Chapter

5

POPULATION & HOUSING

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Chapter

5

I. Introduction

The examination of population and housing statistics is a critical element of a Master Plan. The state statute that addresses the purpose and description of a Master Plan (RSA 674:2) 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 housing 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."*

While population studies are not specifically addressed in the enabling legislation, to plan for the impacts of population changes as they relate to housing availability is obviously an integral part of the master planning process. By knowing Peterborough's past population trends and projecting the future population, it is possible to estimate the level of Town services necessary to serve the expected growth, as well as to plan for that growth to occur in an orderly manner. This section is intended to provide that information.

An analysis of the population and housing statistics also enables the Planning Board to determine whether amendments to the zoning ordinance might be required in order to address any inequities made apparent through the analysis. Following two important NH Supreme Court cases, the concept of equal opportunity housing is now formerly established in the master plan process. In short, every town must, through its Master Plan, address the current and future housing needs of its residents and, in doing so, must consider the housing situation in its neighboring towns as well.

II. METHOD OF ANALYSIS

This analysis relies on two primary sources: the US Census Bureau and the New Hampshire Office of State Planning (OSP). Where appropriate, data from the Building Permit records of the Town are used as well. Information for both population and housing encompasses the years from 1970 to 2000. This time period gives a good indication of relevant trends. It must be noted that the way in which Census information is collected and reported results in some errors and inconsistencies in the numbers; nevertheless, this is the best and most comprehensive information available for this type of report. The methodology employed will show the growth in population and housing. This can then be compared to past years, thereby tracking the changes to population and housing.

III. POPULATION ANALYSIS

The population of Peterborough has grown steadily over the years. Some two thousand people were added since 1970, when the largest growth spurt occurred in recent history. The expectation was for continued high growth. This resulted in growth projections that were not met. Earlier projections had Peterborough at approximately 7,500 people by 2000. Figure #1 illustrates the rate of growth since 1950; note, however, that the analyses in this report go back only to 1970. This chart is presented merely for historical interest.

