

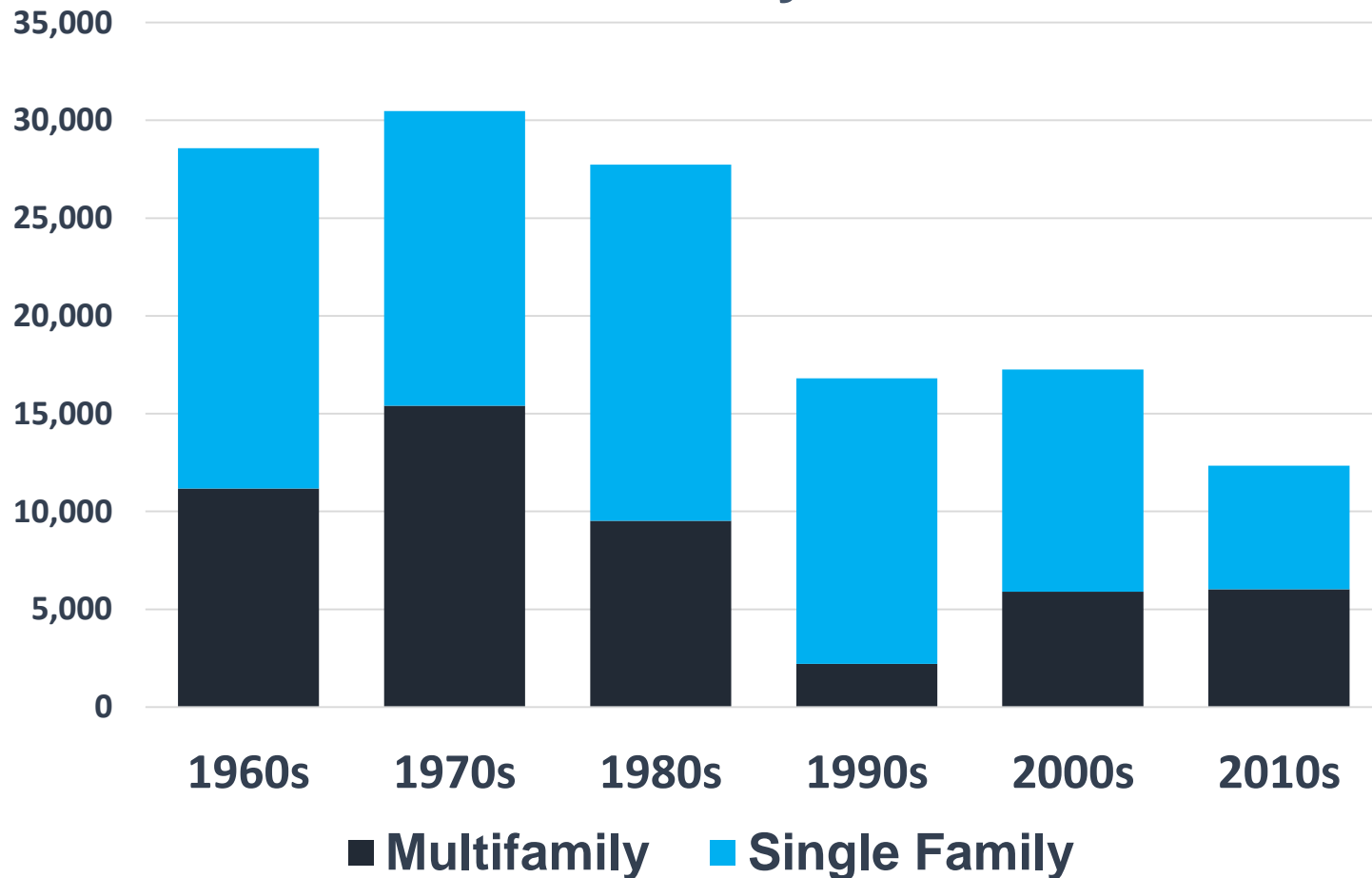
# Housing Newton



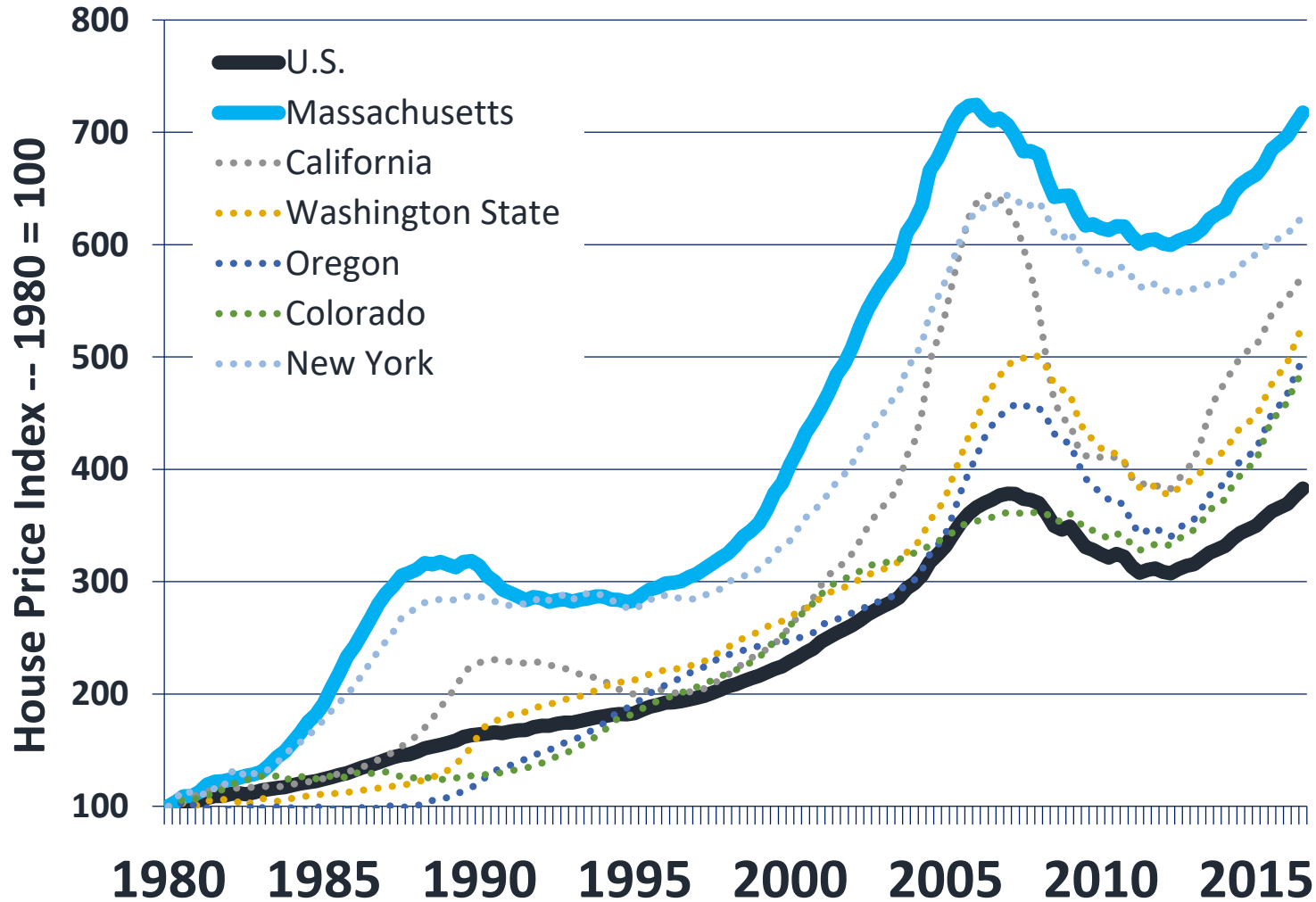
**U-CHAN Meeting  
January 25, 2018**

# We're allowing less housing

## Annual Housing Production in Massachusetts by Decade



# Home prices have surged

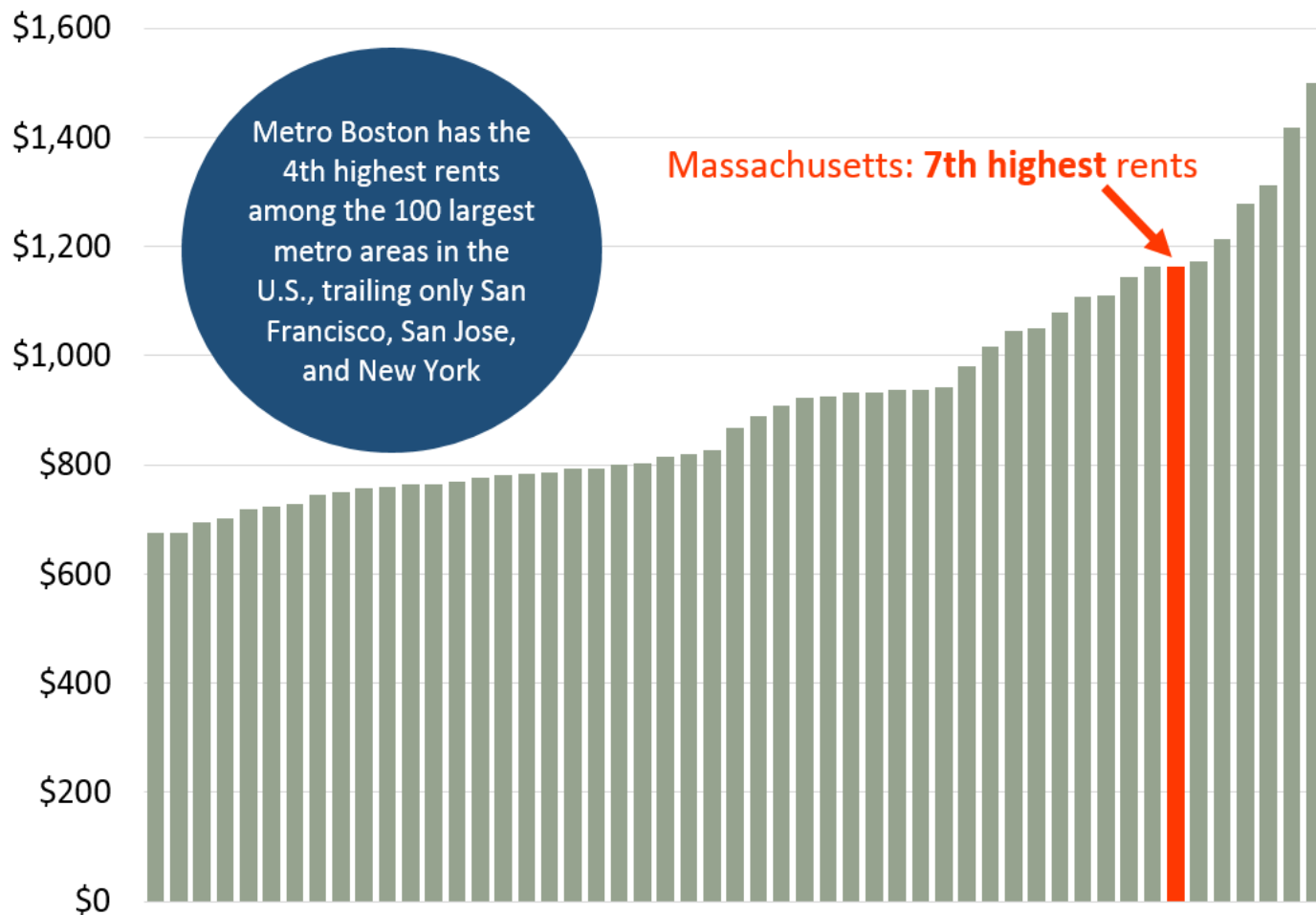


Data source: Federal Housing Finance Agency, House Price Index – All Transactions



# Rents are high

Median Rent by State



State data from U.S. Census Bureau, 2015 ACS;  
Metro data from apartmentlist.com, National Rent Report, May 2017

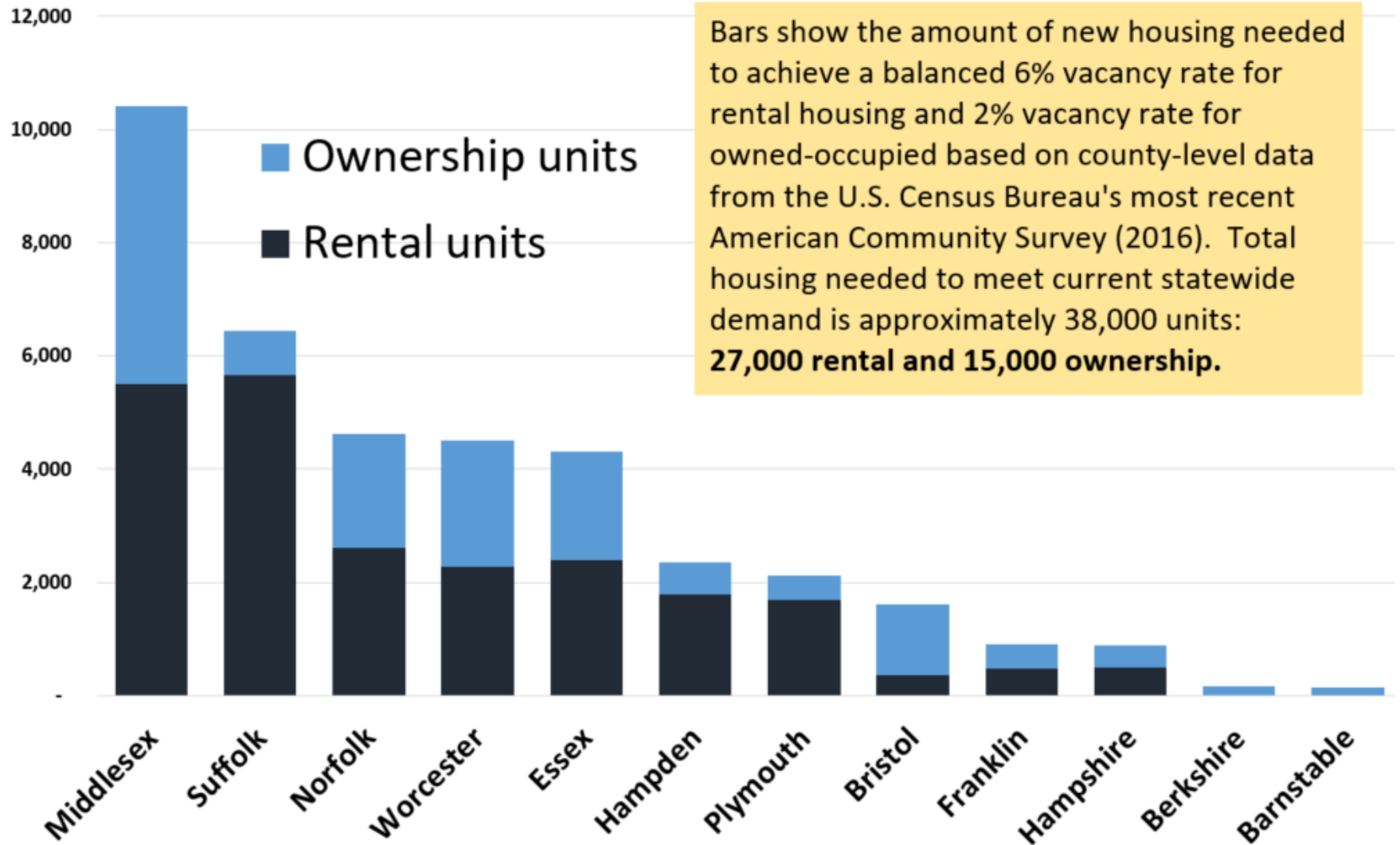
# Low vacancy rates, tight markets

County	Rental Vacancy Rate	Homeownership Vacancy Rate
Suffolk	1.40%	0.45%
Middlesex	1.56%	0.31%
Essex	1.61%	0.33%
Hampshire	1.75%	0.47%
Norfolk	1.78%	0.27%
Hampden	1.82%	0.45%
Franklin	1.95%	0.81%
Bristol	2.21%	0.51%
Worcester	2.49%	0.54%
Plymouth	2.79%	0.41%
Berkshire	3.20%	0.86%
Barnstable	3.51%	0.78%

Data source: U.S. Census Bureau, American Community Survey 2012-2016

\*Calculations adjust out seasonal, occasional, and off-market units

# State's housing supply far short of demand; most shortfall in metro Boston



# Local regulation is the primary barrier to new housing

- Little or no opportunity to build multifamily housing except via 40B
- Excessive minimum lot sizes
- Widespread “downzoning”
- Scant consideration of regional or statewide needs

