

# Salem Housing Needs and Demand Analysis

## Public Meeting

Thursday, July 23, 2015



*Presented by the Metropolitan Area Planning Council*



# Salem Housing Needs and Demand Analysis - Agenda

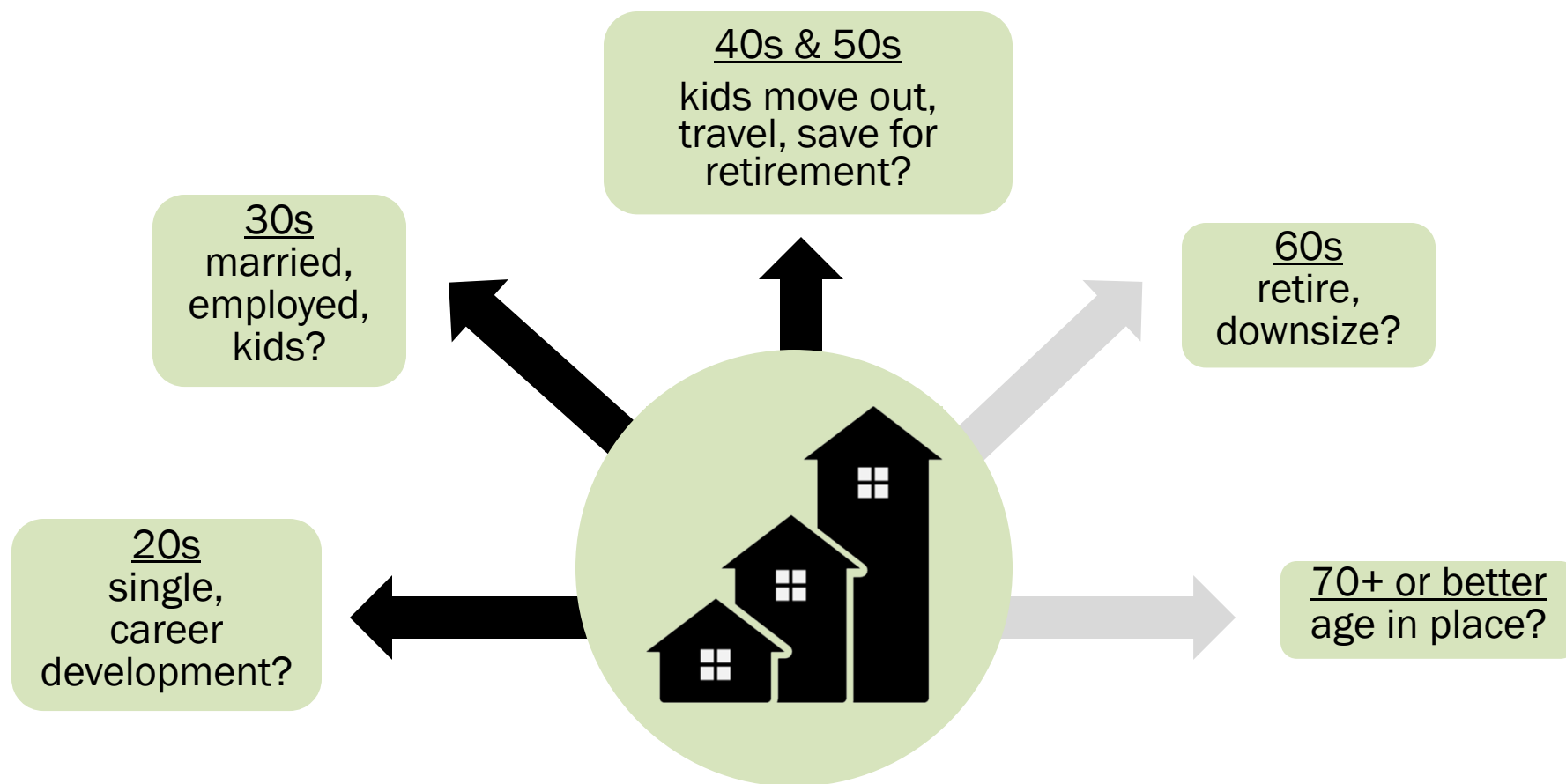
1. Welcome and Introductions
2. About the Salem Housing Needs & Demand Analysis project
3. Housing Needs & Demand in Salem/ Q&A
4. Dialogue
5. Adjourn

# Introduction: MAPC & Our Work

- Regional planning agency created in 1963
- Serves 101 municipalities with a combined population of 3+ million
- MetroFuture establishes a vision for the area based on the input of a variety of stakeholders
- Housing goals include increasing the regional stock with a variety of housing types and address issues of fair housing choice
- MAPC has worked with several municipalities to coordinate these regional goals with local objectives and identify local strategies through the development of Housing Plans

# Salem Housing Needs & Demand Analysis

- When did you move here and into what kind of home?
- Where do you live now?
- If you stay, what kind of living situation will you want?



