

Chapter 7:

HOUSING CHAPTER**INTRODUCTION**

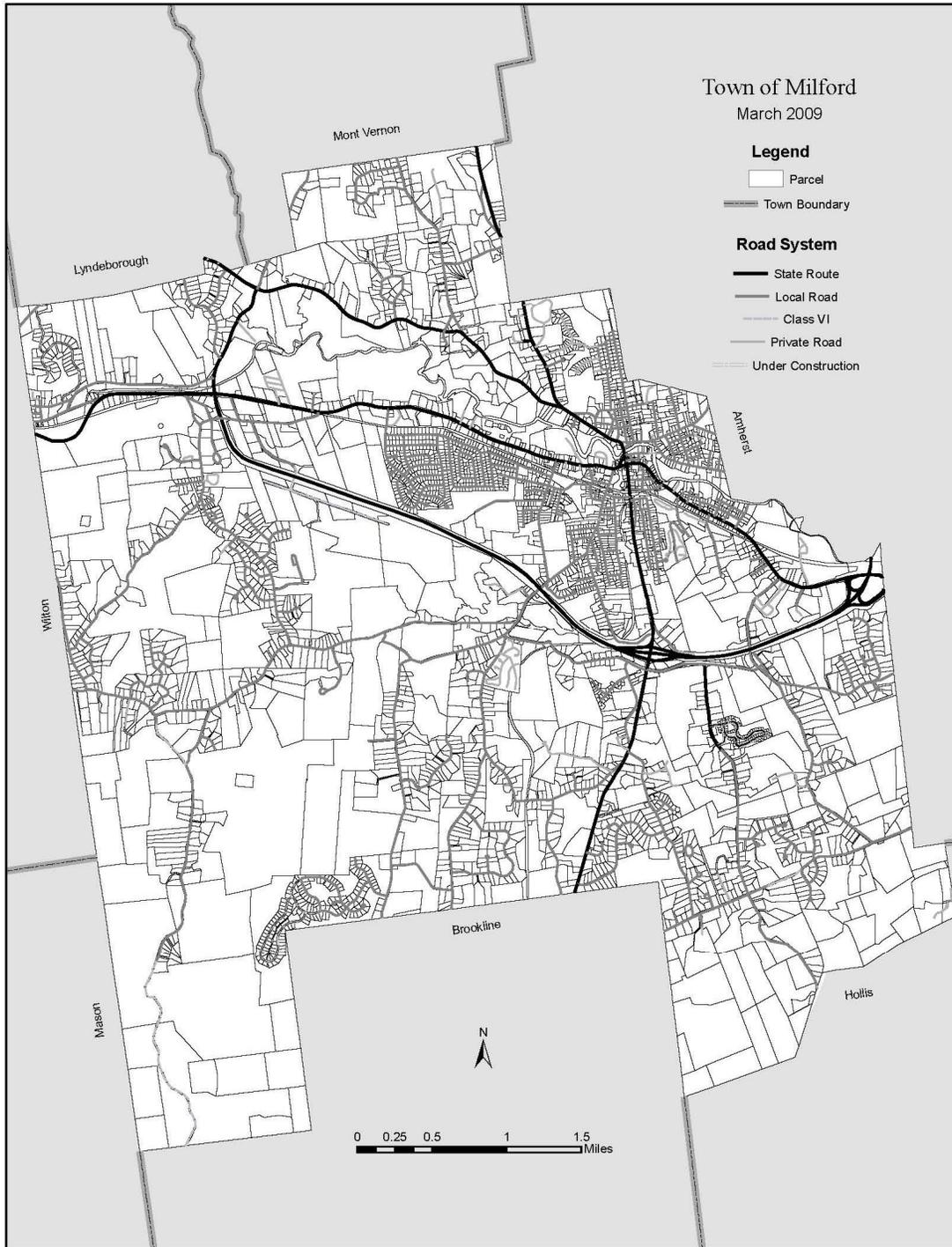
The Town of Milford is part of Hillsborough County, the Souhegan Valley and the Nashua Regional Planning Commission. The robust population and housing growth experienced in Milford has been and will continue to be influenced by its geographic and economic location. Milford lies at the intersections of the State's major east-west highway, Route 101 and Route 101A. It is further bisected by Route 13, a north-south roadway running from Massachusetts to New Hampshire's state capital, Concord.

Given its location, Milford serves as a hub of commercial and industrial activities. In addition to its geographic connections, as of 2009 Milford is one of only four communities within the Nashua Regional Planning Commission region to have a municipal water system and wastewater treatment plant. These municipal utilities serve the community throughout the more densely populated downtown area and along major roadway corridors. As a Town with a substantial commercial-industrial sector and municipal water and sewer utilities, Milford has historically provided a diverse range of housing options for all income and age ranges, and continues to do so.

Per state statute, the Housing Chapter of a Master Plan must assess the local housing conditions and project the future housing needs of the community and the region for all income levels and ages. The purpose of this chapter is to examine trends and forecasts for population, income and housing in Milford, in the context of the region defined by the Nashua Regional Planning Commission's (NRPC) borders. In addition, this chapter outlines the community's program of action to help ensure Milford's housing stock continues to provide for the needs of its current and future population. Safe, quality housing that reflects the economic and community character of Milford is vital to the long-term future of Milford.

II. CURRENT HOUSING TRENDS AND STATUS

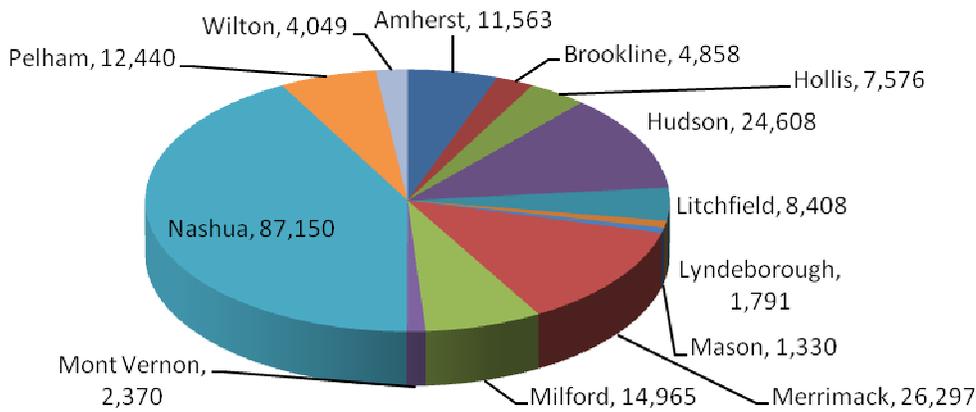
2.01 TOWN OF MILFORD MAP



2.02 POPULATION TRENDS

As of 2009, Milford was the fourth largest of the thirteen communities in the NRPC⁵ region. From 1990 to 2000 the NRPC region expanded its total population by 14%. The growth in population has continued into the following decade at a slightly slower rate; from 2000 to 2007 the population growth registered at just over 5.3% for the region as a whole.