FIGURE #1:
PETERBOROUGH POPULATION, 1950 - 2000

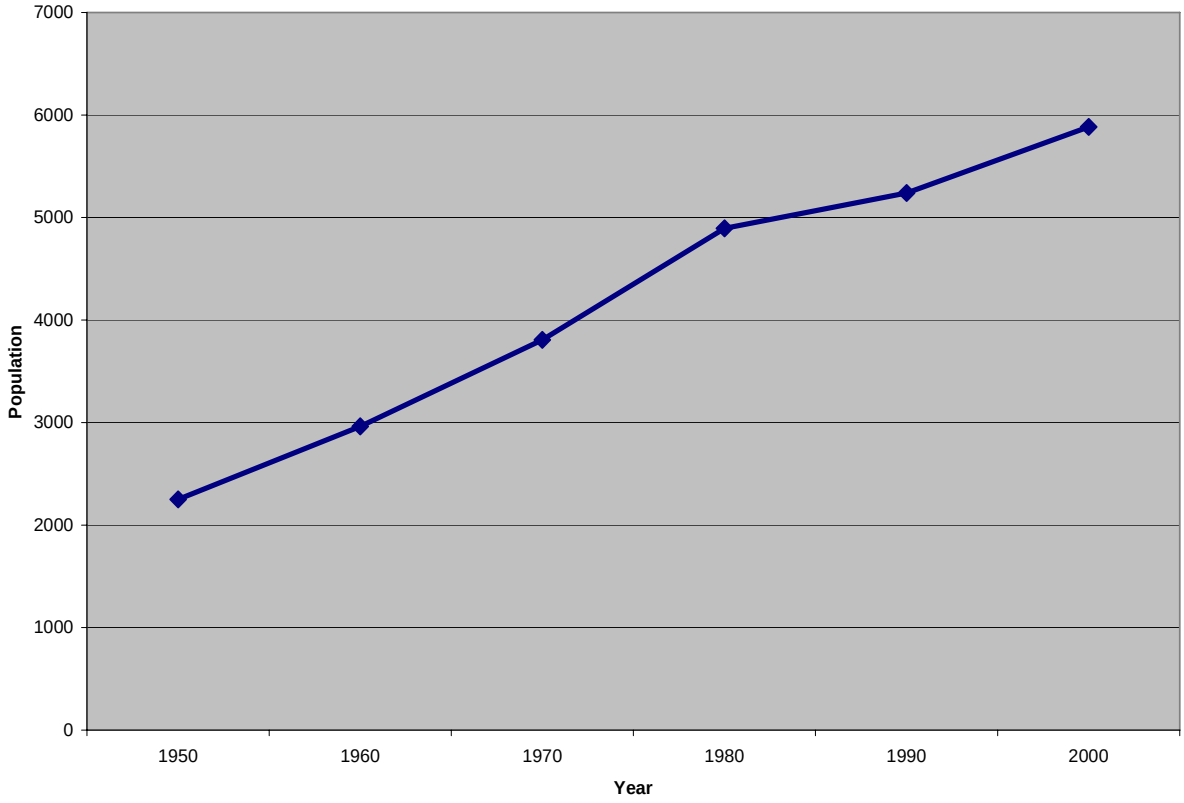


TABLE #1:
PETERBOROUGH POPULATION, 1970 – 2000

YEAR				PERCENT CHANGE			
1970	1980	1990	2000	1970-80	1980-90	1990-2000	1970-2000
3807	4895	5239	5883	28.6%	7%	12.3%	54.5%
AVERAGE ANNUAL % INCREASE:				1.0%	0.3%	0.4%	1.8%

SOURCE: US BUREAU OF THE CENSUS

A. Age Distribution

Table #2 presents the age categories as described by the Census from 1970 to 2000, in absolute numbers and percentages. Of the nearly 6,000 people counted by the 2000 Census, more than 1,800 of them (31%) range in age from 35 to 54. The greatest change in the three age groups was in the 65 and older bracket, which increased nearly 130% between 1970 and 2000.

This group also increased its proportional share of the total population from 14% in 1970 to almost 21% in the year 2000. During this same time period, the 0-17 age group decreased its proportion of the total population from 32% to 25%.

TABLE #2:
AGE DISTRIBUTION, 1970-2000

	1970	1980	1990	2000	1970-2000
Ages 0-17	1240	1247	1258	1478	19.2%
% Change		0.6%	0.9%	17.5%	
Ages 18-64	2036	2739	3009	3185	56.4%
% Change		34.5%	9.9%	5.8%	
Ages 65+	531	909	972	1220	129.8%
% Change		71.2%	6.9%	25.5%	
	1970	1980	1990	2000	
Ages 0-17	1240	1247	1258	1478	
% of Population	32.6%	25.5%	24.0%	25.1%	
Ages 18-64	2036	2739	3009	3185	
% of Population	53.5%	56.0%	57.4%	54.1%	
Ages 65+	531	909	972	1220	
% of Population	13.9%	18.6%	18.6%	20.7%	

SOURCE: US BUREAU OF THE CENSUS

B. Population Characteristics

Data from the 2000 US Census indicates that of the 4,585 people over the age of 16, 63.6% are in the labor force, with the majority of them in professional positions. We have an increased population of college-educated individuals, as well as an increased population of those without a high school diploma.

The majority of employed persons commute to work, nearly half of those commuting to Jaffrey. And of those who commute to Peterborough to work, 68% come from Jaffrey. Of those who do commute, 81.6% drive alone.

TABLE #3:
HOUSEHOLD INCOME

	Peterborough	Hillsborough County	State
Median Family Income	$54,375	$62,363	$57,575
Per Capita Income	$26,154	$25,198	$23,844
Median Household Income	$47,382	$53,384	$49,467
% Persons in Poverty	9.1%	6.3%	6.5%

SOURCE: US BUREAU OF THE CENSUS

Census data on household incomes presents a varied picture: Peterborough has a lower median family and household income than both the county and state, but has a higher per capita income. There also appears to be a much larger percentage of persons living below the poverty level than in either the county or the state. These figures no doubt reflect a sizable amount of low and moderate-income housing units in Town.

TABLE #4:
HOUSEHOLD INCOME BY CATEGORIES

	Percent of Households		
Yearly Household Income	Peterborough	Hillsborough County	State
Less than $10000	4.8%	5.6%	6.1%
$10 - $14,999	4.2%	4.3%	4.8%
$15 - $24,999	14.0%	9.7%	10.8%
$25 - $34,999	9.4%	10.3%	11.6%
$35 - $49,999	20.2%	16.0%	17.2%
$50 - $74,999	20.3%	23.6%	23.1%
$75 - $99,999	12.8%	13.9%	12.6%
$100 - $149,999	9.2%	11.0%	9.1%
$150 - $ 199,999	3.8%	3.1%	2.6%
$200,000 or more	1.2%	2.5%	2.2%

SOURCE: US BUREAU OF THE CENSUS

According to these numbers, Peterborough households fall fairly near $50,000 a year income: 53% are below and 47% are at that number or above. Forty percent of households are in the mid-ranges ($35,000-$75,000).

