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HOUSING NEEDS ASSESSMENT

Introduction

The Housing Needs Assessment provides a quantitative estimate of the housing needs for the City of Keene. The analysis presents the scale of the community's housing needs and a detailed breakdown of those needs by income level and rental versus ownership needs.

This section begins with an analysis of affordability issues. The city's housing is unobtainable for many living and working in the city. The housing affordability gap assessment illustrates the gap between what households and workers in the city can afford compared to current housing prices.

The quantitative housing needs analysis considers the number of households in need of new, improved, or alternative living arrangements within the city. An additional analysis estimates the number of new housing units that are needed over the next 10 years.

The needs analysis examines the following housing challenges to estimate the city's housing needs:

- **Cost-Burdened Households:** These households are currently spending an excessive amount of their annual income on housing costs (more than 30% including rent or mortgage, utilities, and taxes) and many are experiencing negative quality of life impacts as a result, including difficulty paying for other necessities such as groceries, healthcare, and heating costs.
- **Displaced Workers:** Many workers in the region are increasingly "displaced" further away from their place of work due to rising housing prices. The proportion of workers not living where they work continues to rise and many workers are commuting exceptionally long distances to their workplace because of the lack of available affordable housing.

- **Overcrowded Households:** Overcrowded households are those where the number of occupants exceeds the capacity of space available — essentially a mismatch between the size of the home and the size of the household. Overcrowding has been shown to result in adverse physical and mental health outcomes.
- **Households in Substandard Housing:** The city's housing stock is relatively old, and the condition of many housing units continues to decline. There are households throughout the city that continue to live in housing that does not meet minimum standards, representing a need for new or rehabilitated housing.
- **Projected Population Growth:** Population trends will significantly impact the need for housing in the future. Future growth projections were analyzed to assess the need for housing to accommodate population growth over the next ten years.
- **Housing Aging into Obsolescence:** Over the next ten years, a portion of the region's housing stock will age and deteriorate into obsolescence requiring new "replacement" housing to make up for this loss.

The key findings of the quantitative assessment are provided on the following pages with detailed analysis following in this section.

Key Findings: Affordability

A significant portion of the Keene population have limited incomes

More than one-third of Keene Households have incomes of 50% or less of the Area Median Income (AMI). This means 3,500 households live on less than \$47,500 per year.

Median-priced homes exceed the typical household's ability to afford financing costs

A household making the median level of income in Keene would fall short of the ability to finance a median-priced home by nearly \$18,000 annually. The difference between the price of a home affordable to a median-income household and the actual median home price is roughly \$60,000. In other words, an individual employed in Keene with typical wages would need the typical home price to drop by \$63,300 to be able to afford it.

Rental rates more affordable – but still out of reach of many

An annual income of around \$43,000 per year is required for a renter in Keene to comfortably afford a median-priced rental unit. This is well beyond the earnings of many local workers as it implies a needed hourly wage rate of around \$21/hour.

\$18,000

The additional income a typical Keene Household would need to afford a typical home

\$63,300

The “discount” on the sale price of a typical home that a typical worker employed in Keene would need to afford it

\$21

The hourly wage need to afford a typical rental unit in the City of Keene

Key Findings: Housing Needs

There are 4,230 to 4,560 households needing new, improved, or alternative living arrangements within the City. The analysis indicates a substantial housing need in the City in need of interventions to address a variety of housing issues.

Above average level of cost-burdened households—but that rate is declining. One-third of Keene households are cost-burdened, with housing costs that account for more than 30% of their incomes. While this exceeds the state and national rates, the proportion of cost-burdened households has recently seen sharp declines. Ten years ago, that figure was 44%.

Keene is home to fewer residents as workers are displaced. The proportion of local workers living in the city has declined over the past two decades. Restoring a healthier balance of worker-residents represents a need for approximately 800 additional households.

The future requires accommodating new households and replacing obsolete housing. Future population growth requires housing to accommodate over 320 new households. Additionally, 274 housing units are estimated to become obsolete over the next decade requiring replacement.

Summary of City of Keene Housing Needs

Type of Household Need	Owner Households	Renter Households	Total Households
Cost Burdened*	1,314	1,789	3,103
Displaced Workers	437	367	804
Future Population Growth**	187	134	321
Living in Housing that Will Become Obsolete**	149	125	274
Living in Substandard Housing	12	47	59
Total (Low Estimate)	1,938	2,290	4,228
Total (High Estimate)	2,099	2,462	4,561

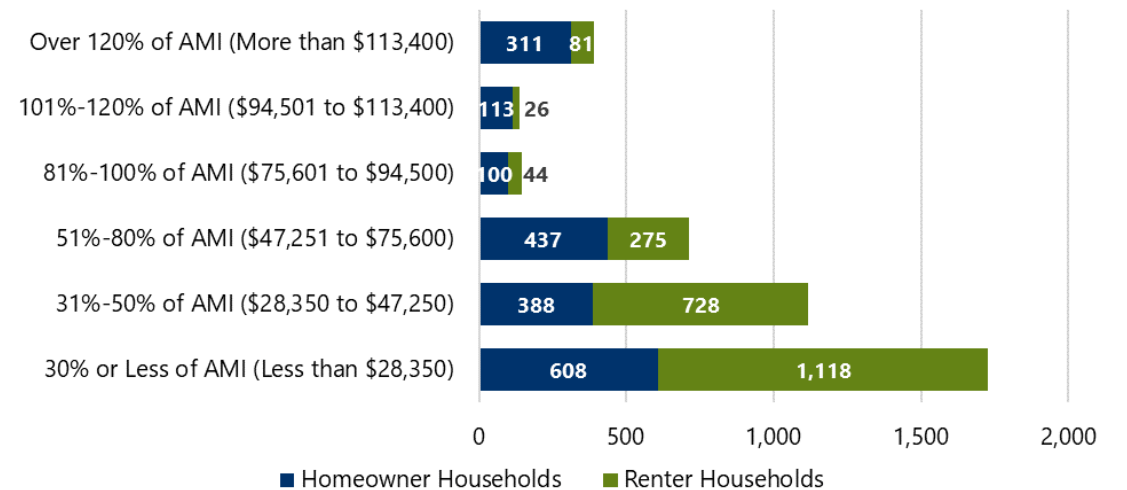
Note: Low estimate includes only mutually exclusive sources of needs to avoid double counting