Chart 1: NRPC Communities 2007 Population Estimates



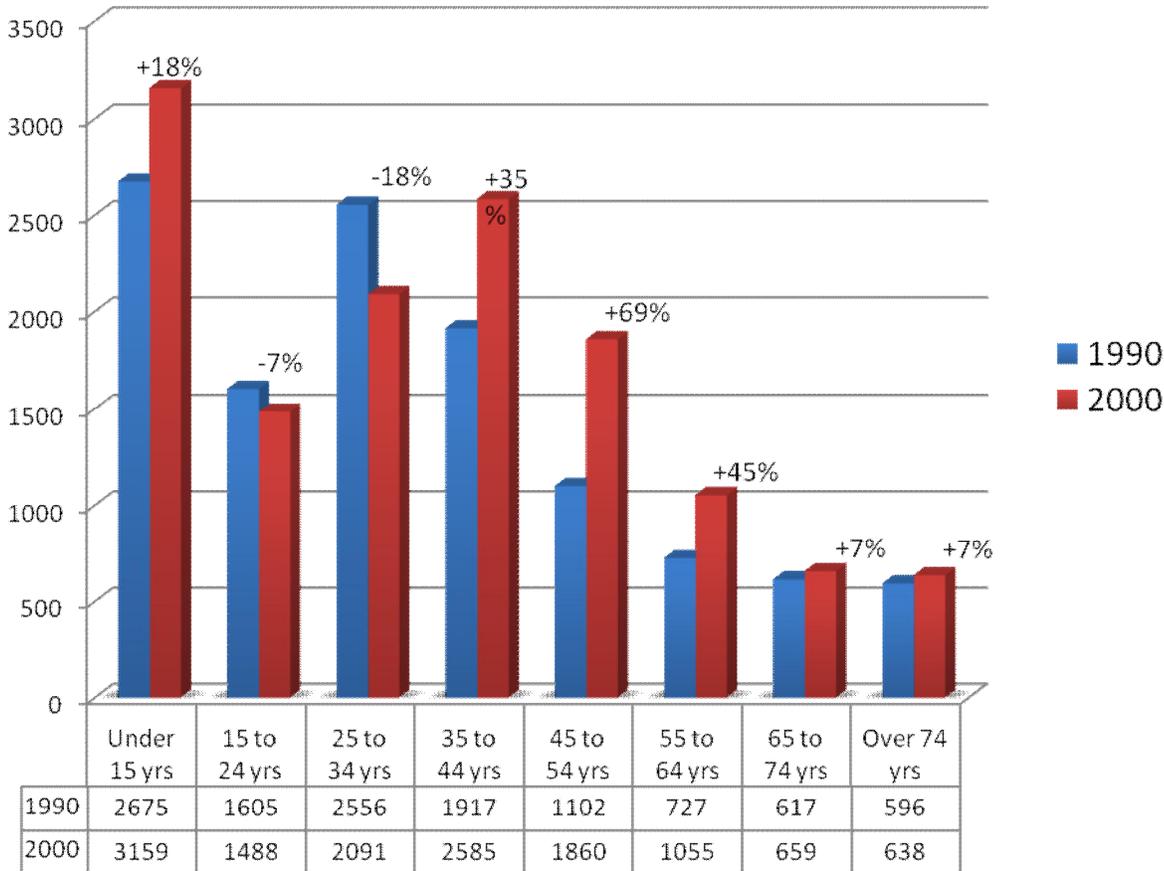
Source: NH Office of Energy and Planning (OEP)

Milford's growth from 1990 to 2000 closely mirrors that of the NRPC region, increasing from 11,795 in 1990 to 13,535 in 2000 or 14.8%. Milford's growth increased significantly from 2000 to 2007 up to 14,965 or 10.5% compared to the 5.3% regional average. Due to the economic downturn in 2008 growth slowed significantly in Milford after 2007. However, the community should still have a substantial increase to report in the 2010 Census.

The population increases in Milford between 1990 and 2000 were not evenly distributed by age groups. As has been noted for Hillsborough county and New Hampshire as a whole, Milford's population is aging+ or increasing its population of residents over 45 years old at a much faster rate than the younger age groups. Chart 2 depicts the aging of our population.

⁵ NRPC Region includes the following communities: Amherst, Brookline, Hollis, Hudson, Litchfield, Lyndeborough, Mason, Merrimack, Milford, Mont Vernon, Nashua, Pelham and Wilton.

Chart 2: Milford’s Population by Age Group 1990-2000



Source: US Census

From 1990 to 2000 Milford residents 44 years old and younger increased by 6% compared to residents 45 years old or older increasing 38%.

It is likely the trend of an aging population has continued since the 2000 Census. Prior to 2000 there were only 229 age-restricted or senior housing units (either 55 or 62+) in Milford. Between 2000 and 2008 eight new age-restricted housing developments were approved and constructed in Milford, adding 378 new age-restricted housing units. This more than doubled the availability of senior housing in Milford to a total of 607 units in 2008.

On the opposite end of the population spectrum, Milford’s school population has remained relatively stable between 2000 and 2008, with long-term projections showing a stable population between 2008 and 2013. Data provided by the Milford School District for the 2008/2009 school year reports a 2.7% increase in the population of students enrolled in grades Readiness through 12th, from the 2001/2002 school year. Over the 2008/2009 school year the school district has expanded to include a small population of students from the neighboring community of Mason, and will further expand for the 2009/2010 school year to include kindergarten.

2.03 INCOME TRENDS

Income data is typically reported in one of three major indices: Per Capita Income, Median Family Income and Median Household Income.

Per Capita Income is a measure of the income for an entire geography (in this case the Town of Milford) divided by the total population, or every man, woman and child. This index takes into account children, who do not generally contribute any income, producing a lower value than median incomes.

A median measure divides an income distribution into two equal parts, with one-half falling below and one-half above the median number. Median Family Income includes the incomes of all family members 15 years old and over related to the %householder+ versus the Median Household Income which includes the income of all individuals in the household whether they are related or not. As there are many households with one person, this index is generally lower than the family income.

As this report evaluates housing in Milford and the NRPC region, the median family and household incomes data are used for comparison purposes. The major source for broadly reported income data at the community level comes from the US Census Bureau's decennial census. Due to the constraints of the data available in 2009, this report was not able to evaluate more recent trends in income data; however as the new census data becomes available in 2011 this report should be updated.