C. Sub-regional Population Characteristics

Compared to nearby towns, Peterborough's growth from 1990-2000 was just slightly higher than the sub-regional average: 12% compared to 9%. The 18 towns examined here varied widely in population change, from a decrease of 5.4% in Mason to a 22.5% increase in Lyndeborough. Compared, however, to the abutting towns, Peterborough had a larger percentage increase than any other town except Sharon. (Note, however, that Sharon's population is so small that the 61 people it gained in those ten years resulted in a large percentage increase.)

TABLE #5:
SUB-REGIONAL POPULATION TRENDS, 1990 - 2000

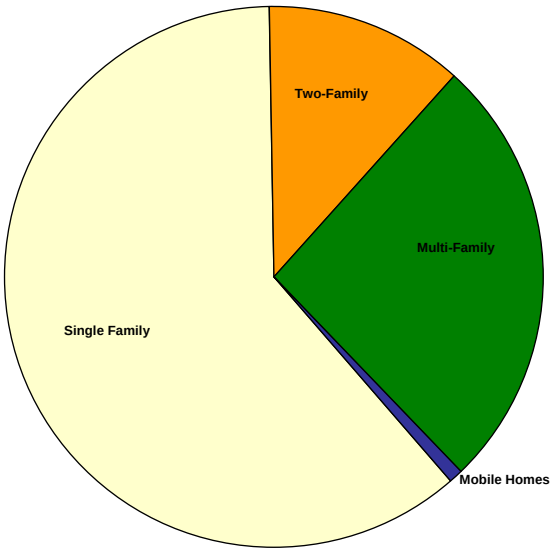
	1990 Population	2000 Population	Percent Change
Antrim	2360	2449	3.8%
Bennington	1236	1401	13.3%
Deering	1707	1875	9.8%
Dublin	1474	1476	0.1%
Francestown	1217	1480	21.6%
Greenfield	1519	1657	9.1%
Greenville	2231	2224	-0.3%
Hancock	1604	1739	8.4%
Harrisville	981	1075	9.6%
Jaffrey	5361	5476	2.1%
Lyndeborough	1294	1585	22.5%
Mason	1212	1147	-5.4%
Nelson	535	634	18.5%
New Ipswich	4014	4289	6.9%
Rindge	4941	5451	10.3%
Peterborough	**5239**	**5883**	**12.3%**
Sharon	299	360	20.4%
Temple	1194	1297	8.6%
Wilton	3122	3743	19.9%

SOURCE: US BUREAU OF THE CENSUS

IV. HOUSING ANALYSIS

According to the 2000 Census, Peterborough has 2,509 housing units.

FIGURE #2:
PETERBOROUGH HOUSING TYPES



These housing units are comprised of 1,533 single-family detached units, 294 single-family attached and two-family units, 658 multi-family units (three or more units in one building) and 18 manufactured homes. (Note that when a manufactured home has been changed through an addition, for example, the Census counts it as a single-family home.)

The number of housing units in Peterborough has increased by more than 80% over the past 30 years, at an average of 2.75% annually. Most of this increase occurred during the 1970s. From 1990 onward the rate of increase slowed. These figures are consistent with what was observed for the population over the same time period.

TABLE #6:
PETERBOROUGH HOUSING SUPPLY, 1970 - 2000

	1970	1980	1990	2000	1970 - 2000
Total Housing Units	1374	1952	2242	2509	
Percent Change		42.1%	14.9%	11.9%	82.6% 2.75% Average Annual

