



GREATER NEWPORT  
*Chamber of Commerce*



CONNECT  
GREATER NEWPORT

# Housing Analysis for the Greater Newport Region

## Year One Highlights Following the 2023 Study Release

June 2024

[fourtheconomy.com](https://fourtheconomy.com)

 **FOURTH  
ECONOMY**  
A Steer Company

# Greater Newport's Housing Stock Is...

- Growing in volume of total units, led by a surge in high-value owner-occupied units and a drop in lower-value renter-occupied units.
- Consistently rising in value, with the median home price increasing by 60% in the last 5 years – and up 16% in the past year, making it harder for local earners to afford homes in their income bracket and contributing to population loss of workers age 30-54.
- A lack of needed housing development is putting pressure on working-age population and those who want to age in place, leading to cost-burdened status of 1/3 of retirees and 1/4 of working professionals.
- A decline in working age population able to live in the region is being offset by increased workforce commuting into the region, this raises sustainability risks.
- ... with all of these trends accelerating

## In this report you will find...

[Median Home Price in RI and Greater Newport](#)

[Greater Newport Population](#)

[A concerning trend: Loss in prime age workers](#)

[A Mismatch Between Income and Housing Prices](#)

[Personas: Big Increase in the Gap Linking Occupations, Wages, and Housing Affordability](#)

[Workforce Projections](#)

[Future Workforce in Greater Newport](#)

[Changing Workforce & Housing Demand](#)

[10-Year Housing Demand Increase: 9,060 Units](#)

[Personas of the Future Workforce Linking Occupations, Wages, and Housing Affordability](#)

[If Housing Development Does Not Match Workforce Growth...](#)

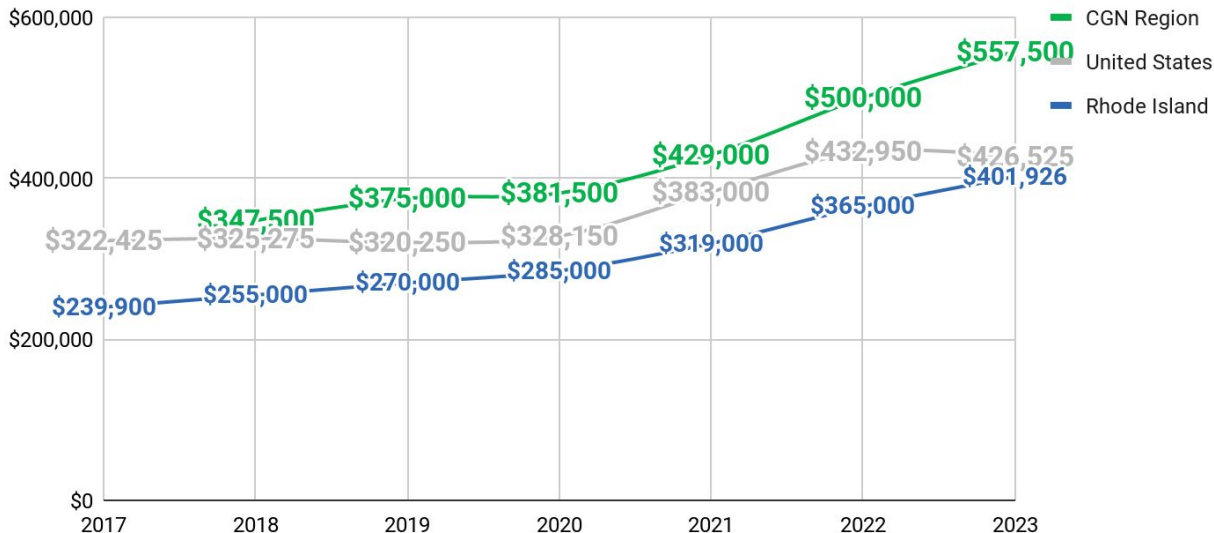
[Recommendations](#)

# Median Home Price in RI and Greater Newport

The median home price for the CGN region **increased by 60%** from 2018 to 2023 – up by 14% from a year ago.

A typical owner in the CGN region now **pays \$155,000+ more** than they would for the median RI home and **\$130,000+ more** than US.

Median Home Price, RI and CGN

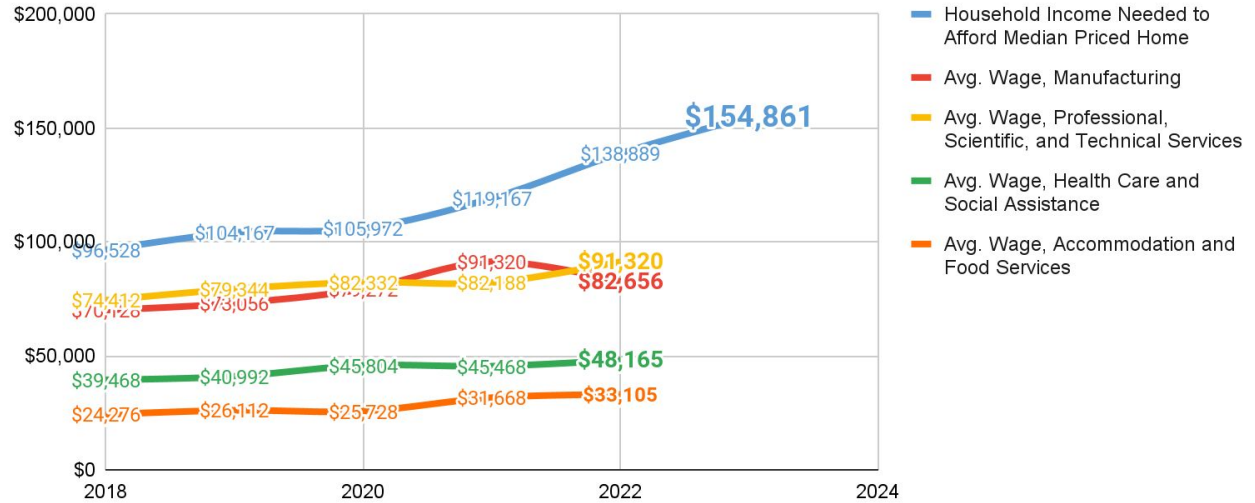


# Widening Gap between Wages and Home Price

**Wages have grown, but not enough to keep pace with increases in home price.**

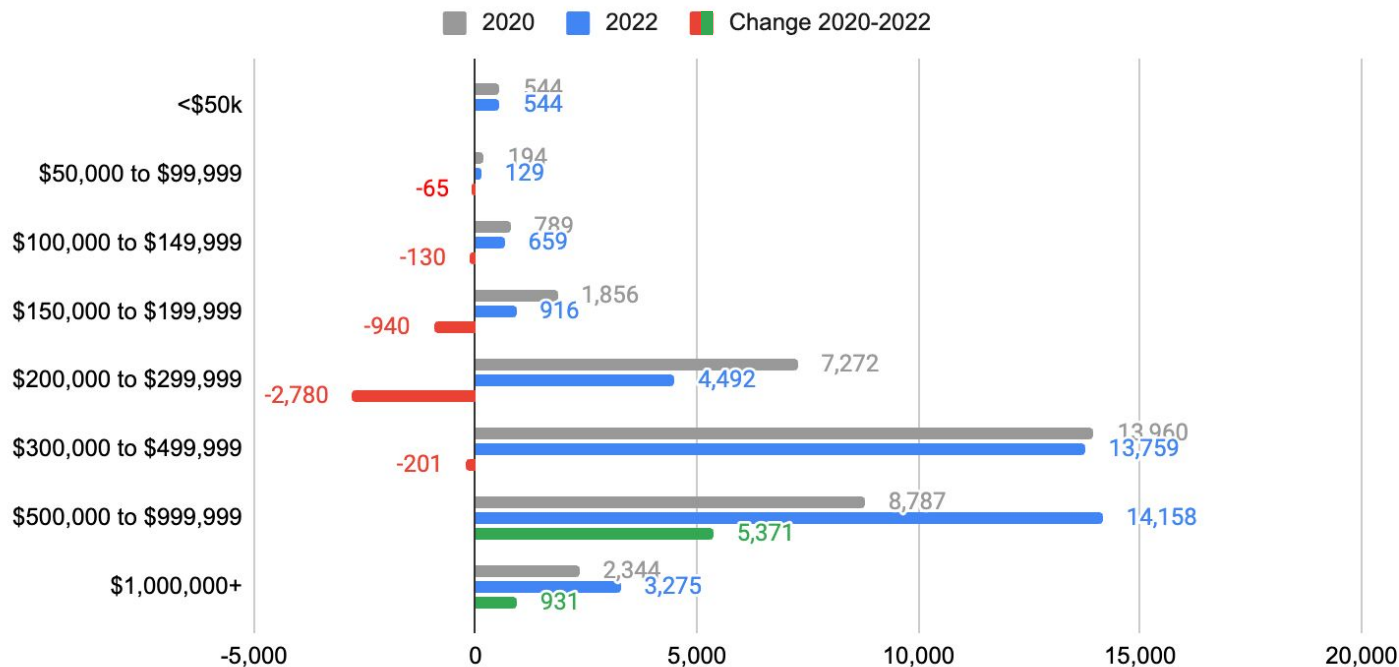
Household income needed to afford a median priced home increased by 60% over a five year period, while wages for Manufacturing rose 22%; PST 28%; Health Care 22%; and Accomodation and Food 43% – a widening gap for workers across industries.

**Average Wage by Industry and Median Home Price**



Median Home Price: HousingWorksRI, Housing Fact Book, 2017-2023  
 Average Wage by Industry: Census Quarterly Workforce Indicators, 2017-2022

# Home Values in Greater Newport



**Home values are increasing in Greater Newport**

Homes less than \$300,000 **decreased -37%** from 2020 to 2022.

Homes greater than \$500,000 **increased +57%** from 2020 to 2022.