The decade from 1990 through 2000 details considerable increases in income for all New Hampshire residents. The Median Family Income increased by 38.3% over the decade and the Median Household Income by 36.2% for the state as a whole. Hillsborough County reported similar growth in both family and household income for the same period, at 34.8% and 32.1% respectively. Looking at the smaller NRPC region, the increases in income are even greater than the state and county averages. In 1989 the Median Family Income for the NRPC region was \$52,667, which increased to \$74,659 in 1999, a 41.8% growth. Households fared better than the state and county as well, with a reported \$49,458 income in 1989, increasing to \$68,012 in 1999, a 37.5% increase.

The prosperous growth of this decade carried into Milford as well. Milford's median incomes are approximately \$10,000 less than the NRPC region's average, but show similar rates of growth over the decade (See Tables 1 & 2).

Table 1: NRPC Region Median Family Income 1989-1999

Median Family Income			
Town	1989	1999	% Change
Amherst	\$66,491	\$97,913	47.6%
Brookline	\$57,372	\$80,214	39.8%
Hollis	\$68,096	\$104,737	53.8%
Hudson	\$50,714	\$71,313	40.6%
Litchfield	\$52,438	\$76,931	46.7%
Lyndeborough	\$46,250	\$70,223	51.8%
Mason	\$53,935	\$61,908	14.8%
Merrimack	\$55,844	\$72,011	29.0%
Milford	\$43,628	\$61,682	41.4%
Mont Vernon	\$52,740	\$77,869	47.7%
Nashua	\$46,614	\$61,102	31.1%
Pelham	\$51,147	\$73,365	43.4%
Wilton	\$39,402	\$61,311	55.6%
NRPC Averages	\$52,667	\$74,659	41.76%

Source: 1980 and 1990 Census

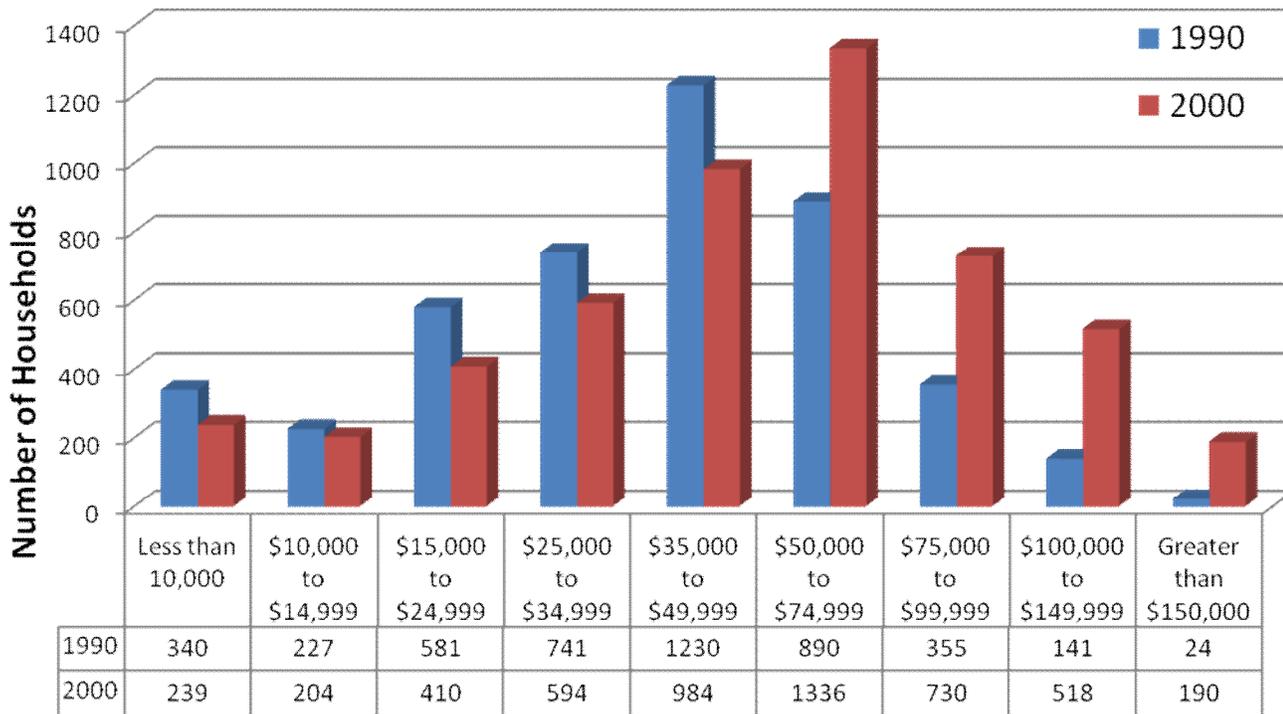
Table 2: NRPC Region Median Household Incomes 1989-1999

Median Household Income			
Town	1989	1999	%Change
Amherst	\$62,568	\$89,384	42.9%
Brookline	\$55,858	\$77,075	38.0%
Hollis	\$64,351	\$92,847	44.3%
Hudson	\$47,859	\$64,169	34.1%
Litchfield	\$49,946	\$73,302	46.8%
Lyndeborough	\$42,208	\$59,688	41.4%
Mason	\$52,137	\$60,433	15.9%
Merrimack	\$52,798	\$68,817	30.3%
Milford	\$38,792	\$52,343	34.9%
Mont Vernon	\$49,650	\$71,250	43.5%
Nashua	\$40,505	\$51,969	28.3%
Pelham	\$50,187	\$68,608	36.7%
Wilton	\$36,098	\$54,276	50.4%
NRPC Averages	\$49,458	\$68,012	37.5%

Source: 1980 and 1990 Census

Within Milford, the growth in income was further displayed through changes in the distribution of income groups. Chart 3 displays the income of Milford households by income group from the 1990 and 2000 Census. As will be discussed later in this report, the number of households and housing units also increased significantly from 1990 to 2000; not only were the incomes of existing residents rising, but it is likely new households were adding to the increase in income for Milford and the region.

Chart 3: Milford Household Income Groups 1990 & 2000



Source: 1990 & 2000 US Census

The chart shows a clear trend of increased incomes in Milford. All of the income groups making \$49,999 or less per household lost population over the decade and in contrast, all income groups making \$50,000 or more made significant gains.

After the 2000 Census the economy continued to expand throughout the United States and New Hampshire until late in 2007. It is reasonable to assume that family and household incomes have continued to rise since the census survey in 2000. However, due to the 2008 economic downturn and contraction of the economy, it is likely that the rate of increase in Milford shown in the 2010 Census will be less substantial than over the previous decade.

2.04 FAMILY AND HOUSEHOLD SIZES

As incomes and the number of households increased from 1990 to 2000 the average family and household sizes in the NRPC region declined slightly. A household includes non-related persons within the same housing unit and all housing units in a community, whereas a family only includes housing units with related family members. The average family size in the NRPC region decreased from 3.25 persons per family in 1990 to 3.19 persons in 2000. The average household size also decreased slightly for the region from 2.92 in 1990 to 2.84 in 2000.

