

Chapter 5

Population and Housing



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1.0 INTRODUCTION

Gorham is one of 24 New Hampshire communities that saw a decrease in population since the last Census. From 1990 to 2000, Gorham's population dropped by 8.8 percent from 3,173 to 2,895, a difference of 278 people. This was the 6th largest percent decrease among New Hampshire's incorporated cities and towns during this decade. This seems to be the continuation of a trend from the 1980s when Gorham lost 4.5% of its population. However, Gorham is changing in a positive direction, as it attracts new activity, and as its role as a center for retail and tourism activities increases. The population and housing data in this chapter also illustrate subtle changes in Gorham over time.

Gorham's population and housing characteristics are directly related to land use decisions. These decisions contribute to the overall character of the community. This chapter of the master plan examines the changing characteristics of Gorham's population and housing stock over the past two decades. The first half focuses on the historical growth rate of the population, as well as the demographic composition relative to age and income.

The second half of the chapter provides information on the changing dynamics of Gorham's housing supply and residential real estate market. An overview is presented about total housing growth, changes in housing mix in terms of the types of housing units constructed, and the affect that this housing growth has had on historical land use patterns. This is followed by an assessment of housing costs, as well as an assessment of the availability of affordable housing.

2.0 POPULATION

2.1 Population Trends

As noted above, the 1990s was a period of population decline in Gorham, with a net loss of 278 persons. The preceding decade saw a similar trend, with the population decreasing by 149 persons in the 1980s. These decreases in population have been experienced in other Coos County communities and a few other communities within New Hampshire during this time period, but are generally the exception to the rest of the state, which is growing in population. Gorham's growth rate of -8.8% from 1990 – 2000 ranked it 229th out of the 234 NH communities. This trend will have an impact on land use in Gorham over time.

Figure 5.1 shows Gorham's population figures from 1890 to 2000 and two different population projections for 2010 and 2020. The projections provided by the New Hampshire Office of Energy and Planning suggest a 4.6% loss of population for 2000 to 2010, and an 11.2 % increase

in population for 2010 to 2020. The State's projections are based on projections for Coos County. The second set of projections is a continuation of the decline of the 1990s. This projection suggests that approximately more than 200 people would leave Gorham in each of the next two decades. The most likely scenario is probably in the middle of these projections. Although the region may stabilize over the next ten years, only a portion of that growth will likely take place in Gorham.

