

# CHAPTER IV

## HOUSING NEEDS

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### A. INTRODUCTION

The analysis of housing statistics is a crucial component of a Master Plan. The state statute that addresses the purpose and description of a Master Plan<sup>1</sup> calls for a “...*housing section which assesses local housing conditions and projects future housing needs of residents of all levels of income and ages in the municipality and the region as identified in the regional needs assessment performed by the regional planning commission pursuant to RSA 36:47, II, and which integrates the availability of human services with other planning undertaken by the community.*”

This Master Plan update analyzes Moultonborough’s Zoning Ordinance to determine whether it provides adequate opportunities for housing availability and if not, what amendments might be necessary in order to achieve that purpose.

As does the Population chapter, this chapter relies heavily on statistics, and most of these come from the US Census Bureau and the NH Office of Energy and Planning; local data are used where they are available. Much of the analysis covers the period from 1970 to 2006, 2006 being the most recent year for which comparable data are available. Those data that are not included in this chapter can be found in Appendix A.

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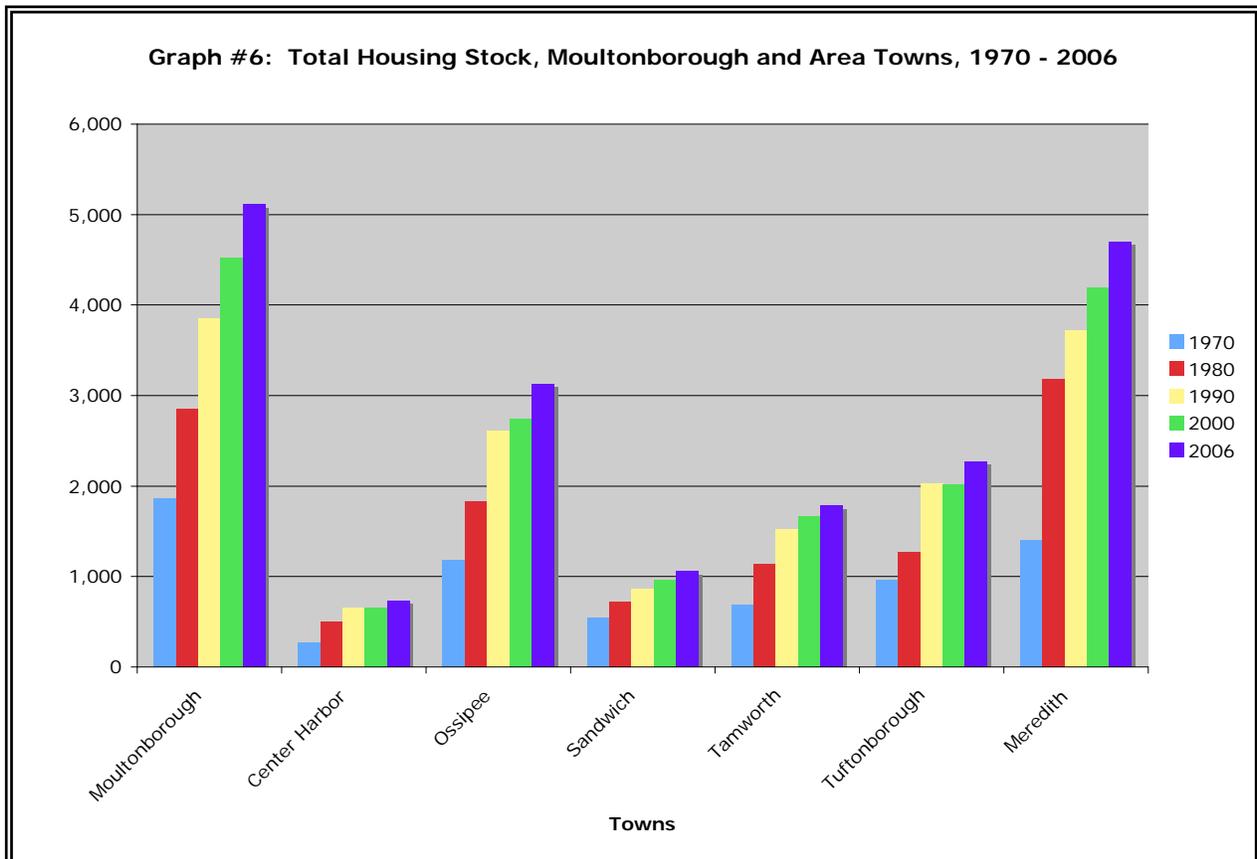
<sup>1</sup> RSA 674:2.