Milford was one of only two communities in the NRPC region, the other being Brookline, to increase its family size from 1990 to 2000. The average family size increased from 3.08 persons per household in 1990 to 3.11 in 2000, a small but significant increase compared to the rest of the communities in the region. As the number of housing units continued to grow in Milford after 2000 it will be important to determine, with the 2010 Census data, if the trend of increasing family sizes continued in Milford.

Milford's average household size did show a slight decrease over the same period of time from 2.61 persons per household in 1990 to 2.58 in 2000, which was in line with the rest of the NRPC region.

2.05 LOCAL HOUSING SUPPLY

Existing Supply

As discussed in earlier sections, Milford's population and income have been consistent with the medians of the NRPC region. However, when we look at the existing types of housing units available Milford becomes more of an outlier in the region.

Table 3 details an overview of the types of available housing by community in the NRPC region in 2006.

Table 3: 2006 NRPC Community Housing Data

Town	Single family Units ⁶	Multifamily Units ⁷	Manufactured Units ⁸	Total Units
Nashua	16812	19033	890	36735
Milford	3084	2573	405	6062
Hudson	6117	2829	150	9096
Merrimack	6912	2673	218	9803
Wilton	1246	351	23	1620
Litchfield	2308	416	121	2845
Pelham	3847	537	27	4411
Hollis	2498	251	91	2840
Mont Vernon	775	25	71	871
Amherst	3787	310	73	4170
Lyndeborough	628	32	27	687
Brookline	1537	104	21	1662
Mason	526	0	17	543
NRPC Regional Averages	3,852	2,241	164	6,257

Source: NHES Community Profiles

Milford falls close to the mean in both single family units and multifamily units, however has a significantly larger number of manufactured housing units than other communities within the region. As a commercial-industrial hub and one of only four communities in the region to have municipal water and sewer supplies, Milford has historically offered more diverse types of housing units than the other communities in the region. Table 4 compares the distribution of housing types within each community throughout the NRPC Region.

⁶ Single Family Units – any structure that is reported as detached in annual OEP community survey.

⁷ Multifamily Units – any structure that is reported as attached in annual OEP community survey.

⁸ Manufactured Units - any structure that is reported as designed to be towed on its own chassis in annual OEP community survey. Excluded are travel trailers, motor homes, and modular housing.

Table 4: 2006 NRPC Communities Housing Units Percent by Type

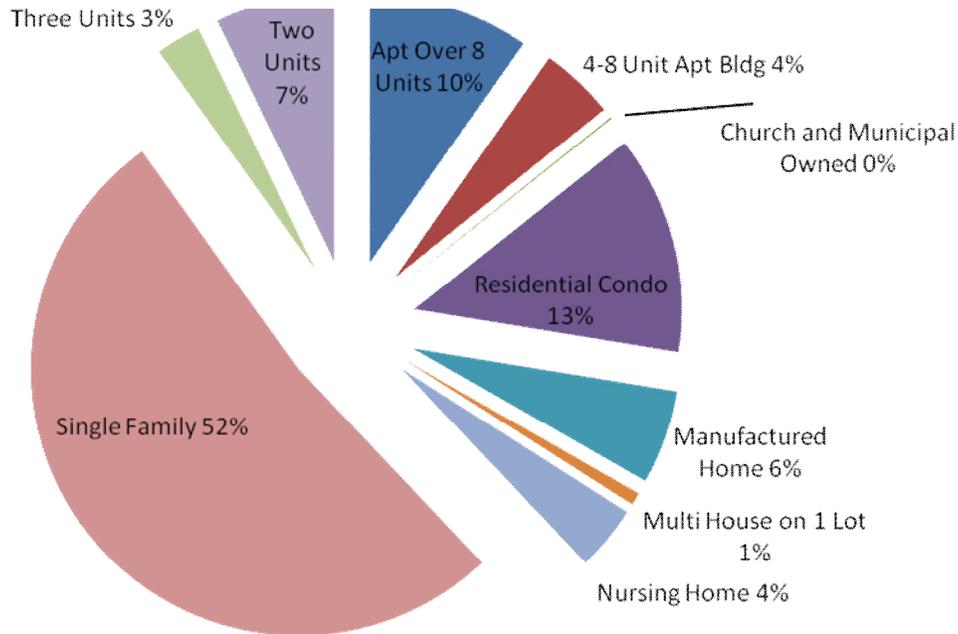
Town	Percent of Single family Units	Percent of Multifamily Units	Percent of Manufactured Units
Nashua	45.8%	51.8%	2.4%
Milford	50.9%	42.4%	6.7%
Hudson	67.2%	31.1%	1.6%
Merrimack	70.5%	27.3%	2.2%
Wilton	76.9%	21.7%	1.4%
Litchfield	81.1%	14.6%	4.3%
Pelham	87.2%	12.2%	0.6%
Hollis	88%	8.8%	3.2%
Mont Vernon	89%	2.9%	8.2%
Amherst	90.8%	7.4%	1.8%
Lyndeborough	91.4%	4.7%	3.9%
Brookline	92.5%	6.3%	1.3%
Mason	96.9%	0%	3.1%
NRPC Regional Averages	61.6%	22.6%	2.6%

Source: NHES Community Profiles

Milford is significantly different from the regional means in all categories when comparing housing unit distribution. Milford has the second lowest percentage of single family homes at 50.9% and the second highest rate of multifamily (42.4%) and manufactured homes (6.7%) in the region. The municipal water and sewer have allowed for higher densities of housing and commercial-industrial activities, which communities without these services were unable to meet. In addition, the commercial-industrial sector has supplied many local jobs to the community which has in turn encouraged a variety of housing options to serve those businesses. As Table 4 displays, Milford provides a more balanced (percentage wise) and diverse choice of housing types than all communities in our region.

In an effort to examine Milford's housing stock in more detail the Milford Assessor's Office supplied data on all housing units in Milford, including address, number of units and total assessed value of the property. The following data was reported for 2008 and it is important to note, differs slightly from the previous regional statics due to dissimilar source data. Chart 4 details the types of housing units available in Milford.

Chart 4: Housing Units by Type^{9, 10}



Source: Milford Assessing Data

In 2008 single family units accounted for just over half of all housing units in Milford, with condominiums and mobile homes together totaling an additional 19%. While a majority of housing units in Milford would have been considered owner-occupied, the types of owner-occupied units available allowed for a diverse range of housing options and affordability. In addition, there was a significant amount of multifamily housing units in Milford. Multifamily housing units accounted for almost a quarter of all housing units in Milford and included: two units, three units, 4-8 units and over 8 unit apartment buildings. This broad range of multifamily housing type options offered Milford's rental community a variety of living arrangements to accommodate a variety of age groups and income levels.