# Salem Housing Needs and Demand Analysis

*Salem Housing:*

**What's for certain? What is changing?**

# Salem Housing Needs and Demand Analysis

Salem provides an attractive place to live

The last decade indicates that there is demand

Development continued through the recession and will continue to occur

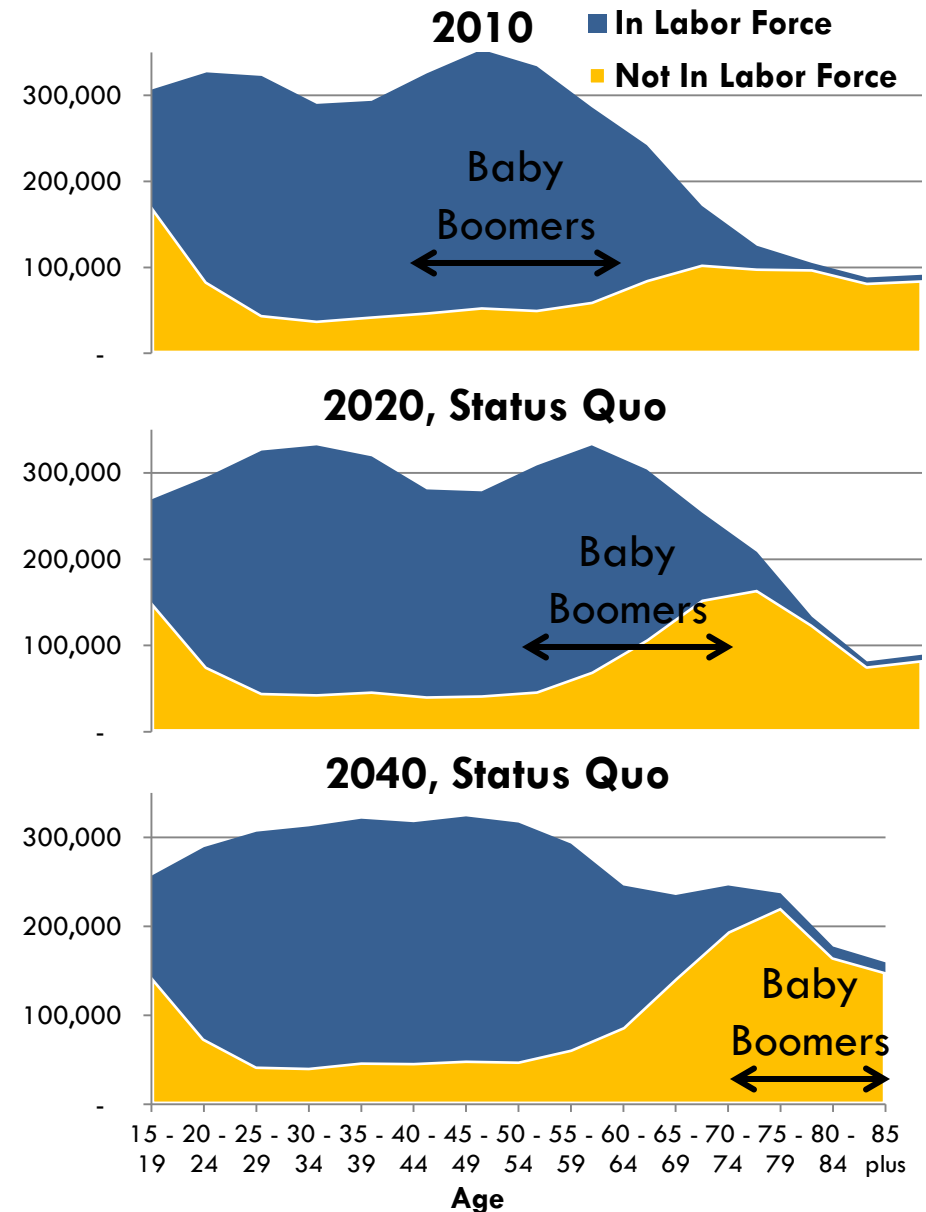
The city is positioned to shape development that addresses housing needs for now and future generations