*Includes seniors

**Need over next 10 years

Source: Camoin Associates

City of Keene Housing Needs by Income Level and Housing Type



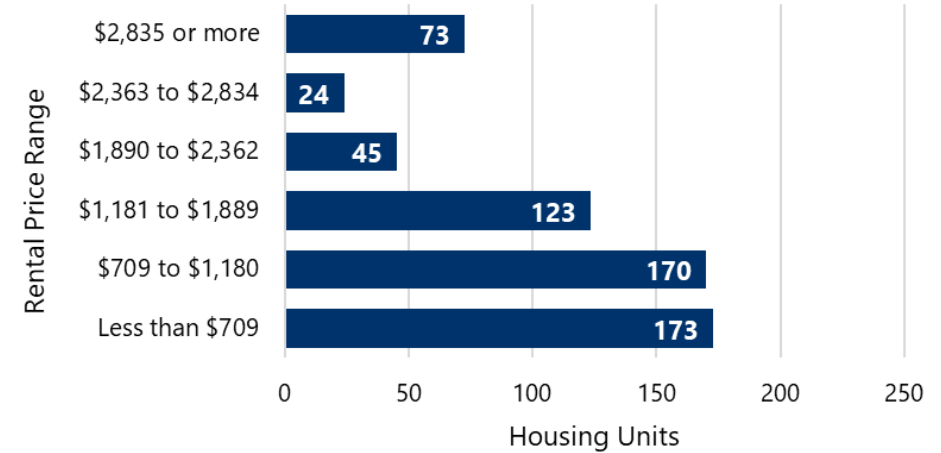
Key Findings: New Housing Development

Approximately 1,400 new housing units will be needed in the City to meet needs over the next 10 years. The City will need to add this housing stock to accommodate displaced workers, future growth, and to replace housing that becomes obsolete.

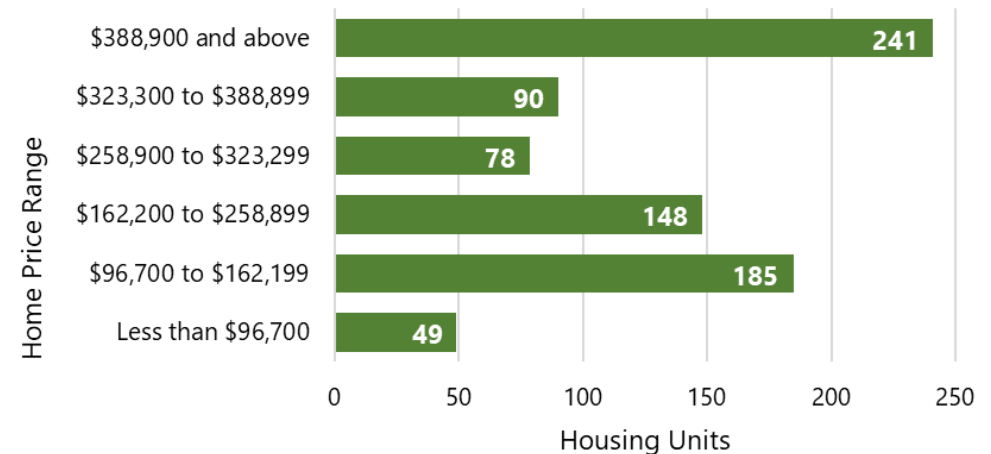
A variety of housing types are needed for new housing. Owner-occupied housing represents 56% of the new housing unit need with rental units accounting for the remainder, however, this is not always a hard distinction as households may substitute other types of housing depending on availability, quality, and other factors.

New housing is needed across the income and price spectrum. Both rental and owner-occupied housing is needed at affordable, workforce, and market-rate price points to adequately address the City's housing needs.

New Rental Housing Unit Need - City of Keene (10 Years)



New Owner-Occupied Housing Unit Need - City of Keene (10 Years)



HOUSING AFFORDABILITY

HOUSEHOLDS BY AREA MEDIAN INCOME (AMI) BRACKET

More than one-third of Keene Households live on 50% or less of the Area Median Income (AMI)

HUD's most recently released Area Median Income (AMI) value for Keene is \$94,500, a measure frequently used in calculations around residential affordability.

Overall, 60% of households in Keene (5,479 households) can't afford monthly rents above \$1,180 or a home price above \$259,000. Many households can afford even less in housing expenses. Nearly 22% of households (1,961) are not able to afford rents over \$709 or a home priced above \$96,700. Less than one-third of households in the City can afford to purchase a home at a price of approximately \$323,000.

What is AMI and why does it matter?

Area Median Income (AMI; sometimes called Median Family Income) is the household income for the median (middle) household in a given region. Because the figure is tied to a four-person household, these values are not absolute and can be adjusted depending on the size of a household. The AMI is calculated on an annual basis by the U.S. Department of Urban Development (HUD).

The metric is used for HUD's housing programs and many state and other programs. Programs typically set eligibility at a set percentage of AMI. Therefore, understanding the distribution of households relative to an area's AMI provides an indication of affordable housing needs in a way that aligns with common housing programs.

City of Keene Households by AMI Bracket - 2021

HUD Categorization	Household Income Bracket	Number of Households	Percent of Households	Maximum Affordable Rent	Maximum Affordable Home Price
Extremely Low Income	30% or Less of AMI (Less than \$28,350)	1,961	21.5%	Less than \$709	Less than \$96,700
Very Low Income	31%-50% of AMI (\$28,350 to \$47,250)	1,530	16.8%	\$709 to \$1,180	\$96,700 to \$162,199
Low Income	51%-80% of AMI (\$47,251 to \$75,600)	1,988	21.8%	\$1,181 to \$1,889	\$162,200 to \$258,899
	81%-100% of AMI (\$75,601 to \$94,500)	856	9.4%	\$1,890 to \$2,362	\$258,900 to \$323,299
	101%-120% of AMI (\$94,501 to \$113,400)	680	7.4%	\$2,363 to \$2,834	\$323,300 to \$388,899
	Over 120% of AMI (More than \$113,400)	2,115	23.2%	\$2,835 or more	\$388,900 and above
Total		9,130	100.0%		

Note: HUD's 2021 AMI for Keene equals \$94,500. Home prices and payments assume 6.75% mortgage rate and 10% down payment.

Source: American Community Survey report S1901/mortgatenevsdailycom/Camoin Associates

HOUSING AFFORDABILITY GAP

This section examines housing affordability by comparing the ability of households with typical incomes in the City (median income) to purchase typical homes (median sale price homes). In an “ideal” situation, the typical household is able to afford typical housing prices. When there is an income gap for what a typical household would need in addition to its existing income, it suggests a misalignment between income levels and housing prices.