⁹ Definitions per Milford Assessing Office database:

Residential Condo = an individual housing unit under condominium ownership regardless of attached or detached.

Manufactured Home = a housing unit built to national HUD construction standards, on a permanent chassis by which it could be moved.

Multi Homes on 1 Lot = Two or more residential structures on a single lot not under condominium ownership.

Accessory Dwelling Unit = A second, accessory unit incorporated within an owner-occupied single family property.

¹⁰ Corresponding numbers of units in each category: Single Family=3098, Nursing Home=233, Multi House on 1 Lot=45, Manufactured Home=338, Res. Condo=785, Church & Municipal Owned=6, 4-8 Unit Apt Bldg=268, Apt Over 8 Units=580, Two Units=428 and Three Units=163.

Between 2006 and 2008 new housing construction in Milford was dominated by single family units. In 2002, the Town of Milford changed the Senior Housing Zoning Ordinance to require all persons owning or renting a senior housing unit to be a minimum of 62 years of age and in 2006 enacted a Growth Management Ordinance (GMO). These changes caused a dramatic drop in the amount of new multifamily and senior housing units being constructed. In addition, with the downturn in the economy starting in 2008 there was a significant decrease in new construction for all types of housing units.

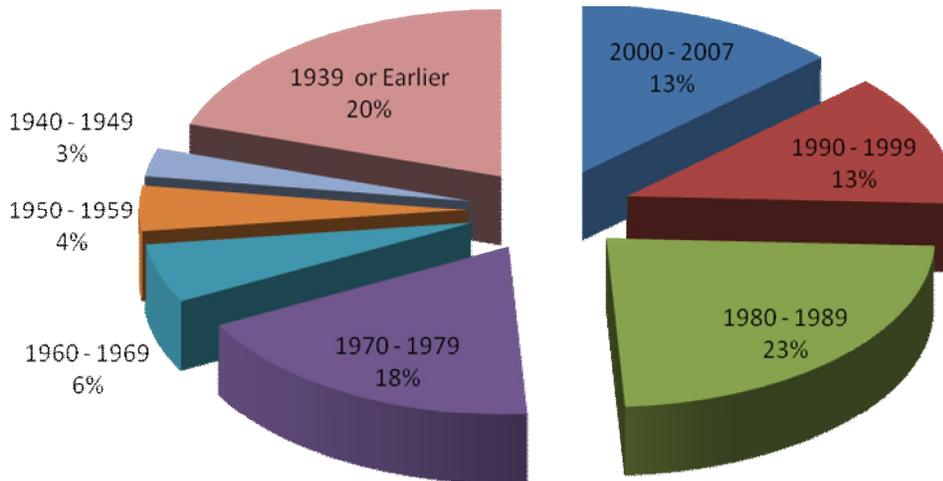
2.06 LOCAL HOUSING OCCUPANCY RATES

Between 2000 and 2008 Milford experienced a tight housing market. According to the 2000 Census there were only 87 vacant housing units, including both units for sale and for rent. From 2000-2007 Milford experienced a significant boom in the construction of all types of housing units, but the housing market remained very tight. Between 2007 and 2008 the construction of new housing units leveled off and in 2008 began to rapidly decline following the economic downturn. As a result the 2010 vacancy rate is expected to be much higher than noted in the last census, due to unfilled rental apartments, and vacant and foreclosed homes.

2.07 LOCAL HOUSING CONDITIONS

The US Census collects data on housing conditions to estimate the standards of housing within a community. Of the 5,316 housing units reported in 2000, including single family, multifamily and manufactured homes, only 8 were lacking in complete kitchen and plumbing facilities. Well over 99% of Milford's units have complete kitchen and plumbing facilities.

Another indicator of the condition of a communities housing stock is the age or year built. Building codes and requirements have been updated significantly over the last several decades to protect the health and safety of residents. The older a home is the more likely it is to be in need of repair and the less likely it is to meet current building and safety codes. Data from the 2000 Census coupled with new data from Milford's Building Department shows our major housing growth occurred from 1970 to 1989. As seen in Chart 5 nearly half of all housing units were built after 1979.

Chart 5: Age of Housing Units in Milford¹¹

Source: Census 2000 and Building Department Data

Overall, Milford's existing housing stock is relatively new and provides adequate facilities for our residents.

2.08 CONCLUSION

On the large scale, Milford mirrors the NRPC region and the state, displaying a sustained period of population, income and housing unit growth since 1990. However, Milford's unique composition and place within the NRPC region becomes clear when evaluating the community on a smaller scale. The population grew significantly between 1990 and 2000, and is projected to continue its growth at a slightly slower rate through 2010. Incomes which grew dramatically between 1990 and 2000 are also projected to continue climbing, but at a lower rate between 2000 and 2010. Most notably, Milford differs from the rest of the communities in the region by providing a wide-ranging base of housing unit types available in both the owner and rental markets for residents to choose from, and a relatively new housing stock.

The lack of recent comprehensive census data required this report to utilize a variety of sources to analyze the most current information available. The diversity of dates and definitions within each data source made cross-category comparative analyses impractical. To allow for better cross-category, regional and more timely trend analysis, the data in this report should be reviewed and refreshed with the release of the 2010 Census data.

¹¹ Corresponding numbers of units in each category: 1939 or earlier = 1216, 1940-1949 = 166, 195-1959 = 271, 1960-1969 = 346, 1970-1979 = 1110, 1980-1989 = 1429, 1990-1999 = 778, and 2000-2007 = 792

III: COSTS AND AFFORDABILITY

Housing costs have changed substantially over the last several years in Milford and throughout the NRPC region. Both owner-occupied and rental housing unit costs climbed steadily upward from 2000 through 2007, and began declining in 2008 with the economic downturn. To examine the cost of housing in Milford and our region, this report will look at owner-occupied and rental housing units. In addition, it will examine housing affordability through the definitions provided by the *Workforce Housing* statutes (RSA 674:58-61).

3.01 OWNER-OCCUPIED HOUSING UNITS

The New Hampshire Housing Finance Authority (NHHFA) tracks the median purchase price of primary homes for the NRPC Region. In 2000 the median purchase price for all homes (existing, new construction and condominiums) was \$160,000. By 2007 that price had risen to \$275,000, a 72.0% increase in the price of housing. The regional trend is mirrored in Milford with a 2000 median purchase price of \$144,000, increasing to \$260,000 by 2007, an 80.5% increase.

As housing prices increased dramatically from 2000 to 2007 the number of housing units affordable to lower and middle income families has diminished. In an effort to provide economic and housing stability to New Hampshire, the state passed the *Workforce Housing* statutes in 2008 mandating each community allow for its fair-share of the regional workforce housing need. This report will utilize definitions from the *Workforce Housing* statutes to assess the affordability of housing in Milford.

