to protect the natural resources which are valued by the residents. Also, Table H-8 shows that 76% of Atkinson households who own their home are paying less than 30% of their income towards housing costs. This is a higher percent than surrounding communities. Finally, the increase of rental costs in Atkinson between 1990-2006 was 9.5% lower than the increase of rental costs for the county, as shown in Figure H-5.

There are an equal number of concerns also presented in this chapter. Among the biggest concerns is the relative affordability of Atkinson compared to surrounding communities. This is shown in several data sources. Figure H-4 is one of the most useful figures. It shows that Atkinson residents who earn the median income have access to a very small portion of the real estate transactions in town. Additionally in Table H-5, the median price to own a home in Atkinson was \$337,000 in 2006 which was 11% higher than the county median. Table H-5 also shows that housing prices in Atkinson increased 48.3% between 1990-2006, the second highest town in the Timberlane School District. These statistics suggest the market has progressed at a rate which is preventing many of the median earning households from living in Atkinson.

It was presented in the background section that Atkinson has taken measures to address affordable housing development including allowing accessory dwellings for extended family and the low-moderate income housing ordinance. However, there is room for improvement. Among the first steps the town should consider is updating the Low-Moderate Income Housing Ordinance that was first developed in the early 90's. Since then there has been a lot of development in policy shaping the purpose of these ordinances, which is to encourage affordable housing in town. It would be important for Atkinson to consider working with New Hampshire Housing and Finance Authority to develop a more comprehensive affordable housing ordinance that will meet the goals of the town and meet the requirements imposed on them. List below are the additional recommendations for the Town to consider implementing.

RECOMMENDATIONS

- **Elderly Housing:** Elderly housing should be encouraged in town to help meet the increasing demands caused by the aging population.
- **Update Low-Moderate Income Housing Ordinance:** Utilize assistance from state workforce housing organizations to update the low-moderate income housing ordinance to provide incentives for developers to build affordable housing.
- **Update Accessory Dwelling Units:** Consider revising the accessory dwelling unit ordinance to allow them to serve as affordable housing for non-family members.
- **Town Center Study:** Conduct a town center study to analyze the creation of a village district to offer mixed uses including housing and retail use occurring on the same lot.
- **Census 2010 update:** When the US Census is updated in 2010, the housing master plan should be updated accordingly to reflect the changes.
- **Affordable Housing Education:** Affordable housing is an issue facing the region and Atkinson. The town should encourage educational programs focused on affordable housing, its affect on communities and steps communities can take to encourage affordable housing.