Figure 5.1 Gorham Population Figures 1890-2020

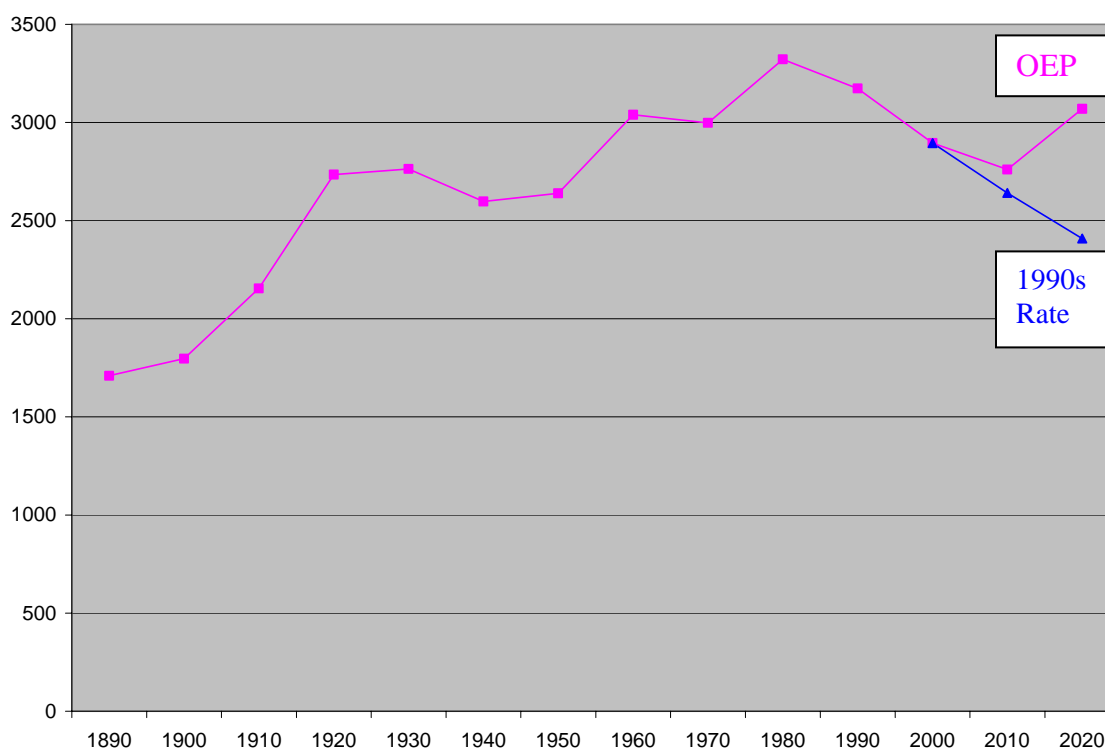


Table 5.2 shows the population change in Gorham compared to Coos County and New Hampshire in the 1980s and 1990s. Table 5.3 shows a comparison of the two population projections for 2010 and 2020.

Table 5.2 Growth Trends in Gorham and Grafton County

Town of Gorham and Grafton County							
	1980	# Change 80-90	% Change 80-90	1990	# Change 90-00	% Change 90-00	2000
Gorham	3,322	-149	-4.8%	3,173	-278	-8.8%	2,895
Coos County	35,147	-319	-.9%	34,828	-1,717	-4.9%	33,111
New Hampshire	920,610	188,642	20.5%	1,109,252	126,534	11.41%	1,235,786

Source: US Census

Table 5.3 Population Projections

Methodology	2000	2010	2020	# Change 2000 -2010	% Change 2000- 2010	# Change 2010- 2020	% Change 2010- 2020
Office of Energy and Planning	2,895	2,760	3,070	-135	-4.6%	310	11.2%
Continuation of 1990s Growth Rate	2,895	2,641	2,409	-254	-8.8%	232	-8.8%

Gorham's slow rate of population growth historically should not be misinterpreted as a lack of activity in the community. People continue to move into Gorham while others leave, the population ages, school enrollment figures change, housing units are added and removed, and new businesses are established.

2.2 Migration

A town's population can increase by the number of births exceeding the number of deaths (natural birth rate), by a greater number of people moving into the community than those moving out (migration), or by a mix of these factors. This changes the composition and dynamics of the community on an ever evolving basis.

Each year births and deaths are documented in Gorham. During the period from 1990-2000, 74 more deaths than births were reported, contributing to the decrease in population in Gorham during this time period. During this decade children were born and additional non-residents arrived, offset by residents who out-migrated. This represents a great deal of out-migration over the ten year period. Table 5.4 summarizes these statistics for Gorham.

Table 5.4 Reported Births and Deaths in Gorham 1990-2000

	1990 - 2000
Births	271
Deaths	345
<i>Natural Increase</i>	-74
<i>Out-Migration</i>	-204
<i>Population Change</i>	-278

Source: NH Department of Health and Human Services

Gorham probably gains new residents for a variety of reasons including job opportunities, retirement, and the attractiveness of living in a rural North Country community with the availability of shops and services. Typically in the North Country, there is also a loss of

population of young adults who seek employment or educational opportunities elsewhere. This may explain a portion of the out-migration that was experienced in the 1980s and 1990s. Table 5.5 shows the place of birth of Gorham's residents in 2000.

Table 5.5 Place of Birth

Place of Birth	Number of Gorham Residents	% of Gorham Population
New Hampshire	1,956	67.4%
Elsewhere in the U.S.	780	27%
Outside the Continental U.S.	13	.4 %
Foreign Country	151	5.2%

In the year 2000 67% of Gorham's population was born in New Hampshire. An additional 27.4% were born in the United States or a U.S. occupied area. A majority of these individuals (628) were born in the Northeast. One hundred fifty-one residents, or 5% of the total, were born abroad. Gorham still has a much higher percentage of New Hampshire natives than the state average of 43.3%. Unfortunately, the loss of children and residents of "prime working age" will likely leave the community somewhat stagnant over time.