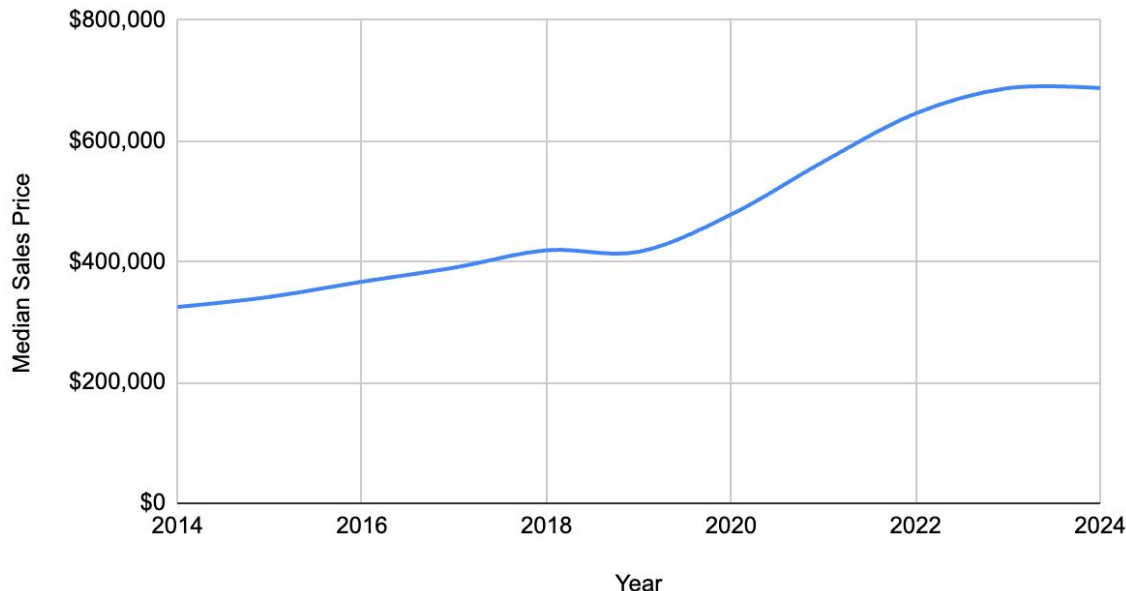
# Historic Sales Price for Homes in Greater Newport

**In the past decade, the median sales price of homes increased dramatically.**

In 2014, the median sales price was \$325K

In 2024, the median sales price is \$688K

**Median Sales Price**



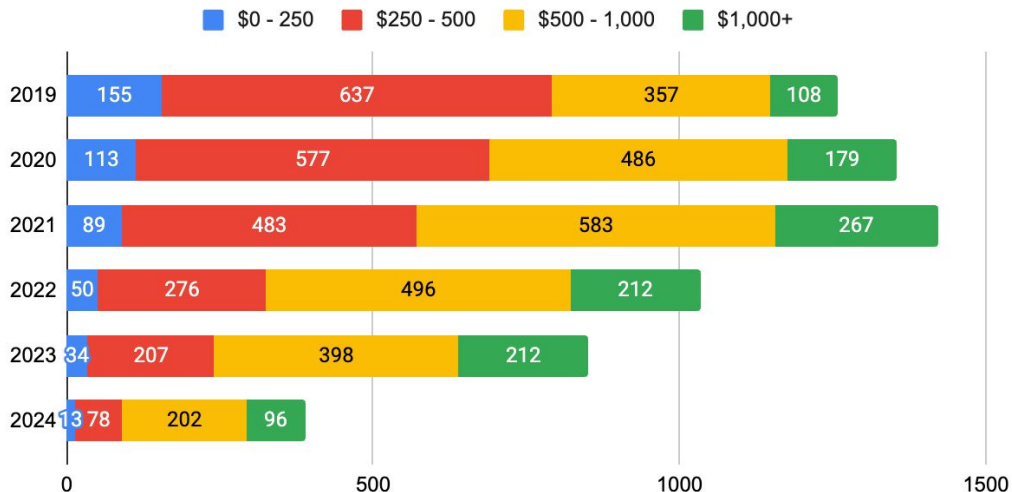
# Home Ownership Opportunities are Decreasing: Cost

**In the past five years, the number and overall share of 'affordable' home sales has dropped significantly.**

Only 241 homes in the region sold for under \$500k in 2023.

Greater Newport Home Sales by Price (\$1,000s)

Newport County



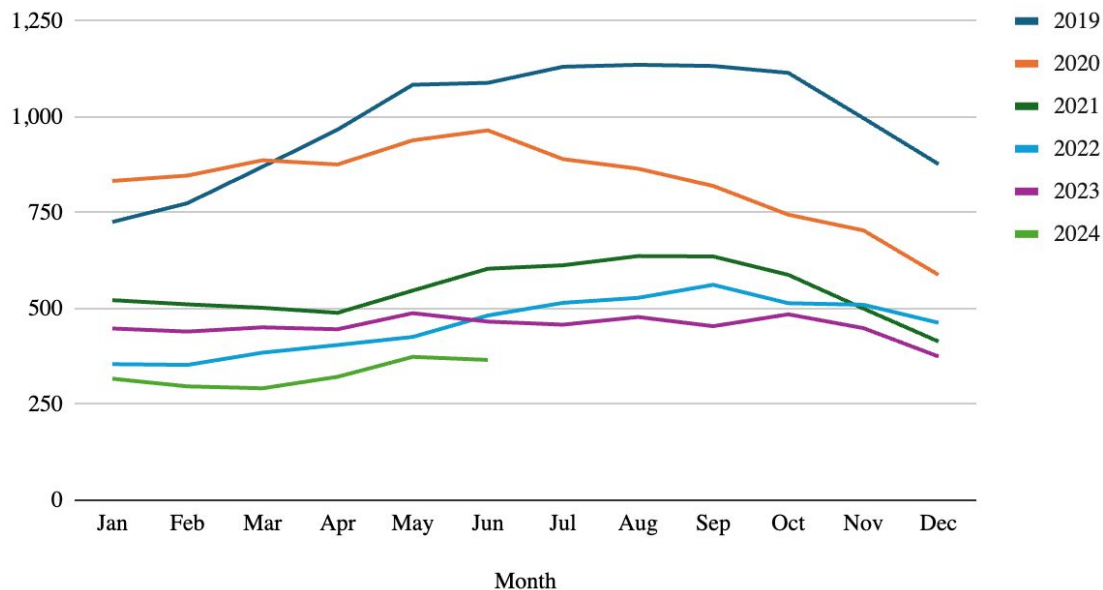


# Home Ownership Opportunities are Decreasing: Volume

**In the past five years, the region has also seen a decline in the number of active listings.**

Through June, 2024 the region is on track to have the lowest number of active listings in the past five years. This continues the trend of 2023 where there were 50% fewer listings than in 2019.

Active Units for Sale in Greater Newport By Month 2019-2024

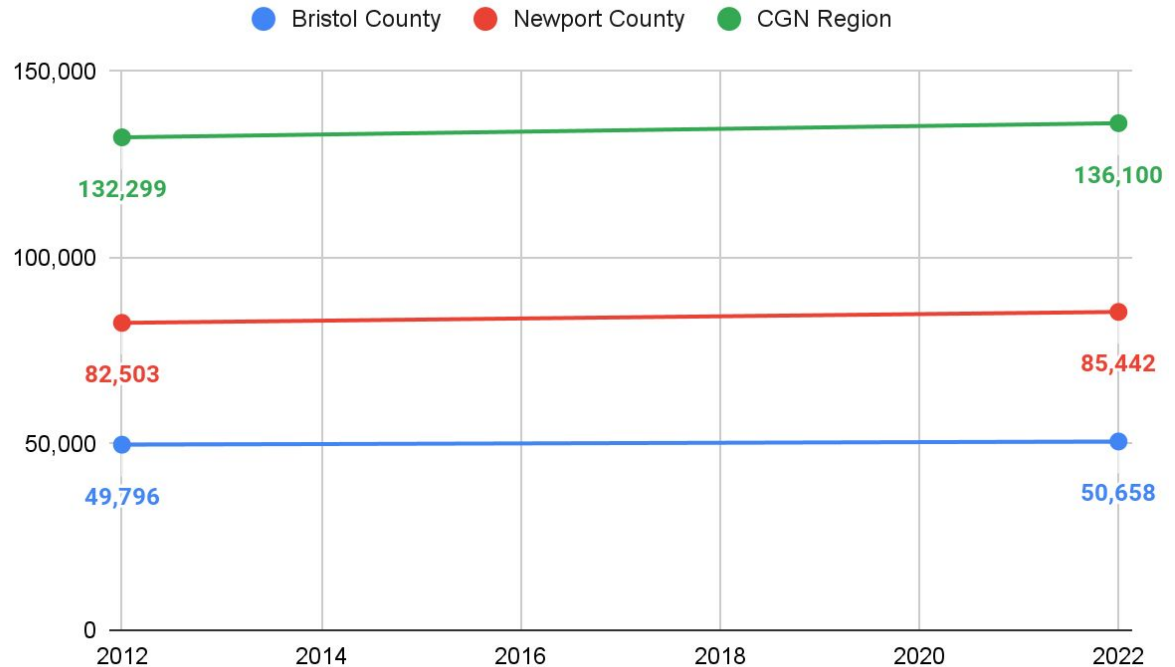


# Greater Newport Population

**In the past decade, the region grew by 3%, adding 3,801 residents.**

Newport County grew by 4%, adding 2,939 residents.

Bristol County grew by 2%, adding 862 residents.

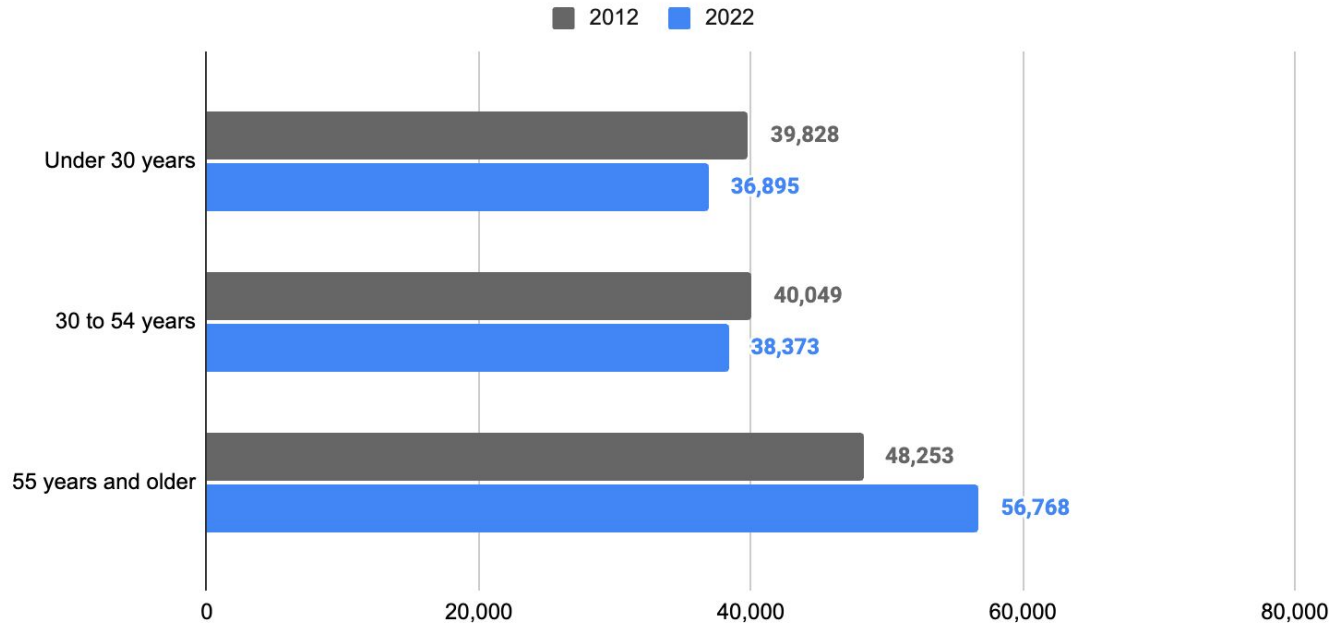


# Greater Newport Population

**Older adults and retirees are driving population growth.**

The region grew population among adults age 55 years and older.

However, the region lost population for residents age 30 to 54 years and residents under 30 years old.



