

# **HOUSING**

# **CHAPTER**



## HOUSING

Hampton has an established policy of providing for its fair share of regional housing demand, not solely in terms of the number of units built, but also in terms of the type of units built. This policy is based on the understanding that a community is made up of a wide range of individuals of various incomes. To accommodate the needs of people who live and work in Hampton, housing stock must reflect the demand and diversity of these individuals. The full range of housing options are permitted under local land use controls. Local zoning controls allow for multi-family, duplex, manufactured and traditional single family units.

### TYPE

#### Single Family

Hampton was an agricultural town for most of its first 300 years. During this period, housing was single family in character, although households tended to contain larger nuclear families, extended families, and farm and household employees. Industrialization in the nineteenth century and changing family patterns at the end of World War II caused major changes in the character of single family housing in Hampton, but the town contains many examples of barn/farm house complexes that were typical of the town's early years.

The percentage of single family housing relative to the total in Hampton has declined progressively since the turn of this century. Since WWII new suburban type subdivisions have helped the town to continue its tradition of single family home ownership while losing its agricultural character, but the steady growth in the number of apartments, multi-family housing and recently condominiums and manufactured housing have over time reduced the proportion of single family housing in town.

The following are the planning objectives for single family housing:

- Increase RAA lots size (also w/ allowance for cluster).
- Do not extend sewer west of I-95.
- Provide for tax breaks for 17th and 18th century houses/barns to preserve them.

#### Multi-family

Hampton has been one of the few communities in the region allowing multi-family housing as a permitted use. Table H-1 shows that, at 43.7%, Hampton has provided more than

## HOUSING DISTRIBUTION BY TYPE Hampton and the Region

TOWN/AREA	1980							1991							1980 - 1991		
	Total	Single Family		Multi-Family		Manufactured		Total	Single Family		Multi-Family		Manufactured		Units added	Percent Growth:	
		number	%	number	%	number	%		number	%	number	%	number	%		Total	Avg. Annual
HAMPTON	4437	2622	59.1%	1726	38.9%	89	2.0%	8553	4517	52.8%	3735	43.7%	301	3.5%	4116	93%	6.15%
Exeter	4406	2355	53.4%	1314	29.8%	737	16.7%	5280	2305	43.7%	1952	37.0%	1023	19.4%	874	20%	1.66%
Greenland	728	625	85.9%	103	14.1%	0	0.0%	1097	813	74.1%	277	25.3%	7	0.6%	369	51%	3.80%
Hampton Falls	483	432	89.4%	47	9.7%	4	0.8%	607	557	91.8%	44	7.2%	6	1.0%	124	26%	2.10%
Kensington	450	400	88.9%	26	5.8%	24	5.3%	581	517	89.0%	22	3.8%	42	7.2%	131	29%	2.35%
New Castle	357	305	85.4%	50	14.0%	2	0.6%	379	317	83.6%	62	16.4%	0	0.0%	22	6%	0.55%
North Hampton	1255	988	78.7%	132	10.5%	135	10.8%	1514	1136	75.0%	127	8.4%	251	16.6%	259	21%	1.72%
Portsmouth	8634	4311	49.9%	4137	47.9%	186	2.2%	11192	3861	34.5%	6967	62.2%	364	3.3%	2558	30%	2.39%
Rye	1812	1498	82.7%	242	13.4%	72	4.0%	2412	2038	84.5%	333	13.8%	41	1.7%	600	33%	2.63%
Seabrook	2523	1066	42.3%	922	36.5%	535	21.2%	3510	1250	35.6%	1275	36.3%	985	28.1%	987	39%	3.05%
Stratham	844	713	84.5%	109	12.9%	22	2.6%	1943	1230	63.3%	668	34.4%	45	2.3%	1099	130%	7.88%
REGION TOTAL /AVG.	25929	15315	59.1%	8808	34.0%	1806	7.0%	37068	18541	50.0%	15462	41.7%	3065	8.3%	11139	43%	3.30%
ROCKINGHAM CO.	68132	45559	66.9%	17423	25.6%	5150	7.6%	102586	62681	61.1%	32097	31.3%	7808	7.6%	34454	51%	3.79%
NEW HAMPSHIRE	347758	218351	62.8%	108575	31.2%	20832	6.0%	505472	303892	60.1%	165545	32.8%	36035	7.1%	157714	45%	3.46%

SOURCES: (1) "Current Estimates & Trends in New Hampshire's Housing Supply, Update: 1991."