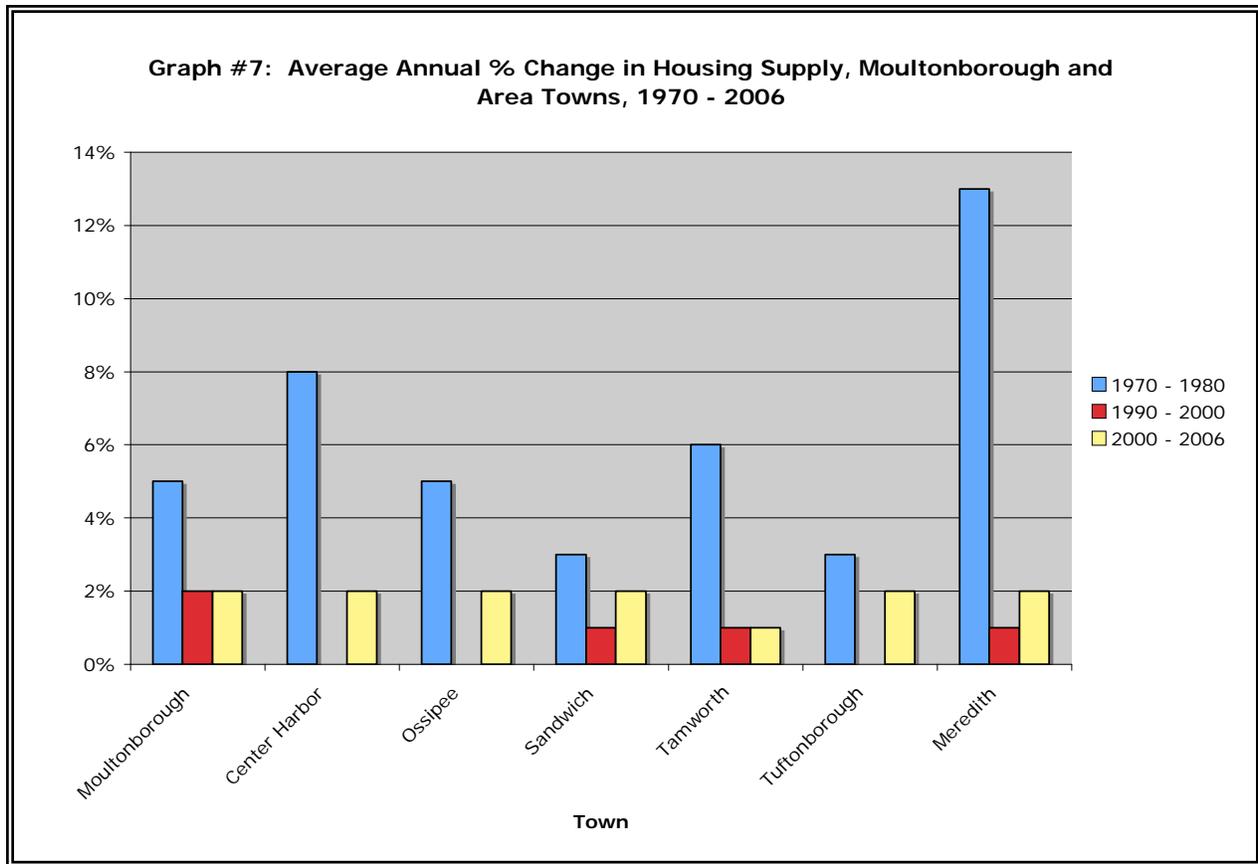
## B. HOUSING ANALYSIS

Following is information on various elements of the housing stock for Moultonborough and its area towns from 1970 to 2006. As in the analysis of the population, the town of Meredith is included in the housing analysis, given the similarities of the two towns in terms of their demographics.