# A concerning trend: Loss in prime age workers

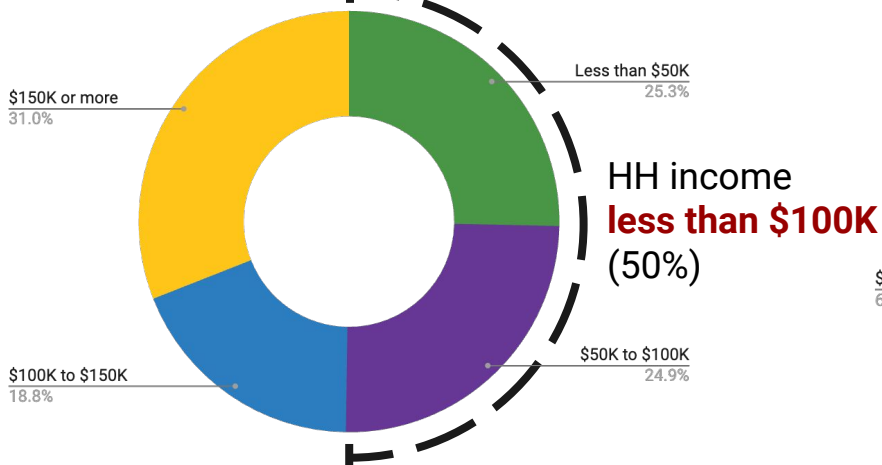
From 2010 to 2019, even as the overall **population and workforce grew**, the region **lost 1,956 workers age 30 to 54**.

At the same time, workers age 55 or older increased by 33%.

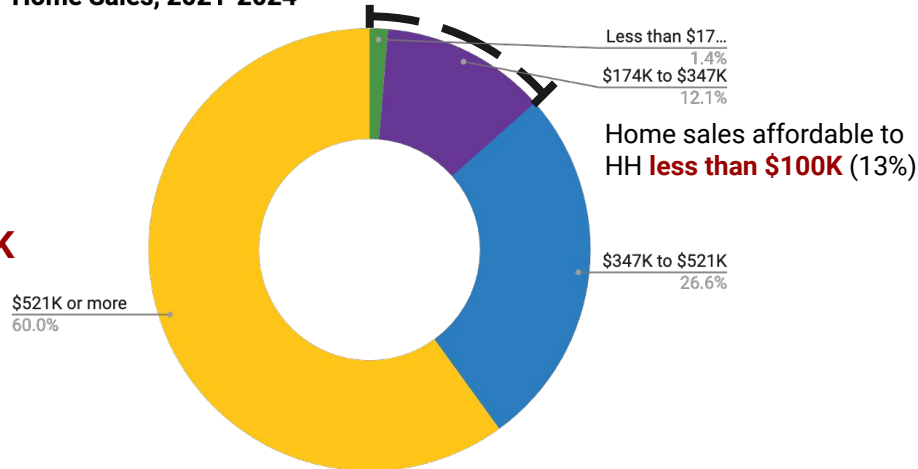
	<b>CGN,</b> 2010	<b>CGN,</b> 2021	<b>CGN Change,</b> 2010 to 2021	<b>CGN</b> %Change, 2010-2021	<b>RI</b> %Change, 2010-2021	<b>US</b> %Change, 2010-2019
Workers, Age 29 or younger	10,124	9,432	-692	-7%	-6%	13%
<b>Workers, Age 30 to 54</b>	<b>22,164</b>	<b>20,208</b>	<b>-1,956</b>	<b>-9%</b>	<b>-7%</b>	<b>6%</b>
Workers, Age 55 or older	9,455	12,583	3,128	33%	36%	45%
Total	41,743	42,223	480	1%	2%	15%

# A Mismatch Between Income and Housing Prices

Household Income, 2022



Home Sales, 2021-2024



## Housing market access is an issue for many working families

- Households earning **less than \$100K make up 50 of 100 households** in Newport and Bristol Counties.
- Homes affordable to households earning **under \$100K made up around 13 of 100 home sales** in 2021-2024.

# Personas: Big Increase in the Gap

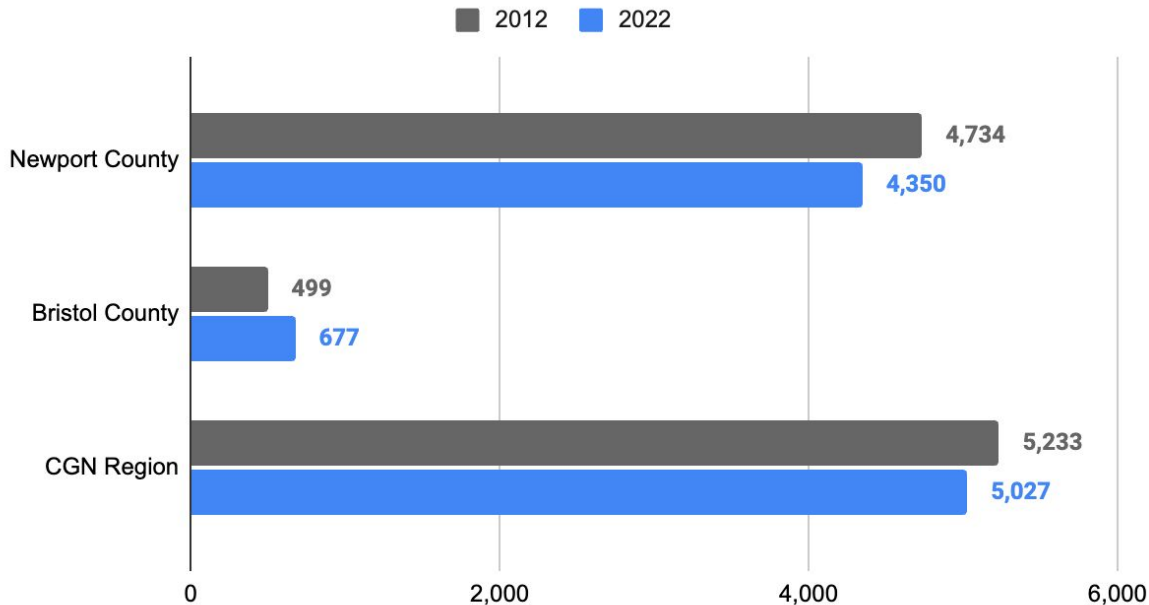
Linking Occupations, Wages, and Housing Affordability -  
A Big Increase in the Housing Price Gap

Household Income	Less than \$50K	\$50K to \$100K	\$100K to \$150K	\$150K or more
Home Affordability	Less than \$174K	\$174K to \$347K	\$347K to \$521K	\$521K or more
<b>Households</b>	<b>13,925</b>	<b>13,685</b>	<b>10,329</b>	<b>17,020</b>
Percent of Households	25%	25%	19%	31%
<b>Homes Sold Per Year</b>	<b>81</b>	<b>725</b>	<b>1,593</b>	<b>3,598</b>
Percent of Sales	1%	12%	27%	60%

- From 2021-2024, **60% of homes sold in the region were priced above \$521K** (only affordable to households making \$150K or more in income)
- For every home sold that was affordable to a household making \$50K to \$100K per year, there were 5 homes sold priced above \$521K, only affordable to the highest income households.

# Second Homes in Greater Newport

## Vacant Houses for Seasonal Use

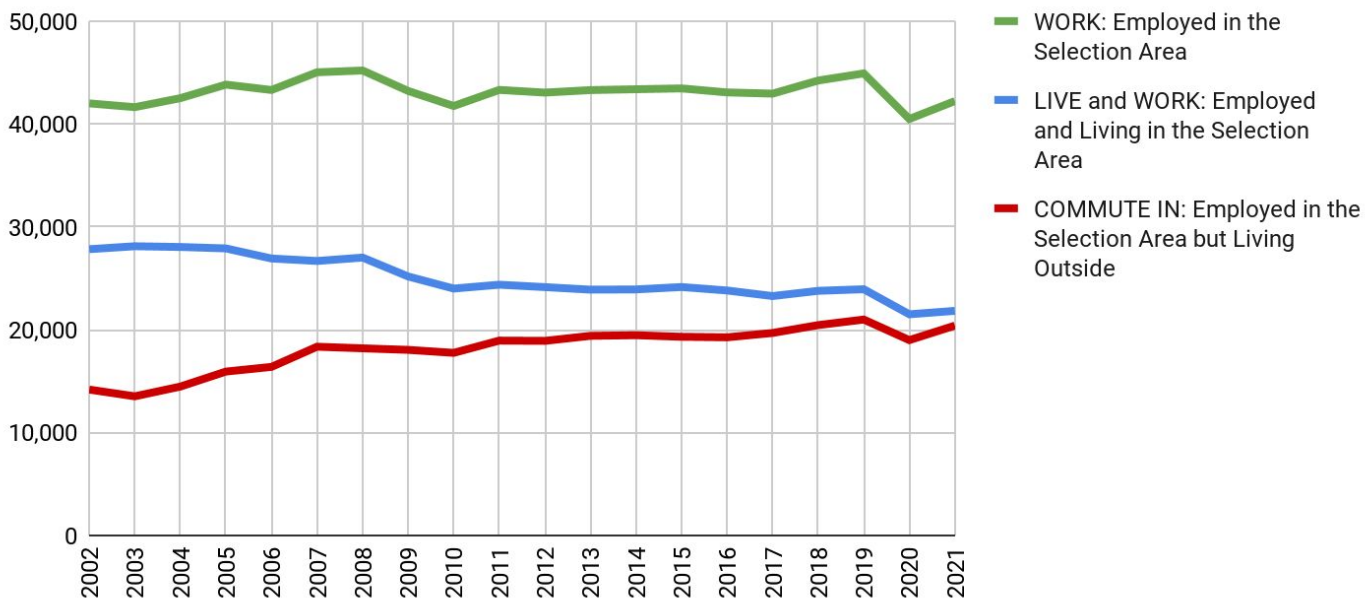


The region has around **5,000 seasonal homes** – a number that has remained relatively stable for a decade.

Seasonal homes account for 8% of the total housing stock of the region.

# Commuting Patterns: More Evidence Housing too Expensive for Workers

CGN Region Commuting Patterns, Primary Workers



There is a decades-long trend of more workers having to commute in from outside of the region.

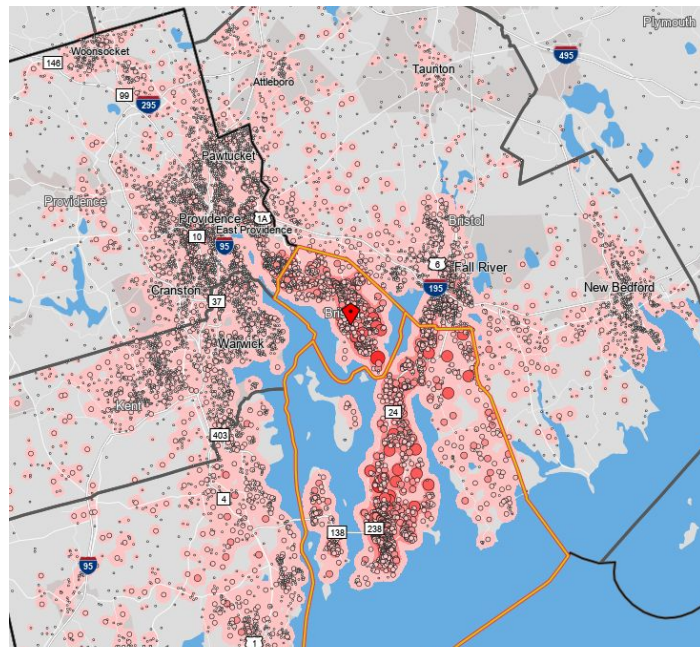
Even as the region **added workers** from 2010 to 2021, **-2,167 fewer lived and worked in the region** and **2,647 more commuted in** from outside the region.