N.H. Office of State Planning, November 1992.

(2) 1980 and 1990 U.S. Census Bureau

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Table H-1

the regional average of multi-family housing (41.7%), and substantially more than Rockingham County's total (31.3%). Only Portsmouth, at 62.2%, has a greater percentage of multi-family housing. The percentage of multi-family housing has increased from 38.9% in 1980 to 43.7% in 1991. Multi-family housing is a permitted use in the Business, Business-Seasonal, and General Districts where municipal sewer is available.

The following are the planning objectives for multi-family housing:

- Hold constant percent of housing stock.
- Control by the availability of municipal services.

### Manufactured

Hampton was among the towns in New Hampshire which responded favorably to legislation requiring the inclusion of manufactured housing as a permitted use. According to Table H-1, in 1991 Hampton had 301 manufactured (mobile) homes, compared to only 89 in 1980. The 212 manufactured homes added during the ten year period represents a 238% increase. Manufactured homes made up only 3.5% of all housing in Hampton in 1991. The reason for this low percentage is that manufactured homes are allowed only in the General District on individual lots, in manufactured home parks of twenty spaces or more, or in manufactured home subdivisions. While Hampton currently has only three year round manufactured home parks, more can be expected in the future as the demand for lower cost housing increases, and as water and sewer services are expanded into the General District.

The following are the planning objectives for manufactured housing:

- Allow manufactured housing in some zoning districts.
- Conform to state law while recognizing that Hampton has done a good job of providing for low cost housing opportunities.

### Elderly

With the elderly population growing every year, the need for adequate elderly housing becomes greater. Hampton's popularity as a resort area makes it attractive to older citizens. The percentage of Hampton's elderly population has grown steadily over the last decade. According to the 1990 Census, the percentage of residents in the 11 town region around Hampton aged 65 and over grew from 11.6% in 1980 to 13.4% in 1990. During that same time period, the number of Hampton residents 65 and over grew from 12.0% in 1980 to 13.5% in 1990, slightly slower than the area.

In Hampton, there is a shortage of senior citizen housing. There are two subsidized elderly housing developments in town: the Dearborn House at 7 Dearborn Avenue (which contains 54 elderly housing units) and Ross Colony Court on Winnacunnet Road (which has 48 units, 45 of which are elderly). The NH Housing Finance Authority (NHHFA) provides financing rental assistance for residents of both facilities. With a total of 99 elderly housing units in Hampton, the waiting list for units is long; currently it is two years. Additional units are needed for the residents of Hampton. Currently, the Woodthrush project on High Street is under construction, which will add 28 additional units.

The following is the planning objective for elderly housing:

- Provide incentives for affordable elderly housing and facilities across the spectrum of needs.

### DISTRIBUTION OF HOUSING TYPES

Table H-1 shows Hampton's proportion of single family housing declining from 59% to 53% during the 80's, paralleling a similar 6% decline for Rockingham County and a 3% decline for the State as a whole. By contrast, the towns of Hampton Falls, Kensington and Rye, which already were predominantly single family, increased their proportion to approximately 90%. Exeter, Portsmouth and Seabrook, which in 1980 had half or less of their housing stock as single family, all dramatically reduced (even more) their proportion of single family housing over the next eleven years.

### HOUSING POLICY RESULTS AND EFFECTIVENESS

Hampton clearly has a variety of housing types. But providing a variety of housing types alone may not meet the needs of the population. A test of the effectiveness of Hampton's housing policy is to examine the income distribution of its residents. The most frequent result of exclusionary or discriminatory housing policies is that low income groups tend to be forced to other communities. A positive housing policy should result in a fairly broad cross-section of residents of all income groups; i. e., if you have 10% of the region's population, you should generally support 10% of each income group. Table H-2 presents a breakdown of income ranges for Hampton and surrounding communities, and compares those percentages to the community's share of the region's population. In the region, Hampton, Portsmouth, Exeter, New Castle and Seabrook reflect such a cross section for the low income range. Table H-2 shows that Hampton, more than any other town in the seacoast, exhibits a wide and even range of income distribution among its residents.