Income for the typical household in Keene falls short of being able to purchase the typical home

The home median single-family home price in Keene was \$277,700 in 2022 and, after a standard downpayment, financing the purchase of such a property would require monthly payments of approximately \$2,030.

Defining affordable as costing 30% or less of a household’s income, the minimum level of income required to affordably purchase a median priced home is \$81,200. Note that this is well above the median household income level of \$63,500, leaving an income gap of \$17,700. That is, in order to purchase a median priced home in Keene requires a level of income that is \$17,700 above the area’s median income level.

Framed another way, a typical household can afford a home priced at \$217,800. This affordable home price level falls shy of the median sale price by nearly \$60,000. This figure is referred to as the Home Price Affordability Gap.

Typical wages in the City do not provide the means to purchase a typical home without an additional earner

Shifting focus to household earnings rather than total income tells essentially the same story. A household making the average level of earnings in Keene earns \$18,500 less than what is needed to buy a median priced home. Conversely, a household with the median level of earnings is only able to afford a home priced \$63,300 below the city’s median price. The analysis indicates the difficulty for many working in the City to afford to purchase a home in the City without an additional household member that is working.

Home Affordability Gap: Housing Prices vs. Income Levels in Keene

Median Sale Price	\$277,700
Down Payment of 10%	\$27,770
Loan Amount	\$249,930
Principal & Interest Payment	\$1,620
Estimated Additional Costs per Monthly Payment	\$410
Total Monthly Payment	\$2,030
Household Income Threshold (annual)	\$81,200
Median Household Income	\$63,490
Income Gap	\$17,710
Affordable Home Price Based on Median Income	\$217,800
Home Price Affordability Gap	\$59,900

Note: Home prices and payments assume 6.75% mortgage rate and 10% down payment

Source: City of Keene/ACS S1901 Income/mortgatenevsdailycom/Camoin Associates

Home Affordability Gap: Housing Prices vs. Average Earnings in Keene

Median Sale Price	\$277,700
Down Payment of 10%	\$27,770
Loan Amount	\$249,930
Principal & Interest Payment	\$1,620
Estimated Additional Costs per Monthly Payment	\$410
Total Monthly Payment	\$2,030
Household Income Threshold (annual)	\$81,200
Average Earnings	\$62,651
Income Gap	\$18,549
Affordable Home Price Based on Average Earnings	\$214,400
Home Price Affordability Gap	\$63,300

Note: Home prices and payments assume 6.75% mortgage rate and 10% down payment

Source: City of Keene/LightCast/mortgatenevsdailycom/Camoin Associates

RENTAL AFFORDABILITY GAP

Hourly pay of nearly \$21 required to afford median rental rate in Keene

The median rent in Keene is \$1,085 per month or roughly \$13,000 annually. The annual income required to meet this level of expense comfortably is \$43,400 per year.

The median income for renters in Keene is slightly over this amount at \$43,900. Despite this, in many areas rents significantly exceed the affordable level for local residents.

Rental Affordability Gap: Gross Rents and Median Earnings in Keene - 2021

Median Gross Monthly Rent	\$1,085
Annualized Rent	\$13,020
Household Annual Income Threshold	\$43,400
Hourly Wage Threshold (full-time)	\$20.87
Hourly Wage Threshold (3/4-time)	\$27.82
Hourly Wage Threshold (1/2-time)	\$41.73
Median Renter Household Income	\$43,908
Median Rent % Median Income	29.7%

Source: American Community Survey Reports DP04/S2503

Nevertheless, a great number of jobs do not provide a level of income sufficient to pay this level of rent. Listed to the right are the largest occupations found in Keene along with the number of workers employed in those roles that see annual earnings insufficient to afford the median level of rent in the city.

Furthermore, quality rental units command much greater rental rates than the \$1,085 used in the analysis, indicating that while rents appear to be more in line with income levels many more affordable units are not of suitable quality.

Occupations with Median Earnings Insufficient to Afford Median Rent in Keene - 2021

Occupation	Jobs	Occupation	Jobs
Retail Salespersons	599	Medical Assistants	79
Fast Food and Counter Workers	590	Social and Human Svc Assistants	78
Cashiers	493	Food Preparation Workers	75
Office Clerks, General	396	Driver/Sales Workers	64
Stockers and Order Fillers	359	Preschool Teachers	64
Home Health and Personal Care Aides	348	Bartenders	63
Customer Svc Representatives	286	CNC Tool Operators	60
Secretaries	265	Billing and Posting Clerks	59
Nursing Assistants	253	Counter and Rental Clerks	57
Bookkeeping, Accounting	225	Dishwashers	56
Janitors and Cleaners	221	Dental Assistants	51
Teaching Assistants	220	Inspectors/Testers	50
Waiters and Waitresses	175	Animal Caretakers	50
Supervisors of Food Workers	154	Hosts and Hostesses, Restaurant	50
Misc Assemblers and Fabricators	138	Machinists	47
Cooks, Restaurant	137	Painters	46
Maintenance and Repair Workers	126	Tellers	44
Laborers and Freight Movers	124	Farmers & Ranchers	43
Light Truck Drivers	124	Cooks, Fast Food	42
Medical Secretaries	118	Loan Interviewers and Clerks	40
Carpenters	113	Hairdressers and Cosmetologists	40
Receptionists	110	Cooks, Institution and Cafeteria	40
Military-only occupations	105	Interviewers	39
Maids and Housekeeping	100	Recreation Workers	39
Shipping, Receiving Clerks	97	Pharmacy Technicians	39
Packers and Packagers	92	Security Guards	38
Mental Health Counselors	91	Industrial Truck Operators	37
Landscaping Workers	86	Food Servers, Nonrestaurant	36
Cooks, Short Order	86	Dining Room and Cafeteria Attendants	36
Insurance Claims Clerks	86	Cleaners of Vehicles and Equipment	35
Childcare Workers	82	Parts Salespersons	34
Construction Laborers	81	Shuttle Drivers and Chauffeurs	31