Note: this data is capturing pandemic era disruptions but the overall commuter trend has continued.



# Commuting Patterns: Where Workers Commute in from Outside the Region

**48% of workers commute in** from outside the region for their primary job (totaling 20,394 workers) – with many workers traveling from Fall River or Providence. In Commuting is up from 34% in 2002 = 6,219 additional commuters.



	Census Designated Place	Commuters
1	Newport city, RI	4,195
2	Newport East CDP, RI	2,545
3	Fall River city, MA	1,647
4	Warwick city, RI	1,546
5	Providence city, RI	1,493
6	East Providence city, RI	1,236
7	Tiverton CDP, RI	1,213
8	Cranston city, RI	967
9	Pawtucket city, RI	555
10	New Bedford city, MA	473

# The Original Study





GREATER NEWPORT  
*Chamber of Commerce*



CONNECT  
GREATER NEWPORT

# Housing Analysis for the Greater Newport Region

April 2023

[fourtheconomy.com](http://fourtheconomy.com)

 **FOURTH  
ECONOMY**  
A Steer Company

- 
- 1. The State of Newport's Housing Stock**
  
  - 2. Future Housing Needs**
    - a. Workforce Projections
    - b. Housing Needs
    - c. Personas of the Future Workforce
    - d. Community Ramifications
  
  - 3. Recommendations + Promising Practices**

---

# The State of Greater Newport's Housing Stock

...Greater Newport = Bristol and Newport County, RI

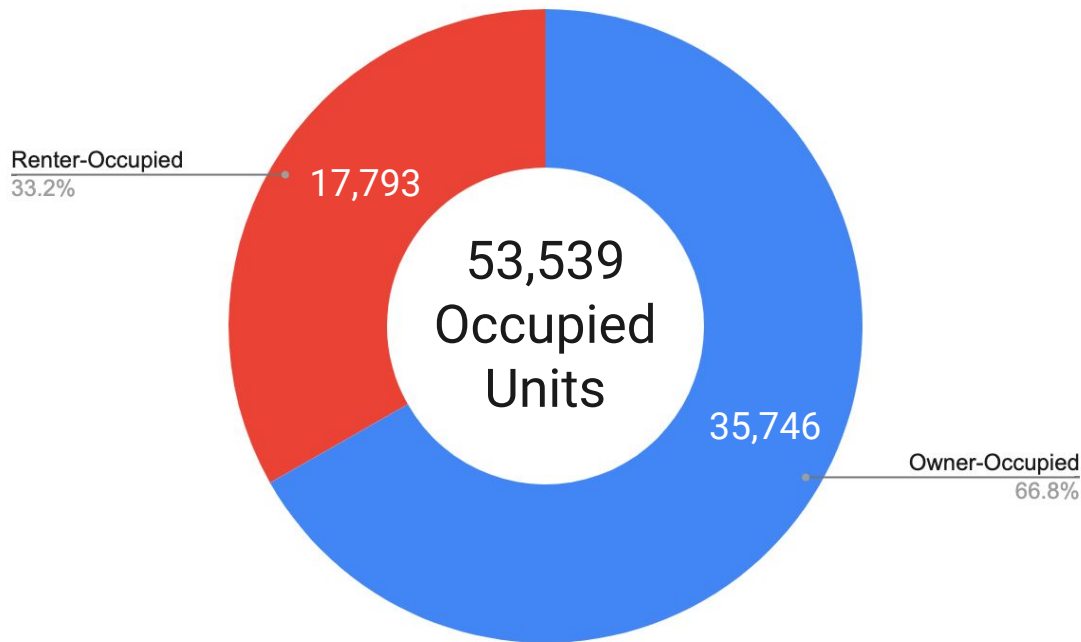
## Greater Newport's Housing Stock Is...

- Growing in volume of total units, led by a surge in high-value owner-occupied units and a drop in lower-value renter-occupied units.
- Consistently rising in value, with the median home price increasing by 44% in the last 5 years, making it harder for local earners to afford homes in their income bracket and contributing to population loss of workers age 30-54.
- A lack of needed housing development is putting pressure on working-age population and those who want to age in place, leading to cost-burdened status of  $\frac{1}{3}$  of retirees and  $\frac{1}{4}$  of working professionals.
- A decline in working age population able to live in the region is being offset by increased workforce commuting into the region, this raises sustainability risks.

# Occupied Units in Greater Newport

Between 2015 and 2020, there was an **increase of +1,121** new housing units in Greater Newport. The majority of units are owner-occupied in Greater Newport which had 35,746 units in 2020.

Between 2015 and 2020, there has been a **decrease of -1,092** in renter-occupied units, and an **increase of +493** in owner-occupied units.

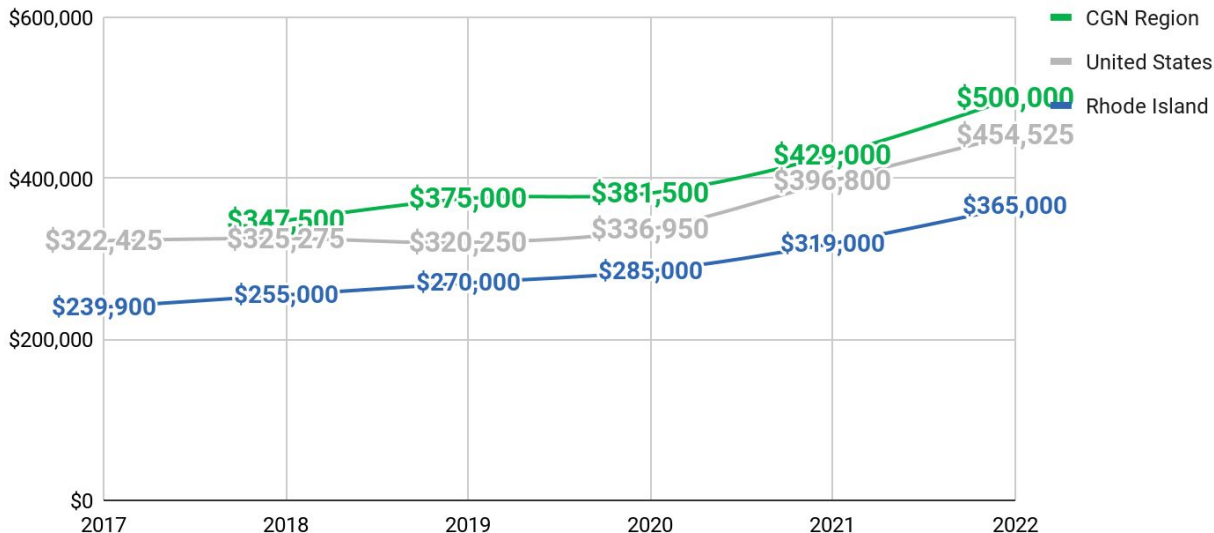


# Median Home Price in RI and Greater Newport

The median home price for the CGN region **increased by 44%** from 2018 to 2022.

A typical owner in the CGN region now **pays \$135,000+ more** than they would for the median RI home and **\$55,000+ more** than US.