Hampton houses approximately 17% of the region's population. Comparing the percent of the region's income groups finding housing in Hampton reflects the situation for

### Percent of Region's Households By Income

Towns	Percent of Region's Population	Income Ranges					
		\$0 to \$14,999	\$15,000 to \$29,999	\$30,000 to \$49,999	\$50,000 to \$74,999	\$75,000 to \$99,999	\$100,000 and over
HAMPTON	17%	16%	13%	16%	18%	21%	17%
Exeter	17%	17%	15%	17%	16%	13%	17%
Greenland	4%	3%	2%	3%	5%	5%	2%
Hampton Falls	2%	1%	1%	1%	2%	3%	5%
Kensington	2%	1%	1%	2%	2%	3%	2%
New Castle	1%	2%	1%	1%	2%	1%	2%
North Hampton	5%	3%	3%	4%	7%	4%	9%
Portsmouth	30%	38%	42%	32%	28%	25%	18%
Rye	6%	5%	4%	6%	6%	7%	15%
Seabrook	9%	11%	13%	11%	5%	4%	2%
Stratham	7%	2%	3%	6%	8%	13%	11%
<b>TOTAL</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>	<b>100%</b>

Source: 1990 U.S. Census, STF3A - Tables P80, P107, and P110.

### Housing Costs in Hampton and Area Communities Rental and Owner Occupied Housing Units - 1990

TOWN/AREA	Median Rent 1990	Percent of Region Average	Median Value Owner Occup. Units - 1990	Percent of Region Average
HAMPTON	\$540	94%	\$162,500	88%
Exeter	\$539	94%	\$154,000	83%
Greenland	\$690	121%	\$168,100	91%
Hampton Falls	\$583	102%	\$221,200	120%
Kensington	\$505	88%	\$171,000	92%
New Castle	\$600	105%	\$295,000	160%
North Hampton	\$547	96%	\$187,400	101%
Portsmouth	\$497	87%	\$137,600	74%
Rye	\$611	107%	\$214,100	116%
Seabrook	\$514	90%	\$145,500	79%
Stratham	\$661	116%	\$177,700	96%
<b>Region Average</b>	<b>\$572</b>	<b>100%</b>	<b>\$184,918</b>	<b>100%</b>
Rockingham Co.	\$541	95%	\$149,800	81%
New Hampshire	\$479	84%	\$129,400	70%

Source: Tables 9 and 11, 1990 Census of Population and Housing, Summary Population and Housing Characteristics, Bureau of the Census.

Hampton. The proportion of low income groups, in Hampton's case is slightly less than would be expected. The income ranges which differ the most from the expected 17%, are \$75,000 to \$99,999 (21%) and \$15,000 to \$29,999 (13%). This is somewhat surprising since lot size requirements are an acre or below and water and sewer are available in a large portion of town. Generally these factors favor lower cost housing. One explanation may be the limited amount of buildable land remaining in Hampton and the resulting high costs. Another explanation is the desirable location of the town which makes housing costs higher than normal. The impact of the resort character of a large portion of the town may also have an influence in keeping prices high.

Table H-4 shows the median purchase price of houses in Hampton increasing more than any other town on the seacoast, a curious statistic when coupled with the rising proportion of non-single family housing in town. The data hints at a trend in Hampton of rapidly increasing high priced single family housing and lower priced multi-family and manufactured housing, with a decrease in the production of housing for middle income families. Although the data is not sufficient to confirm this trend, increasing building costs, more stringent building codes, protective zoning, and desirability of the coastal region would tend to increase median single family housing cost. Conversion of seasonal apartment to year round use and condominium construction would increase the quantity of units at the lower end of the spectrum. As a result, the availability of modestly priced single family housing in town may be in jeopardy.

Such a trend, if it exists, is not in the interests of the town, and planning measures should be taken to preserve Hampton's unique, heterogeneous spread of income and housing type.

#### SEASONAL HOUSING CONVERSION TO YEAR ROUND

Hampton's unique geographical assets (its beaches and marshes) and its proximity to major transportation routes have created special benefits and problems for the town throughout its history. Although the beach area has historically been used by seasonal businesses and summer residents, the trend of the last forty years has been to convert seasonal use to year round use. In terms of housing for Hampton residents, this trend has already altered the character of the town in significant ways and promises to have a profound impact on the town in the next decade as the leased land issue sorts itself out. The following conclusions can be made about season housing.

1. Zoning regulations, building codes, life safety codes and construction costs discourage the construction and maintenance of seasonal housing (inexpensive housing to be used for only 3 months of the year).
2. Existing seasonal housing will be more rapidly converted to year round housing.