# The old standard

None of these could be built today





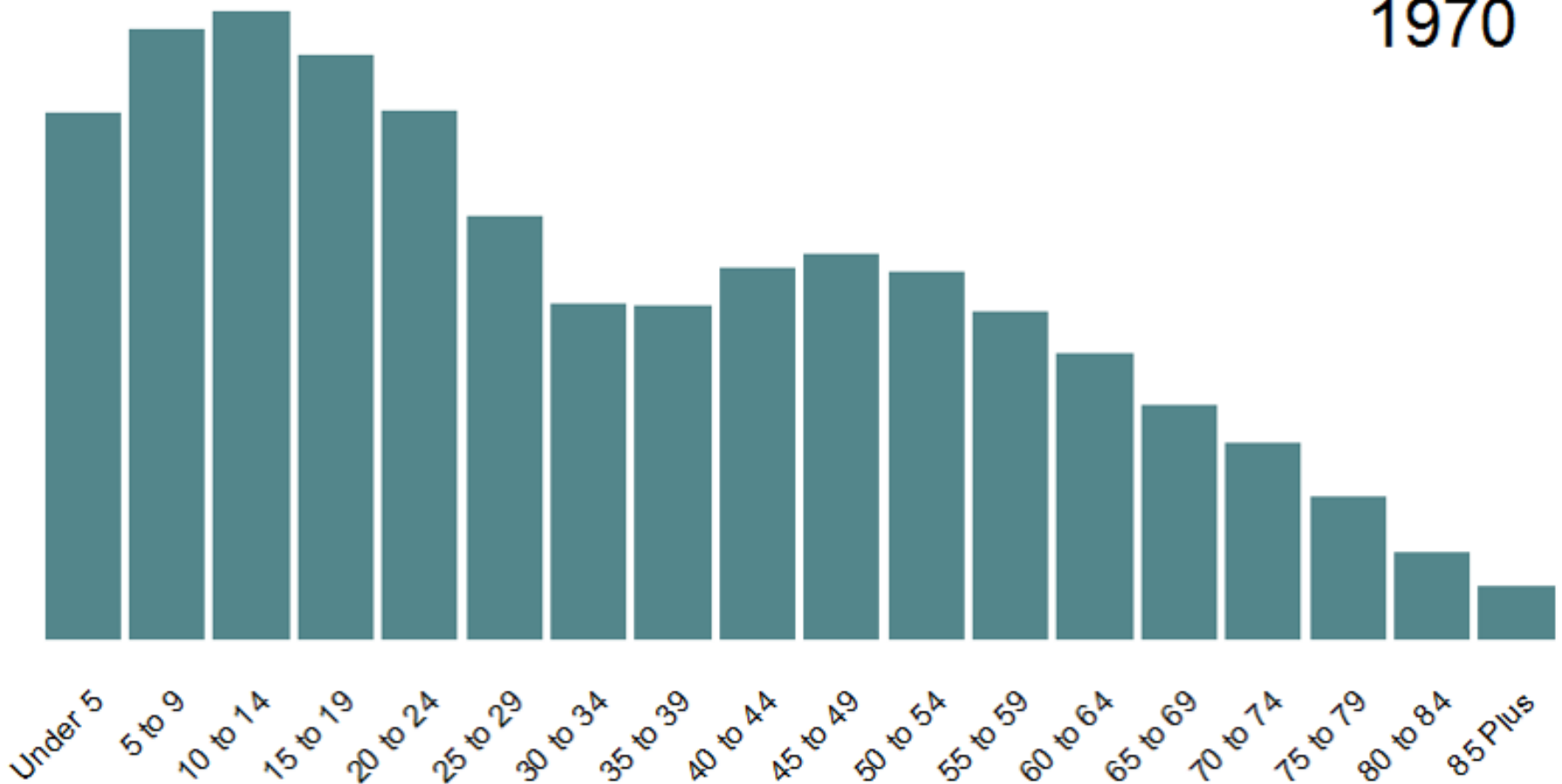
# The new normal



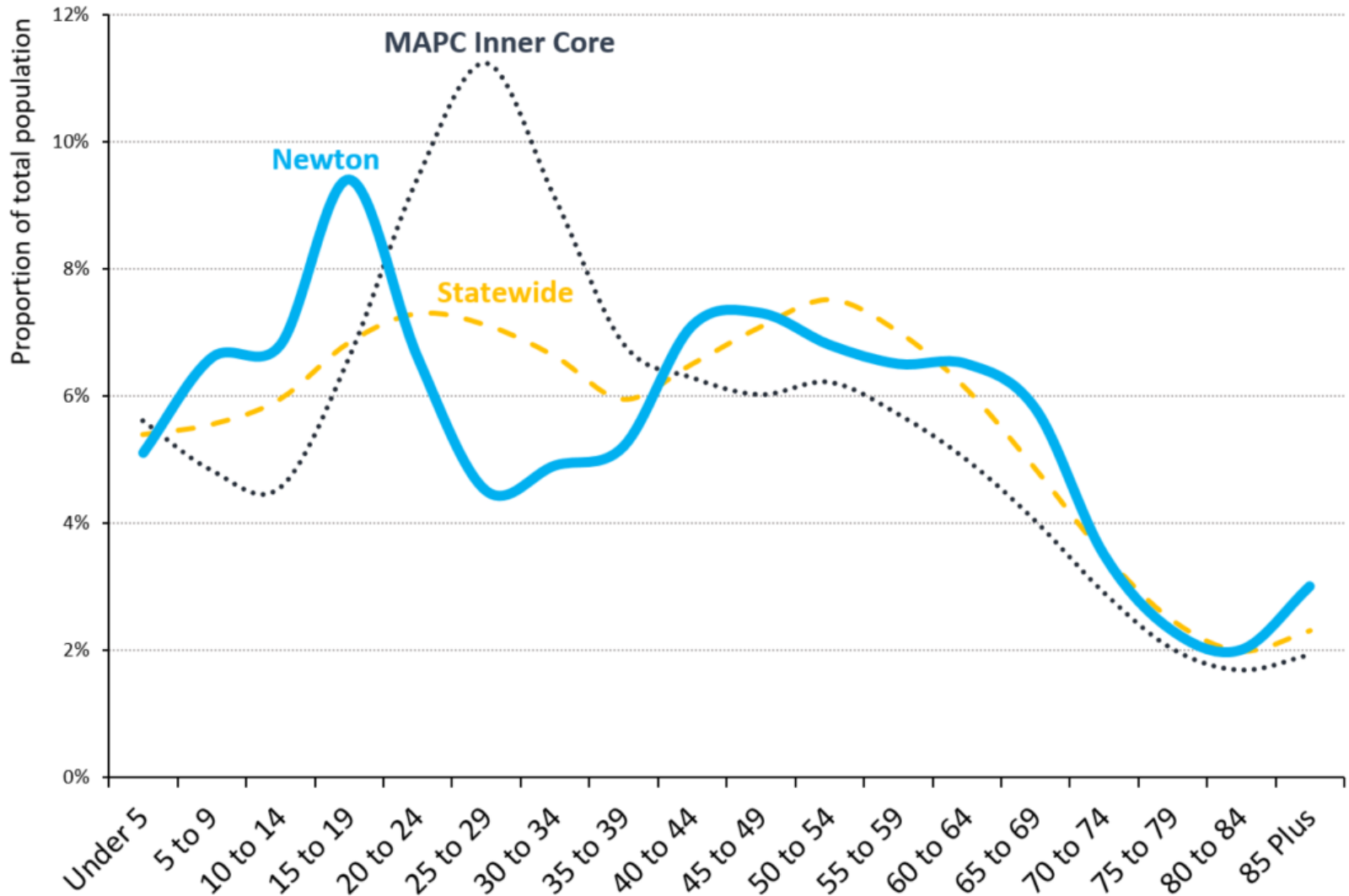
# Silver Tsunami

Massachusetts population by age cohort by year: 1970 to 2016

1970

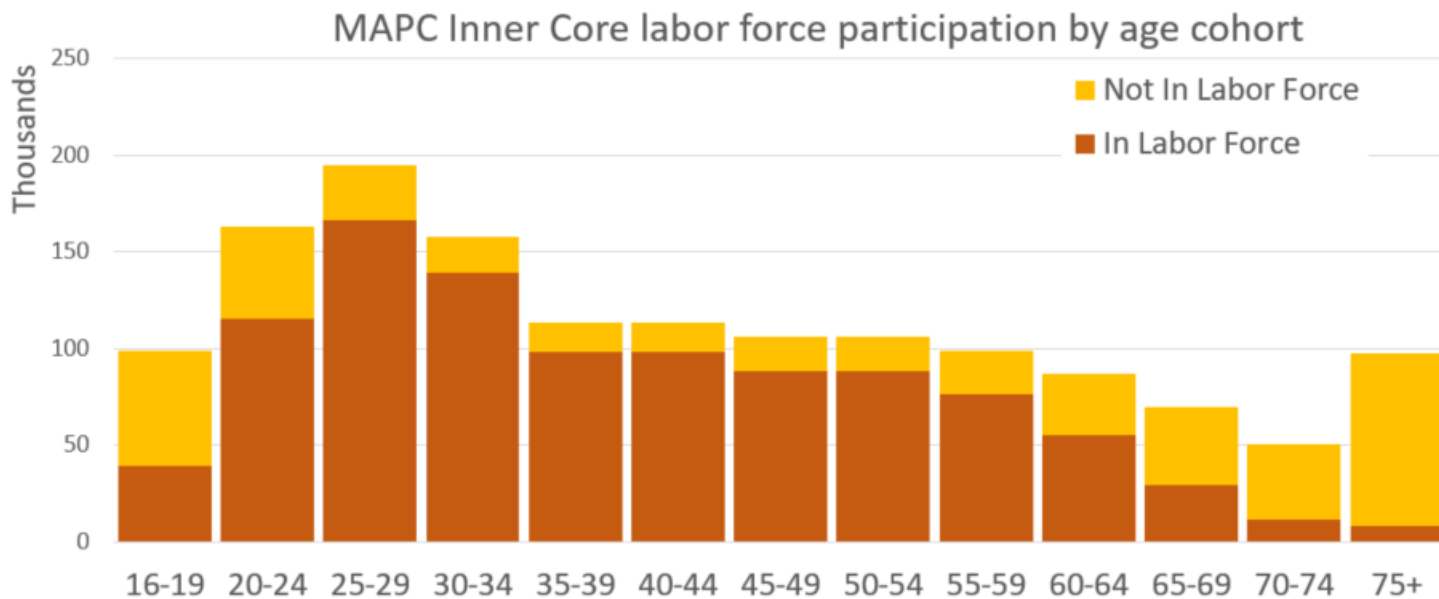
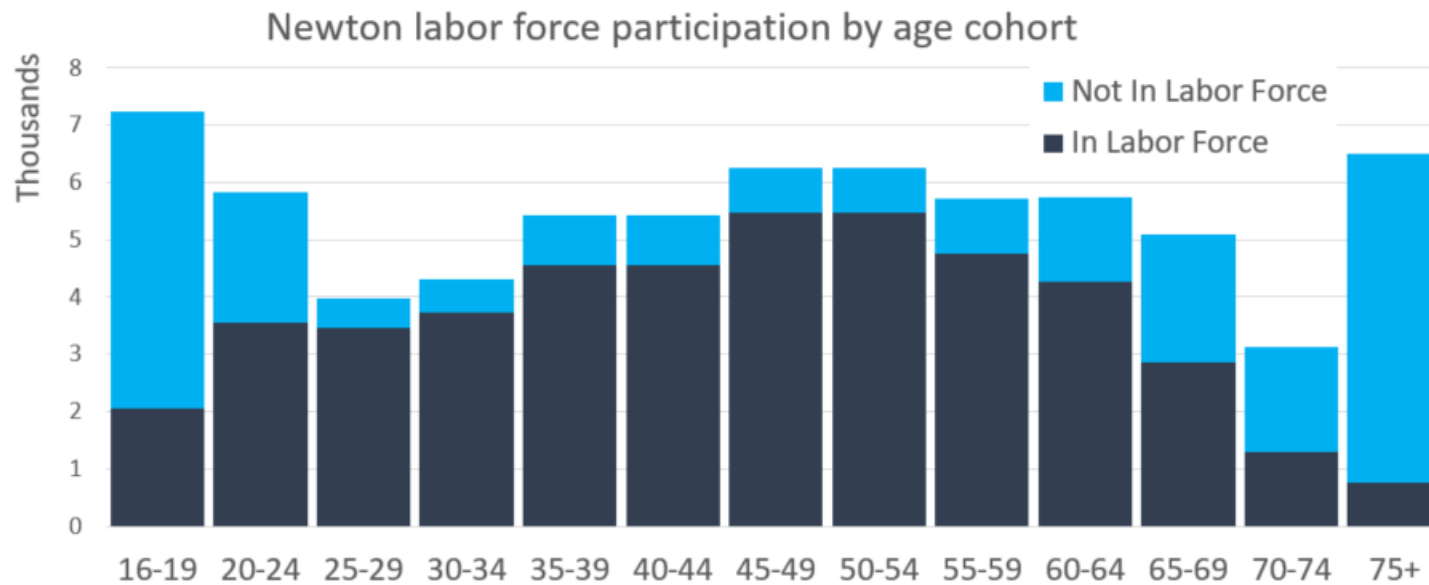