Median Home Price, RI and CGN



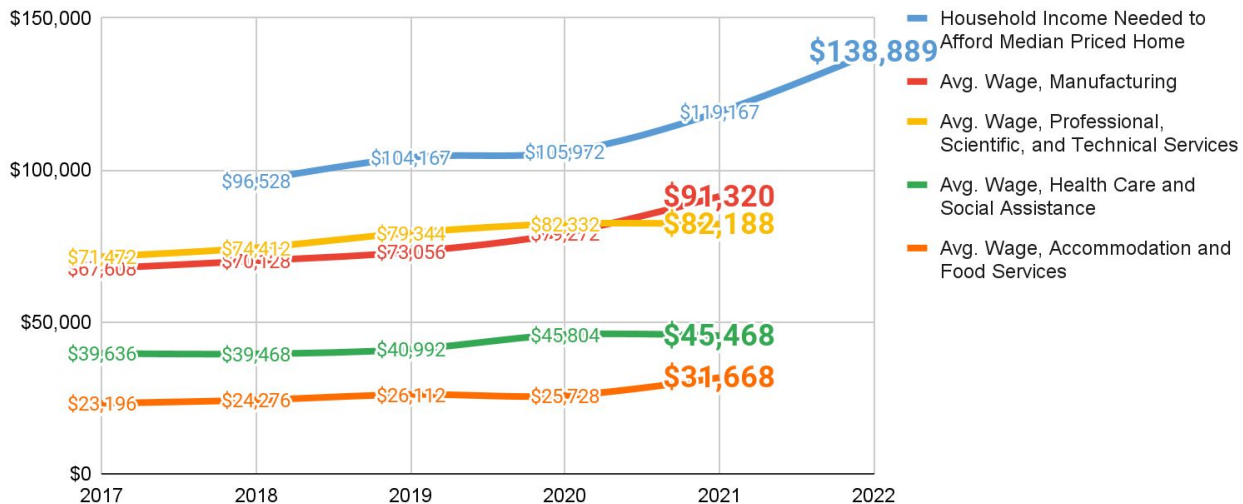


# Widening Gap between Wages and Home Price

**Wages have grown, but not enough to keep pace with increases in home price.**

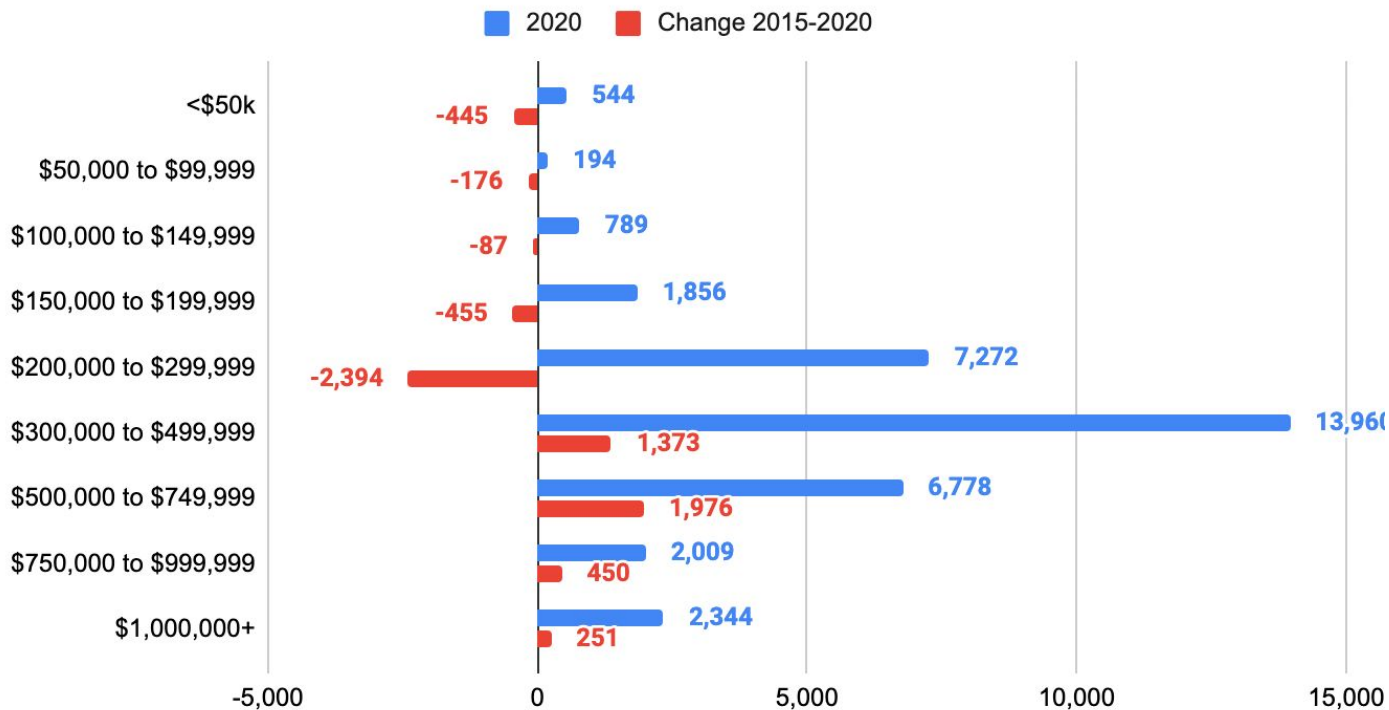
Household income needed to afford a median priced home increased by 44% over a five year period, while wages for Manufacturing rose 37%; PST 15%; Health Care 15%; and Accommodation and Food 35% – a widening gap for workers across industries.

**Average Wage by Industry and Median Home Price**



Median Home Price: HousingWorksRI, Housing Fact Book, 2017-2022  
 Average Wage by Industry: Census Quarterly Workforce Indicators, 2017-2021

# Home Values in Greater Newport



Home values are **increasing** in Greater Newport.

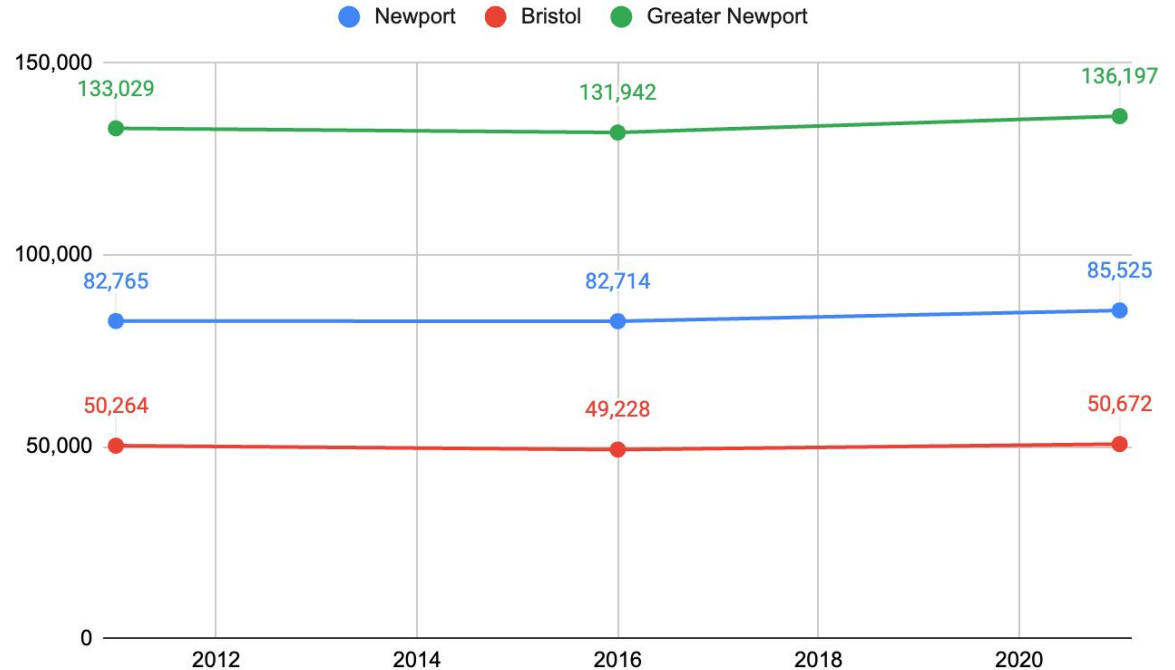
Homes less than \$300,000 **decreased -25%** from 2015 to 2020.

Homes greater than \$300,000 **increased +19%** from 2015 to 2020.

# Greater Newport Population

Population in Greater Newport has increased by **+3,168** from 2011 to 2021.

Population actually declined between 2011 and 2016, while increasing between 2017 and 2021.

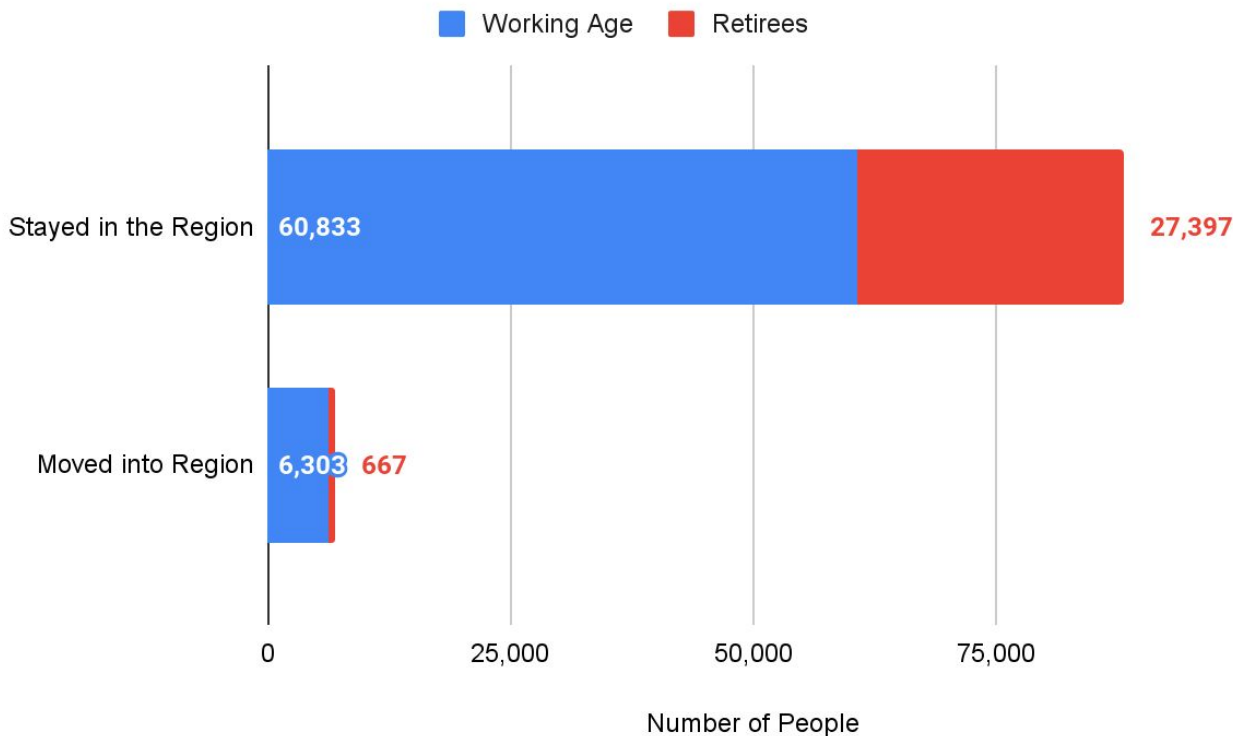


# A concerning trend: Loss in prime age workers

From 2010 to 2019, even as the overall **population and workforce grew**, the region **lost 1,092 workers age 30 to 54**. Residents Age 55 or older increased by 40%.

	<b>CGN,</b> 2010	<b>CGN,</b> 2019	<b>CGN</b> Change, 2010 to 2019	<b>CGN</b> %Change, 2010-2019	<b>RI</b> %Change, 2010-2019	<b>US</b> %Change, 2010-2019
Age 29 or younger	10,124	10,647	523	5%	3%	7%
<b>Age 30 to 54</b>	<b>22,164</b>	<b>21,072</b>	<b>-1,092</b>	<b>-5%</b>	<b>-2%</b>	<b>1%</b>
Age 55 or older	9,455	13,193	3,738	40%	40%	36%
Total	41,743	44,912	3,169	8%	8%	9%

# Geographic Mobility (2016-2020)



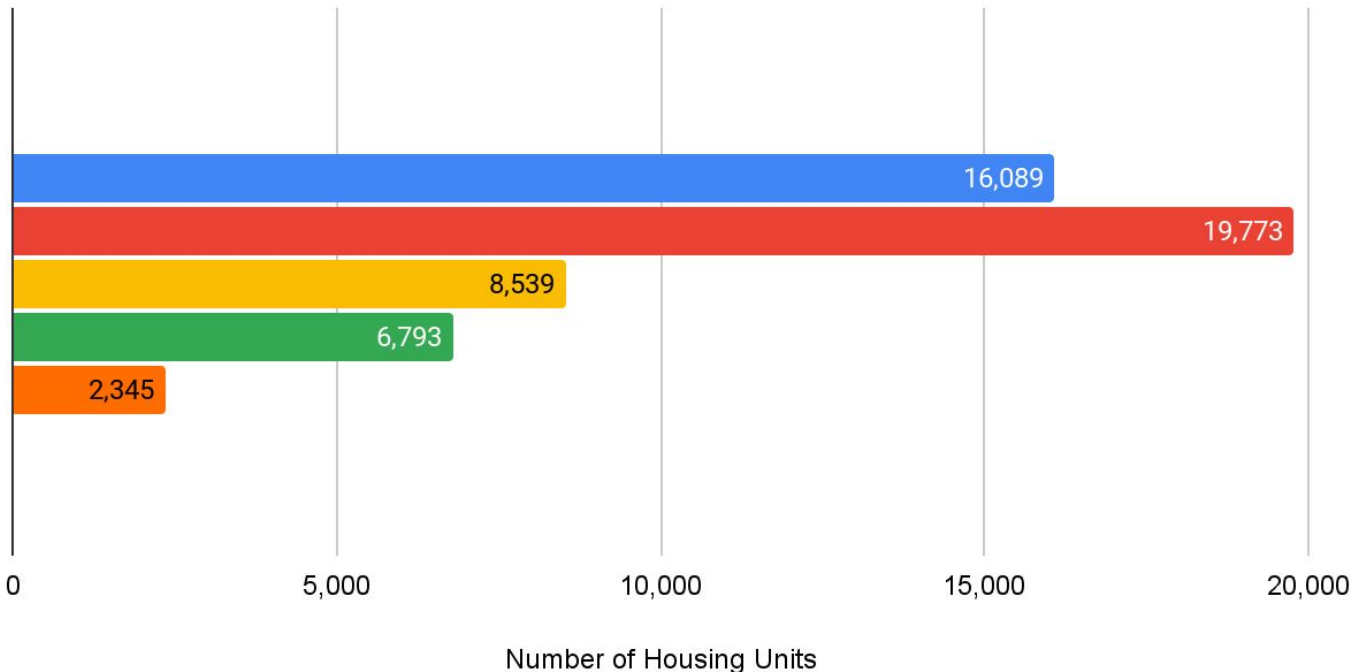
**98% of retirees (65+)** stayed in the region in the last year.