2.3 Age Structure

According to the 2000 Census, the median age in New Hampshire is increasing. In Gorham the median age was 42 in 2000. Table 5.6 shows the median age, as of 2000, is 37.1 years in New Hampshire, and the median age in the U.S. is 35.3. An aging population will impact the community differently over time. This aging population will require elderly services from the community, smaller housing units, and assisted care facilities. Table 5.7 shows the current distribution of Gorham residents by age.

Table 5.6 Median Age

Place	Median Age 2000
Gorham	42
New Hampshire	37.1
United States	35.3

Table 5.7 Age of Gorham Residents

	1990	2000
Age	Percent	Percent
Under 18	21%	21 %
18-24 years	8 %	6%
25-44 years	32%	29%
45-64 years	22%	24%
65-74 years	11%	10%
75 and over	6%	10%

The number of residents over the age of 65 is significant at 20% of the population. considering the fact that this age group accounted for 17% of Gorham's population in 1990. According to the U.S. Census, the 2000 Census was the first time in the history of the Census that the 65 and over population did not grow faster than the total population. The explanation for this is that the relatively low birth rates in the late 1920s and early 1930s meant that less people reached their 65th birthday in time for the 2000 Census. However, this trend is temporary and is expected to be reversed when the baby boomers reach age 65 starting in 2011. As more Gorham residents retire and become elderly the demand for services for seniors in the community will be increasing, perhaps significantly.

Gorham has also seen the number of children under the age of 18 remain exactly the same since 1990, and young adults between 18 and 24 years of age, decreased slightly over the past 10 years. Table 5.8 shows the overall change in school enrollment over the past ten years. Although the school population has been fairly stable during this time period, it has declined slightly. The student populations for Randolph and Shelburne have also decreased. Unfortunately, no projections were available from the School Administrative Unit for the Gorham schools. Overall, fewer children are in the Gorham school system now than was the case ten years ago. This leaves residents of prime working age, 25 to 64 years or age, as the largest group in the community, but this group is getting older and smaller each year. If this trend continues it will lead to an even higher median age in Gorham, and a greater percentage of older residents in the community.

Table 5.8 Enrollment 1993-2004

Year	Enrollment
1993-1994	493
1994-1995	521
1995-1996	534
1996-1997	528
1997-1998	525
1998-1999	518
1999-2000	488
2000-2001	497
2001-2002	465
2002-2003	472
2003-2004	474

2.4 Employment and Income

In 2000 there were 2,358 people over the age of 16 in Gorham. The number of people from Gorham in the labor force at that time was 1,568 which accounts for 67% of those over 16. An additional 47 people were classified as unemployed in 2000, and the unemployment rate for Gorham was 4.4%. The unemployment rate for Coos County was 4.6% for the year 2000. These are both higher than the New Hampshire unemployment rate of 2.8% at the time.

According to the Census figures, New Hampshire, and New England as a region, has higher income levels than the United States average. The median household income in Gorham is \$32,250 compared to \$49,467 for New Hampshire. Table 5.9 illustrates the median household income for Gorham compared to larger geographic areas.

Table 5.9 Median Household Income 1990 - 2000

Area	Median Household Income 1990	Median Household Income 2000	Percent Increase from 1990-2000
Gorham	\$22,083	\$32,250	46%
Coos County	\$31,593	\$33,590	6.3%
New Hampshire	\$36,379	\$49,467	36%
United States	\$30,056	\$41,994	40%

Gorham experienced a much larger increase in median household income from 1990 to 2000 than the county, state or nation. Table 5.10 shows the distribution of income by households in Gorham and the change from 1990 to 2000. This large increase in median household income may be partly due to the increasing number of upper income retirees that are deciding to reside in Gorham. An increase in the number of two income families may also contribute to this overall increase in income.

Table 5.10 Distribution of Households by Income 1990 - 2000

	1990		2000		% Change 1990-2001
	Households	% of Total	Households	% of Total	
Under \$10,000	190	14.5%	131	10%	-31%
\$10,000 to \$24,999	448	34%	370	29%	-17%
\$25,000 to \$49,999	454	35%	431	33%	-5%
\$50,000 to \$74,999	179	13.6%	256	20%	43%
\$75,000 to \$99,999	19	1.4%	78	6%	310%
\$100,000 and Over	20	1.5%	27	2%	35%
Total	1,310	100%	1,293	100%	-1.3%

As shown in Table 5.10 between 1990 and 2000, Gorham experienced a gradual shift of households out of lower income brackets into higher income brackets. This is evident in the \$50,000 to \$74,999, \$75,000 to \$99,999, and \$100,000 and over brackets, where the number of households in each bracket increased by 43%, 310%, and 35%, respectively, between 1990 and 2000. The higher income bracket (over \$50,000) now represents 36% of Gorham's households.