# Newton's age distribution differs from state and region



Data source: U.S. Census Bureau, American Community Survey 2012-2016

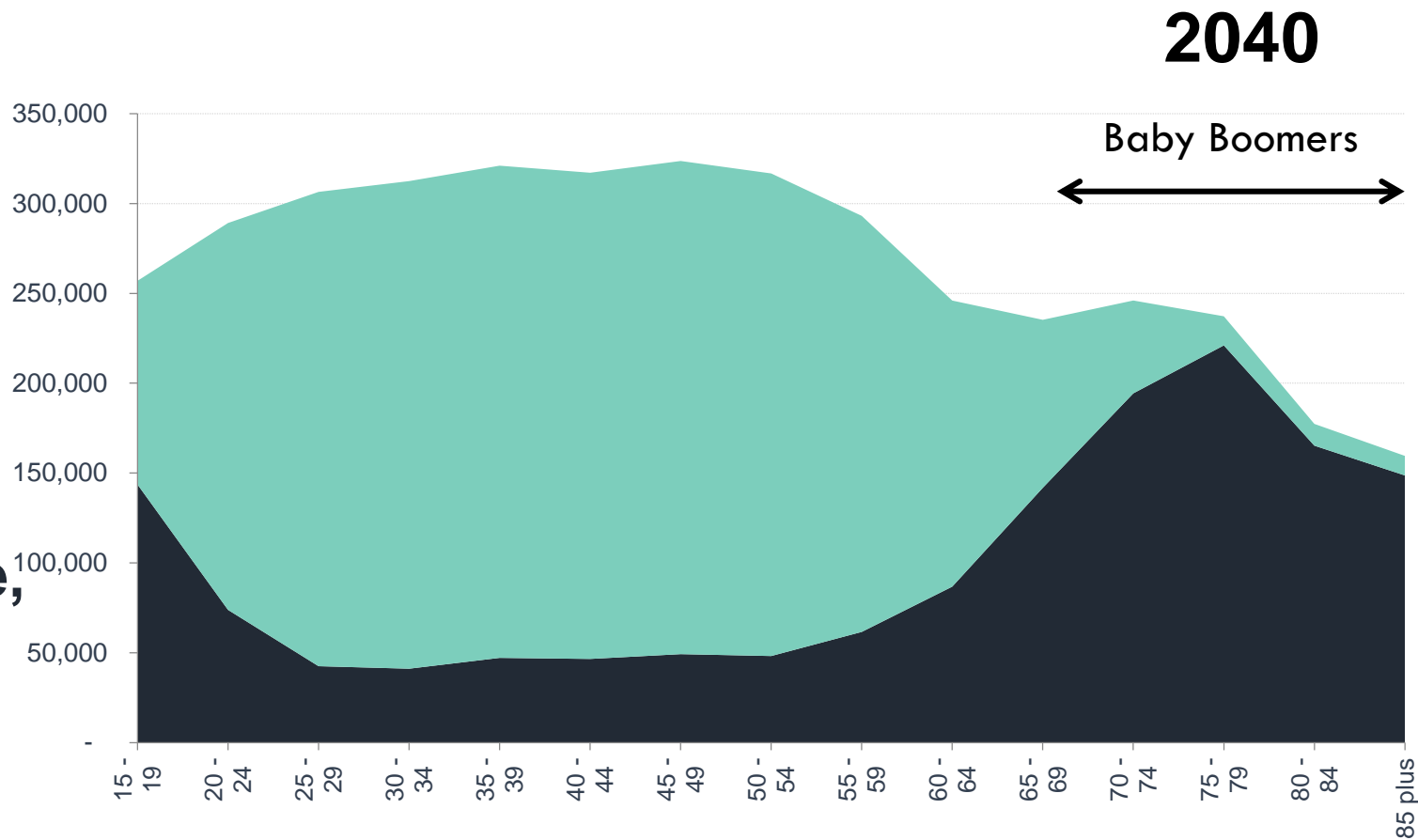
# Newton workforce skews older



Data source: U.S. Census Bureau, American Community Survey 2012-2016

# Wave of retirements will bring challenges

Baby Boomers currently comprise **49%** of labor force, but not for long.

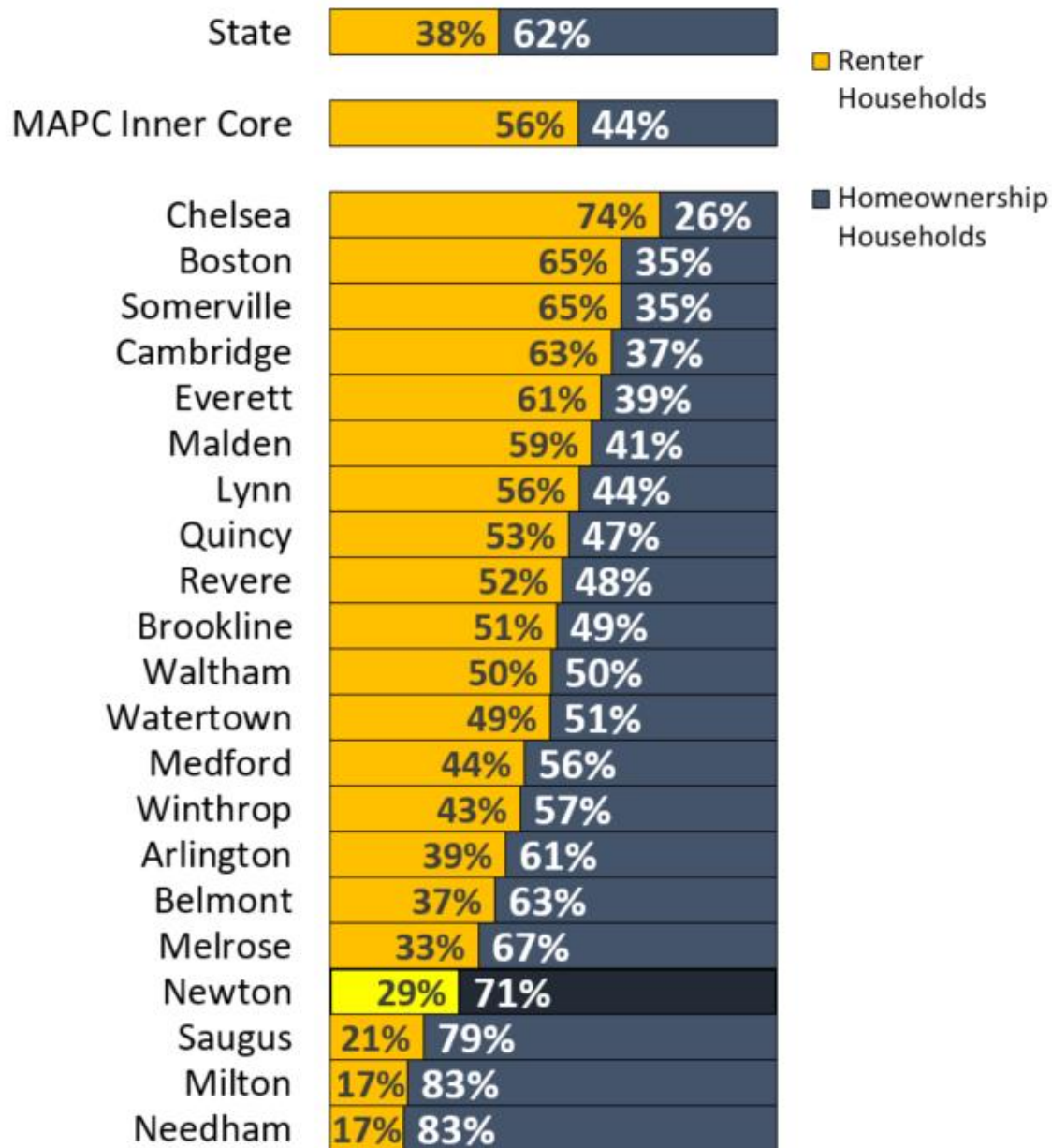


Data Source: U.S. Census Bureau Population Estimates & American Community Survey, 2011-2015 5-year estimates, MAPC population and labor force predictions for Greater Boston

Does Newton have the housing stock needed to accommodate changing needs?

