

DISPELLING *myths*

ABOUT WORKFORCE HOUSING

Greater Nashua Workforce Housing



Myth: *Workforce housing means subsidized or Section 8 housing.*

Reality: Workforce housing includes single-family homes, townhouses, condominiums, and apartments that are affordable to moderate-income households. To be affordable, monthly housing costs shouldn't demand more than 30% of gross household income. To close the widening gap between incomes and housing costs, some developers/owners utilize subsidy programs. But subsidy programs are not synonymous with workforce housing.

NH RSA 674:58 defines workforce housing as for-sale housing which is affordable to a four-person household earning no more than 100 percent of the median area income or rental housing which is affordable to a three-person household earning no more than 60 percent of the median area income.

Myth: *Most people who live in workforce housing are on welfare or won't fit into my neighborhood.*

Reality: The shortage of workforce housing is an increasingly middle-class problem. Most residents of modern workforce housing developments work full-time jobs that pay modest wages¹ In addition, a rent increase, divorce, job loss or other adverse circumstance may cause others to seek workforce housing.

People who need such housing are already living and working in our towns. They are the people who take care of our children, our seniors and our communities. But as housing costs rise, will they be able to stay here? Will our children to be able to stay here?

Myth: *"Workforce housing" means large, uninviting projects.*

Reality: That may have been the case 25 years ago, but the new generation of workforce housing is based on good design and minimal impact. Smaller, mixed-income developments are distributed throughout a town. Buildings in suburban settings are clustered to leave areas of open space. Compared to unplanned sprawl, such land use is much more efficient and attractive.

¹ According to 2005 figures from the NH Economic and Labor Market Information Bureau: NH Occupational Employment and Wages, most workers in the following categories will need help with workforce housing: Bank Teller, Dental Assistant, Fire Fighter (entry level), Police Officer (entry level), Elementary School Teacher, Registered Nurse.

Myth: *Workforce housing will reduce property values.*

Reality: Studies have shown that well-designed and well-managed workforce housing developments do not have any significant, negative effect on neighboring property values.² In fact, some such developments actually increase property values.³

Myth: *Workforce housing, especially multifamily housing, results in more school children than traditional single-family subdivisions.*

Reality: Statistics⁴ show multifamily homes have fewer students than do single-family residences. In New Hampshire, single family units have an average of .51 public school enrollees per unit, while multifamily units (10 or more units per structure) generate an average of .13 students per occupied unit.⁵ There are other reasons to consider multifamily housing – this type of housing consumes less land and places fewer demands on municipal services than traditional single-family developments.

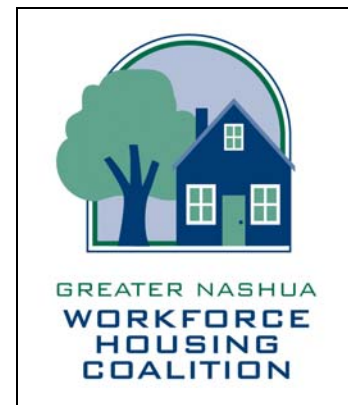
Myth: *Workforce housing will raise taxes.*

Reality: Workforce housing frequently has a neutral or negligible effect on the local tax rate. In a study comparing taxes in towns that had minimum, moderate and high residential growth, the school property taxes per household increased the most in slow-growing communities.⁶

Myth: *Workforce housing will increase crime.*

Reality: Studies do not show a relationship between population density and crime. Well-designed housing can actually help protect against crime.⁷ Better lighting, landscaping and good management make an area less attractive to criminals.

Greater Nashua Workforce Housing Coalition
20 Broad Street
Nashua, NH 03064
603-459-0086 X13
E-mail: HousingInfo@GNWHC.org



² The 14 studies reviewed by the California Department of Housing and Community Development in 1988 showed no relationship between workforce housing and property values.

³ According to the American Housing Surveys between 1987 and 1997, the average annual appreciation rate for single-family homes within 300 feet of a multifamily building was 3.9% compared with 3.6% where no multifamily building was within 300 feet.

⁴ National Association of Homebuilders "Housing Facts, Figures and Trends" June 2001.

⁵ New Residential Development and School Enrollment: Just the Facts by Russ Thibeault, President, Applied Economic Research, Laconia New Hampshire. 2005.

⁶ Houses, Jobs, and Maine People: 2001. Report by Frank O'Hara, Planning Decisions, to the 2001 Governor's Affordable Housing Conference, September 10, 2001.

⁷ A survey of studies by the Housing Action Coalition (Santa Clara, CA) found no studies indicating a correlation.