Despite these gains, the total number of households with incomes below \$25,000 still represents 35% of the total households. Based on these figures, it appears that there are still a significant number of households in financial need within Gorham.

2.41 Poverty Status

In Gorham 117 households are categorized as living below the poverty level. The poverty level is calculated by the U.S. Census by assigning an income amount to each family based on what is required to support that family considering the number and age of its members. In Gorham a total of 202 individuals fell under poverty status. In 2000 this equaled 7% of the Gorham population. This is slightly higher than the New Hampshire average of 6.8%, but not quite as high as the national average of 12.4%. The 2000 poverty rate for Gorham climbed slightly from the 1990 rate of 5% of the population.

2.5 Household Information

The population change and age distribution of Gorham's residents, combined with the nationwide trend of an increase in the number of single-parent households, has resulted in a corresponding impact on household growth and size. Currently the average household in Gorham is comprised of 2.2 persons. The average family is comprised of 2.8 persons.

Table 5.11 Average Household Size 2000

Location	Average Household Size 2000
Gorham	2.2
New Hampshire	2.53
United States	2.59

As shown in Table 5.11, the average household size in Gorham, 2.2 persons, is smaller than the New Hampshire and U.S. averages. This is also smaller than the average household size was in Gorham in 1990, 2.4 persons. The average family size in Gorham in 1990 was 3.45 persons.

2.6 Residency

More than half of Gorham's residents over the age of five, 69.6%, lived in the same house in 2000 as they did in 1995. An additional 20% lived in Coos County, but possibly in a different town in 1995. Another 3.6% were living elsewhere in New Hampshire in 1995. The remaining 6.8% of the population arrived from other regions of the United States and abroad. Most of the out-of-staters moving into Gorham have come from other New England states.

2.7 Land Use Implications and Policy Actions

2.71 Land Use Implications

Gorham's population has a direct impact on the character of the community. Here are a few items to consider related to the demographics of the residents in Gorham.

- 1) Gorham's aging population may place a different demand on town services in the future.
- 2) Gorham still has a majority population of native New Hampshire residents, but the overall population has been decreasing.
- 3) Gorham's schools will be impacted in the future by decreasing enrollment and rising per capita costs of education if the current trends continue.
- 4) There is a growing need for housing units that meet the needs of smaller households and the elderly such as senior housing facilities and "granny flats".

2.72 Potential Actions

There are an array of possible actions the Town may want to consider pursuing as it evaluates the demographics of the population in Gorham and the related land use implications. This section will be used to identify the specific actions for Gorham to take upon completion of the master plan.

- 1) The Town of Gorham may wish to begin to plan for services that will be required by a larger elderly population. This may include transportation, housing, access to healthcare, and other programs.
- 2) Ensure that Gorham's regulations provide opportunities for a diverse mix of housing unit types that can accommodate the changing composition of Gorham's households. This should include provisions for accessory apartments, smaller units, opportunities for higher densities, and other techniques.
- 3) Work with the School Administrative Unit to better incorporate school properties into community life. With decreasing enrollment the school buildings may be able to meet some of the needs of the community by providing space for programs and services that would otherwise be housed elsewhere with additional costs.

3.0 HOUSING

3.1 Housing Supply and Construction Trends

In 2002 the NH Office of State Planning (NHOSP) reported that Gorham's housing stock was composed of the following:

Single Family Units	801	53%
Multi-Family Units	439	29%
Manufactured Housing Units	267	18%
<hr/>		
Total	1,507	100%

According to the NHOSP, between 1990 and 2000, 33 residential building permits were issued for new dwelling units in Gorham. The distribution of building permits shifted from the 1980s to the 1990s. Figure 5.12 shows the distribution of permits granted in Gorham by housing type in the 1980s. Figure 5.13 shows the distribution of permits granted in the 1990s. The most notable shift is the overall decrease in the number of permits in the 1990s. There was a loss of multi-family units that were permitted for construction, but never built. There was also a decrease in the number of manufactured housing units.