The Milford Assessor's Office supplied data on all housing units in Milford, including address, number of units and total assessed value of the property, to examine Milford's housing stock in more detail. The following data was reported for 2007 and it is important to note, differs slightly from the previous regional statistics due to dissimilar source data.

Owner-occupied housing information includes all single family, manufactured homes and condominiums in the Assessing Department's database. There are many two and three family units¹² in Milford which are believed to be owner-occupied, but were not included in this report as the Town does not have information determining whether a property is owner-occupied. Table 5 is a snapshot of Milford's owner-occupied units and associated values.

Table 5: 2007 Milford Owner-Occupied Housing Units by Type

Housing Type	Total Assessed Value	Total Number of Units	Average Value
Single Family Houses	\$915,882,436.00	3082	\$297,171.46
Condominiums	\$136,339,200.00	736	\$185,243.48
Manufactured Homes	\$26,091,898.00	318	\$82,049.99
Totals	\$1,089,571,031.00	4136	\$261,916.11

Source: Milford Assessing Database

The total value of each property is utilized in the next section to determine housing units that qualify as affordable in accordance with the *Workforce Housing* statutes (RSA 674:58-61). In

¹² The Assessor's database details 214 two-family structures and 54 three-family structures in Milford for a total of 428 two-family units and 162 three-family units.

2007, the Assessing Departments valuation data was given a 100% equalization rate by the State Department of Revenue Administration; as such no modifications were necessary to the total value of each housing unit.

3.02 AFFORDABILITY OF OWNER-OCCUPIED HOUSING UNITS

To qualify as workforce housing, owner-occupied units must be affordable to a household with an income of no more than one hundred (100%) percent of the median income for a four person household+(RSA 674:58.IV). Affordable is further defined as housing units which do not exceed 30 percent of a household's gross annual income in combined mortgage loan debt services, property taxes and required insurance (RSA 674:58.I).

The US Department of Housing and Urban Development (HUD) specified the income threshold for a four person household in the Nashua, NH HMFA (HUD Fair Market Area), which includes Milford and many of the communities¹³ in the NRPC region for 2007, as \$84,100. Thus, to be considered *Workforce Housing*, the purchase price of a house must be affordable to a household earning no more than \$84,100. To better understand the cost of owner-occupied housing in Milford, this report also assesses units affordable to households making 80% and 60% of the above stated HUD median.

Table 6: 2007 Milford Four Person Median Income Values

Percent of 4 Person Owner Occupied Median Income	Income Value
100%	\$84,100
80%	\$67,280
60%	\$50,460

Source: US Department of Housing and Urban Development

To address affordability, housing units in Milford that are affordable to households making between \$50,460 and \$84,100 annually will be examined. To determine what value would be affordable for households making between \$50,460 and \$84,100 the NHHFA's Affordability Calculator was utilized. The calculator for a home purchase was set to include:

- A 1.75% tax rate (Milford's 2007 rate),
- \$10,000 cash on hand,
- A 6% interest rate on a 30 year loan, and;
- A 0.5% home insurance rate.

¹³ Communities of the Nashua, NH HMFA include Amherst, Brookline, Greenville, Hollis, Hudson, Litchfield, Mason, Merrimack, Milford, Mont Vernon, Nashua, New Ipswich, Pelham, Wilton

Table 7: 2007 Milford Affordable Purchase Price

Percent of 4 Person Owner Occupied Median Income	Income Value	Affordable Purchase Price
100%	\$84,100	\$242,079
80%	\$67,280	\$195,123
60%	\$50,460	\$140,572

Source: NHHFA Affordability Calculator

The NHHFA Affordability Calculator's purchase price of \$242,079 or less was then compared against the *Total Value* of each owner-occupied unit in the Assessor's database. Tables 8 thru 10 detail the number and percentage of affordable units for each of the major housing types: single family, condominiums and manufactured homes.

Table 8: 2007 Milford Affordable Single Family Homes*

Percent of 4 Person Owner Occupied Median Income	Affordable Purchase Price	Number of Affordable Single Family Homes	Percent of Single Family Homes
81% - 100%	\$195,124 - \$242,079	518	17%
61% - 80%	\$140,573 - \$195,123	54	2%
Less than 60%	\$0 - \$140,572	4	0%
	Total Affordable Single Family Homes	576	19%

*The total number of single family homes in Milford is 3082.

Source: Milford Assessing Database

Of the 3,082 single family homes in Milford, 19% or 576 properties would be affordable to a household earning the median income. With single family homes there is less affordable housing for households earning 80% or less of the median income or \$67,280 a year. The vast majority of affordable units fall into the 81% to 100% of the median earnings level. Single family housing has the highest total value of all the housing types evaluated in this report, causing the lower rates of affordable units (as expected).

Table 9: 2007 Milford Affordable Condominiums*

Percent of 4 Person Owner Occupied Median Income	Affordable Purchase Price	Number of Affordable Condos	Percent of Condos
81% - 100%	\$195,124 - \$242,079	176	24%
61% - 80%	\$140,573 - \$195,123	388	53%
Less than 60%	\$0 - \$140,572	103	14%
	Total Affordable Condos	667	91%

*The total number of condominiums in Milford is 736.

Source: Milford Assessing Database

Of the 736 condominiums in Milford, 91% or 667 properties would be affordable to a household earning the median income. In addition, a majority of condominiums are affordable to households earning between 61% and 80% of the median income, with a significant number also affordable to households earning 60% or less of the median or \$50,460. The total value of condominiums varies greatly in Milford depending on if there is land associated with the housing unit, or if the units are attached or detached. However, even with these variations in options and values, the vast majority of condominiums in Milford are considered affordable.

Table 10: 2007 Milford Affordable Manufactured Homes*

Percent of 4 Person Owner Occupied Median Income	Affordable Purchase Price	Number of Affordable Manu. Homes	Percent of Manu. Homes
81% - 100%	\$195,124 - \$242,079	14	4%
61% - 80%	\$140,573 - \$195,123	32	10%
Less than 60%	\$0 - \$140,572	268	84%
	Total Affordable Manu. Homes	314	99%

*The total number of manufactured homes in Milford is 318.

Source: Milford Assessing Database

Of the 318 manufactured homes in Milford, 99% or 314 of the properties would be affordable to a household earning the median income. Furthermore, the vast majority of all manufactured homes would be considered affordable to a household making only 60% of the median income or \$50,460 a year. The high rates of affordability are expected with manufactured homes as they traditionally have a lower total value than both single family homes and condominiums. Additionally, as shown in Table 4, except for Mont Vernon, Milford far exceeds the rest of the region in its percentage supply of this type of affordable housing relative to total housing units.