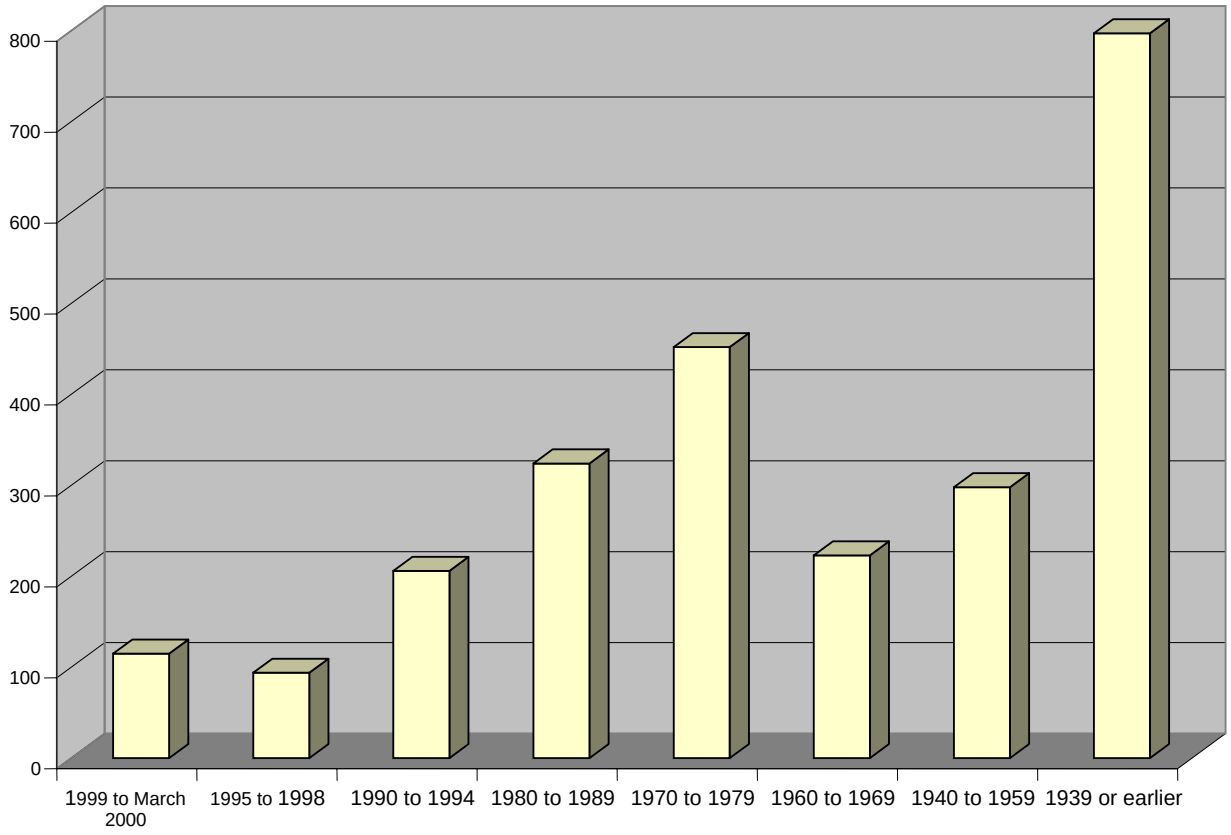
SOURCE: US BUREAU OF THE CENSUS

Since 2000, there have been 75 building permits issued for new homes:

Year	Single-Family	Two-Family
2001	19	0
2002	35	1
2003	16	4

Prior to 1940, there were 797 housing units in town; and in the next 30 years, 521 more were added. During the 1970's, 452 units were built; 324 more were built in the 1980's; and 267 from l990 to 2000. Thus, nearly 32% of the total housing stock was built before 1940, and nearly 30% since 1980 (see Figure #3 below).

FIGURE #3:
HOUSING STOCK BY YEAR CONSTRUCTED



The average household size is 2.4 people, declining about 0.1% per decade since 1970, which is consistent with a declining birth rate, an increasing divorce rate, and an aging population. The smaller population per unit has increased the demand for smaller and lower-cost units. The Town has increased the housing dedicated to the elderly with approximately 532 units available. These include assisted-living units, nursing homes, and apartments available specifically to the elderly.

Peterborough has more jobs than workers, and this puts pressure upon the availability of housing for those who would like to live as well as work here. Although Peterborough, like Jaffrey, has more rental opportunities than the surrounding towns, the demand for lower-cost homes continues. The ratio of owner-occupied to rental units for Peterborough is 2 to 1. This is the lowest ratio (tied with Jaffrey) in Cheshire County with the exception of Keene, and the lowest in Hillsborough County with the exception of the large cities.

A. Housing Affordability

Housing that is affordable, by federal definition, represents no more than 30% of a resident's monthly income, whether it be for mortgage or rental payments. There are currently approximately 243 so-called "affordable–income" housing units in Town. These units are dispersed as follows:

Location/Name	Number of Units
Riverview	94
Rockbrook	24
Heatherbrook	26
Prescott Hills	48
Contoocook Housing Trust	30
Section 8 voucher used in any unit	42

The following tables present information related to the availability and affordability of housing for people in Peterborough. Table # 7 illustrates that 23.7% of households in Peterborough pay 30% or more for their mortgage and about 30% of renters pay 30% or more for their housing costs. Equally significant for owners is that fewer than 30% - the largest single group – pay less than 15% of their monthly income on mortgage costs. Of the renters, the largest single group (22% of households) pays more than 35% of their monthly income on rent.

Based on the assumption that no more than 30% of a household's income should be spent on housing, the possibilities for home ownership in Peterborough are examined in Table #8. The projected affordable (at 30% of income) home is calculated for households at the median income level for Peterborough, at 80% of the median income, and at 50% of the median income; 80% and 50% are considered to be moderate and low incomes, respectively. The property tax used in the calculation is the 2002 tax rate of $33.40 per $1,000 valuation.

