

Summary of Subsidized Rental Housing

City of Portsmouth

July 2001

Two categories of programs are available to assist renters. U.S. Housing and Urban Development's (HUD's) Section 8 Program provides tenant-based and project-based federal rental subsidies which are paid either directly to private owners of rental units, or through public housing agencies. HUD also sponsors the construction of privately owned housing complexes through the provision of mortgage interest subsidies and federally insured loans in exchange for lower rents.

Subsidized housing in Portsmouth exists in the form of seven housing complexes owned by the Portsmouth Housing Authority (PHA) and eight privately owned housing projects which are subsidized through tenant-based rental assistance or project-based federal subsidies. In addition, tenant-based rental assistance, which is not tied to particular housing projects, is available in the form of Section 8 vouchers administered by the PHA.

Publicly-Owned Subsidized Housing

The Portsmouth Housing Authority (PHA) owns and manages the following housing complexes: Gosling Meadows, Woodbury Manor, State Street, Pleasant Street, Feaster, and Margeson Apartments. A total of 421 public housing units for low and moderate income families and senior residents are located at these facilities. 297 of the housing units at these facilities are targeted for seniors, and 124 are family units ([see Table 1](#)).

PHA Housing Corporation, a non-profit affiliate of the PHA, owns and manages an additional 100 units of subsidized housing at Wamesit Place which was built by private developers under the federally-subsidized Section 236 program. In 1989, the PHA Housing Corporation purchased this privately owned housing complex so that these subsidized units could be retained for affordable housing. The City provided a \$300,000 Community Development Block Grant to the PHA Housing Corporation to assist the PHA in purchasing this housing complex.

Table 1 **Subsidized Housing** **City of Portsmouth**

<u>Housing Development</u>	<u>Owner</u>	<u>Targeted Population</u>	<u>Number of Subsidized Units</u>
Gosling Meadows	PHA	Family	124 units
Woodbury Manor	PHA	Senior	40 units
State Street	PHA	Senior	12 Units
Pleasant Street	PHA	Senior	8 units
Feaster	PHA	Senior	100 units
Margeson Apartments	PHA	Senior	137 units
Wamesit Place	PHA Housing Corp.	Family	100 units*
Portsmouth Apartments	Private	Senior	48 units
Keefe House	Private	Senior	58 units
Bedford Way/ Atlantic Heights	Private	Senior	30 units
Ledgewood Manor Apartments	Private	Family	150 units*
Betty's Dream	Private	Handicapped	24 units
Residential Opportunities	Private	Developmentally Disabled	12 units
Great Bay Resident Facility	Private	Developmentally Disabled	12 units
Osprey Land	Private	Family	167 units
TOTAL			1,022 Units
Tenant-based Section 8 Vouchers			193 Vouchers

* Note: Most or all of the rental units at these housing complexes benefit from rental rates that are lower than market rental rates. This is because both Wamesit Place and Ledgewood Manor Apartments were financed through federally insured loans that provided mortgage interest rate subsidies that allow owners to charge rents lower than market rates for lower income families. In addition, 70 of the 100 rental units at Wamesit Place, and 30 of the 150 units at Ledgewood Manor Apartments, are subsidized through project-based Section 8 vouchers.

Privately-Owned Subsidized Housing

The PHA provides management services for an additional 136 units of subsidized housing for senior residents at three privately owned complexes -- Portsmouth Apartments, Keefe House, and Bedford Way/Atlantic Heights ([see Table 1](#)). This housing was built by private developers participating in federally sponsored subsidized housing programs.

An additional 150 units of privately owned and managed subsidized housing, built by developers participating in federally sponsored programs, exists at Ledgewood Manor Apartments ([see Table 1](#)). 24 units of federally subsidized housing are available for the handicapped at Betty's Dream which is owned by a private non-profit foundation. 24 additional units for the developmentally disabled are provided by Residential Opportunities and Great Bay Resident Facility.