Milford has a diverse owner-occupied housing stock which translates into many affordable housing units within the community. Table 11 details the total number of affordable units in Milford at the median household income and for households making 60% and 80% of the median.

Table 11: 2007 Milford Affordable Housing Units*

Percent of 4 Person Owner Occupied Median Income	Affordable Purchase Price	Number of Affordable Housing Units	Percent of Total Affordable Housing Units
81% - 100%	\$195,124 - \$242,079	708	17%
61% - 80%	\$140,573 - \$195,123	474	15%
Less than 60%	\$0 - \$140,572	375	9%
	Total Affordable Housing Units	1557	38%

*The total number of owner-occupied units in Milford is 4136.

Source: Milford Assessing Database

Of the 4,136 owner-occupied housing units in Milford, 38% are considered affordable to a four person household making \$84,100 or less annually. In addition, there are a significant number of housing units available to households making 61% to 80% and less than 60% of the median. Unfortunately, as there is no data available on the number and percentage of affordable units in other NRPC communities, a comparative analysis cannot be completed. However, as Milford supplies a much greater percentage of manufactured housing than other communities in the NRPC region (Table 4) it is reasonable to assume Milford is providing a greater proportion of affordable owner-occupied housing options than most of the other communities.

3.03 RENTAL HOUSING UNITS

The costs of renting a dwelling unit, with utilities, in the NRPC region and Milford are discussed in this section. The Town of Milford has no specific data on the costs of rental units within the community. However, the NHHFA conducts an annual Residential Rental Cost Survey throughout New Hampshire which provides specific rental data for Milford. Table 12 depicts the median rental values for Milford and the NRPC Region in 2007.

Table 12: Median Gross Rental Costs, 2007

Area	All Units	1-Bedroom Unit	2-Bedroom Unit	3-Bedroom Unit
NRPC Region	\$1071	\$881	\$1123	\$1353
Milford	\$994	\$865	\$1112	\$1080

Source: NHHFA Residential Rental Cost Survey, 2008

Milford's gross rental costs are lower than the regional median for all unit types. However, to determine if Milford is providing for workforce housing the next tables compare the median income of residents to the median rental costs.

3.04 AFFORDABILITY OF RENTER-OCCUPIED HOUSING

To qualify as workforce housing, rental units must be affordable to a household with an income of no more than sixty (60%) percent of the median income for a three person household (RSA 674:58.IV). Affordable rental units are defined as units that do not exceed 30 percent of a household's gross annual income in combined rental and utility costs (RSA 674:58.I).

The HUD specified income threshold for a three person household in the Nashua, NH HMFA for 2007 was \$45,414. Therefore, to consider a rental unit affordable in Milford the median annual costs would have to be less than \$13,624. Table 13 depicts the annual median costs of rent in Milford and the NRPC Region for 2007.

Table 13: Annual Median Gross Rental Costs, 2007

Area	All Units	1-Bedroom Unit	2-Bedroom Unit	3-Bedroom Unit
NRPC Region	\$12,852	\$10,572	\$13,476	\$16,236
Milford	\$11,928	\$10,380	\$13,344	\$12,960

Source: NHHFA Housing Needs Assessment Report

Milford's annual median rental costs, \$11,928 for all types of rental units, are less than the maximum 30% of \$13,624.

3.05 CONCLUSION

Milford has a diverse housing supply including both owner-occupied and rental housing; in 2007 38% of the total owner-occupied housing units were considered affordable to households making up to \$84,100¹⁴ and the median gross rental costs, for all types of units, were considered affordable¹⁵. Given that the 2008 economic downturn reduced housing prices and incomes, it will be important to re-evaluate the affordability of both owner-occupied and rental housing units in Milford with the 2010 Census data.

IV: FUTURE HOUSING PROJECTIONS

4.01 FUTURE HOUSING UNITS

To project Milford's future housing growth three sets of data will be utilized: population, household size and housing units. The first step is to assess population data projections. The Office of Energy and Planning has reported the following projected increases in population for Hillsborough County.

Table 14: Hillsborough County Population Projections

Year	Population	Population Growth per Year
2000	380,841 (census actual)	-
2010	417,221	0.95% or 1%
2020	446,576	0.7%

Source: 2006 OEP Projections

The county's population growth is expected to slow between 2010 and 2020 as the population levels out and available undeveloped land becomes more scarce. Milford's projections follow the same pattern (see Table 15) of a population increasing at a slightly slower rate than observed from 2000 through 2010.

Table 15: Milford Population Projections

Year	Population	Population Growth per Year
2000	13,535 (census actual)	-
2010	15,500	1.45%
2020	16,850	0.9% or 1%

Source: 2006 OEP Projections

¹⁴ HUD specified income threshold for 4 person owner-occupied unit, Nashua NH HUD Fair Market Area.

¹⁵ HUD specified income threshold for 3 person renter-occupied unit, Nashua NH HUD Fair Market Area.

Once population growth rates have been established, the next step is to determine the average household size. As discussed earlier, the average household size at the time of the 2000 Census was reported at 2.58, a slight decrease from the previous decade. To determine a slightly more current average household size this report utilizes 2006 data as shown in Table 16.

Table 16: Milford 2006 Average Household Size

Housing Units	Population	Average Household Size
6062	14860 ¹⁶	2.45

As reported in Table 3, Milford had 6,062 housing units in 2006 including single family, condominiums, multifamily and manufactured housing. As Table 16 displays, the average household size in Milford has continued to decline since the last census.

Based on the above population and household size estimates Milford anticipates 261¹⁷ housing units will be added between 2006 and 2010, and 551¹⁸ new housing units between 2010 and 2020 for a total of 812 new housing units in Milford by 2020.

4.02 FUTURE HOUSING UNITS BY TYPE

Since 2006 the development of multifamily units has slowed in Milford, mainly due to the GMO and changes to the Senior Housing Ordinance. However, as the GMO will sunset in 2010 and the housing market is shifting away from senior housing and 55+ communities, to workforce or affordable housing, it is likely that multifamily housing unit development will remain a large, steady portion of Milford's housing trends for the foreseeable future.

For consistency with the census and other regional data sources used in this report, future housing projections were calculated utilizing the base numbers and definitions reported in Tables 3 and 4 of this report. Deciphering which unit types (condominiums detached or attached or types of manufactured homes) classify as single family or multifamily per the Assessing data codes is beyond the scope of this report.

The data reported from the census and reported in the NHES community profiles details Milford as 51% single family, 42% multifamily and 7% manufactured housing. For future housing projections these percents are projected forward to result in the addition of the following types of housing units by 2020:

Table 17: New Housing Units by Type Projected for 2020

Single Family Units	471 ¹⁹
Multifamily Units	341 ²⁰

¹⁶ OEP Population Projection

¹⁷ Projected population increase 2006-2010 = 640 / divided by average household size of 2.45 = 640/2.45 = 261

¹⁸ Projected population increase 2010-2020 = 1350 / divided by average household size of 2.45 = 1350/2.45 = 551

¹⁹ 471 new single-family units = 58% of 812, and includes all single-family, manufactured and detached condo housing units.