Nationally, **97% of retirees (65+)** stayed in their respective regions in the last year.

Overall, CGN's working age population **shrank by -2%** while the total **retiree population grew by +15%**.

# Number of People per Occupied Unit

■ Housing Units with 1 Person  
 ■ Housing Units with 2 People  
 ■ Housing Units with 3 People  
■ Housing Units with 4 People  
 ■ Housing Units with 5+

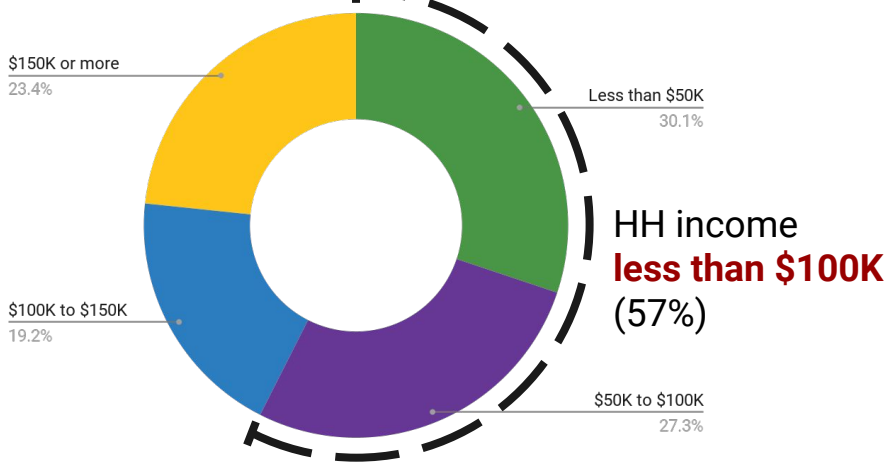


2 and 3-person units have grown the most, **+2.5% and +6.6%**, respectively (2016-2020).

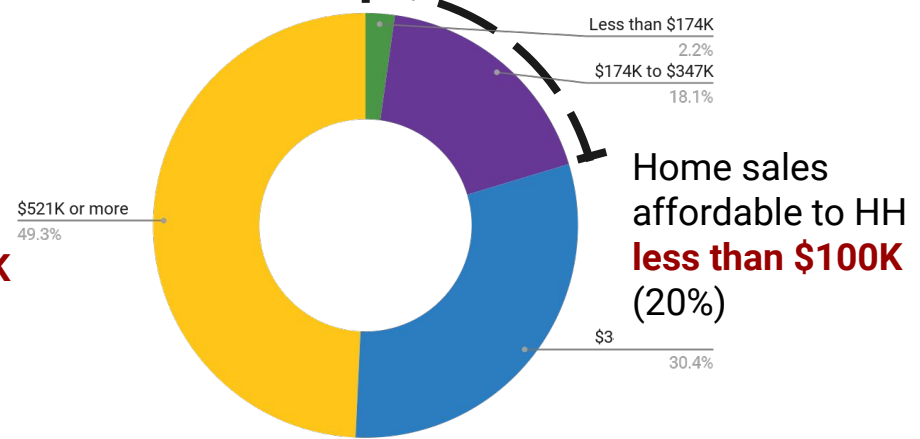
Yet the majority of occupied units only have 1 or 2 people in them.

# A Mismatch Between Income and Housing Prices

Household Income, 2020



Home Sales, 2020-2023



## Housing market access is an issue for many working families

- Households earning **less than \$100K make up nearly 6 of 10 households** in Newport and Bristol Counties.
- Homes affordable to households earning **under \$100K made up 2 of 10 home sales** in 2020-2022.

# Personas: Big Increase in the Gap

Linking Occupations, Wages, and Housing Affordability -  
A Big Increase in the Housing Price Gap

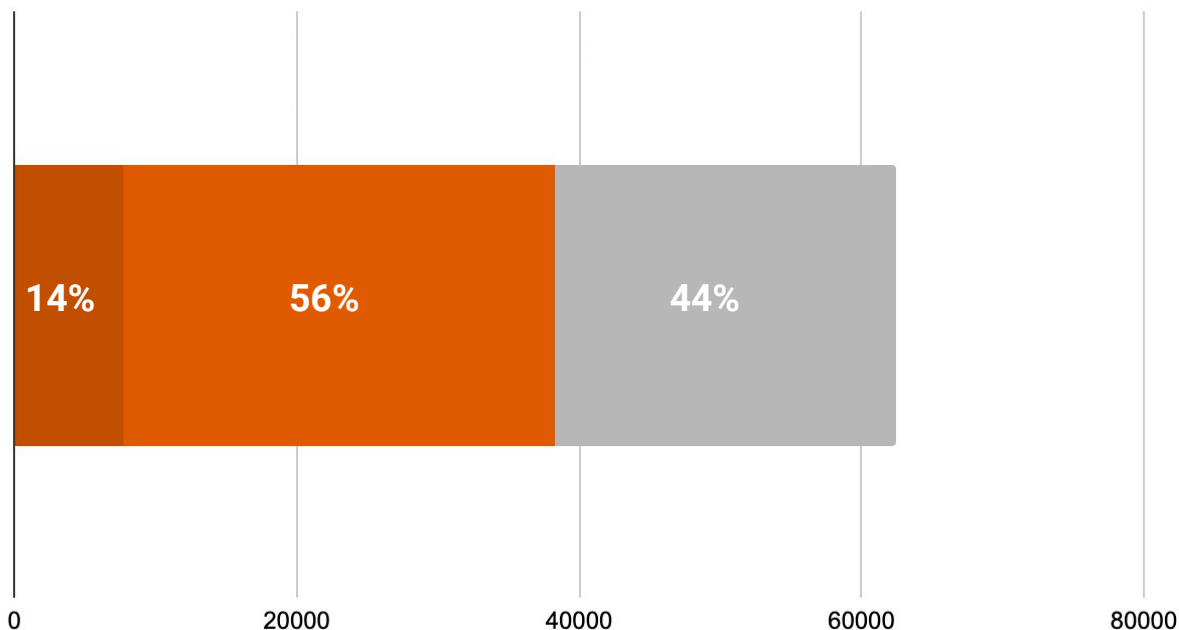
Household Income	Less than \$50K	\$50K to \$100K	\$100K to \$150K	\$150K or more
Home Affordability	Less than \$174K	\$174K to \$347K	\$347K to \$521K	\$521K or more
<b>Households</b>	<b>16,139</b>	<b>14,635</b>	<b>10,273</b>	<b>12,508</b>
Percent of Households	30%	27%	19%	23%
<b>Homes Sold Per Year</b>	<b>52</b>	<b>425</b>	<b>713</b>	<b>1,155</b>
Percent of Sales	2%	18%	30%	49%

- From 2020-2023, nearly **2.5 times** as many homes sold for **\$521K+** than homes priced **under \$347K**, despite **57% of total households seeking homes prices under \$347k** and **only 23% seeking homes over \$521k**.



# Owner Occupied and Renter: Cost Burdened Households in Greater Newport

■ Severely Cost Burdened 
 ■ Cost Burdened 
 ■ Not Cost Burdened



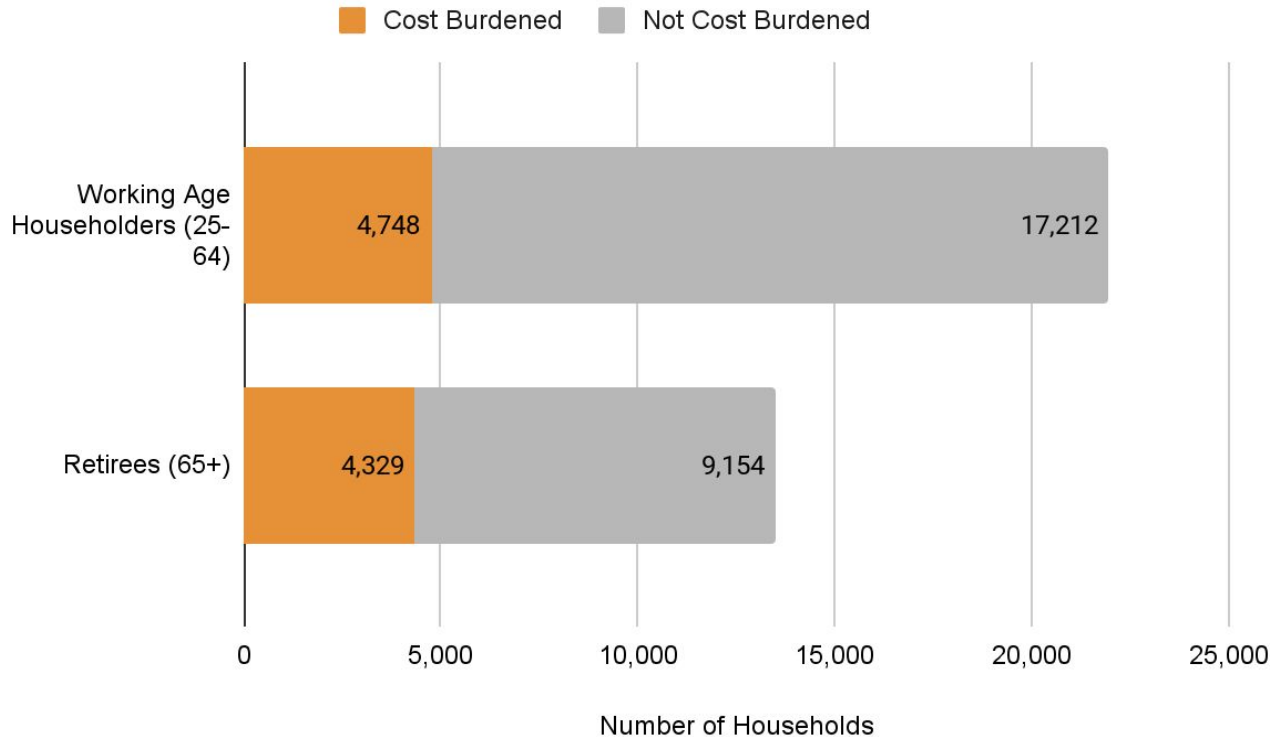
**7,796**

**Severely Cost Burdened Households**  
Paying 50% or more of their income on housing costs.

**30,542**

**Cost Burdened Households**  
Paying 30% or more of their income on housing costs. **Across the state, 33% of households are cost burdened, and across the U.S, 30% of households are cost burdened.**