Figure 5.12 Permits 1980 - 1990

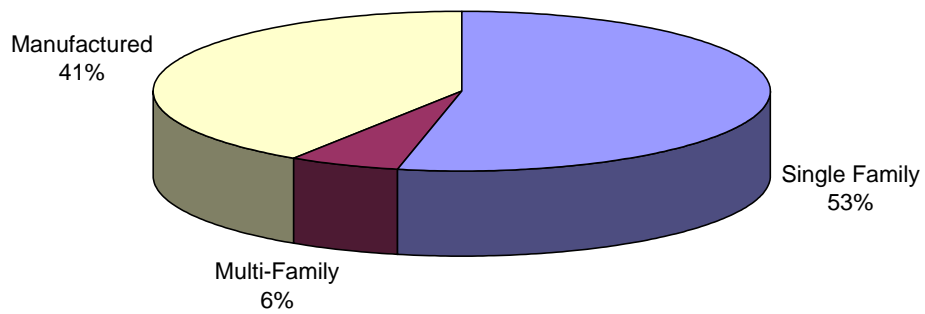
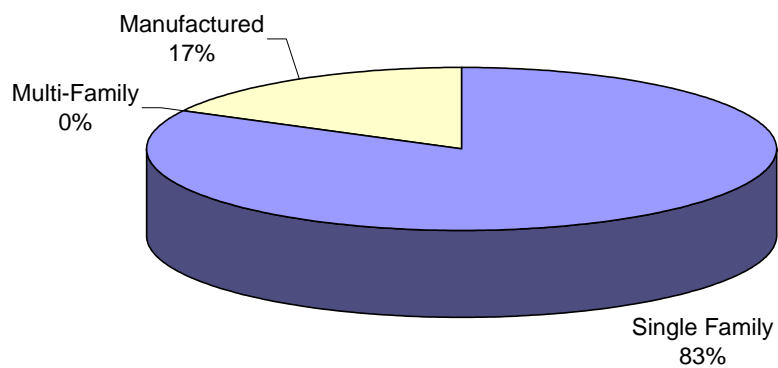


Figure 5.13 Permits 1990 - 2000



It is important to clarify that every permit issued does not result in the construction of a housing unit. It is also interesting to note that Gorham experienced an increase of 56 housing units from 1990 to 2000, but the community saw a decrease in population during the same time period. Part of the explanation for this increase in units during a time of population loss is the decrease in the median household size.

Several factors contributed to this housing shift during the 1980s and 1990s. As the population declined in Gorham the median household size also declined from 2.4 to 2.2 people per household. This has happened nationally for many reasons including an increase in the divorce rate, lower fertility rates, an increase of seniors, and the fiscal and physical ability of older people to maintain a residence. Rental units have an even smaller median household size of 1.81 persons. From 1990 to 2000 Gorham also experienced a decrease in the number of owner occupied dwelling units and an increase in the number of rental units.

Of the 1,484 housing units in Gorham, 1,294 were occupied in 2000. Of these occupied units 919 were owner occupied, and 375 were renter occupied units. In 2000 Gorham had an occupancy rate of 87.2% and a vacancy rate of 12.8%. Table 5.14 illustrates the occupancy rate in Gorham compared to New Hampshire and the United States. Gorham's occupancy rate is slightly better than the state average, and this is promising considering the loss in population. Of the vacant units approximately 64 were for sale or rent in 2000.

Table 5.14 Occupancy and Vacancy Rates 2000

Place	Occupancy Rate 2000	Vacancy Rate 2000
Gorham	87.2%	12.8%
New Hampshire	86.8%	13.2%
United States	91%	9%

3.2 Seasonal Housing

In Gorham 59 units are categorized as seasonal or recreational. This represents 4% of the town's housing stock.

3.3 Age and Distribution of Housing Stock

The median year built for housing units in Gorham is 1964 for owner occupied units and 1959 for renter occupied units. The New Hampshire median year built for owner occupied units is 1974 and for renter occupied units is 1963. Gorham's housing stock is older than the state average. This is partially due to the fact that the community has not encountered the same degree of residential construction activity over the last 20 years that the southern half of the state has experienced.