# Boomer Retirement is Looming

Baby Boomers (born 1945 – 1970) comprise 49% of labor force

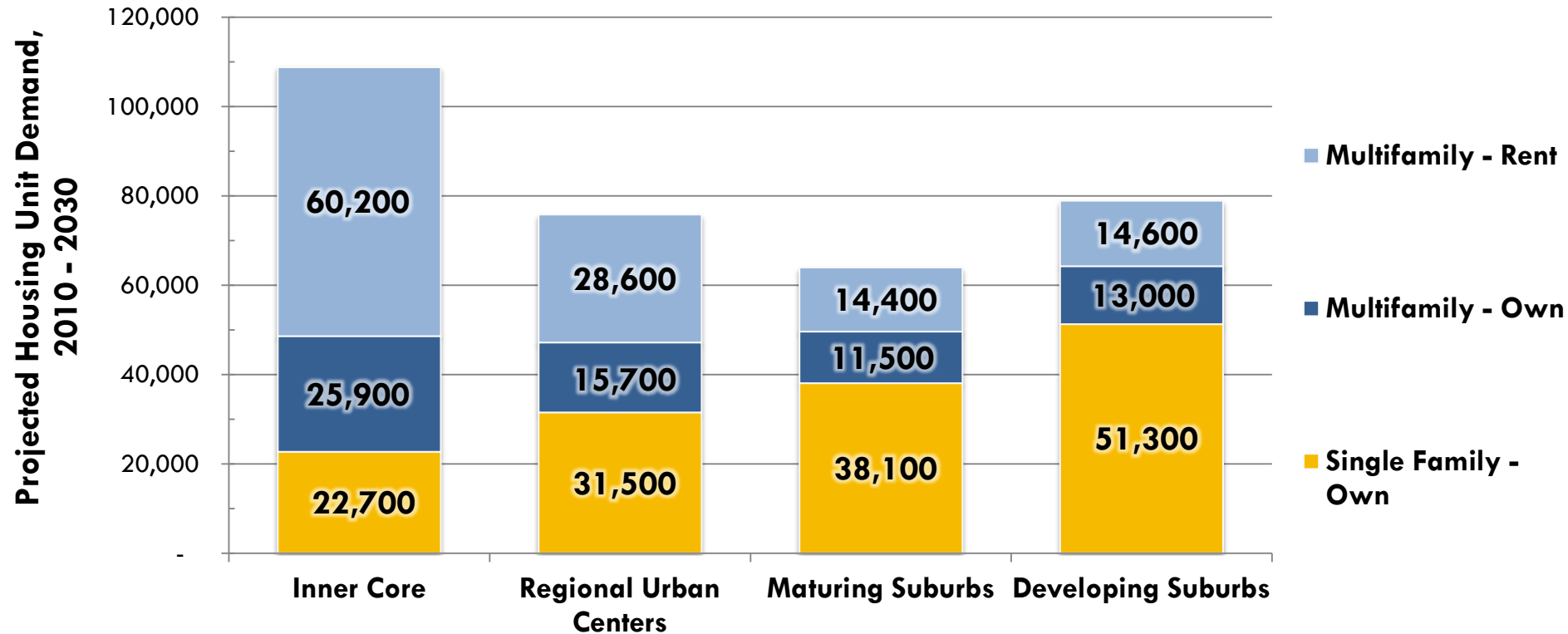
One million workers now over the age of 40 will retire by 2030 (39% of labor force)

Existing population is insufficient to fill vacant positions



# A New Paradigm of Housing Demand

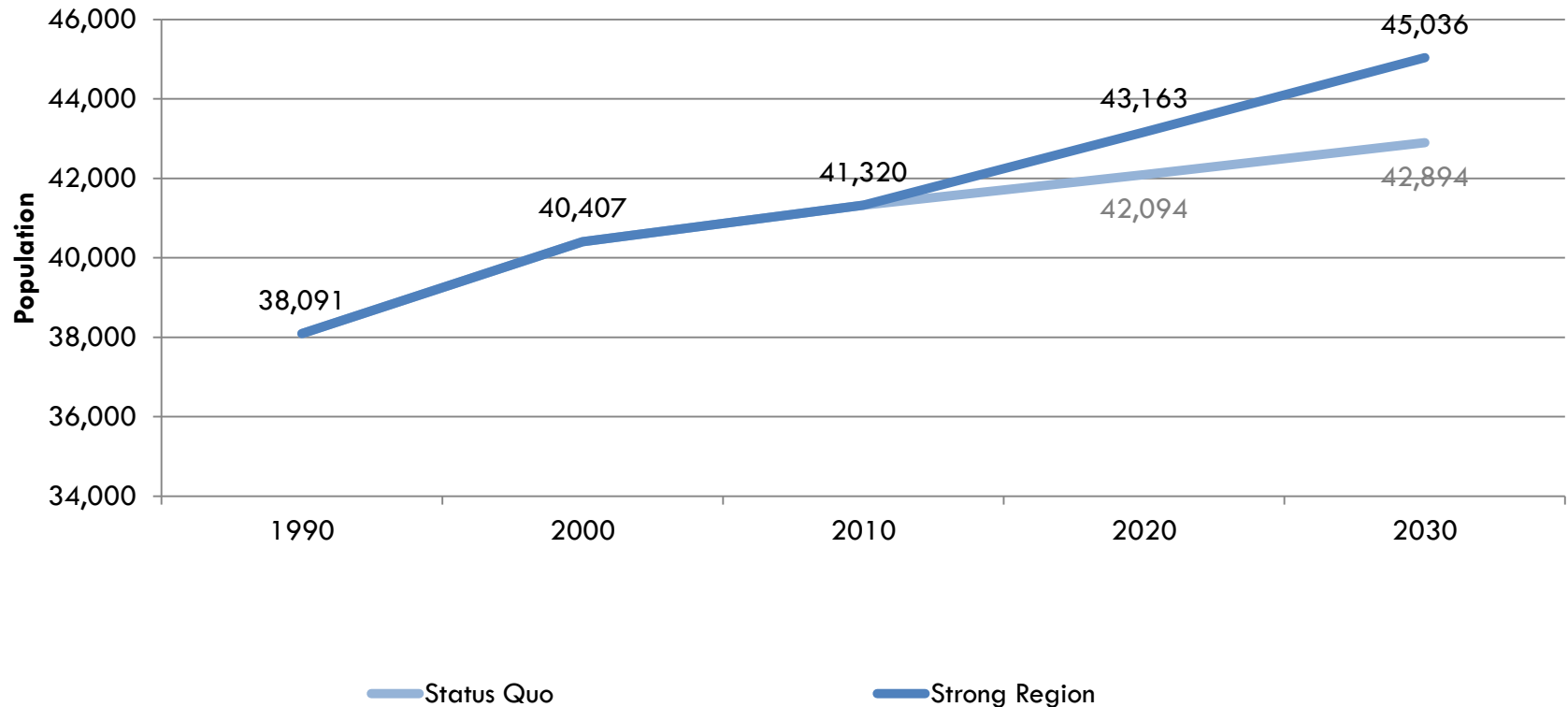
**Housing Unit Demand by Type and Tenure, 2010 - 2030,  
Stronger Region Scenario  
Metro Boston Community Types**