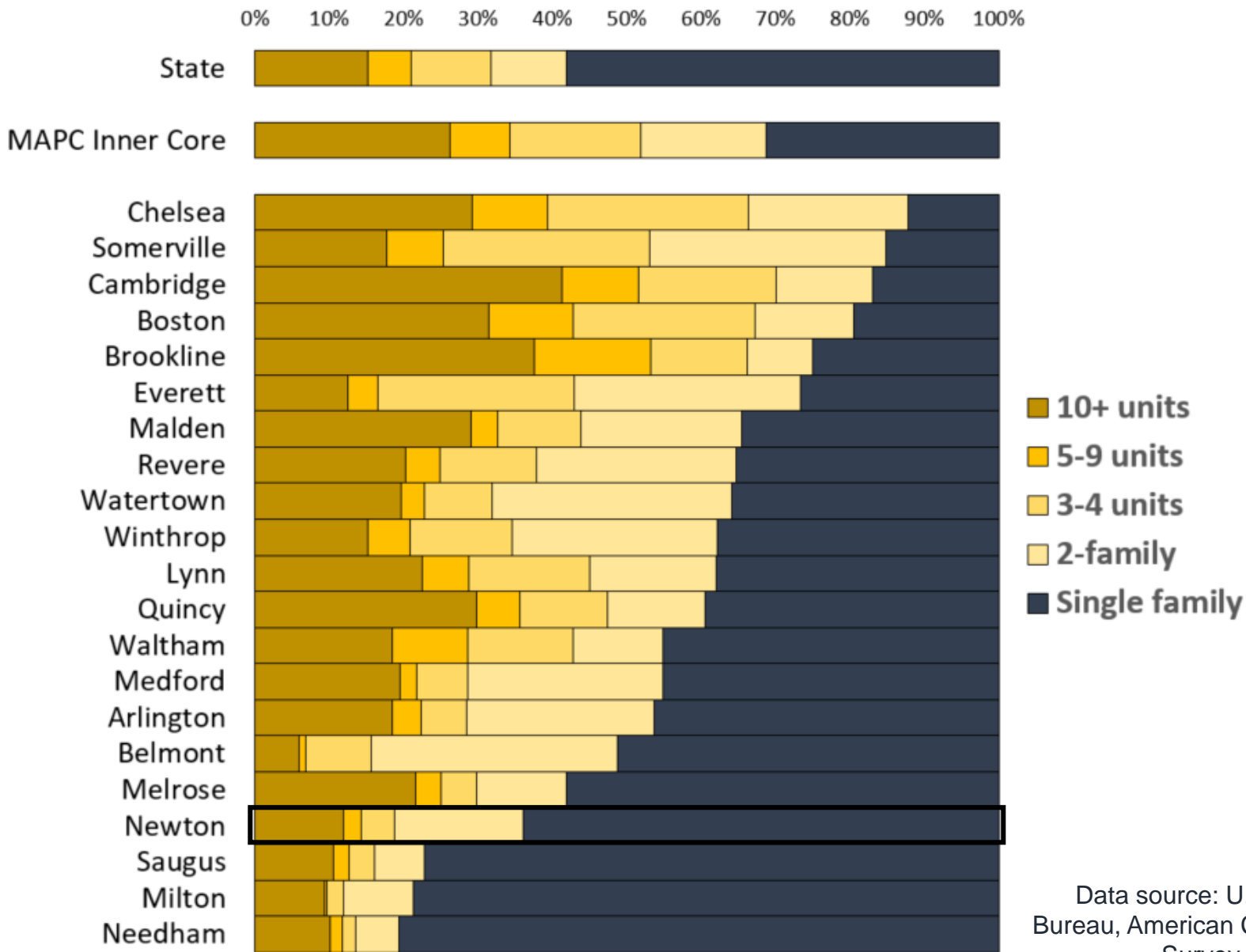


# Relatively few rental opportunities in Newton



Data source: U.S. Census Bureau, American Community Survey 2012-2016

# Newton has a higher proportion of single family homes than most of the inner core



Data source: U.S. Census Bureau, American Community Survey 2012-2016

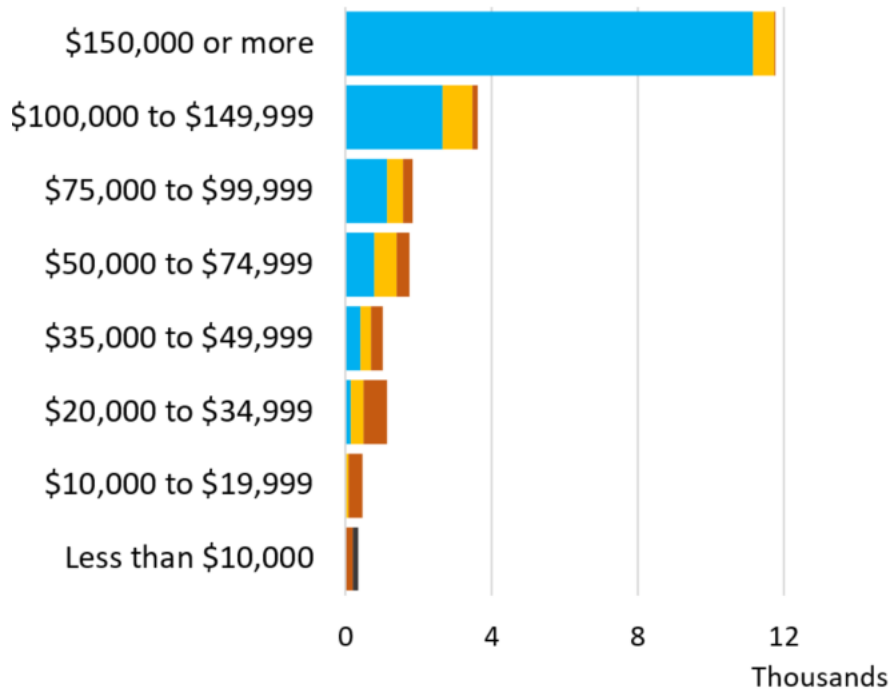


# Many households are struggling with affordability in Newton

2,348

Severely burdened owner households