Source: LightCast

HOUSING NEEDS

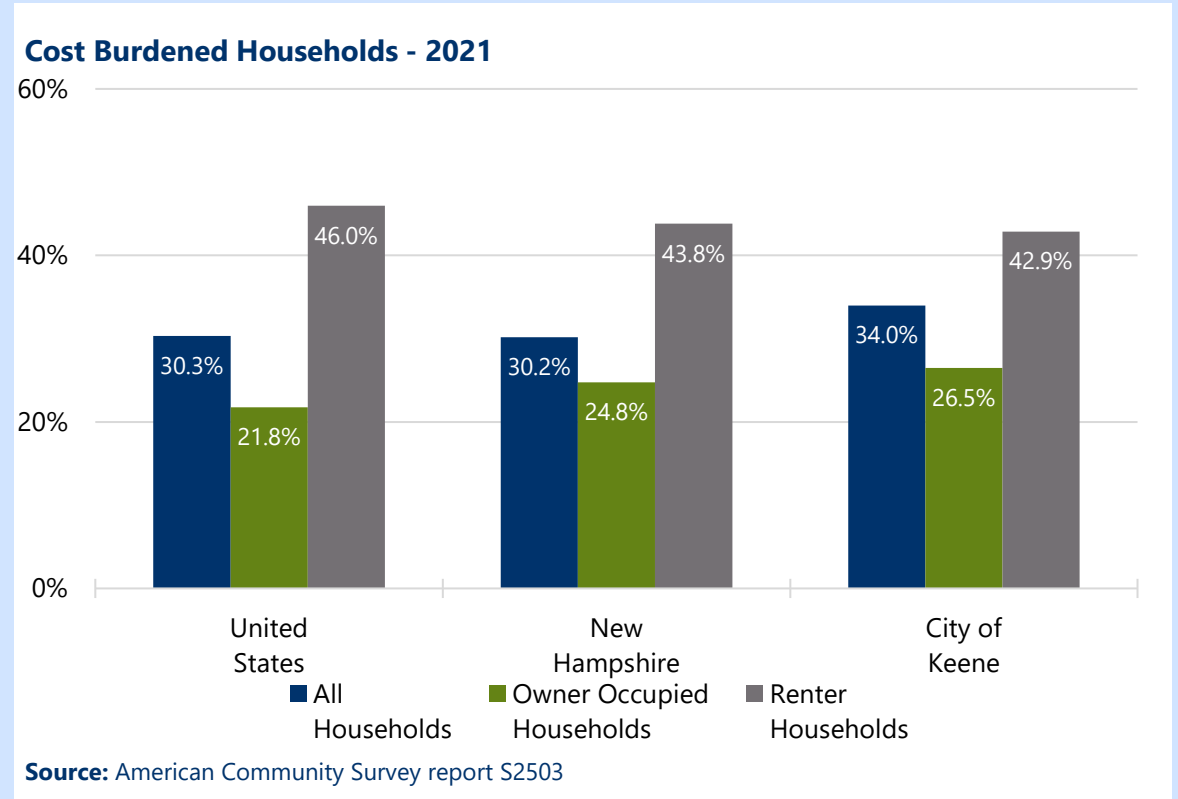
COST-BURDENED HOUSEHOLDS

Level of cost-burdened households in Keene exceeds state and national rates

More than one-out-of-three households (34%) in Keene are cost-burdened, which indicates that these households have housing expenses exceeding 30% or more of their income. Cost burdened households often struggle to pay for other necessities such as heat, groceries, health care, childcare, and other expenses necessary to maintain their quality of life.

This degree of cost-burdened households in Keene (34%) exceeds the state and national rates of approximately 30%. Slightly over one quarter (27%) of owner households are cost-burdened compared with 25% in the state overall and 22% across the U.S.

For renters, although the rate of being cost-burdened greatly exceeds the owner portion of the market, in Keene the rate of 43% measures slightly below the state percentage but well below the national rate.



Cost Burdened Households in Keene - 2021			
	United States	New Hampshire	City of Keene
All Households	30.3%	30.2%	34.0%
Owner Occupied Households	21.8%	24.8%	26.5%
Renter Households	46.0%	43.8%	42.9%

Source: American Community Survey Report S2503

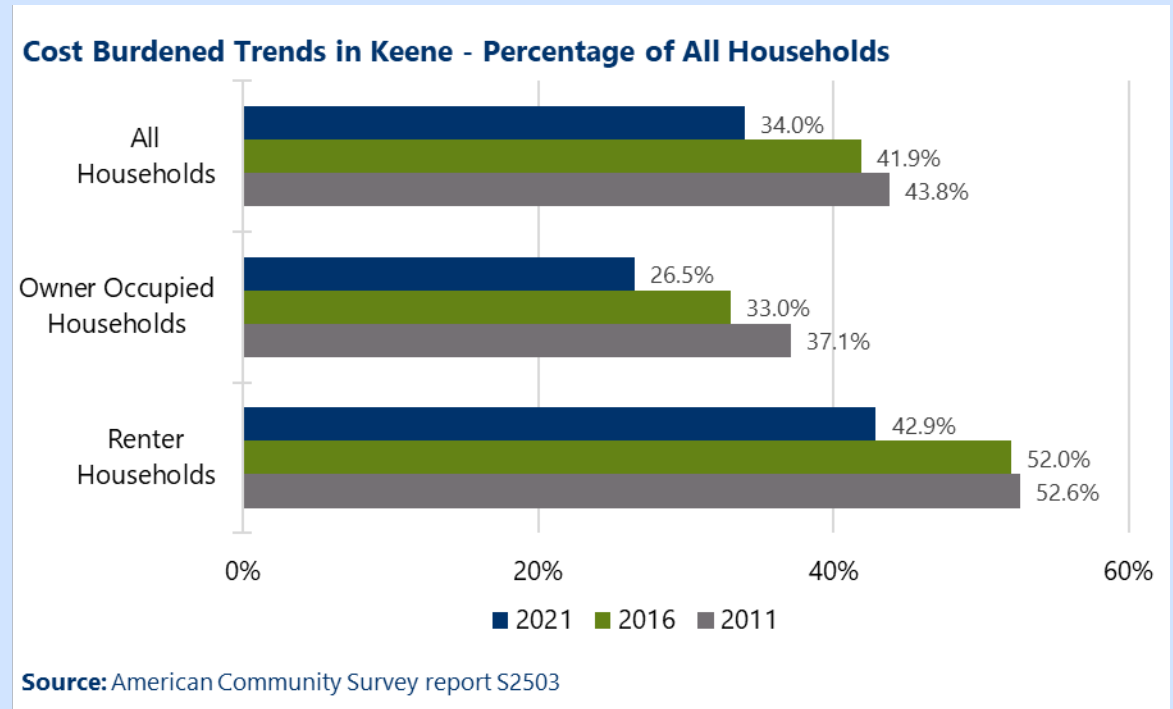
TRENDS IN COST-BURDENED HOUSEHOLDS

Cost-burdened share of households trending downwards

The percentage of households in Keene designated as cost burdened has declined steadily over the past decade. In 2011, approximately 44% of all households in the City were cost-burdened. In 2021, that proportion dropped to approximately 34% showing a meaningful improvement in housing affordability in the City.