Most housing demand will be in urban communities  
Two-thirds of demand will be for multifamily



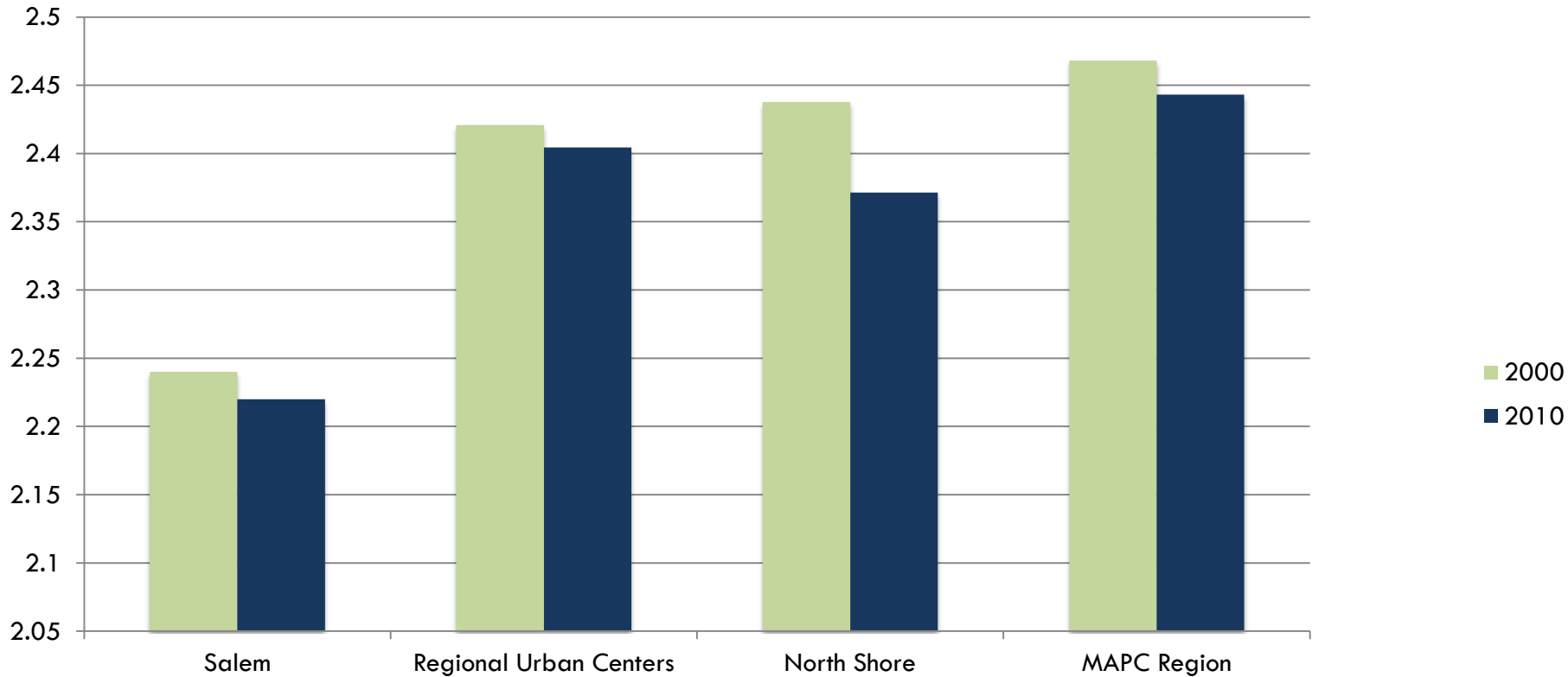
# Population Growth – Two Paths



Source: U.S. Census; MAPC Projections

Current population is 41,320 people.  
Could grow between 2,348 to 5,559 by 2030.