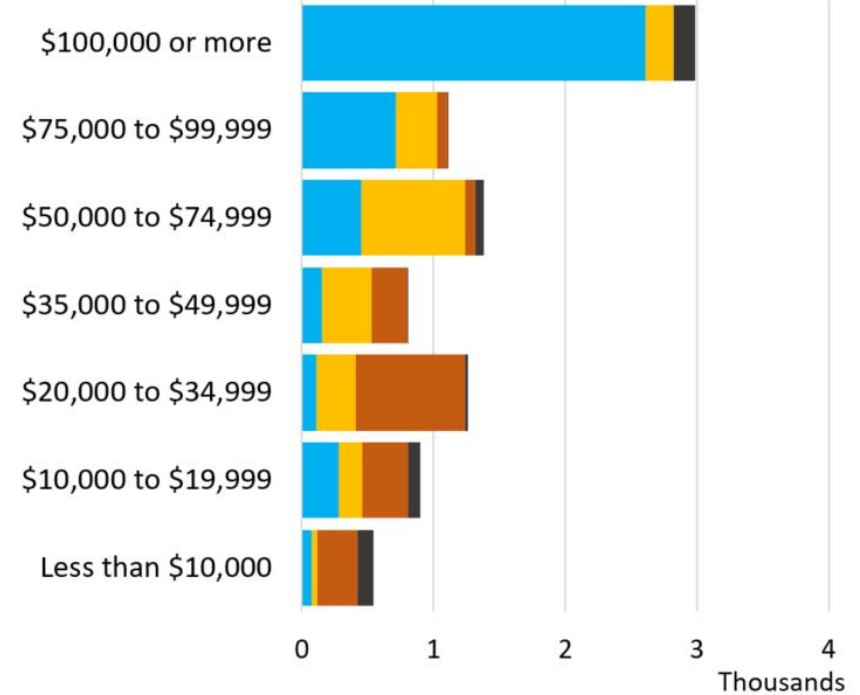
Households by ownership cost burden



1,909

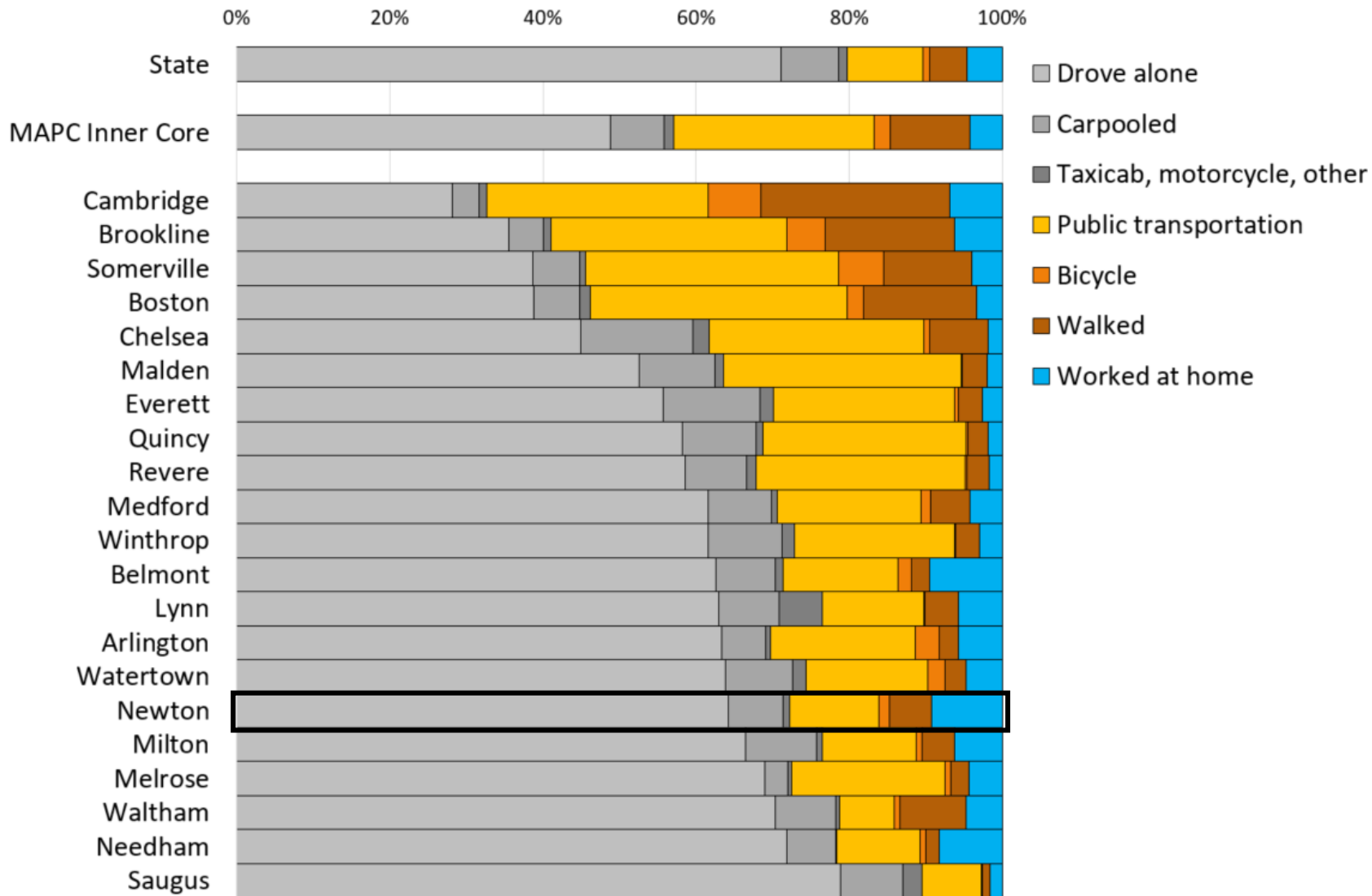
Severely burdened renter households

Households by income and rent burden



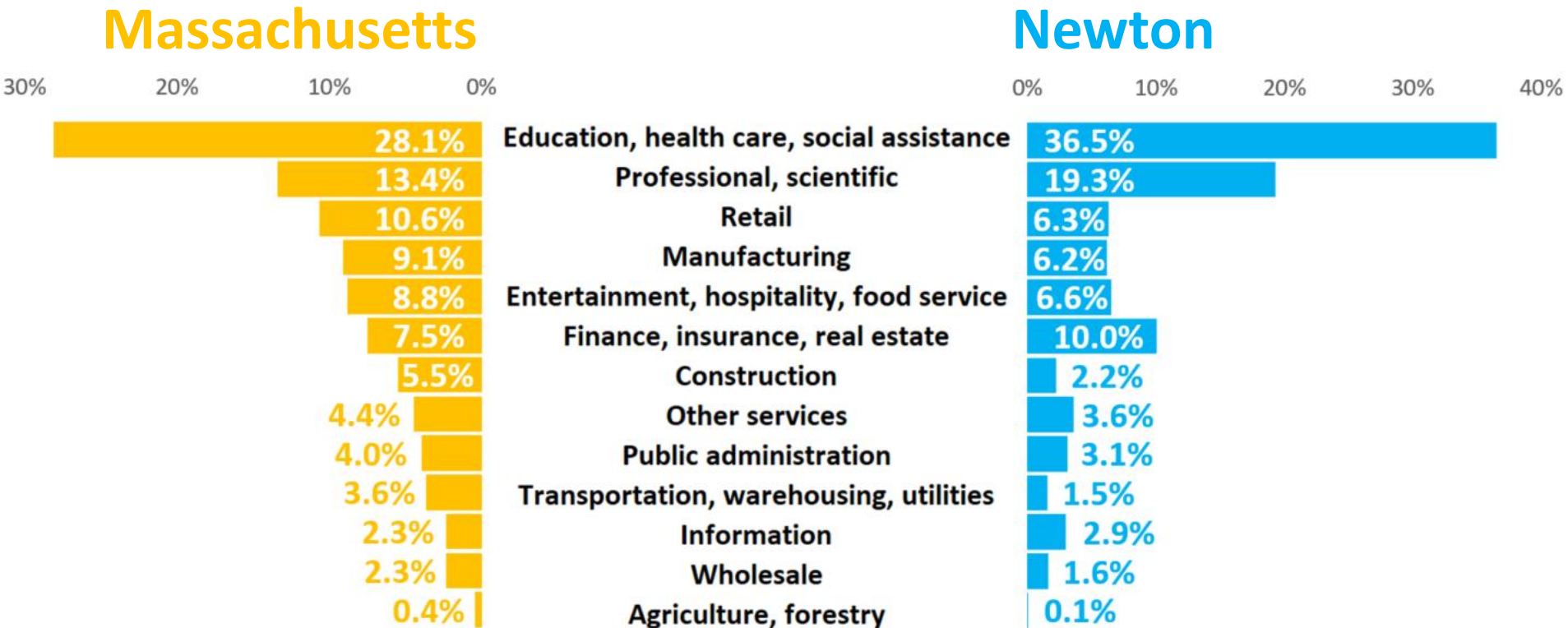
■ Not Burdened      ■ Burdened  
■ Severely Burdened      ■ Not computed

# Most Newton workers commute by car



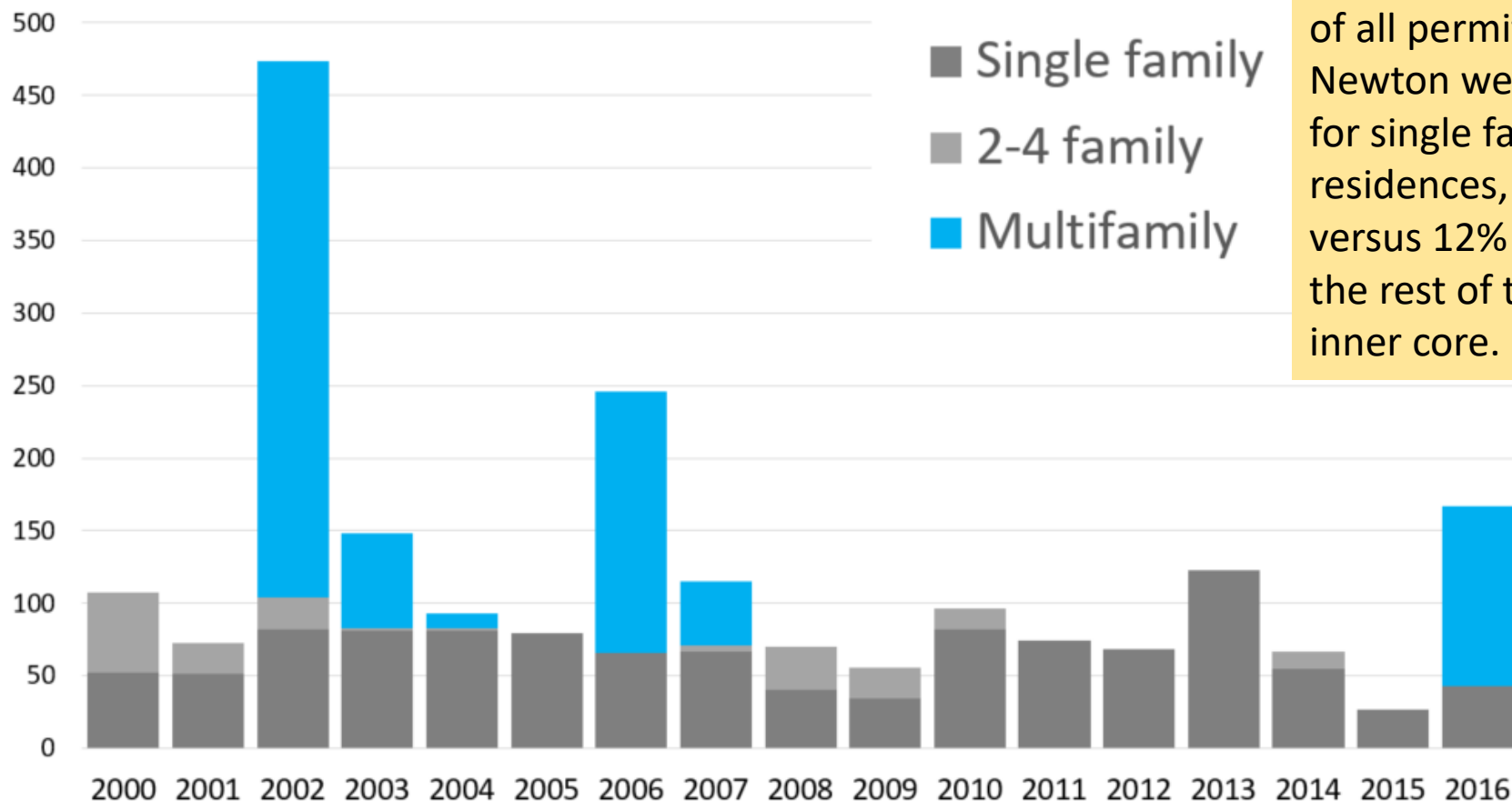
Data source: U.S. Census Bureau, American Community Survey 2012-2016