The age of a community's housing stock can provide an indication about the condition, quality and safety of the housing units. Older units may have been constructed to standards, from the perspective of today's building codes and life safety requirements, that may not be as stringent

especially in regard to multi-family units. Approximately 44% of the housing stock was constructed in the last thirty years, and another 33% was constructed before 1939.

Table 5.15 Housing Unit Age

Year Built	% of Total
Pre-1940	34.4%
1940-49	3.5%
1950-59	9.5%
1960-69	8.2%
1970-79	22.6%
1980-89	12.3
1990-00	9.4%

It is interesting to note that more than 25% of Gorham's existing housing stock was built in the last 20 years during a period of population loss. This seems to reinforce the change in household size and composition that is occurring. Smaller households, with an aging population and fewer school age children, will require a different range of housing choices so this trend may continue until these needs are met by the market.

3.4 Housing Costs

According to the New Hampshire Housing Finance Authority (NHHFA) the median value of owner-occupied housing units in the Berlin Labor Market Area (LMA) is \$66,500, and the median gross monthly rent in Gorham is \$550. A median home price could not be determined by NHHFA due to the small size of the sample that was available. The Berlin LMA figure is \$2,200 less than the Census reported for Gorham in 2000. On average, Gorham is still more affordable than the county or the state.

Table 5.16 Median Value of Owner Occupied Units

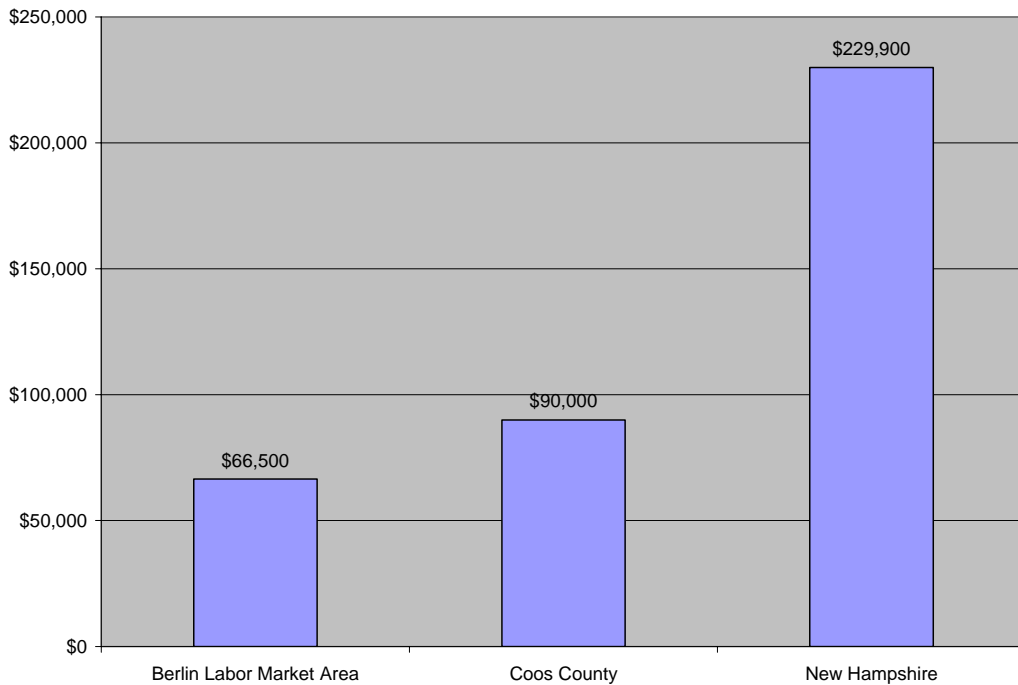
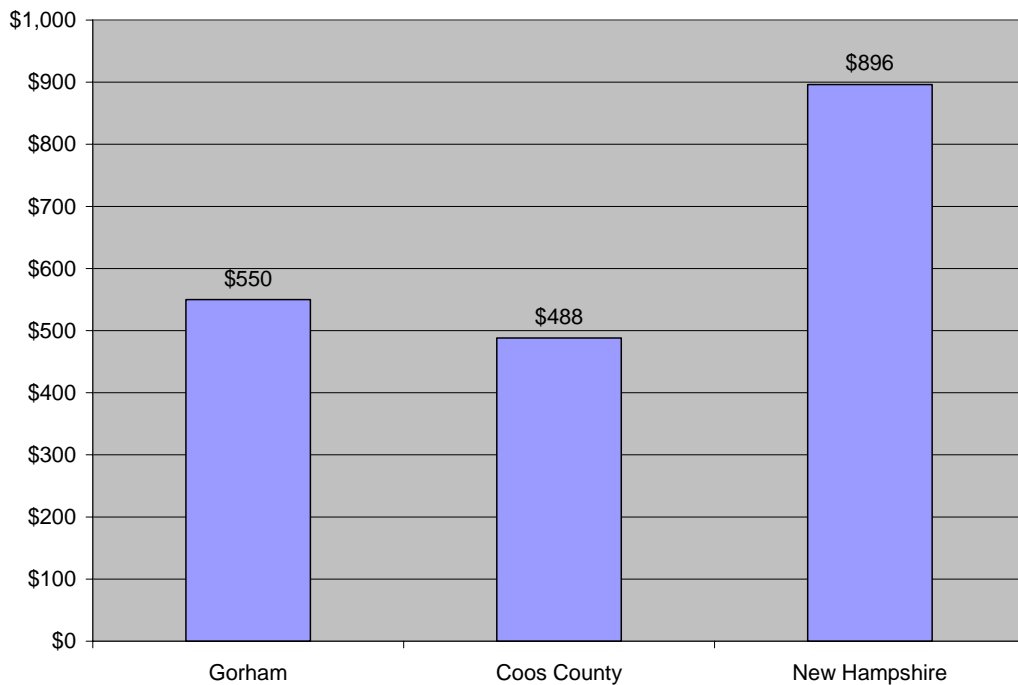