As recently as 2016 over half of all renter households (52%) spent more than 30% of their income towards housing based on Census estimates. More recently that share has fallen to 43%.

A similar trend can be found among owner households. The cost burden rate for owner-occupied households has dropped more than 10 percentage points over the past decade and now stands at just over one out of four households (27%).



Year	All Households	Owner Occupied Households	Renter Households
2021	34.0%	26.5%	42.9%
2016	41.9%	33.0%	52.0%
2011	43.8%	37.1%	52.6%

Source: American Community Survey Report S2503

COST-BURDENED HOUSEHOLDS BY INCOME LEVEL

Households with the least means have the greatest degree of cost-burden

For those households at or around the Area Median Income, the rate of cost-burden is just 4%. That percentage rises rapidly, however, as income levels decline.

For those households with incomes measuring 51% to 80% of AMI, roughly one in four households (25%) is cost-burdened. That share jumps to more than one third (34%) for owner households. Households with income levels of 31% to 50% of AMI are more likely than not to be cost-burdened with 59% exceeding the cost burden threshold.

The vast majority of the lowest income households are currently cost-burdened. Four-out-of-five households with incomes of 30% or less of AMI are cost burdened with owner households facing the highest rate. More than 92% of these households are cost burdened.

A significant portion of households in Keene are facing extreme hardship due to burdensome housing expenses

Over 14% of households in the City are classified as “severely cost-burdened” indicating that they spend more than 50% of household income on housing expenses. A greater proportion of renters compared to owner households are severely cost burdened with over 18% of renters being severely cost burdened compared to 11% of owner households.

City of Keene Cost Burdened Households by AMI Bracket - 2021

	All Households	Owner Households	Renter Households
30% or Less of AMI (Less than \$28,350)	79.9%	92.2%	74.4%
31%-50% of AMI (\$28,350 to \$47,250)	58.6%	50.4%	63.7%
51%-80% of AMI (\$47,251 to \$75,600)	25.3%	34.3%	16.7%
81%-100% of AMI (\$75,601 to \$94,500)	4.0%	4.4%	2.5%
101%-120% of AMI (\$94,501 to \$113,400)	3.7%	4.5%	1.2%
Over 120% of AMI (More than \$113,400)	3.7%	4.3%	1.6%
All Income Brackets	34.0%	26.5%	42.9%

Note: HUD's 2021 AMI for Keene equals \$94,500

Source: American Community Survey report S2503/HUD/Camoin Associates

Cost-Burdened Households in Keene - 2021

	All Households	Owner Households	Renter Households
Moderately Cost Burdened	1,796	767	1,029
Percent of Total	19.7%	15.5%	24.7%
Severely Cost Burdened	1,307	547	760
Percent of Total	14.3%	11.0%	18.2%
Total Cost Burdened	3,103	1,314	1,789
Percent of Total	34.0%	26.5%	42.9%

Source: American Community Survey report S2503/PolicyMap/Camoin Associates

COST BURDENED SENIORS

Seniors have a higher rate of housing cost-burden than the overall population

Special attention must be paid to the needs of older residents when it comes to the availability, quality, and cost of housing. While many may have accumulated sufficient wealth to live comfortably into their later years, many other retirees must cover their expenses based only on moderate or limited fixed incomes.

Narrowing the measure of cost-burdened to only those households headed by a resident aged 65 or over shows 39% of Keene’s senior households see their cost of housing at or above 30% of their income - a higher likelihood of being cost-burdened than the broader community (34%). For renting seniors, 43% are cost burdened, matching the overall degree amongst all households, young and old.

It is amongst the owner households where a much more significant difference is found. For the overall population 27% of owner households are cost-burdened. This rate jumps to 37% for senior owner households.

While some senior households classified as cost-burdened do not necessarily require any intervention given savings and wealth that allow them to live comfortably, the data suggests that there is a population of low-income seniors that are likely struggling with housing costs in the City of Keene.

Senior Housing Needs			
	All Households	Owner Households	Renter Households
Senior Households	2,642	1,621	1,021
Percent Cost-Burdened	39.3%	37.1%	42.9%
Cost-Burdened Senior Households	1,039	601	438

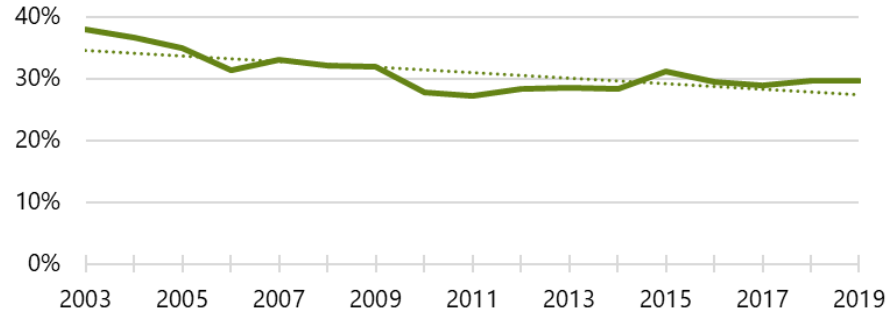
Source: American Community Survey report S2501/PolicyMap/Camoin Associates

DISPLACED WORKERS

The percentage of local workers living in the City of Keene has declined

As recently as the early to mid 2000s, 35% of workers employed in the City also lived in City. Over time this percentage has declined and now stands at less than 30%. While many factors have likely contributed to this decline, housing challenges have been one of the primary factors.

Trend in Percent of Workers Employed in Keene Living in Keene (2003-2019)



Source: U.S. Census Bureau OnTheMap

Housing is needed to accommodate workers currently displaced out of the community

Many workers living outside of the City would likely prefer to live in the Keene but are not able to due to the available of quality housing at attainable price points. If the current proportion of workers employed in the city and living in the city matched more "ideal" historical levels, it would indicate a housing need for 884 workers in the City, representing approximately 804 households when multiple-worker households are accounted for.

The distribution of households between owner and rental households is relatively even in Keene and, assuming tenure rates consistent with the current population, these households represent a housing need for 437 owner occupied households and 367 renter households.