Over this time period, the average annual percent increase in housing units is somewhat higher than the increase in the population. This is consistent with state and national trends showing smaller per person households, i.e., more houses per person than in previous years. All towns with the exception of Tamworth saw a 2% average annual increase in housing stock; Tamworth's stock increased by 1%. Consistent with the population changes, the greatest increases in housing supply occurred from 1970 to 1980, with Meredith showing the largest percentage increase.

Graphs #6 and #7 (following) illustrate the comparison of absolute numbers of total housing units and the rate at which these have increased over time. Moultonborough has consistently had the largest number of housing units in the area, even more than Meredith, which has a greater population than does Moultonborough. This may be due in part to the large percentage of seasonal units that make up the total housing supply in Moultonborough.





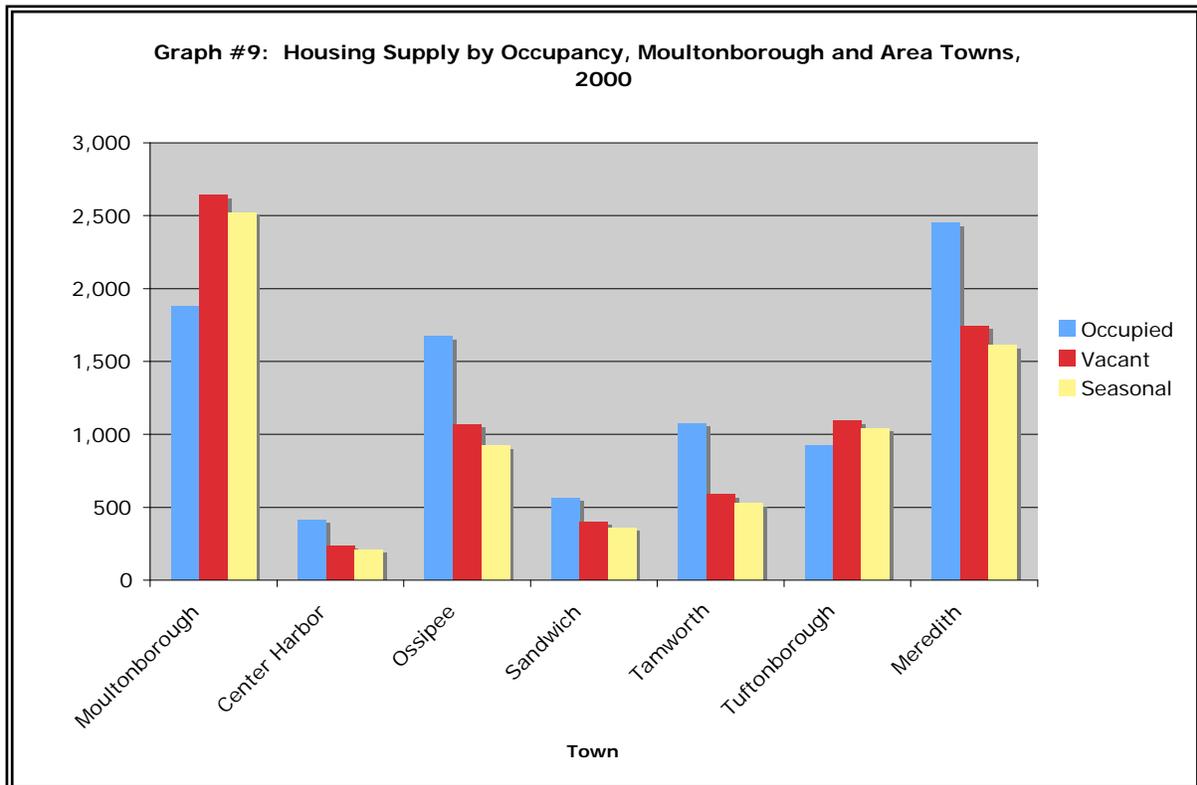
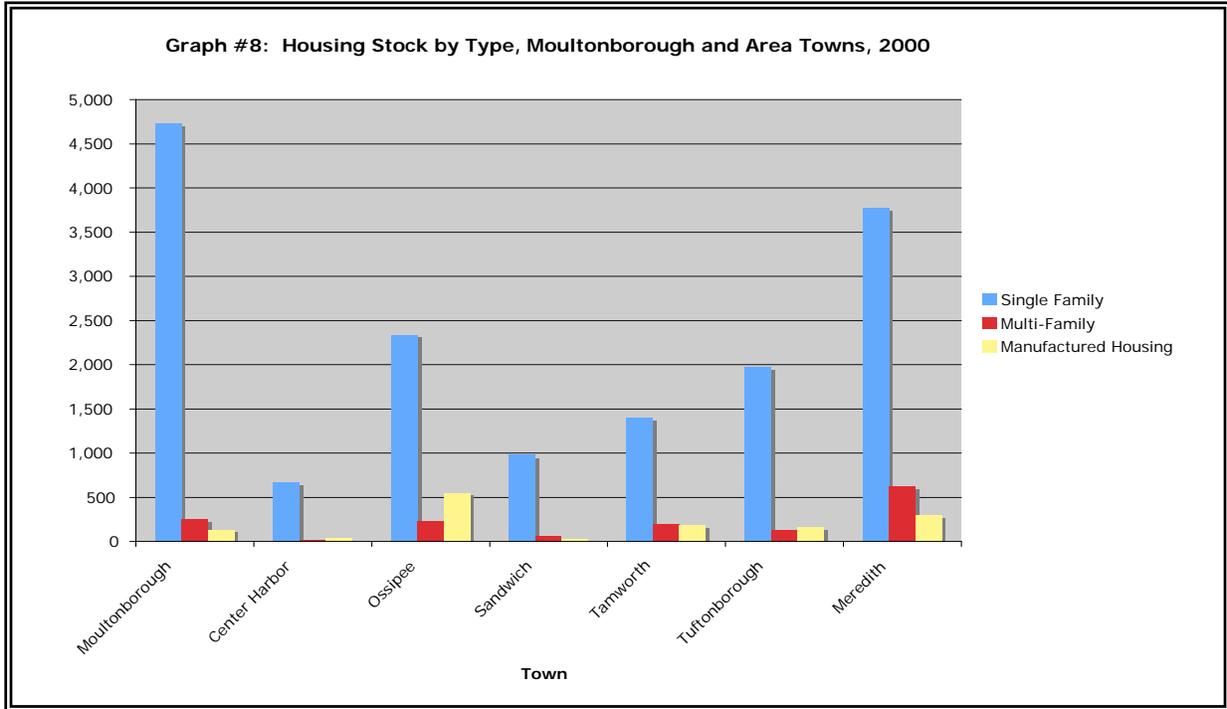
As with the population changes over time, the rate of housing growth was highest in the 1970s and slowed appreciably after 1990. This was the case for each of the seven towns, although the rates varied significantly by town, with Meredith seeing a dramatic 13% increase in housing units during the 1970s, compared with rates ranging from three to eight percent for the other towns.

Single-family homes are the predominant housing type in all seven towns. Moultonborough and Sandwich have the greatest percentage, both at 92.5%. Ossipee and Tamworth have the lowest percentage of single-family homes and the highest percentage of manufactured housing. Note, however, that once any addition is built onto a manufactured home, the Census Bureau counts it as a single-family unit. In terms of absolute number of units, Moultonborough and Meredith have the greatest numbers of single-family homes.