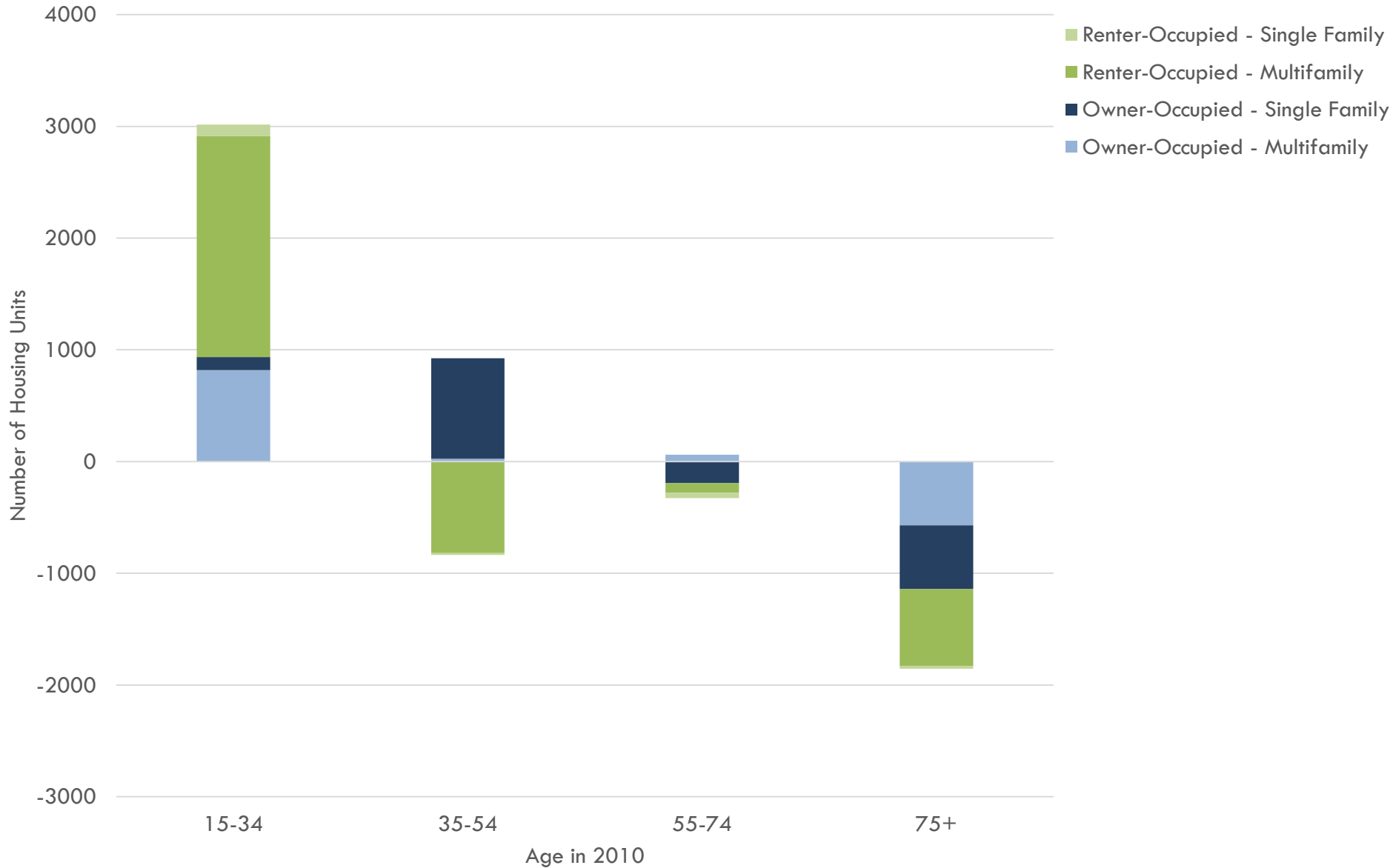
# Household Size on the Decline



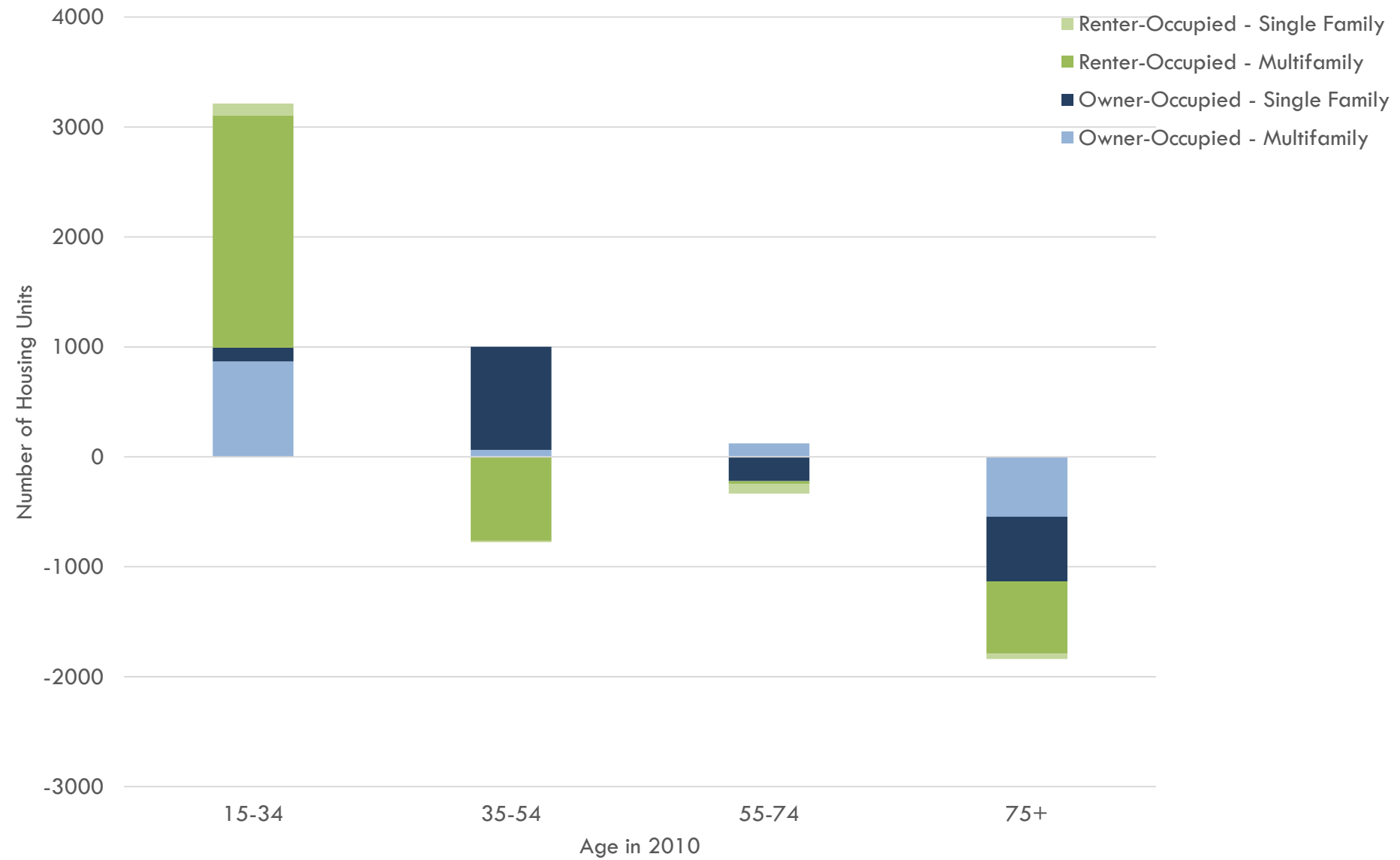
Source: U.S. Census Bureau

Average household size to decline to 2.2 by 2030

# Housing Needs Change with Age – Status Quo



# Housing Needs Change with Age – Stronger Region

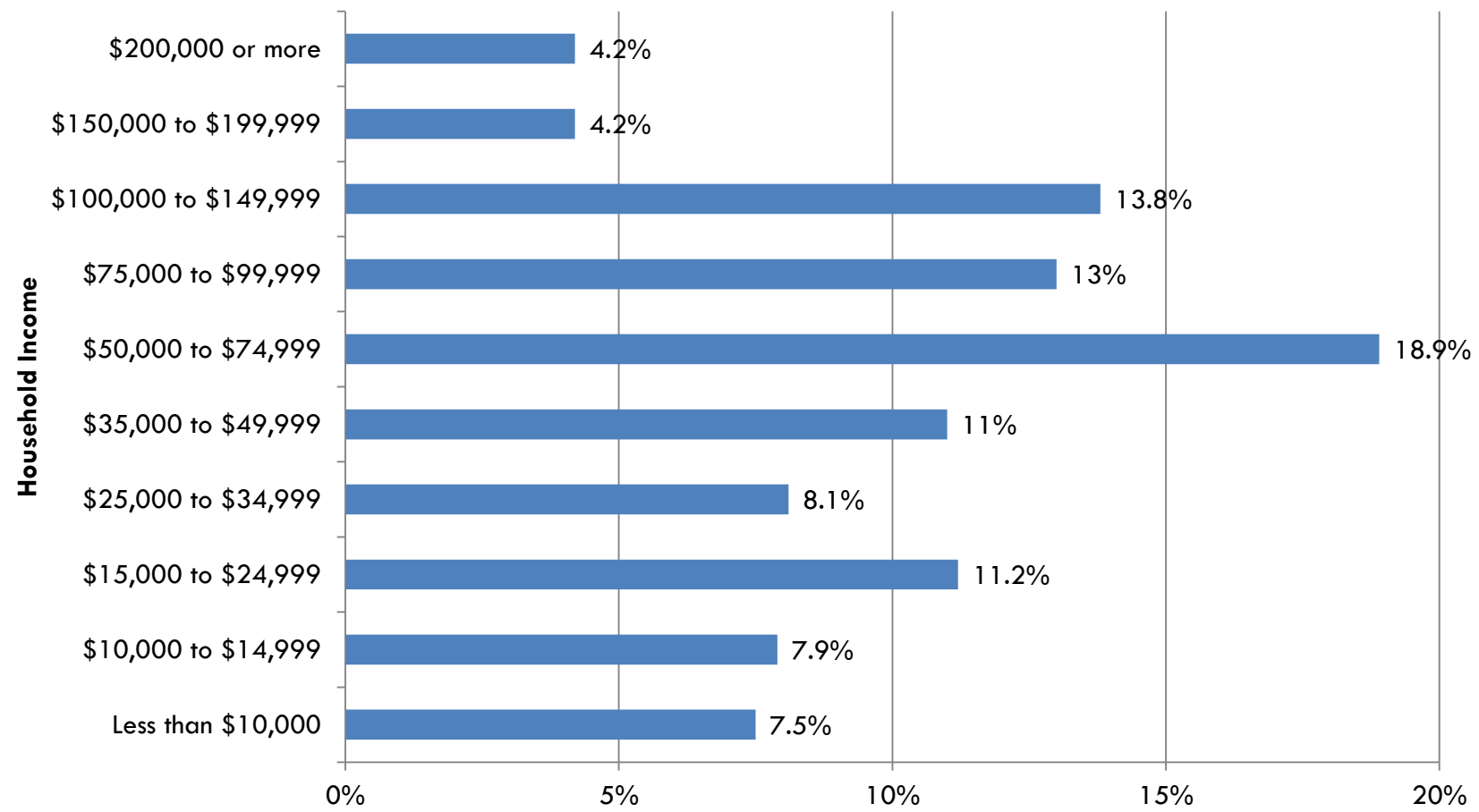


# Demand for Housing that is Affordable for age 34<

Householder Cohort, by Age in 2010	Income (As Percentage of Area Median Income)	Projected Change in Housing Unit Demand, 2010-2030
Under 34	Less than 30%	591
	Between 30-50%	737
	50-80%	352
	Greater than 80%	2,569
35-64	Less than 30%	490
	Between 30-50%	177
	50-80%	-40
	Greater than 80%	2,600
65+	Less than 30%	-600
	Between 30-50%	-306
	50-80%	-88
	Greater than 80%	-3,838
	Vacancy Rate **	81
Grand Total		2,725