Osprey Landing

The City of Portsmouth committed a total of \$1.3 million of its federal Community Development Block Grant (CDBG), over an eight-year period, to the Osprey Landing Redevelopment Project. These funds financed the acquisition of the property and ensured that 167 of the 329 units in this mixed income project would be affordable to low and moderate income renters.

Tenant-Based Section 8 Vouchers

The Portsmouth Housing Authority administers up to 256 tenant-based Section 8 vouchers. Since the vouchers are tenant-based rather than project-based, they can be used by tenants to rent apartments within or outside the City of Portsmouth. Currently, only 193 of the 256 Section 8 vouchers are in use as potential users are unable to find rental housing at appropriate rents. Most of these Section 8 vouchers are currently in use in the City; 56 of the 193 are in use at apartments located in the subsidized housing developments listed in Table 1 (Osprey Landing, 46 vouchers and Ledgewood Manor Apartments, 10 vouchers). The remaining 137 vouchers are in use at other privately-owned, rental housing in Portsmouth and surrounding communities.

Subsidized Housing in Other Communities

[Table 2](#) compares Portsmouth's rental housing stock, and subsidized housing stock, to 29 other NH communities. The communities shown in this table are only those where at least one-third of the housing stock is rental housing. Portsmouth has the second highest percent of rental housing of all communities in the state, with 50% of the City's housing stock being rental housing. It is second only to Manchester, where 54% of all housing is rental units.

Of particular significance is the fact that Portsmouth ranks number three with regard to the percent of its housing stock that consists of subsidized housing. 8.83% of all housing in Portsmouth, or 872 out of 9,875 housing units, is subsidized housing (see Table 1 regarding the housing complexes that comprise these 872 housing units). Only Concord and Franklin rank higher, each with 9.94% of their housing stock consisting of subsidized units.

Table 2

Subsidized Rental Units in Communities
Where Greater than One-Third of Housing Stock Is Rental Units

Town/City	County	Owner Occupied Housing Units		Renter Occupied Housing Units		Total Housing Units	Subsidized Housing Units		
		Number	Percent	Number	Percent		Number	as a % of Rental Units	as a % of Total Units
Franklin, City	Merrimack	1,911	57.6%	1,408	42.4%	3,319	330	23.44%	9.94%
Concord, City	Merrimack	8,373	51.4%	7,908	48.6%	16,281	1,618	20.46%	9.94%
Portsmouth, City	Rockingham	4,936	50.0%	4,939	50.0%	9,875	872	17.66%	8.83%
Claremont, City	Sullivan	3,271	57.5%	2,414	42.5%	5,685	493	20.42%	8.67%
Plymouth	Grafton	944	56.3%	734	43.7%	1,678	145	19.75%	8.64%
Lebanon, City	Grafton	2,893	52.6%	2,607	47.4%	5,500	444	17.03%	8.07%
Newport	Sullivan	1,637	66.2%	836	33.8%	2,473	194	23.21%	7.84%
Colebrook	Coos	681	65.8%	354	34.2%	1,035	78	22.03%	7.54%