# Cost Burden By Age



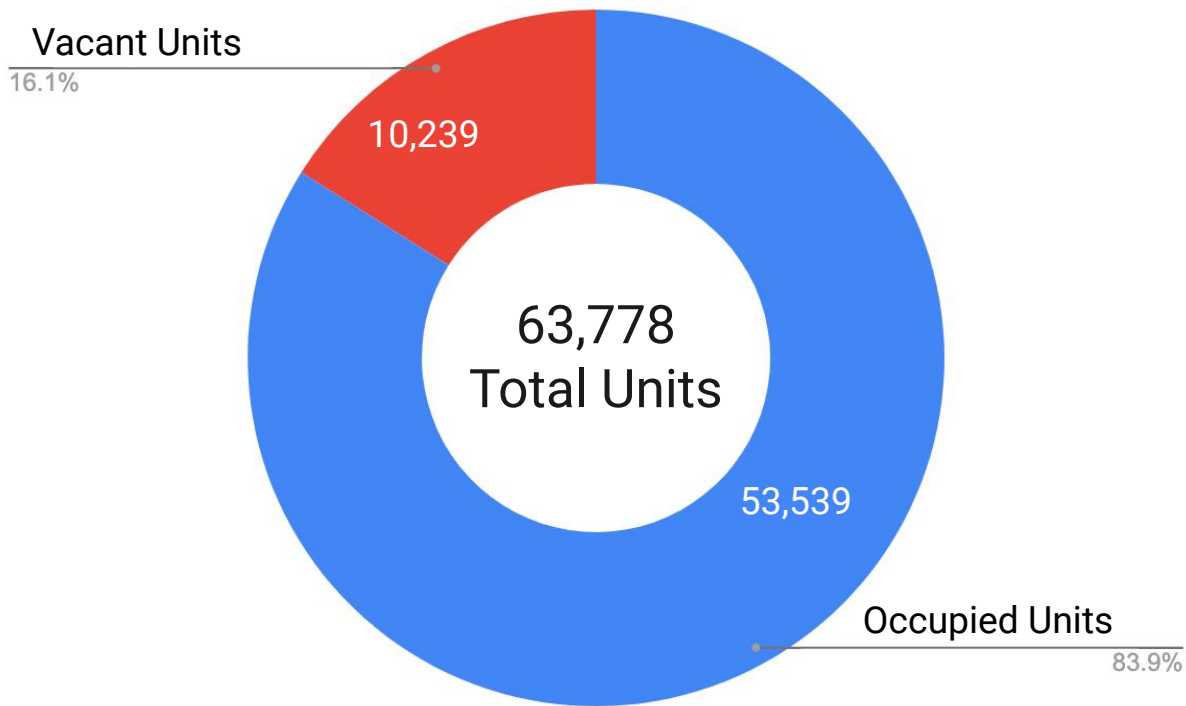
21.5% of **Working Age** Households are cost burdened while 32% of **Retiree** households are cost burdened.

# Vacancy in Greater Newport

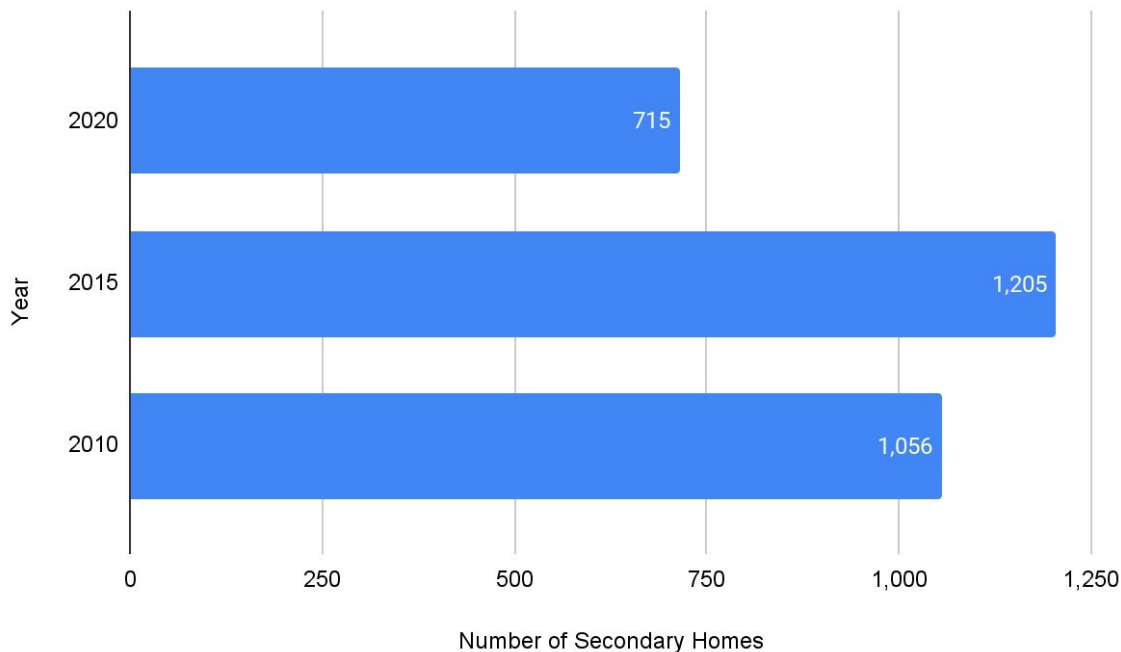
There has been an **increase** in both vacant and owner-occupied units.

Vacant units **increased 20%** between 2015 and 2020.

Increases in vacancy may be attributed to a high cost of living and an aging population.



# Second Homes in Greater Newport



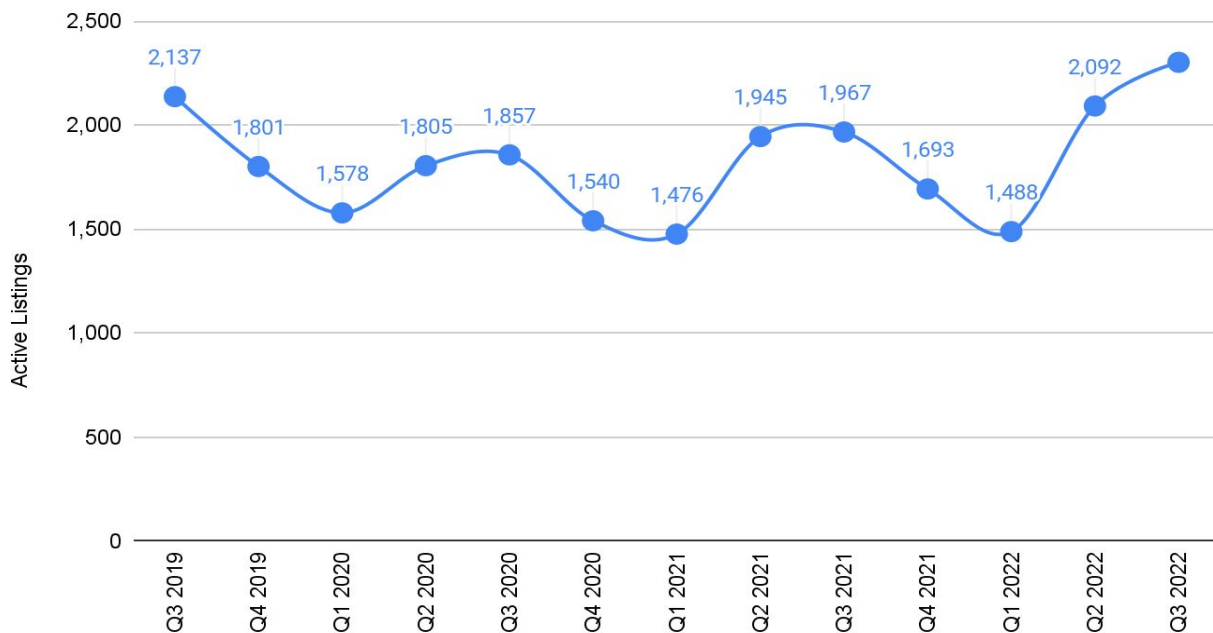
**7%**

of vacant units are second homes – a statistic that has **decreased 41%** since 2015.

The majority of vacant homes in the area are Seasonal (49%) and Other Housing (22%), which includes homes under renovation, awaiting sale, or being used for storage.

# Short-term Rentals

Active Listings in Greater Newport



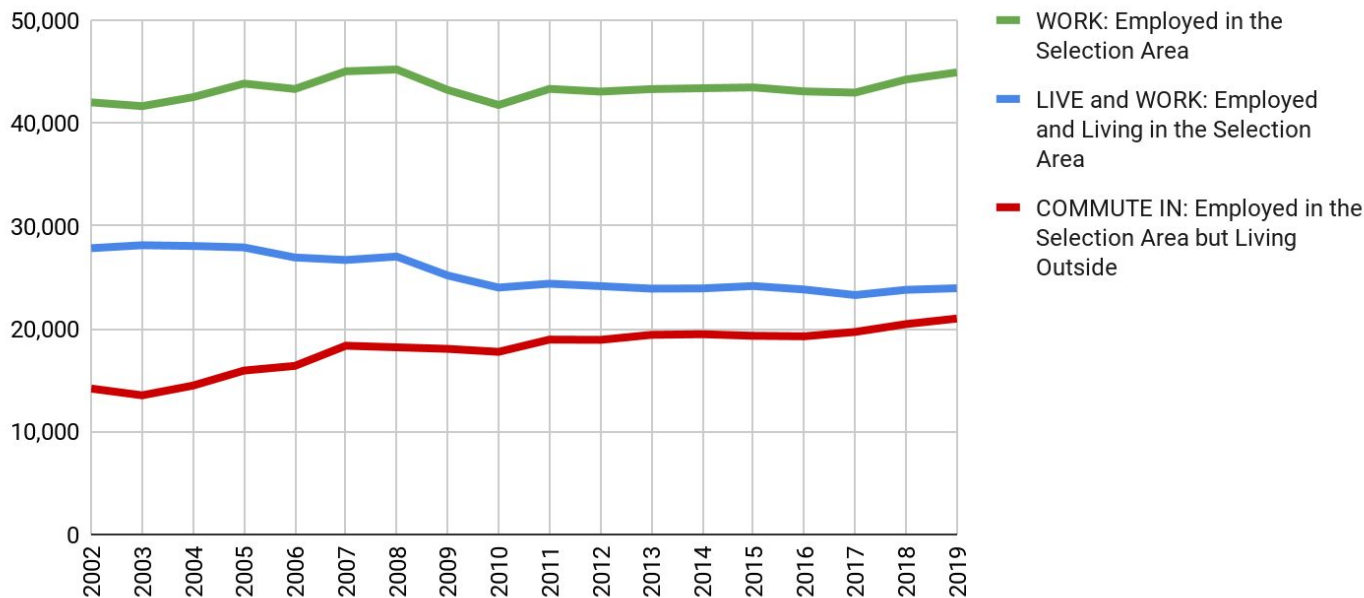
The volume of short-term rentals in the region has **returned to pre-pandemic levels**, driven primarily by Newport.