The 2000 Census reported a median home value of $129,400. Under the three scenarios examined in the table, 30% of the median household income would allow them to spend about $145,000 on a home; however, those earning 80% or 50% of the median household income could only afford about $116,000 and $73,000, respectively, far under the median home value.

TABLE #7:
PERCENT OF INCOME SPENT ON HOUSING

OWNER COSTS		
Percentage	**Number of Households**	**Percentage of Total**
Less than 15%	352	29.2
15 – 19%	226	18.8
20 – 24%	182	15.1
25 – 29%	152	12.6
30 – 34%	59	4.9
35% or >	226	18.8
RENTER COSTS		
Percentage	**Number of Households**	**Percentage of Total**
Less than 15%	124	16.4
15 – 19%	144	19.0
20 – 24%	85	11.2
25 – 29%	101	13.3
30 – 34%	57	7.5
35% or >	169	22.3

SOURCE: US BUREAU OF THE CENSUS

FIGURE #4:
PERCENTAGE OF INCOME SPENT ON HOUSING - OWNERS

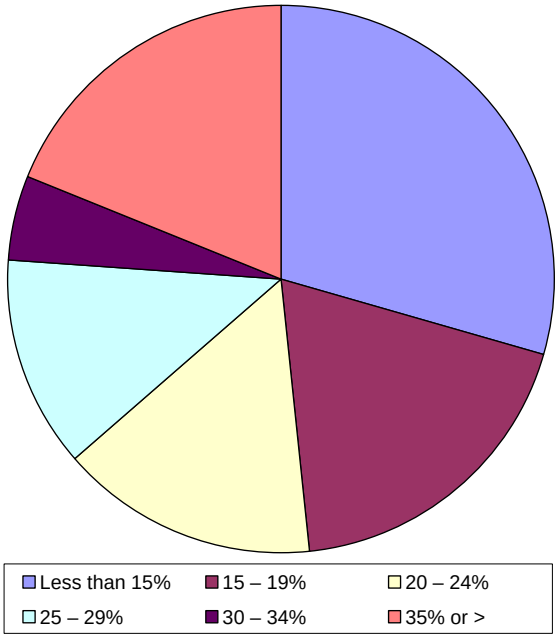


FIGURE #5:
PERCENTAGE OF INCOME SPENT ON HOUSING - RENTERS

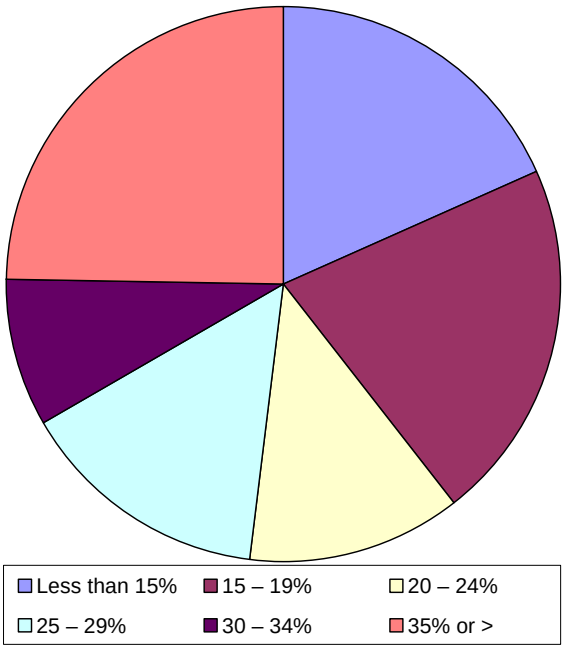


TABLE #8:
HOME OWNERSHIP AFFORDABILITY

2000 Median Household Income	**$47,381**	**80% of 2000 Median Household Income**	**$37,905**	**50% of 2000 Median Household Income**	**$23,691**
30% of monthly income	$1,185	30% of monthly income	$948	30% of monthly income	$592
Property tax ($4,873/yr.)	$396	Property tax ($3,898/yr)	$317	Property tax ($2,436/yr)	$198
Available for mortgage	$789	Available for mortgage	$631	Available for mortgage	$394
Mortgage affordable at 5.5% for 30 years	$138,941	Mortgage affordable at 5.5% for 30 years	$111,153	Mortgage affordable at 5.5% for 30 years	$69,471
Plus 5% down payment	$6,947	Plus 5% down payment	$5,558	Plus 5% down payment	$3,474
Projected Affordable Home	**$145,888**	**Projected Affordable Home**	**$116,711**	**Projected Affordable Home**	**$72,944**

It is worth noting, that while the Census reported a median home value of $129,400, the median cost of single-family homes sold in Peterborough was much higher than that:

Year	Median Selling Price
2003	$277,000
2002	$230,000
2001	$145,080
2000	$147,000

The cost of housing coupled with high property taxes results in less opportunity for affordable housing. Affordable, for the purpose of this document, means paying no more than 30% of one's income for housing. While the median income in Peterborough has increased about 17% from 1990 to 2000, the cost of housing increased approximately 117% and continues to further broaden the gap of affordability.