# Industry mix for Newton workers less diverse than the state



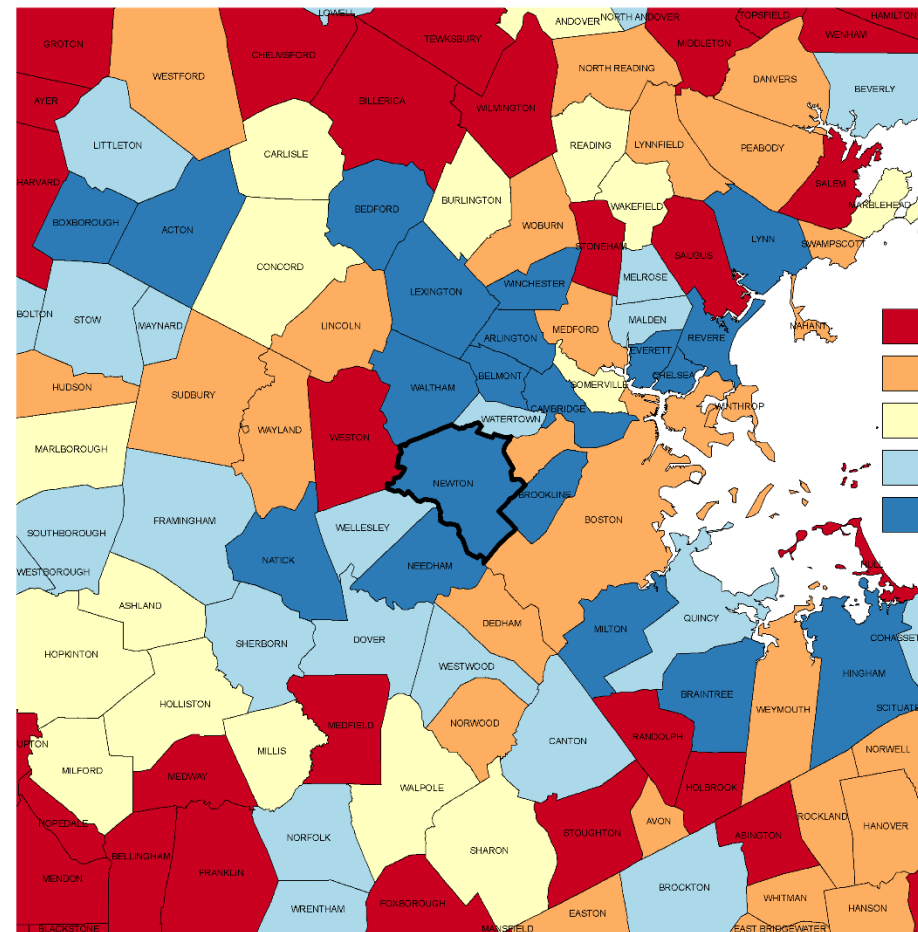
# Most permitting has been for single family homes

## Housing unit permits



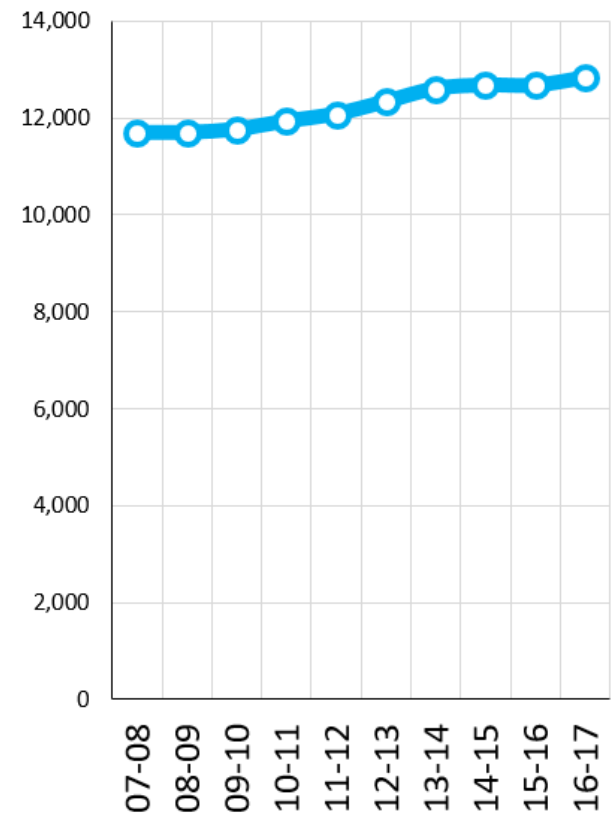
Since 2000, 53% of all permits in Newton were for single family residences, versus 12% for the rest of the inner core.

# Newton has seen recent growth in school enrollment yet is still 31% below peak enrollment in the late 60s

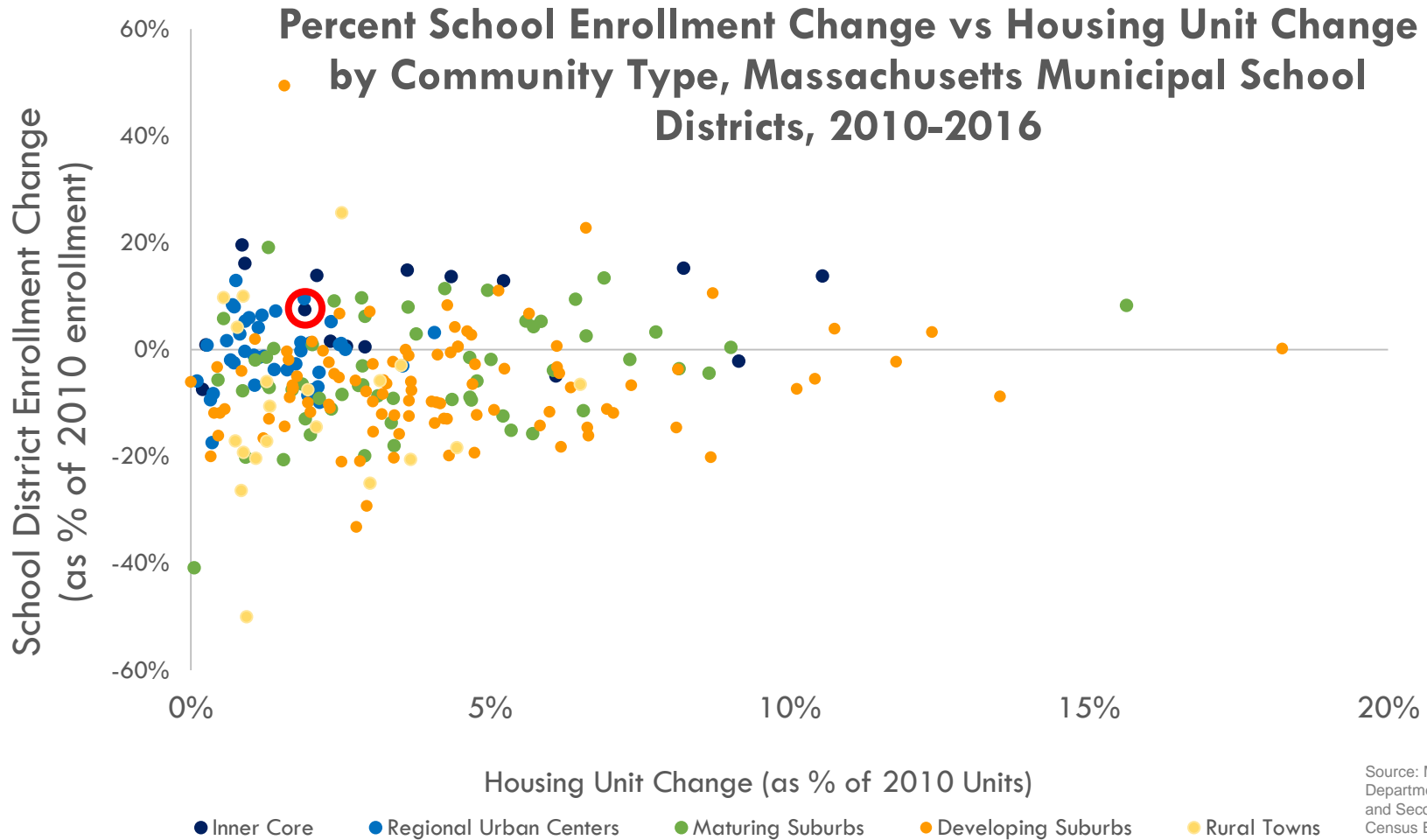


**Change in school enrollment 07/08 to 16/17**

**Newton enrollment**



# Not necessarily tied to recent housing production, or lack thereof



Source: Massachusetts Department of Elementary and Secondary Education, Census Building Permit Survey, MAPC Analysis