More than half of Moultonborough's housing stock is for seasonal use, higher than any of its five neighboring towns, although Tuftonborough is a close second. For all seven towns, most of the vacant housing is classified as seasonal.<sup>2</sup> By comparison, the seasonal housing stock for the

<sup>2</sup> Census Definition of Seasonal Vacant Units: Seasonal housing units are those intended for occupancy only during certain seasons of the year and are found primarily in resort areas. Housing units held for occupancy by migratory labor employed in farm work during the crop season are tabulated as seasonal. As of the first quarter 1986 vacant seasonal mobile homes are being counted as a part of the seasonal housing inventory.

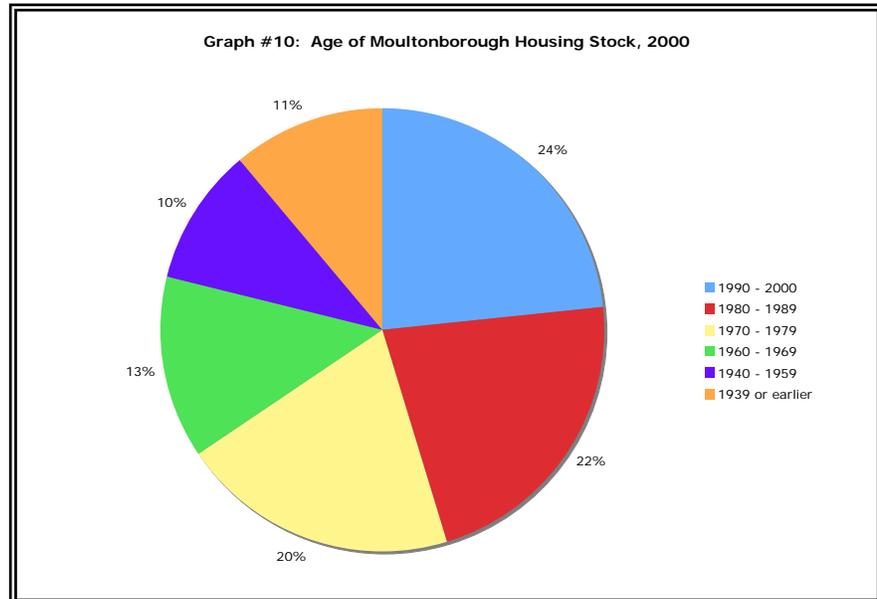
Lakes Region as a whole is just under 30% of total housing stock. The potential future impact of the seasonal housing on Moultonborough, as well as several of its neighbors, bears monitoring and consideration in this Master Plan.



## 1. Moultonborough Housing Characteristics

Based on Census data, more than half of the housing supply in Town (65%) was constructed between 1970 and 2000 and about 11% before 1940. Looking at local building permit data, 1,642 units were constructed since 1990; this represents 32% of the building permits issued during that time. These numbers are consistent with the population and housing statistics observed in the previous pages that show increased numbers during these time periods, albeit a slowing of the rate of the increases after 1990.

Other characteristics of Moultonborough's housing stock have to do with livability, which is defined by the Census as relating to the presence of complete plumbing or kitchen facilities. Most of the occupied housing units in Moultonborough are heated by fuel oil or kerosene, and only a very small number of units lack complete plumbing or kitchen facilities; and less than one-half of one percent of the homes do not have a telephone.



The Census Bureau considers a unit overcrowded if there are more than 1.01 occupants per room. In Moultonborough, less than one-half of one percent of the housing units has more than 1 occupant per room.

Overall, these data seem to indicate that most homes in Moultonborough are being constructed or are being converted for year-round occupancy, although they may not actually serve as full-time residences.