Workers Displaced Out of City of Keene - 2019

Number of Workers	
Total Workers	16,014
Living Within Keene	4,753
Living Outside of Keene	11,261
Percent Living within Keene	29.7%
Historical Percent Living within Keene (2002 to 2006)	35.2%
Total Displaced Residents	884
Associated Housing Units	804
Likely Residence	
Residents of Owner Households	437
Residents of Renter Households	367
Total Displaced Households	804

Source: U.S. Census OnTheMap.com/American Community Survey report S2501/Camoin Associates

City of Keene - Displaced Worker Households by AMI Bracket and Housing

	Owner Households		Renter Households		All Households	
	#	%	#	%	#	%
30% or Less of AMI (Less than \$28,350)	44	5%	99	12%	143	18%
31%-50% of AMI (\$28,350 to \$47,250)	42	5%	66	8%	108	13%
51%-80% of AMI (\$47,251 to \$75,600)	93	12%	90	11%	183	23%
81%-100% of AMI (\$75,601 to \$94,500)	71	9%	31	4%	102	13%
101%-120% of AMI (\$94,501 to \$113,400)	52	6%	18	2%	70	9%
Over 120% of AMI (More than \$113,400)	153	19%	46	6%	199	25%
All Income Brackets	455	57%	349	43%	804	100%

Note: HUD's 2021 AMI for Keene equals \$94,500

Source: American Community Survey report S2503/HUD/Camoin Associates

OVERCROWDED HOUSEHOLDS

Overcrowded households found entirely in rental units

Overcrowding in housing units is often the result of challenges in finding quality housing at attainable price points. As a result of these challenges, individuals and families often live in housing units that are too small and/or live with other households or roommates. Overcrowded conditions creates health and safety concerns and adversely affects quality of life for residents living in these conditions.

Overcrowding is measured based on the number of rooms in the unit relative to the number of occupants. The most common definition of overcrowding is more than 1.0 occupants per room (all rooms and not just bedrooms). For example, a family of four living in a four-room apartment would have a “persons-per-room” ratio of 1.0 and would not be considered overcrowded. A family of five living in that same apartment would be considered overcrowded with a ratio of 1.25. Note that a ratio of greater than 1.5 is typically considered severe overcrowding.

In Keene, only a small proportion of households meet this threshold with 0.5% of households living in overcrowded housing units. But this nevertheless accounts for 47 households that are overcrowded and representing a need to be split into multiple units or otherwise relocate to larger housing units.

It is estimated that the majority of housing needs from overcrowding situations is for renter units; however, a small proportion is anticipated to be for owner-occupied housing.

Overcrowded Households in Keene - 2021

	Total Occupied	Owner Occupied	Renter Occupied
Total Units	9,130	4,957	4,173
Overcrowded Units	33	0	33
Severely Overcrowded Units	14	0	14
Total	47	0	47
Overcrowded Percent of Total	0.5%	0.0%	1.1%

Source: American Community Survey report S2501

City of Keene - Overcrowded Household Housing Needs by AMI Bracket and Housing Type

Income Bracket	Owner		Renter		All Households	
	#	%	#	%	#	%
30% or Less of AMI (Less than \$28,350)	6	6%	18	38%	24	50%
31%-50% of AMI (\$28,350 to \$47,250)	3	6%	10	22%	13	28%
51%-80% of AMI (\$47,251 to \$75,600)	2	4%	6	12%	8	16%
81%-100% of AMI (\$75,601 to \$94,500)	0	0%	1	1%	1	1%
101%-120% of AMI (\$94,501 to \$113,400)	0	0%	0	0%	0	0%
Over 120% of AMI (More than \$113,400)	0	0%	1	3%	2	4%
All Income Brackets	12	17%	36	76%	47	100%

Notes: HUD’s 2021 AMI for Keene equals \$94,500; totals may not sum due to rounding

Source: American Community Survey report S2503/HUD/Camoin Associates

SUBSTANDARD HOUSING

Some units lack complete plumbing or kitchen facilities

A small number of residential units in Keene either lack complete plumbing facilities or lack complete kitchens. Those found to be without complete plumbing total 22 units, primarily among renters. Similarly, 22 units are reported to be lacking a complete kitchen and again, the proportion found amongst rental units is much higher.

It is not clear from the data whether these 22 units with inadequate plumbing are the same as those without a complete kitchen. Regardless, at least 22 housing units in the community fall into the category of substandard housing and this could in fact be as many as 44.

Approximately 96 units are classified as “Poor” or “Very Poor” in City Tax records based primarily on age.

While this classification is an imperfect measure of the quality of housing, it serves as a proxy for the general magnitude of housing needs in the City associated with substandard housing needing to be rehabilitated or replaced. A conservative estimate based on available ACS data is that 59 new units of housing are needed to replace households in substandard condition.

Properties Classified in Tax Records as Poor or Very Poor

Housing Type	Number of Properties
2 Family	9
Double Wide	1
Mobile Home	15
Single Family	63
Total Properties	88
Total Units	96

Note: Excludes under construction properties

Source: City of Keene

Substandard Housing - 2021

	Total Occupied	Owner Occupied	Renter Occupied
Total Units	9,130	4,957	4,173
Plumbing Availability			
Units with complete plumbing	9,108	4,949	4,159
Units without complete plumbing	22	8	14
Percent without complete plumbing	0.2%	0.2%	0.3%
Kitchen Availability			
Units with complete kitchen	9,108	4,949	4,159
Units without complete kitchen	22	8	14
Percent without complete kitchen	0.2%	0.2%	0.3%
Minimum Substandard Units	22	8	14

Source: American Community Survey report S2504

City of Keene - Housing Needs from Households in Substandard Conditions by AMI Bracket and Housing Type

Income Bracket	Owner		Renter		All Households	
	#	%	#	%	#	%
30% or Less of AMI (Less than \$28,350)	8	13%	23	40%	31	53%
31%-50% of AMI (\$28,350 to \$47,250)	4	7%	13	23%	18	30%
51%-80% of AMI (\$47,251 to \$75,600)	0	0%	8	13%	8	13%
81%-100% of AMI (\$75,601 to \$94,500)	0	0%	3	5%	3	5%
101%-120% of AMI (\$94,501 to \$113,400)	0	0%	0	0%	0	0%
Over 120% of AMI (More than \$113,400)	0	0%	0	0%	0	0%
All Income Brackets	12	20%	47	80%	59	100%

Notes: HUD's 2021 AMI for Keene equals \$94,500; totals may not sum due to rounding

Source: American Community Survey report S2503/HUD/Camoin Associates

HOUSING AGING INTO OBSOLESCENCE

Replacement of units that become uninhabitable in the future

Over the next 10 years, a small portion of the City's housing stock would be expected to deteriorate to the point that it would be considered obsolete and in need of replacement. In some cases, these units may be beyond the point where it is cost-effective to bring them up to reasonable standards.