B. Sub-regional Housing Comparisons

Table #9 following presents the housing supply data for 1990 and 2000 for Peterborough and the same 18 towns that were examined for population comparisons. The changes in housing stock for these towns range from a decrease of 3.1% (Jaffrey) to an increase of 25% (Sharon). There are eight towns out of the 18 that experienced higher levels of growth in the housing supply than did Peterborough.

TABLE #9:
SUB-REGIONAL HOUSING COMPARISONS

	1990 Housing Supply	2000 Housing Supply	Percent Change
Antrim	1162	1160	-<1%
Bennington	643	635	-1.2%
Deering	757	933	23.2%
Dublin	651	686	5.4%
Francestown	580	656	13.1%
Greenfield	517	640	23.8%
Greenville	918	918	No change
Hancock	723	814	12.6%
Harrisville	588	698	18.7%
Jaffrey	2426	2352	-3.1%
Lyndeborough	488	587	20.3%
Mason	451	455	.9%
Nelson	379	404	6.6%
New Ipswich	1326	1449	9.3%
Rindge	1781	1863	4.6%
Peterborough	**2242**	**2509**	**11.9%**
Sharon	128	160	25%
Temple	429	464	8.2%
Wilton	1251	1451	16%

SOURCE: US BUREAU OF THE CENSUS

C. Housing Needs Assessment

As noted in the Introduction to this section, the housing section of local Master Plans are required to project future housing needs of residents of all levels of income and ages in the municipality and the region, as identified in the regional housing needs assessment performed by the regional planning commission pursuant to RSA 36:47, II. Following the enactment of this law in 1988, all the regional planning commissions in New Hampshire

responded to this requirement by developing a Fair Share Analysis. This analysis was based on the assumption that all towns within a region should share equally in the allocation of low-income housing units. A mathematical model was used to determine the number of units needed and how many each town in the region should provide. This analysis was incorporated into the 1992 Peterborough Master Plan.

The model used for the analysis became difficult to implement, due to many problems and weaknesses of the mathematical assumptions. Over time, other approaches to assessing housing needs were developed by the regional planning commissions and municipalities. The approach used here is as follows:

(1) To examine opportunities for housing development, as currently provided in Peterborough by the zoning ordinance.

(2) To analyze past population and housing trends, along with population projections, to gauge a reasonable expected rate of population growth.

D. Housing Opportunity

In this section, the zoning provisions for Peterborough are reviewed, as they relate to opportunities for various housing types in the Town, specifically which types are permitted and what the minimum lot requirements for those dwelling units are. Peterborough has nine zoning districts, seven of which accommodate some type of residential development. Examination of the Peterborough zoning ordinance reveals the following provisions that deal with the availability of housing.

TABLE #10:
HOUSING OPPORTUNITIES IN PETERBOROUGH

District	Permitted Residential Uses	Lot & Yard Requirements
Family	Single-family, Two-family, Cluster Development	40,000 sq. ft. single-family 50,000 sq. ft. two-family
General Residence	Single-family, Two-family, Multi-Family, Cluster Development	20,000 sq. ft. one- or two-family 10,000 sq. ft./unit multi-family
Rural	Single-family, Two-family, Cluster Development, Manufactured Housing Parks, Accessory Dwellings	3 acres
Commercial	Single-family, Two-family, Multi-Family, Cluster Development	none
Downtown Commercial	Single-family, Two-family, Multi-Family, Cluster Development	5,000 sq. ft.
Retirement Community	Elderly Housing as Single-family, Two-Family, Multi-Family, Congregate Care, or Cluster Development	50 acres

SOURCE: TOWN OF PETERBOROUGH ZONING ORDINANCE

As the table indicates, there are a number of districts in Peterborough which allow a variety of housing types. Nevertheless, consideration can still be given to widening housing opportunity; for example, in the provisions for allowing accessory apartments in single-family homes.