# Governor's proposed legislation

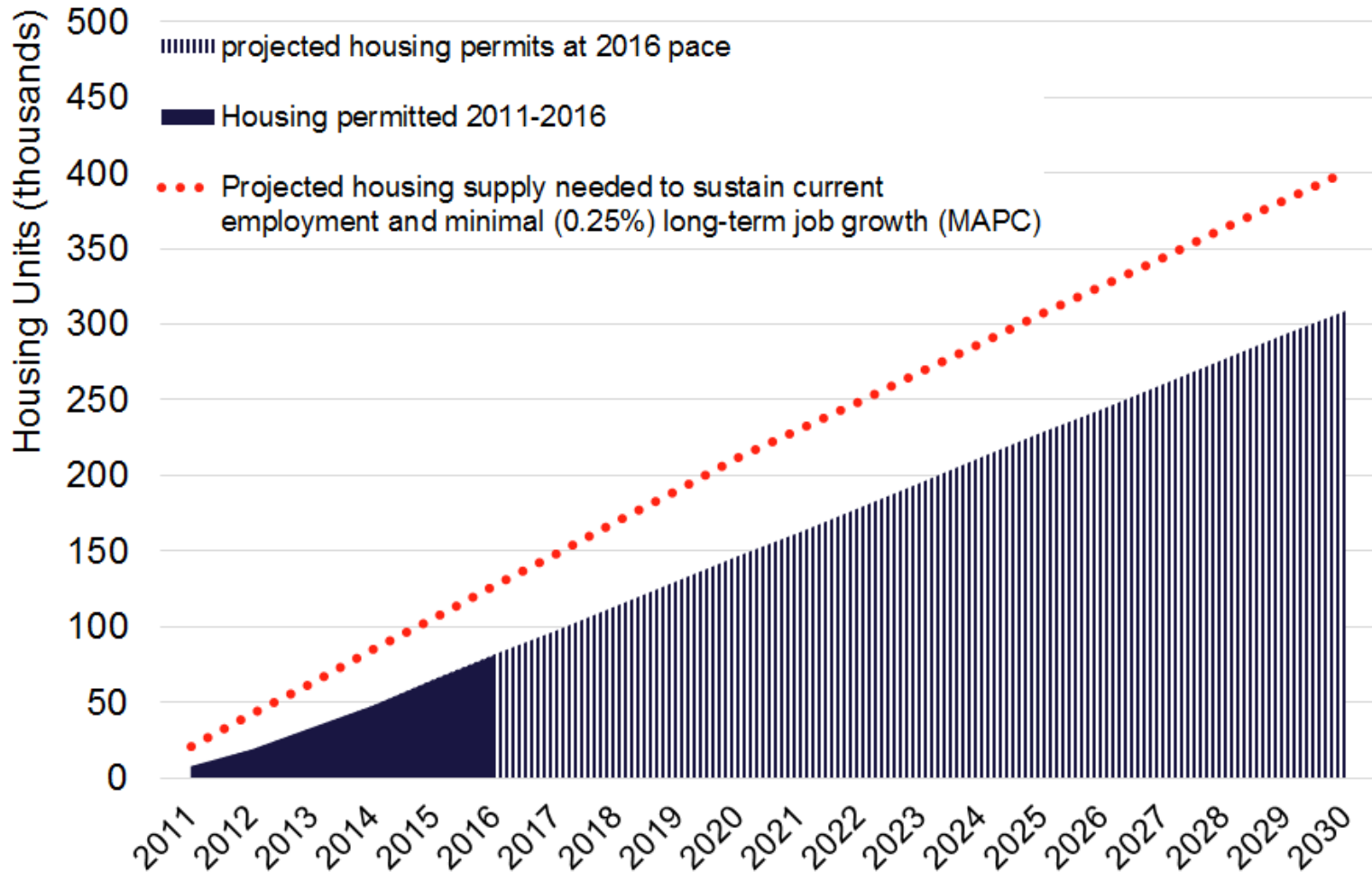
Reduce threshold for approval of local zoning that promotes new housing in smart locations from 2/3rds to simple majority

## Other legislative proposals now in play

- Require multifamily housing in every city and town while retaining local flexibility
- Cluster development & accessory dwelling units as-of-right
- Revenue sharing with cities and towns that facilitate new housing
- Greater regional collaboration
- State-level planning

# Projected housing supply is still significantly below demand

## MA Housing Production Compared to Projected Demand 2011-2016

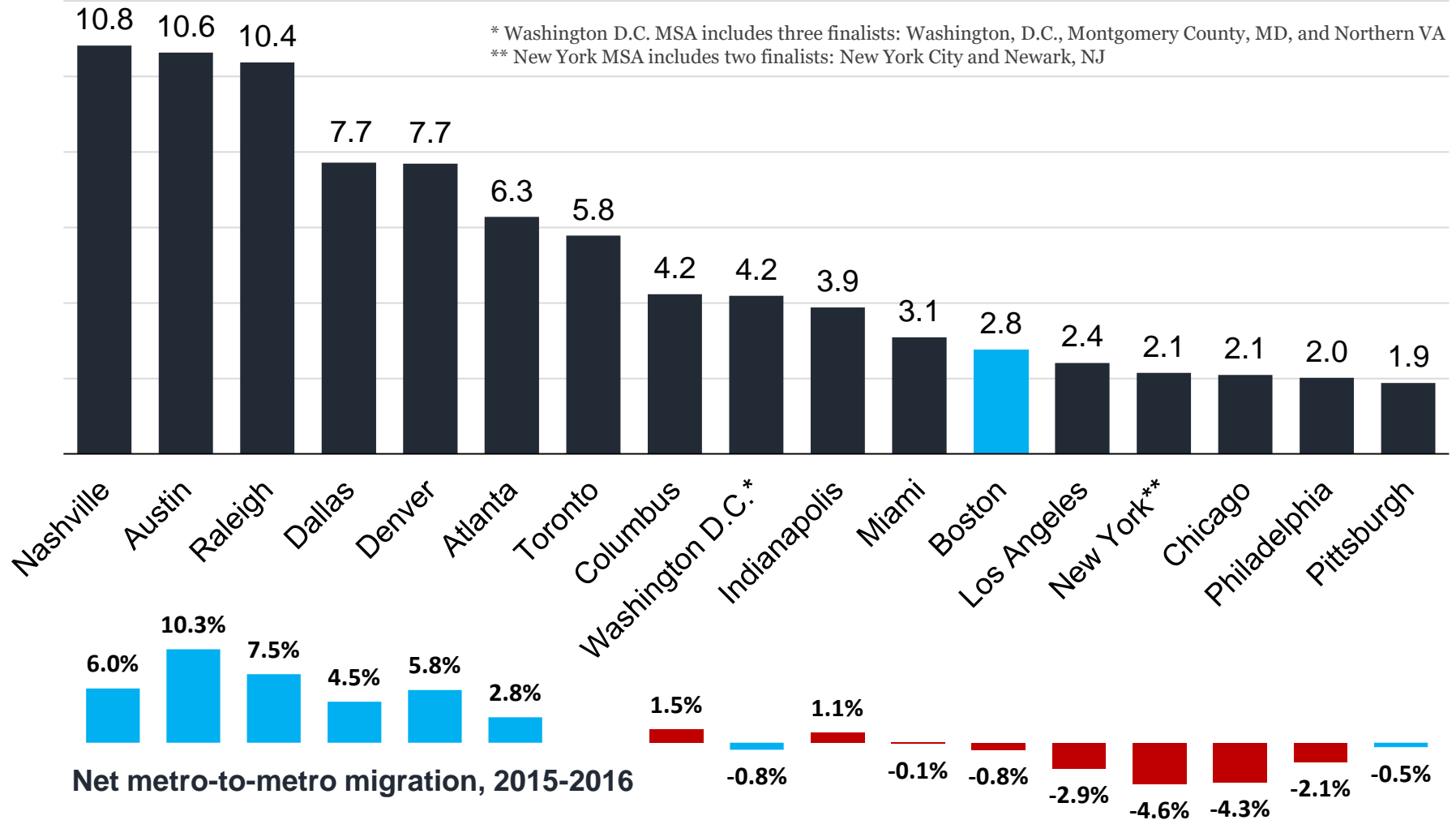


Data Sources: Metropolitan Area Planning Council & U.S. Census Bureau Housing Permits Survey



# We could lose our edge

## Amazon HQ2 finalists - Housing permits per thousand residents, 2016



# Questions and discussion

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