Nationally, the typical rate of housing obsolescence is 0.3% of housing stock becoming obsolete on an annual basis. When this rate is applied to the City of Keene, there is an estimated replacement need for approximately 27 units annually or 274 units over the next 10 years.

The households occupying these units are estimated to be relatively low income and unable to maintain their homes and prevent deterioration or are relatively low-income renters generally occupying the lowest quality units in the City.

City of Keene Housing Aging Into Obslscence - 2022-2032

	Total Occupied	Owner Occupied	Renter Occupied
Total Units	9,130	4,957	4,173
Estimated Annual Obsolescence Rate	0.3%	0.3%	0.3%
Annual Units Becoming Obsolete	27	15	13
Estimated 10-Year Replacement Need	274	149	125

Source: American Community Survey report S2504

City of Keene - Housing Needs from Housing Units Aging into Obsolescence Next 10-Years by AMI Bracket and Housing Type

Income Bracket	Owner Households		Renter Households		All Households	
	#	%	#	%	#	%
30% or Less of AMI (Less than \$28,350)	97	35%	63	23%	159	58%
31%-50% of AMI (\$28,350 to \$47,250)	45	16%	38	14%	82	30%
51%-80% of AMI (\$47,251 to \$75,600)	7	3%	19	7%	26	10%
81%-100% of AMI (\$75,601 to \$94,500)	0	0%	6	2%	6	2%
101%-120% of AMI (\$94,501 to \$113,400)	0	0%	0	0%	0	0%
Over 120% of AMI (More than \$113,400)	0	0%	0	0%	0	0%
All Income Brackets	149		125		274	100%

Notes: HUD's 2021 AMI for Keene equals \$94,500; totals may not sum due to rounding

Source: American Community Survey report S2503/HUD/Camoin Associates

HOUSING NEEDS FROM POPULATION GROWTH

Five-year forecast of household growth by income level and age cohort

As of 2022 there were over 9,500 households in Keene according to the economic and demographics data source Esri. These are heavily weighted towards the older cohorts – nearly half (48%) are aged 55 or over. Looking over the coming five years, Esri projects a net increase of 212 households in the city by 2027.

Several age cohorts are expected to decline as a share of the population over this timeframe, including some younger households (aged 25 to 34) and a portion of middle-aged households ranging from 45 to 64.

Offsetting these declines, however, will be an expansion in the number of households aged 24 years and under, those aged 35 to 44, and those aged 65 and over. Amongst this latter group, those aged 65 and over, the outlook is for a net gain of approximately 260 more households.

Along with the need for additional housing stock to accommodate this increase, the current mix of available units may not adequately align with the needs of the community. Specifically, the existing inventory of homes, initially constructed for growing families, may well be much larger on average than those desired by an expanding population of empty-nesters and retirees.

Households by Income and Age of Householder for Keene - 2022

Income	<25	25-34	35-44	45-54	55-64	65-74	75+	Total
<\$15k	198	166	100	116	154	112	233	1,079
\$15k-\$24k	81	125	59	65	136	156	239	861
\$25k-\$34k	105	152	77	67	108	118	183	810
\$35k-\$49k	121	209	132	131	177	196	246	1,212
\$50k-\$74k	152	354	260	280	341	290	210	1,887
\$75k-\$99k	56	247	213	236	274	221	143	1,390
\$100k-\$149k	29	260	257	323	322	222	129	1,542
\$150k-\$199k	1	50	49	59	66	40	40	305
\$200k+	3	53	103	127	107	67	41	501
Total HHs	746	1,616	1,250	1,404	1,685	1,422	1,464	9,587
Med. HH Inc.	\$33,643	\$58,465	\$74,582	\$78,444	\$67,806	\$58,654	\$38,619	\$58,600
Avg. HH Inc.	\$42,655	\$76,410	\$99,430	\$104,148	\$90,628	\$80,445	\$60,303	\$81,485

Five Year Projected Change - 2022 to 2027

Income	<25	25-34	35-44	45-54	55-64	65-74	75+	Total
<\$15k	-18	-23	6	-10	-19	-7	6	-65
\$15k-\$24k	5	-11	11	-3	-11	9	24	24
\$25k-\$34k	25	-30	-1	-15	-29	-14	-11	-75
\$35k-\$49k	51	9	41	13	1	24	65	204
\$50k-\$74k	-11	-56	20	-35	-51	1	9	-123
\$75k-\$99k	0	3	28	-6	-18	23	19	49
\$100k-\$149k	4	16	38	-4	-12	33	35	110
\$150k-\$199k	0	1	9	-2	1	5	12	26
\$200k+	0	10	11	8	3	17	13	62
Total HHs	56	-81	163	-54	-135	91	172	212
Med. HH Inc.	\$1,639	\$3,390	\$528	\$2,172	\$3,402	\$2,858	\$1,968	\$1,075
Avg. HH Inc.	\$2,158	\$8,021	\$3,812	\$7,746	\$7,369	\$7,704	\$6,243	\$5,933

Source: Esri

Ten-year growth projections show continued shift to older households – expansion in middle-aged and senior segments

The demographic outlook suggests continued, though slowing, overall growth in households from 2027 to 2032. Expansion will remain strongest among the 75-year and older age cohort but those in the 24-years and under segment are also expected to see gains along with those aged 35 to 44 years old.

Growth for this latter cohort will likely bring an increased desire to own their own home, rather than rent. At the same time, a portion of the growing number of senior households will be interested in down-sizing, moving to a smaller home with lower costs and fewer responsibilities.

These dynamics will bring a re-shuffling of owners among residents along with the need to develop new housing to best meet the changing needs of the community.

Overall, the City is projected to add 321 households over the next 10 years that will require housing in the City. This represents a need for an estimated additional 187 owner-occupied units and 132 rental units.