This breakdown appears realistic as development trends are predicted to change from historic large lot single family developments to somewhat higher density developments with more housing-type diversity, located primarily in areas either currently or proposed to be served with municipal water and sewer service.

V: VISION

5.01 VISION STATEMENT

Each section of the master plan shall have an identified vision per NH RSA, ~~to~~ set down as clearly and practically as possible the best and most appropriate future development of the Town, ~~to~~ aid the Planning Board in designing ordinances and regulations and ~~to~~ guide the Board in a manner that achieves the principles of smart growth, sound planning and wise resource protection+.

To that end, the following vision statement has been identified:

In accordance with the vision statements of Milford's Master Plan and Community Development Chapter in particular, Milford shall promote and maintain a diverse and sufficient housing stock that meets the needs of a multigenerational community, while creating functional neighborhoods, interconnected with the greater community and natural resources, that support and advance our sense of community character and place.

VI: ACTION PROGRAM FOR HOUSING

The following section shall form the blueprint for attaining the Town's vision for housing. To carry out this program the Town will need to undertake a concerted effort, drawing upon the expertise and resources of staff, volunteer boards, and citizens.

6.01 TOPIC 1: REGIONAL INTERACTION

Continue to work cooperatively with other Souhegan Valley and Nashua Regional Planning Commission (NRPC) communities on regional issues.

- A. Milford will continue to be open to collaborative ventures which impact regional housing supply, such as infrastructure or workforce housing.

6.02 TOPIC 2: HOUSING SUPPLY

Ensure the Town takes a proactive role in continuing to offer a variety of housing options, in areas of town that will best accommodate residential housing, promoting the sense of community and the economic vitality of the Town.

- A. Evaluate areas of town to promote infill and/or higher density residential uses within a reasonable distance of the Oval, utilizing current infrastructure and encouraging a variety of housing type options (ex. multifamily, townhouses, condominiums and single family dwellings).

²⁰ 341 new multifamily units = 42% of 812, and includes duplexes, 3 or more units & attached condos.

- B. Evaluate community receptiveness to expanded zoning, allowing for more mixed-use land uses (residential and business combinations) and locations where mixed-use developments would best fit within Milford.
- C. Strive to make mixed uses (as currently zoned or if expanded) and economic development policies work in tandem with residential uses, taking into consideration noise, light, fumes, traffic, etc. Facilitate the positive co-existence of residences and businesses in compatible neighborhoods.
- D. Evaluate the impact of Milford's ordinances and regulations on the diversity of the Town's housing stock and make adjustments that will encourage a range of housing to meet the needs of our multigenerational community, for example the Accessory Dwelling Unit Ordinance.
- E. Explore and evaluate opportunities for larger scale developments in town such as Planned Unit Developments (PUDs) or other comparable models, with a mix of housing unit types and uses. Evaluate if we have enough land in close proximity to services that could support or sustain a large mixed use development, interconnected within the neighborhood and with the greater community.
- F. Evaluate the advantages and disadvantages of regulations pertaining to community well and septic systems as part of future developments.

6.03 TOPIC 3: HOUSING AFFORDABILITY

Determine how Milford should support the continued development of housing that meets the needs of our population from entry level housing to aging in place.

- A. Explore and potentially implement a Workforce Housing Overlay District for areas that meet specific criteria (for example: on Town utilities, access to services, pedestrian access, potential future transit access, green site design, outside of natural resource protection areas, community integration, or diversity of housing options).
- B. Explore the potential for density bonuses through the Zoning Ordinance if a residential developer wants to build affordable and/or infill housing.
- C. Evaluate the existing Senior Housing Ordinance to determine if it meets the intended goals of the overlay district and if the ordinance is compatible with current community needs, and amend as necessary.
- D. Evaluate the need to incorporate special exemptions for federally or state subsidized housing units in Milford, and amend ordinances and regulations as necessary.

6.04 TOPIC 4: NEIGHBORHOOD CHARACTER

Evaluate how Milford can encourage the creation of interconnected functional neighborhoods that support the Town's sense of community character.

- A. Analyze existing residential neighborhoods to identify desirable elements of neighborhood development patterns, including building mass, setbacks, and siting. Consider amending regulations that would strengthen existing neighborhoods as growth continues, and encourage successful new interconnected neighborhoods.
- B. As part of neighborhood planning, encourage sidewalks, bike paths, public transit stops, and walking paths, as well as other pedestrian-oriented and traffic calming amenities.

6.05 TOPIC 5: RELATIONSHIP BETWEEN RESIDENTIAL DEVELOPMENT AND OTHER PLANNING GOALS

Strive to make residential development compatible with other planning, natural resources, code enforcement, transportation and economic development goals of Milford.

- A. Work with the Conservation Commission to evaluate Milford's ordinances and regulations, and amend as needed to protect the Town's high priority natural resources by developing a Natural Resource Protection Overlay District.
- B. Review and amend as necessary the Open Space Conservation Subdivision overlay district to meet the intended goals of the district.
- C. In conjunction with the Traffic and Transportation chapter of the Master Plan create a sidewalk and bicycle plan for Milford to increase safety, walkability, and overall community health and connectivity.
- D. Review and amend as necessary the existing Town ordinances and regulations to accommodate public transit systems and evaluate the potential for incentives to include public transit facilities within development.
- E. Promoting and supporting multi-modal transit oriented development principals within Town Ordinances and Regulations.
- F. Work with the Economic Development Advisory Council to study land use relative to existing zoning and economic development opportunities and constraints, and provide recommendations for incorporation into the Master Plan and for potential zoning and regulatory changes.
- G. Work with Code Enforcement to evaluate the possibilities of adopting Green Building Codes for both site and building design, and potential incentives to encourage green site and building designs.

6.06 TOPIC 6: LONG-TERM IMPACT OF DEVELOPMENT ON TOWN INFRASTRUCTURE

New housing development should be designed to minimize the Town's long-term costs in providing services.

- A. Evaluate the advantages and disadvantages of private roadways in new developments as they relate to town costs.
- B. Evaluate the potential need for additional impact fee ordinances in Milford.
- C. Coordinate with the long-term planning of the Water Utilities Department to evaluate areas of potential infill development and increased residential density along the Town's existing and proposed water and sewer systems.
- D. Work with the Water & Sewer Commissioners and Water Utilities Department as they develop a Facility and Capital Improvements Plan that will ensure the long-term viability of the wastewater treatment plant as well as the necessary upgrades in relation to future development and Milford's economic vitality.