Summary of Subsidized Rental Housing

Dover, City	Strafford	5,920	51.2%	5,653	48.8%	11,573	853	15.09%	7.37%
Somersworth, City	Strafford	2,659	56.7%	2,028	43.3%	4,687	335	16.52%	7.15%
Keene, City	Cheshire	5,120	57.2%	3,835	42.8%	8,955	637	16.61%	7.11%
Ashland	Grafton	483	56.6%	370	43.4%	853	60	16.22%	7.03%
Littleton	Grafton	1,580	62.8%	934	37.2%	2,514	172	18.42%	6.84%
Laconia, City	Belknap	3,819	56.8%	2,905	43.2%	6,724	437	15.04%	6.50%
Manchester, City	Hillsborough	20,367	46.0%	23,880	54.0%	44,247	2,860	11.98%	6.46%
Berlin, City	Coos	2,790	61.3%	1,765	38.7%	4,555	288	16.32%	6.32%
Lincoln	Grafton	370	63.5%	213	36.5%	583	35	16.43%	6.00%
Tilton	Belknap	858	63.1%	502	36.9%	1,360	77	15.34%	5.66%
Peterborough	Hillsborough	1,558	66.4%	788	33.6%	2,346	127	16.12%	5.41%
Nashua, City	Hillsborough	19,783	56.9%	14,911	43.1%	34,694	1,843	12.36%	5.31%
Newmarket	Rockingham	1,779	52.6%	1,600	47.4%	3,379	174	10.88%	5.15%
Pittsfield	Merrimack	915	61.1%	583	38.9%	1,498	70	12.01%	4.67%
Derry	Rockingham	7,978	64.7%	4,349	35.3%	12,327	457	10.51%	3.71%
Rochester, City	Strafford	7,643	66.8%	3,791	33.2%	11,434	422	11.13%	3.69%
Milford	Hillsborough	3,294	63.3%	1,907	36.7%	5,201	188	9.86%	3.61%
Durham	Strafford	1,628	56.5%	1,254	43.3%	2,882	58	4.63%	2.01%
Conway	Carroll	2,447	65.9%	1,267	34.1%	3,714	66	5.21%	1.78%
Hanover	Grafton	1,869	66.0%	963	34.0%	2,832	24	2.49%	0.85%
Woodstock	Grafton	332	66.4%	168	33.6%	500	0	0.00%	0.00%
Seabrook	Rockingham	2,154	62.9%	1,271	37.1%	3,425	0	0.00%	0.00%

Source: 2000 U.S. Census; NHHFA 2000 Directory of Assisted Housing

NOTE: The total number of subsidized units shown for Portsmouth (872) does not include 30 units at Wamesit Place or 120 units at Ledgewood Manor Apartments; these units benefit from reduced rental rates due to HUD mortgage interest financing subsidies but do not receive project-based Section 8 certificates. If these 150 units are included, Portsmouth has a total of 1,022 subsidized rental units. In order to provide an accurate comparison with other communities, these 150 units are not included in Portsmouth's total in this table.

PRESS RELEASE

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FOR
RELEASE:
Immediately

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City of Portsmouth Releases Subsidized Housing Report

City Manager John Bohenko has released a Summary Report on Subsidized Rental Housing in the City of Portsmouth. A press conference on the report will be held at 2:00 p.m. on Wednesday July 25th in the City Manager's conference room on the 4th floor of Portsmouth City Hall.

The report, based on recently released data from the U.S. Census and the NH Housing Finance Authority, compares Portsmouth's rental housing stock and subsidized housing stock to other NH communities. It shows that Portsmouth has the second highest percent of rental housing of all communities in the state, with 50% of the City's housing stock being rental housing. Portsmouth is second only to Manchester, where 54% of all housing consists of rental units. The report also highlights the fact that Portsmouth ranks number three with regard to the percent of its housing stock that consists of subsidized housing.

In fact, a very significant 8.83% of the City's total housing stock is subsidized. Only Concord and Franklin rank higher, each with 9.94% of their housing stock consisting of subsidized units. Portsmouth's subsidized rental housing encompasses 1,022 rental units, representing 20.69% of the City's 4,939 rental units.

Portsmouth's number three statewide ranking with regard to its subsidized housing stock is very significant for this relatively small community of 20,784 residents. According to City Manager John P. Bohenko, "Soaring real estate prices have put increasing pressure on property owners, of both subsidized and market rate rental properties, to redevelop their properties and scale rents up significantly. All time low interest rates and a crisis level shortage of affordable housing are only adding further fuel to this spiraling trend."

Portsmouth Mayor Sirrell is very concerned as well. "A statewide property tax will drive a an even wider and more permanent wedge between those who live in the City's subsidized housing, and wealthier residents able to afford the statewide tax. The impacts of the school funding issue are just going to be catastrophic for the Portsmouth we have known. My very real concern is that middle class residents and people earning lower incomes just will not be able to afford to live in Portsmouth."