Projected City of Keene Household Growth (2022-2032)

Age Bracket	2022	2027	2032	2022-2027 Change		2022-2032 Change	
				#	%	#	%
<25	746	802	835	56	8%	89	12%
25-34	1,616	1,535	1,481	-81	-5%	-135	-8%
35-44	1,250	1,413	1,511	163	13%	261	21%
45-54	1,404	1,350	1,313	-54	-4%	-91	-6%
55-64	1,685	1,550	1,463	-135	-8%	-222	-13%
65-74	1,422	1,513	1,566	91	6%	144	10%
75+	1,464	1,636	1,739	172	12%	275	19%
Total	9,587	9,799	9,908	212	2.2%	321	3.2%

Source: Esri/RLS Demographics/Camoin Associates

City of Keene - Housing Needs for New Households by AMI Bracket and Housing

Income Bracket	Owner		Renter		All Households	
	#	%	#	%	#	%
30% or Less of AMI (Less than \$28,350)	5	2%	11	3%	16	5%
31%-50% of AMI (\$28,350 to \$47,250)	46	14%	67	21%	113	35%
51%-80% of AMI (\$47,251 to \$75,600)	10	3%	15	5%	25	8%
81%-100% of AMI (\$75,601 to \$94,500)	0	0%	8	2%	8	2%
101%-120% of AMI (\$94,501 to \$113,400)	38	12%	6	2%	45	14%
Over 120% of AMI (More than \$113,400)	88	27%	27	8%	114	36%
All Income Brackets	187	58%	134	42%	321	100%

Note: HUD's 2021 AMI for Keene equals \$94,500

Source: American Community Survey report S2503/HUD/Camoin Associates

SUMMARY OF HOUSING NEEDS

Summary by Type of Household Need

Overall, there is a need for new, improved or alternative housing arrangements for between 4,230 and 4,560 households in the City of Keene, including current needs and needs over the next 10 years. This does not necessarily indicate that amount of new housing that needs to be built in the City, but rather that Keene needs upwards over 4,230 *housing interventions* to meet existing and future needs. These interventions are discussed in the strategy portion of this report.

The most pressing source of housing needs is from those households that are over-burdened by current costs, spending 30% or more of their income going to housing. Over 3,100 households are currently cost burdened. Displaced workers present another source of housing needed within the city. Approximately 800 of Keene's workers must live out of town due to the cost and lack of availability of homes closer to their jobs.

Summary by Income Level

The majority of the City's housing need is among the lowest-income households including 1,726 households with incomes under 30% AMI (\$28,350). An additional 26% of the housing need is among households earning 31% to 51% of AMI (\$28,350 to \$47,250).

Summary of City of Keene Housing Needs

Type of Household Need	Owner Households	Renter Households	Total Households
Cost Burdened*	1,314	1,789	3,103
Displaced Workers	437	367	804
Future Population Growth**	187	134	321
Living in Housing that Will Become Obsolete**	149	125	274
Living in Substandard Housing	12	47	59
Total (Low Estimate)	1,938	2,290	4,228
Total (High Estimate)	2,099	2,462	4,561

Note: Low estimate includes only mutually exclusive sources of needs to avoid double counting

*Includes seniors

**Need over next 10 years

Source: Camoin Associates

City of Keene - Summary of Housing Needs by AMI Bracket and Housing Type

Income Bracket	Owner Households		Renter Households		Total	
	#	%	#	%	#	%
30% or Less of AMI (Less than \$28,350)	608	14%	1,118	26%	1,726	41%
31%-50% of AMI (\$28,350 to \$47,250)	388	9%	728	17%	1,116	26%
51%-80% of AMI (\$47,251 to \$75,600)	437	10%	275	6%	711	17%
81%-100% of AMI (\$75,601 to \$94,500)	100	2%	44	1%	144	3%
101%-120% of AMI (\$94,501 to \$113,400)	113	3%	26	1%	139	3%
Over 120% of AMI (More than \$113,400)	311	7%	81	2%	391	9%
Total	1,956	46%	2,272	54%	4,228	100%

Note: HUD's 2021 AMI for Keene equals \$94,500

Source: Camoin Associates

New Housing Units Needed in City of Keene

The previous section summarized the housing interventions needed in the City, which may include a range of policies, programs, and approaches. This section estimates the specific number of new housing units needing to be built in the City over the next 10 years.

New housing will be needed to accommodate displaced workers (currently living outside the City), future household growth (not currently occupying housing in the City), and households living in units that will become obsolete in the future.

While these categories are used to estimate the number of new units needed, this estimate should be considered conservative as it is likely some new housing will need to be built to address other identified needs such as currently cost-burdened households. Therefore, this figure should be considered the minimum number of new units needing to be added to the housing stock to effectively meet current and future housing needs.

Overall, it is estimated that the City of Keene will need to add approximately 1,400 new housing units over the next 10 years to meet the identified housing needs.

This includes 608 rental units and 791 homeowner units. The breakdown of the unit need by rental rate and home price are shown to the right. While there is significant need among low-income households, the analysis indicates that nearly 40% of units needing to be built are for households with more than 80% of AMI (greater than \$75,600 in annual income). The results suggest that a combination of affordable, workforce, and market-rate housing will need to be built to fully address the City's housing needs.

City of Keene New Housing Unit Need (10 years)		
Rental Units		
Household Income Bracket	Rental Rate	Units Needed
30% or Less of AMI (Less than \$28,350)	Less than \$709	173
31%-50% of AMI (\$28,350 to \$47,250)	\$709 to \$1,180	170
51%-80% of AMI (\$47,251 to \$75,600)	\$1,181 to \$1,889	123
81%-100% of AMI (\$75,601 to \$94,500)	\$1,890 to \$2,362	45
101%-120% of AMI (\$94,501 to \$113,400)	\$2,363 to \$2,834	24
Over 120% of AMI (More than \$113,400)	\$2,835 or more	73
Total Rental Units		608
Homeowner Units		
Household Income Bracket	Home Price	Needed
30% or Less of AMI (Less than \$28,350)	Less than \$96,700	49
31%-50% of AMI (\$28,350 to \$47,250)	\$96,700 to \$162,199	185
51%-80% of AMI (\$47,251 to \$75,600)	\$162,200 to \$258,899	148
81%-100% of AMI (\$75,601 to \$94,500)	\$258,900 to \$323,299	78
101%-120% of AMI (\$94,501 to \$113,400)	\$323,300 to \$388,899	90
Over 120% of AMI (More than \$113,400)	\$388,900 and above	241
Total Homeowner Units		791
Total Housing Unit Need		
Household Income Bracket	Total Units Needed	
30% or Less of AMI (Less than \$28,350)		222
31%-50% of AMI (\$28,350 to \$47,250)		355
51%-80% of AMI (\$47,251 to \$75,600)		271
81%-100% of AMI (\$75,601 to \$94,500)		124
101%-120% of AMI (\$94,501 to \$113,400)		114
Over 120% of AMI (More than \$113,400)		313
Total Units (10 Years)		1,399
Total Units (Average Annual)		140

Source: Camoin Associates