## 2. Moultonborough Housing Affordability

Housing affordability is important to assess, as was noted by the initial reference to the state statutes that address this particular section of a local Master Plan. Based on federal guidelines, also followed by the State of New Hampshire, the definition of "affordable" is that no more than 30% of a household's monthly income is spent on housing costs, whether renting or owning. The median housing price for an owner-occupied home in Moultonborough in 1999 when the Census data were collected was \$158,000. More than 50% of the homes were valued at less than \$200,000. Slightly less than 40% of owner-occupied homes in Moultonborough carry no mortgage. Of those that do carry a mortgage, the median mortgage payment is just over \$1,000.

Further, just over 27% of homeowners are paying 35% or more of their household income on a mortgage.

In 1999, renters in Moultonborough were paying a median rent of \$630, the majority of that being in the \$500 - \$749 range. Local real estate sources, however, report that the average rental is now at about \$725/month for a year-round rental; summer rentals are, of course, much higher.

Local real estate information collected in February of 2008 indicates that the median sales price of all housing as of February 13, 2008 was \$1,082,805, although the average listings ranged from \$398,000 to \$445,000. What is not clear from these numbers is the effect of the waterfront properties on the overall sales prices.

The table following presents estimated costs of a home that would be considered affordable to residents of Moultonborough, based on the 30% rule, at three levels of income: median household income, 80% of the median, and 50% of median. These percentages are used for the analysis in order to be consistent with Federal guidelines regarding housing availability for low- to moderate-income households, which are those households that earn 50 and 80 percent of the median household income.

Median Household Income as of 2000 Census	Median Household Income	80% of Median Income	50% of Median Income
Annual Income	\$45,050	\$36,040	\$22,525
30% of monthly income to be applied toward total housing costs (includes property taxes and insurance)	\$1,126	\$901	\$563
Projected Affordable Home	\$146,288	\$117,775	\$74,783
* The calculations that result in the projected housing cost assume: a 6.25% interest on the loan; a minimum \$400 a month of other debt; a \$5,000 down payment; and a 1% property tax rate.			
<i>Sources: NH Housing Finance Authority; US Bureau of the Census</i>			

When these costs are compared to the 2000 median value of \$158,000 it is clear that a median household income cannot meet its housing needs at 30% or less of total income. As noted above, more than 32% of homeowners were paying 30% and more of their income on housing in the year 2000. This is supported by current lending guidelines that will approve mortgages for more than 30%, perhaps even as high as 45% of income, based on other factors, for example, if the borrower has no other debt.

The income information used in the table above is nearly 10 years old; there is no more current income information at the town level available until the next decennial census. However, HUD (Housing and Urban Development) makes county-level data available to each state that is required as part of the federally-funded Community Development Block Grant Program. According to HUD calculations, the median family income for Carroll County as of February of 2008 was \$61,300. While this may not be exact for Moultonborough, it is probably more reflective of today's income levels than the Census data that was collected in 1999. Therefore, the home ownership projections provided by NH Housing and Finance Authority are recalculated

the table below using the county number. The same assumptions are used in this calculation regarding interest, other debt, tax rate and down payment as in the table above.

<b>Table #7: Moultonborough Revised Estimated Home Ownership Affordability</b>			
Median Family Income as February 2008	Median Household Income	80% of Median Income	50% of Median Income
Carroll County Annual Family Income	\$61,300	\$49,040	\$30,650
30% of monthly income to be applied toward total housing costs (includes property taxes and insurance)	\$1,430	\$1,071	\$519
Projected Affordable Home	\$184,799	\$139,247	\$69,292
<i>Sources: NH Housing Finance Authority; US Housing and Urban Development</i>			

Using the recent County numbers certainly raises the value of a home that a family could afford, but the projected housing costs are still higher than any of single family listing information that is available for 2008, leading to the same assumption that people at these income levels are paying more than 30% of their income for housing. Note, however, that Moultonborough typically has an unusually low tax rate and that appears to give homeowners perhaps a bit more flexibility in how much house they can afford.

### 3. Moultonborough Housing Opportunity

The opportunity for housing that is available to residents of all incomes and ages is based in part on a town’s land use regulations, which generally guide the type of housing that can be built and define lot and yard standards required for housing development. Moultonborough has four zoning districts and residential uses are permitted in all of them.