Table 5.17 Median Gross Monthly Rent



The median household income for homeowners in Gorham is \$37,207 while the median household income for renters in Gorham is \$23,028 per year. In 2004 the tax rate was \$36.63 and the equalization ratio was 90% for properties in Gorham.

3.5 Affordable Housing

Affordability is generally defined as dwelling units for those households whose annual income is less than 80% of their county median income; and whose housing costs are no more than 30% of gross household income including rent or mortgage payments, utilities, taxes, and insurance.

According to the New Hampshire Housing Finance Authority's 2003 Directory of Assisted Housing there are 43 units in Gorham subsidized for the elderly, and 24 units subsidized for families. This equals 4.5% of Gorham's housing supply. The two agencies administering the necessary financing programs for these units are Rural Development and the New Hampshire Housing Finance Authority. Table 5.18 compares the amount of subsidized housing in Gorham to Coos County and New Hampshire.

Table 5.18 Subsidized Housing

	Subsidized Elderly Units	Subsidized Family Units	Percent of the Total Housing Supply
Gorham	43	24	4.5%
Coos County	491	223	3.6%
New Hampshire	9,482	6,638	2.9%

Subsidized housing units are only one strategy for providing affordable housing. Table 5.18 illustrates that Gorham provides a higher percentage of this form of housing than the County or the State.

3.6 Land Use Implications and Policy Actions

3.61 Land Use Implications

Gorham's housing stock has a direct impact on residents and businesses in the community and the region. Here are a few items to consider related to the housing in Gorham.

- 1) Area businesses depend on housing that their workers can afford.
- 2) Accessory units in single-family homes provide opportunities for affordable rentals. These units are especially helpful to older residents that wish to downsize, and would like to remain in the community.
- 3) Housing located within the downtown area can reduce some of the transportation costs for residents by providing transportation options and employment opportunities nearby.

3.62 Potential Actions

There are an array of possible actions the Town may want to consider pursuing as it evaluates housing in Gorham and the related land use implications. This section will be used to identify the specific actions for Gorham to take upon completion of the master plan.

- 1) Allow accessory units in owner-occupied single-family homes and within accessory buildings throughout town.
- 2) Encourage the redevelopment of downtown properties to incorporate a mix of uses including a variety of housing types.
- 3) Continue to provide affordable housing options within the community by providing incentives to housing developers that create workforce housing units.
- 4) Work with developers to minimize the costs of living through quality housing design, energy efficient construction, and proximity to transportation and employment options.