**HOUSING PURCHASE PRICE MEDIAN -- 1991 AND 1992**  
**Hampton and Area Communities**

Communities	1991		1992		Percent Change 1991-1992
	Sample Size*	Median Price	Sample Size*	Median Price	
HAMPTON	43	\$115,032	33	\$131,302	14.1%
Exeter	45	\$120,786	50	\$109,189	-9.6%
Greenland	25	\$122,000	22	\$129,143	5.9%
Hampton Falls	17	\$203,048	12	\$191,150	-5.9%
Kensington	17	\$155,000	11	\$136,000	-12.3%
New Castle	3	\$197,048	3	\$212,000	7.6%
North Hampton	39	\$210,000	31	\$159,900	-23.9%
Portsmouth	49	\$111,048	34	\$102,167	-8.0%
Rye	32	\$164,048	37	\$182,000	10.9%
Seabrook	16	\$96,000	23	\$72,000	-25.0%
Strathar.	76	\$138,238	73	\$116,000	-16.1%
RegionTotal/Avg.	362	\$140,974	329	\$128,717	-8.7%
Rockingham County	1,133	\$119,048	1,095	\$112,381	-5.6%
New Hampshire	3,956	\$107,524	3,470	\$99,048	-7.9%

Source: N.H. Housing Finance Authority.

Purchase Price Median, 4 Quarters 1991 and 1992.

\*Sample sizes under 50 are not statistically reliable. Use figures with caution.

3. Converted seasonal units tend to be rented to transient moderate and low income families because
  - a. the construction is often substandard,
  - b. the units are densely developed,
  - c. their rental in winter months is inexpensive,
  - d. there is an incentive to sublease or vacate in the summer, when rental is expensive.
4. The increase in year round housing on the beach is financially burdensome to the town for several reasons:
  - a. income from real estate taxes does not cover the cost of services provided,
  - b. the evolution to year round residency makes it more difficult for the beach to function as a summer resort,
  - c. the nonconforming status of beach development makes it difficult to require that new construction conform to existing codes

The following are the planning objectives for seasonal housing:

- Prevent lot splits/subdivisions.
- Further regulate condominium conversions.
- Charge a committee to study and recommend the following aspects:
  - a. HBIC (Hampton Beach Improvement Company) turnover
  - b. "Beach renewal" of sub-par properties by incentives to rebuild and get up to safety code (e.g. height increases and story additions)
  - c. This committee should be formed in 1995 right after the election and involve the Hampton Beach Precinct representatives. The committee will report to the Planning Board.

## LEGAL ISSUES

Some towns have been faulted recently by the courts for excluding lower and middle income groups in favor of more affluent, higher tax paying home owners. Hampton has traditionally included residents of all incomes in relatively equal proportions. As the following tables indicate, even in the recent high growth years, Hampton has continued to have a citizenry of great diversity, in income and otherwise.

The concern of the courts and New Hampshire legislature over exclusionary zoning in more affluent towns has resulted in RSA 674:32 which states that municipalities must permit the construction of manufactured housing in at least half of the land area in which housing of any sort is allowed. The Town of Hampton may not conform to the letter of that law since more of its' moderately priced housing is in the form of multi-family units rather than

manufactured housing. However, Hampton, more than any other seacoast town, conforms to the nonexclusionary spirit of that ordinance by providing affordable housing to a variety of apartment renters, manufactured housing dwellers and moderately priced single family home owners. It is worth speculating whether the manufactured housing lobby has played a role in creating RSA 674:32, which recognizes manufactured housing as the only legitimate form of moderately priced housing in the state.

## CONCLUSION

Determining the quantity and relationship of various types of housing is a planning decision of importance to the town. To maintain the traditional character of the town the proportion of single family housing should remain above 50%. The remaining non-single family housing should be divided among two family, multi-family and manufactured housing in the following proportions:

single family	52% of total units same as current
two family	8% of total units same as current
multi-family condominiums apartments	35% of total units lower than current
manufactured housing	5% of total units higher than current

The income distribution among residents should be maintained at the current levels, which may mean restricting the production of upper end single family housing and lower end beach conversions, while encouraging the production of middle income, single family residences.

The categories of income and housing type are somewhat blurred at their boundaries (for example, detached, single family type housing can be produced under the multi-family zoning regulation). Hampton should be innovative in finding imaginative and compassionate solutions to housing its' citizens and maintaining town character.