The Residential/Agricultural District is predominantly intended for residential use. All three commercial zones also allow residential uses. The types of residential uses are single-family, two-family, multi-family, condominium conversions, and cluster developments.

<b>Table #8: Residential Uses Permitted by Zoning</b>		
<b>District</b>	<b>Permitted Residential Uses</b>	<b>Special Exception Residential Uses</b>
Residential/Agricultural	<ul style="list-style-type: none"> <li>• Single-family dwellings</li> <li>• Two-family dwellings</li> </ul>	<ul style="list-style-type: none"> <li>• Condominium Conversions</li> <li>• Cluster Development</li> </ul>
Commercial Zones A, B , C	<ul style="list-style-type: none"> <li>• Single-family dwellings</li> <li>• Two-family dwellings</li> <li>• Multi-family dwellings</li> </ul>	Condominium Conversions
<i>Source: Town of Moultonborough Zoning Ordinance</i>		

The minimum lot size in Moultonborough is just less than one acre for all districts. The only specific frontage requirements for residential lots apply to waterfront property; otherwise, there is no minimum frontage specified, but there is a requirement that a lot cannot be more than four times deeper than its width.

<b>Table #9: Lot &amp; Yard Requirements for Residential Uses</b>			
<b>Residential Use</b>	<b>Minimum Lot Size</b>	<b>Minimum Frontage</b>	<b>Minimum Setbacks*</b>
<ul style="list-style-type: none"> <li>⊖ Single-family Dwellings</li> <li>⊖ Two-family Dwellings</li> <li>⊖ Multi-family Dwellings</li> </ul>	Based on soil and slopes, but no less than 40,000 square feet	No minimum	<ul style="list-style-type: none"> <li>• 25 feet front</li> <li>• 20 feet side and rear</li> </ul>
Cluster Development	As allowed by Planning Board Limited to number of units allowed by soils and slope calculation		
Waterfront Property	Based on soil and slopes, but no less than 40,000 square feet	<ul style="list-style-type: none"> <li>• 150 feet of shore frontage</li> <li>• 150 feet for each additional dwelling unit</li> <li>• 50 feet additional per unit beyond the 250-foot shoreland reference line</li> </ul>	<ul style="list-style-type: none"> <li>• 50 feet from the high water line</li> </ul>

*Source: Town of Moultonborough Zoning Ordinance*

## 4. Future Housing Need

Future housing need is based in part on population projections, using a person-per-unit calculation. Assumptions are also made regarding the persons-per-unit numbers. These numbers have been decreasing over the past several decades, not just for Moultonborough, but statewide and nationwide as well. In 1970 Moultonborough had 1.42 persons per unit, compared to 2006 when that number was 1.05 persons per unit.

The population that is projected by the NH Office of Energy and Planning indicates the same basic relationship between Moultonborough and its neighbors, in that Moultonborough had the greatest population increase between 1980 and 2000, and it is projected to have the greatest increase over the next 20 years. Although in every case, the projected increase is appreciably less than the actual increases of the past.

This information is used to project future housing need. The growth experienced by Moultonborough over the 20-year period from 1980 to 2000 was 2,278 persons, or 114 new people each year. During that same time period, the housing stock increased by 1,670 units, or 84 units each year. The average person per unit over that time period was 1.19, decreasing from 1.42 in 1970 to 1.01 in 2000. On the assumption that the person per unit number will not increase, but either continue to decrease or stay roughly the same, a number of 1.1 persons per unit is used to calculate the housing units needed to accommodate the projected future population up to the year 2030, as illustrated in Table #11. This number is expressed as an average per year, even though it is understood that the rate of construction will not be evenly distributed.