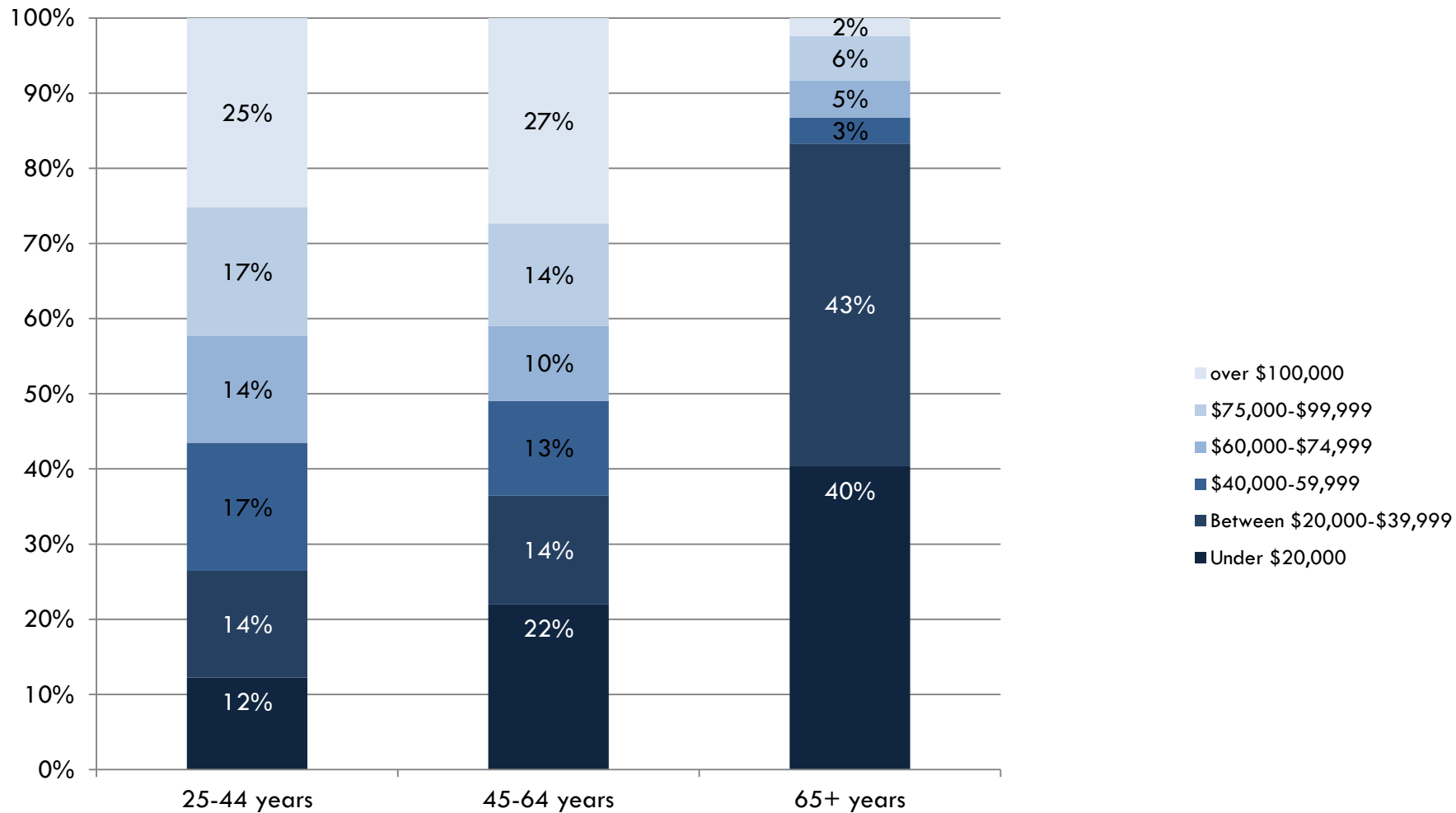
# Salem Today – Median Household Income

## Salem is Composed of a Wide Range of Income Levels



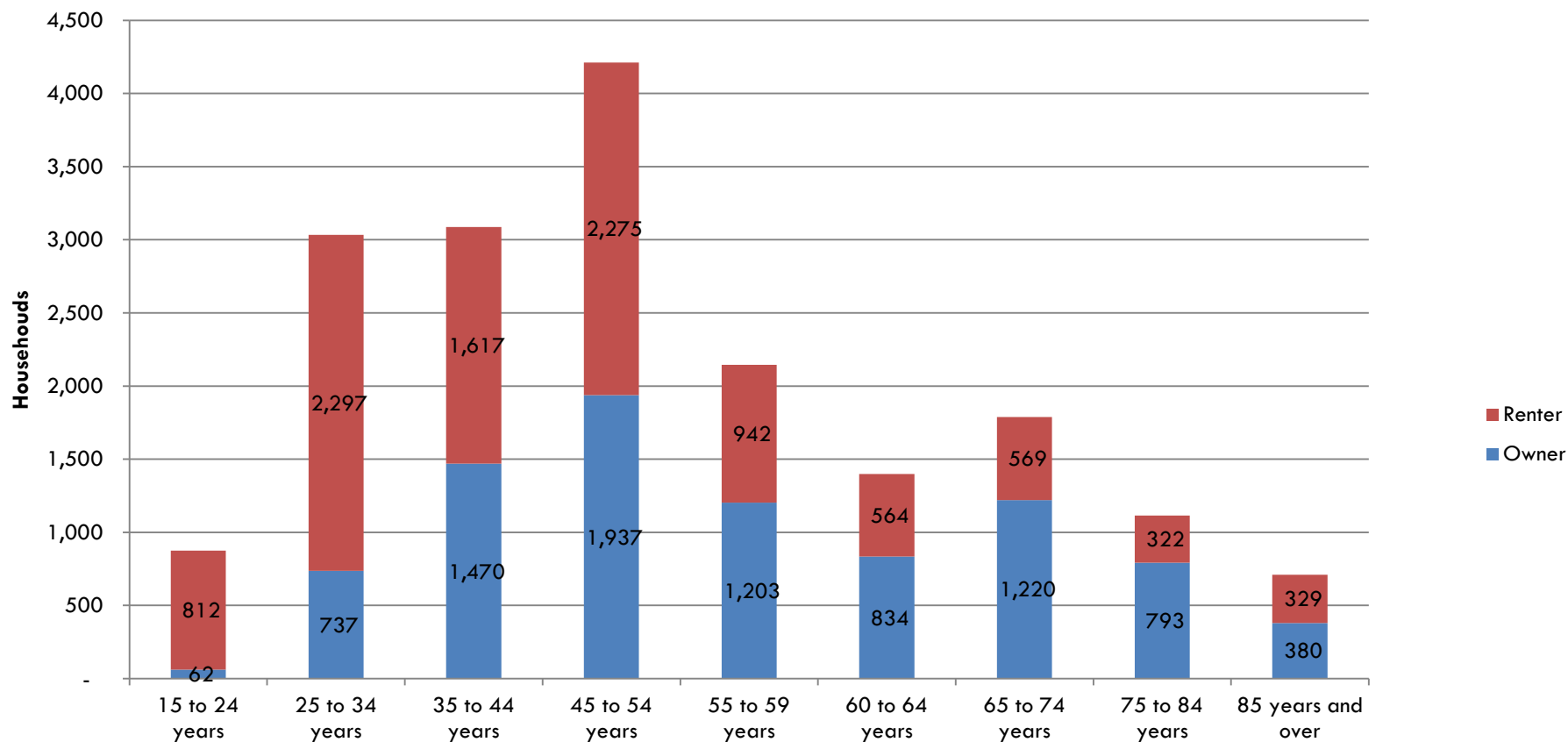
Source: American Community Survey, 2009-13

# Salem Today – Income by Age



# Salem Today – Housing Occupancy

**There are renter households across age groups.**





# Salem Today – Cost Burden

**45.8% of all Salem Households are Cost-Burdened  
Paying 30% or More of Annual Income on Housing**

*Cost-Burdened Households by Tenure*

	Owners	Renters
Housing Burden for Middle-Income Households	30%	6%

Source: U.S. Census Bureau, 2007-2011 American Community Survey

# Conclusions

- Attracting and retaining young workers is an economic imperative
- By 2020, Salem will need between 720-1,200 multifamily units and 210-260 single-family units to keep pace with population growth and smaller households
- Need for affordable housing is growing at both ends of the age spectrum, particularly for those age 34 and under

Questions?

# Salem Housing Needs and Demand Analysis - Discussion

Based on what you have heard this evening:

1. What surprised you?
2. What do you think we might have missed?
3. What should Salem do next in response to this analysis?

# Thank You!

**For more information about the analysis, please contact:**

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