E. Future Housing Need

In order to estimate what the potential need for housing will be in the future, the available data on housing characteristics and population growth for Peterborough must be compared to the towns surrounding Peterborough, pursuant to the statute referenced in the introduction to this section.

Population projections can be used to estimate future housing need, based on a person-per-unit estimate. The projections for Peterborough and its neighboring towns, developed by OSP, are presented below in five-year intervals up to the year 2020.

TABLE #11:
POPULATION PROJECTIONS FOR PETERBOROUGH & SUB-REGION, 2005 - 2020

	2000	2005	2010	2015	2020	Avg. Annual % Change
Antrim	2449	2570	2670	2760	2840	0.8%
Bennington	1401	1490	1590	1670	1750	1.2%
Dublin	1476	1550	1620	1720	1800	1.1%
Greenfield	1657	1760	1880	1980	2070	1.2%
Hancock	1739	1790	1990	1990	2080	0.98%
Harrisville	1075	1130	1190	1270	1330	1.2%
Jaffrey	5476	5770	6030	6390	6700	1.1%
Peterborough	**5883**	**6250**	**6630**	**6940**	**7250**	1.2%
Sharon	630	390	410	430	450	-1.4%
Temple	1297	1420	1510	1590	1660	1.4%

SOURCE: NH OFFICE OF STATE PLANNING

This data projects a much higher increase in population than was experienced by the Town at any time over the last 30 years. As an alternative view, the table and chart below is a first pass population range estimate, which is sensitive to the Visioning Process and recognizes the current pent-up demand for construction.

Population growth for 2000 to 2010 and 2010 to 2020 could be at a 10-year rate of 12.3%, similar to that experienced from 1990 to 2000. The rate of growth for the period 1980 to 1990 was 7%, which may actually be closer to that which was preferred in the visioning process survey. Beyond 2020, we took a more conservative cut of 6.1% growth with the perception that open space planning might reduce new construction in the distant future.

TABLE #12:
REVISED POPULATION PROJECTIONS

	1980 Projection	1980 Actual	1990 Projection	1990 Actual	2000 Projection	2000 Actual	% change 1980-2000	2020 Projection
Antrim		2208		2380		2449	2%	2,840
Bennington		890		1236		1401	57%	1,750
Dublin		1303		1474		1476	13%	1,800
Greenfield		972		1519		1657	70%	2,070
Hancock		1193		1604		1739	46%	2,080
Harrisville		660		981		1075	63%	1,390
Jaffrey		4349		5361		5476	26%	6,700
Marlborough		1846		1927		2009	9%	2,410
Peterborough	**4,497**	**4895**	**5,384**	**5239**	**6,125**	**5883**	**20%**	**7,418**
Sharon		184		299		630	62%	450
Temple		692		1194		1297	242%	1,660
Rindge		3375		4941		5451	87%	7,030
Keene		21,449		22,430		22,563	2%	24,960

These projections represent about half of the growth that these towns actually experienced during the thirty years from 1970 to 2000. This is not surprising, considering the slowing of growth that the region has seen since the 1980s. Sharon and Antrim are expected to grow at the slowest rates.

The estimate of future housing need is then based on this projected population by dividing the population by the number of housing units to reach a person-per-unit figure. It is known what the person-per-unit figures were in the past (in 1970 it was 2.79; in 1980 it was 2.77; and in 1990 it was 2.32). In order to calculate future housing need, a decision must be made as to what seems a reasonable person-per-unit figure for the future. This figure has been declining since 1970, but to assume that it will decline at the same rate over the next twenty years is probably not reasonable. Therefore, the figure of 2.3 persons-per-unit will be assumed for the time period extending to the year 2020. The following calculations will use three possible scenarios: the OSP projected population increase over the next twenty years (23%); the known past population increase between 1980 and 2000 (20%); and the data from the analysis in Table #11 above:

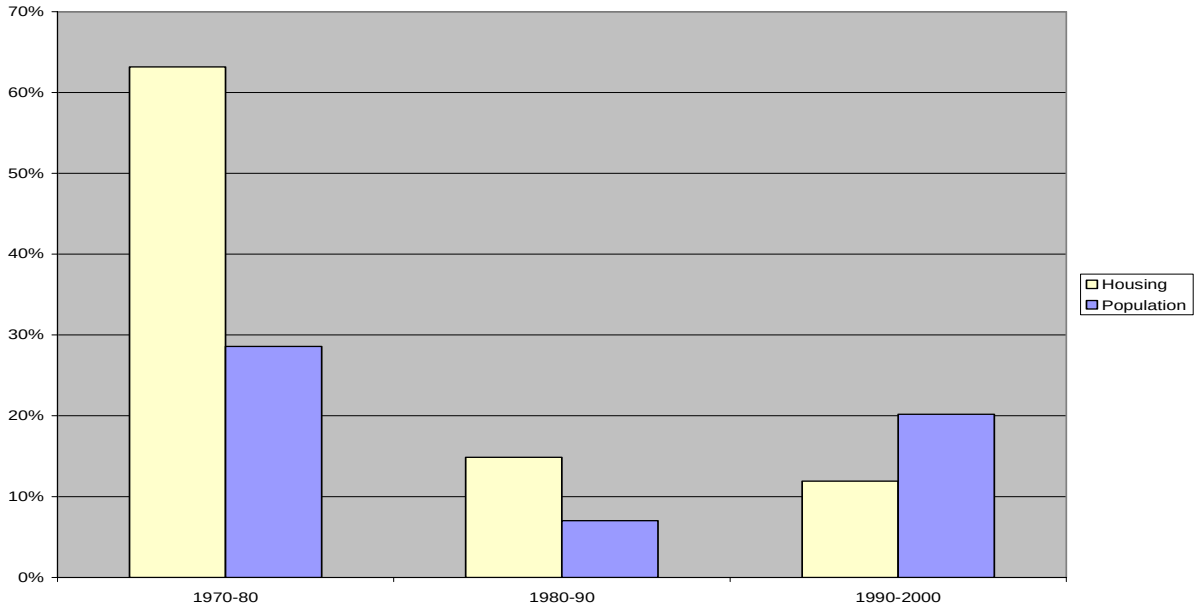
TABLE #13:
PROJECTED FUTURE HOUSING NEED TO YEAR 2020

Population Increase to 2020		Projected Pop. Increase	Persons/Unit	Additional Housing Units Total	Per Year
OSP Projection	23%	1367	2.3	594	30
Past Growth	20%	1177	2.3	512	26
Report Analysis	26%	1535	2.3	667	33

Thus, if Peterborough were to experience the same level of population growth between now and the year 2020 as it did between 1980 and 2000, the Town would need an additional 512 units, added to the 2,509 currently existing. Over 20 years this would mean approximately 26 units per year. If, however, the OSP projections should prove accurate, the Town would need about 30 units -- not appreciably different. And, compared to the 557 units that were added in the twenty years between 1980 and 2000, even this projection would appear to be manageable, based on past performance. The analysis generated by this report projects the largest increase of the three scenarios; with that estimation, Peterborough would need to add about 33 units per year.

Between 1970 and 2000, both the housing stock and the population of Peterborough increased by about 55%. The Census data indicates that, in general, Peterborough's housing stock is in good condition, in terms of availability of full kitchen and plumbing facilities; furthermore, the incidence of overcrowding of dwelling units is very low.

FIGURE #6:
PERCENT CHANGE IN POPULATION VS. GROWTH IN HOUSING STOCK



V. CONCLUSIONS

We perceive a considerable pent-up demand for housing to meet the disparate housing needs. The moratorium that was in place from September of 2002 to September of 2003 occurred at a time when property values increased enough to represent better financial rewards for developers. Although we anticipate growth rates more consistent with Cheshire than Hillsborough County, building permits will need to be addressed to balance near-term and future construction.

There have been rumblings that we are undergoing the gentrification of the Town. It has been the cause of concern for a while that you, "can't keep 'em down on the farm," and that is likely true today. The population changes from 1980 to 2000 show that the working age group, ages 16 to 65, were at 59.8% and declined to 58.7% of total population. Those 65 and older increased from 19% to 21%, and the non-mobile 15 year old and younger declined by 1.2%.

There appear to be several factors which have and will continue to influence the growth of housing and the population of Peterborough. The economic climate motivates the building pace. Currently, the rapid increase in housing prices has resulted in an upward shift in local property value. Economics will create incentives for new development, and business development activity may result in increased housing need over time. The housing taxation system in New Hampshire makes it difficult to encourage the construction of low-cost housing. Zoning regulations also influence the rate and type of housing construction.

The Population and Housing Subcommittee perceives the critical findings are further affected by a matter of timing. We believe that there is a pent-up demand to proceed with pre-moratorium construction.

Traditional development could result in over-building that increases the cost of Town services, consumes the 17% of available space that Pat Sherman defined; and results in the full build-out of available land space. The resultant population will likely stress the transportation system and could have negative effects on water, sewage, and the natural environment as well.

The Population & Housing Subcommittee also finds that open spaces, wetlands, slopes, and wildlife corridors need protection, and contribute to the housing goals expressed in this Plan. Individual development proposals can be reviewed toward understanding the relationship with contiguous properties.