<b>Table #10: Population Projections and Actual Past Growth</b>		
	Average Annual Percentage Increase	
	Projected 20-year Increase from 2010 - 2030 (NH OEP)	Actual Past 20- Year Increase from 1980 - 2000
Moultonborough	1.39%	5.20%
Centre Harbor	0.85%	1.20%
Ossipee	1.28%	3.50%
Sandwich	1.13%	2.10%
Tamworth	1.30%	2.50%
Tuftonborough	1.14%	2.20%
Meredith	0.97%	1.40%

<b>Table #11: Moultonborough Projected Future Housing Need to Year 2030</b>				
Percent Population Increase	Number Population Increase	Persons/Unit	Additional Housing Units	
			Total	Per Year
Projected Growth 2010 – 2030: 27.7%	Projected: 1,460	Projected Average: 1.1	1,606	80
Actual Growth 1980 – 2000: 103%	Actual: 2,278	Actual Average: 1.19	1,970	98.5

With a projected population increase of 1,460 people, at 1.1 persons per unit, the result is a housing demand of 1,606 units overall, or 80 units per year. Compared to the actual units that were built in Moultonborough over a 20-year period, it seems reasonable to assume that Moultonborough would be able to accommodate this projected future growth.

One other consideration is the extraordinarily high percentage of seasonal homes in Moultonborough – almost 58% in the year 2000. If these same calculations were done using only the year-round occupied units the person per unit figure is 2.38, resulting in a projected 613 units or an average annual increase of 31 units, which is well below the actual increases experienced in the housing stock over the 20-year period examined.

If the same methodology were applied to the neighboring towns, it would appear that these towns, too, could meet their future housing obligations, given that, like Moultonborough, the future projections for the other six towns are greater than their actual past growth.

## C. CONCLUSIONS

Moultonborough's population is described in the previous chapter; the housing that accommodates this population is primarily single-family, with nearly half of it constructed since 1970, and one percent or less lacking complete plumbing or kitchen facilities. Nearly 60% of Moultonborough's housing stock was vacant when the last census was taken, and of that, 95% was considered seasonal – a higher rate than for any of the neighboring towns. Housing values in Moultonborough are high, due in part to the number of waterfront properties with much higher-than-average values. One result of this, however, is an assessed valuation of currently nearly \$3 billion and a tax rate that is one of the lowest in the state.

Based on the information presented in the tables above, it seems reasonable to assume that Moultonborough should be able to accommodate the growth projected for it over the next 20+ years. This is not to say, however, that there will not be issues for the Town to attend to, and that monitoring should be ongoing to ensure that a balanced housing stock is available.

The long-term sustainability of housing is based on a number of factors, including construction materials, sources of power, heating and cooling systems, as well as design considerations such as orientation to solar, etc. The use of these techniques should have a positive impact on the cost of maintaining a home over time.

## D. VISION, GOALS, AND ACTION ITEMS

**VISION:** *The Town of Moultonborough will seek strategies to ensure that safe and affordable housing is available for residents of all income levels.*

**Goal #1:** Encourage and support local efforts to provide safe and decent housing.

**Action Items:**

1. Explore the possibility of establishing a Housing Commission, whose purpose would be to recognize, promote, enhance, encourage and develop a balanced and diverse supply of housing to meet the needs of the Town’s residents and those of the region.
2. Support the Establishment of a Local Community Land Trust, whose purpose is to buy land that is then used to provide housing that is considered affordable for a specific segment of the population.
3. Make Town-owned land available for housing, thereby contributing the most expensive component of housing development.
4. Explore the idea of adopting a Workforce Housing Ordinance, set up to ensure that the housing created remains affordable in perpetuity.



**Goal #2:** Ensure that opportunity exists within the Town’s regulations for the development of a mix of housing types, styles and levels of affordability.

**Action Items:**

1. Designate area(s) of town where higher densities would be appropriate.
2. Provide Incentives. Encourage developers to provide a mix of housing by including affordable units in the development in exchange for density or other bonuses.
3. Encourage Mixed-Use Development.
4. Support Innovative Design and Construction Techniques, including so-called “green” or sustainable techniques.
5. Provide incentives in the zoning ordinance for “clustered” housing and village alternative developments to increase housing densities and preserve open land.