Location	Active Listings
Newport	1,086
Middletown	509
Jamestown	162
Portsmouth	156
Bristol	132
Little Compton	121
Tiverton	63
Warren	42
Barrington	31

Source: AirDNA data compiled by Fourth Economy Consulting

# Commuting Patterns: More Evidence Housing too Expensive for Workers

CGN Region Commuting Patterns, Primary Workers

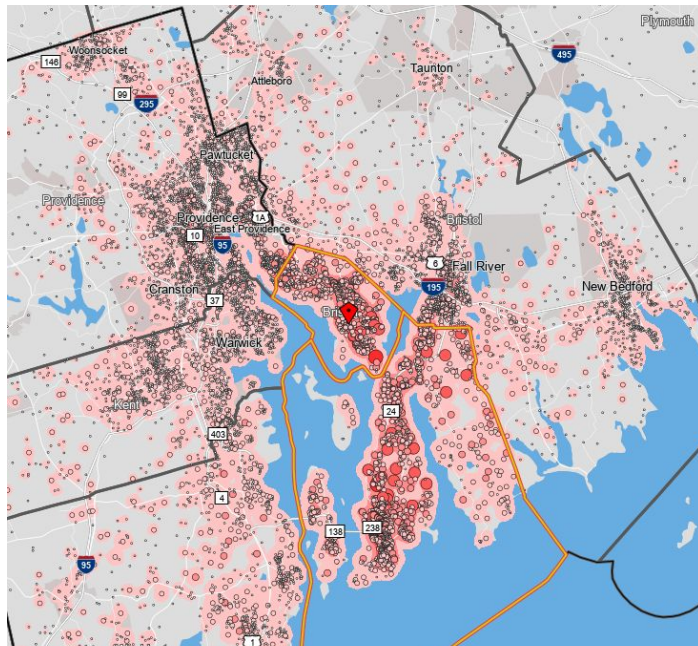


There is a decades-long trend of more workers having to commute in from outside of the region.

Even as the region **added 3,169 workers** from 2010 to 2019, **66 fewer lived and worked in the region** and **3,235 more commuted in** from outside the region.

# Commuting Patterns: Where Workers Commute in from Outside the Region

**47% of workers commute in** from outside the region for their primary job (totaling 20,982 workers) – with many workers traveling from Fall River or Providence. In Commuting is up from 34% in 2002 = 6,000 additional commuters.



Census Designated Place	In Commuters
1 Newport city, RI	4,648
2 Newport East CDP, RI	2,967
3 Fall River city, MA	1,704
4 Warwick city, RI	1,631
5 Providence city, RI	1,485
6 East Providence city, RI	1,296
7 Tiverton CDP, RI	1,246
8 Cranston city, RI	1,004
9 Pawtucket city, RI	536
10 New Bedford city, MA	455

---

# Future Housing Needs

...Fourth Economy Analysis of data and interviews of regional  
employers

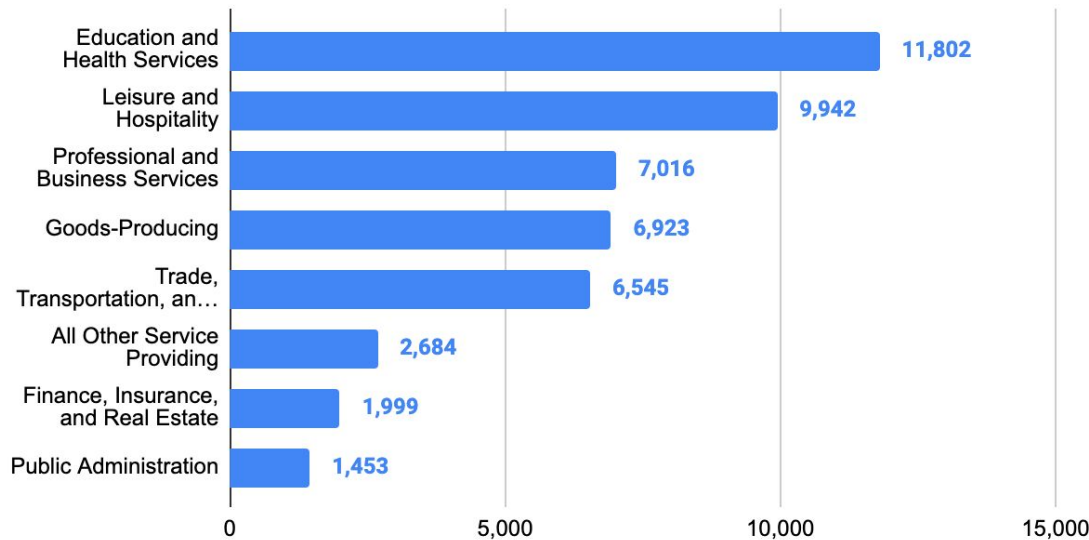


# Workforce Projections

- Greater Newport is projected to have a **15.6% increase in jobs in the next 10 years**, led by Education and Health Services, Leisure and Hospitality, and Professional and Business Services.
- This job growth will be **outpaced by nearly 10,000 retirements from the current workforce**, due primarily to an existing clustering of workers between ages 55-64. These roles will require **significant backfilling to stabilize the regional workforce**.

# Current Workforce in Greater Newport

## Regional Employment: Current Employment by Industry Supersector

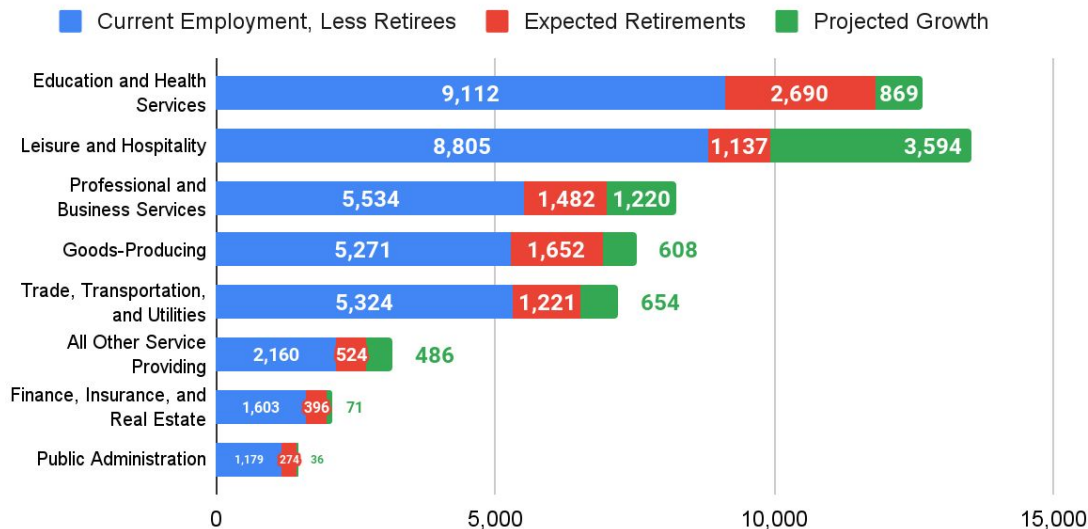


The Connect Greater Newport Region (Newport County and Bristol County) has a **regional workforce of 48,364**.

In the next decade, **the economy is expected to add jobs**, and **experience a wave of retirements**.

# Future Workforce in Greater Newport

## Regional Employment: Expected Retirements and Projected Growth



Overall, the region's workforce is projected to increase in the next decade, adding **7,539 jobs from Projected Growth** (15.6%).

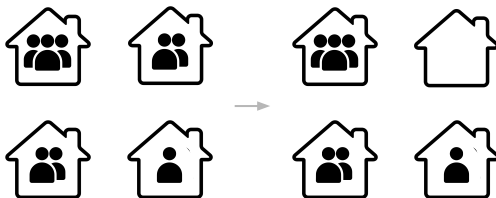
Change in the composition of the regional workforce will also be driven by **9,376 Expected Retirements** across the next decade (19.4% of workers are between the ages of 55 and 64).

NAICS Sector	Supersector	Current Employment	Current Avg. Wage	Projected Growth	Expected Retirements	Total New Workers
Health Care and Social Assistance	Education and Health Services	6,165	\$45,252	573	1,309	1,882
Educational Services	Education and Health Services	5,637	\$52,260	296	1,381	1,677
Accommodation and Food Services	Leisure and Hospitality	8,224	\$31,680	2,906	874	3,780
Arts, Entertainment, and Recreation	Leisure and Hospitality	1,718	\$40,464	688	263	951
Professional, Scientific, and Technical Services	Professional and Business Services	4,676	\$82,620	985	1,002	1,987
Administration & Support, Waste Management and Remediation	Professional and Business Services	1,792	\$48,060	197	342	539
Management of Companies and Enterprises	Professional and Business Services	548	\$64,272	38	138	176
Manufacturing	Goods-Producing	4,187	\$91,212	167	1,073	1,240
Construction	Goods-Producing	2,570	\$59,592	417	546	963
Agriculture, Forestry, Fishing and Hunting	Goods-Producing	160	\$38,328	24	32	56
Mining, Quarrying, and Oil and Gas Extraction	Goods-Producing	6	\$61,800	0	1	1
Retail Trade	Trade, Transportation, and Utilities	4,808	\$39,576	431	790	1,221
Wholesale Trade	Trade, Transportation, and Utilities	1,047	\$99,744	90	247	337
Transportation and Warehousing	Trade, Transportation, and Utilities	546	\$47,028	133	124	257
Utilities	Trade, Transportation, and Utilities	144	\$64,644	0	60	60
Other Services (excluding Public Administration)	All Other Service Providing	2,239	\$38,868	470	452	922
Information	All Other Service Providing	445	\$135,948	16	72	88
Finance and Insurance	Finance, Insurance, and Real Estate	1,381	\$112,536	43	262	305
Real Estate and Rental and Leasing	Finance, Insurance, and Real Estate	618	\$58,848	27	134	161
Public Administration	Public Administration	1,453	\$53,700	36	274	310
<b>Total</b>	<b>Total</b>	<b>48,364</b>	<b>\$47,325</b>	<b>7,539</b>	<b>9,376</b>	<b>16,915</b>

## Greater Newport's Housing Stock Will Need...

- An **increase of 9,000 units** in the next decade to match projected workforce growth.
  - ▶ Further impacts the existing unmet need
  - ▶ At least 6,000 to if commuting patterns remain they are today
- To match the needs of a new workforce concentrated in **annual wages between \$75,000 - \$99,000**, meaning:
  - ▶ A new supply of purchasable units priced **under \$400,000**.
  - ▶ A new supply of rentable units priced **under \$1,249 per month**.

# Changing Workforce & Housing Demand



## New Workers

New workers will be needed to fill new positions and positions vacated by retirees.

## Retirees

Some retirees will move from their homes, making them available to new workers. Other retirees will age in place.

## Worker Household Formation

Some workers will form single earner households, while other workers will form two-earner households.

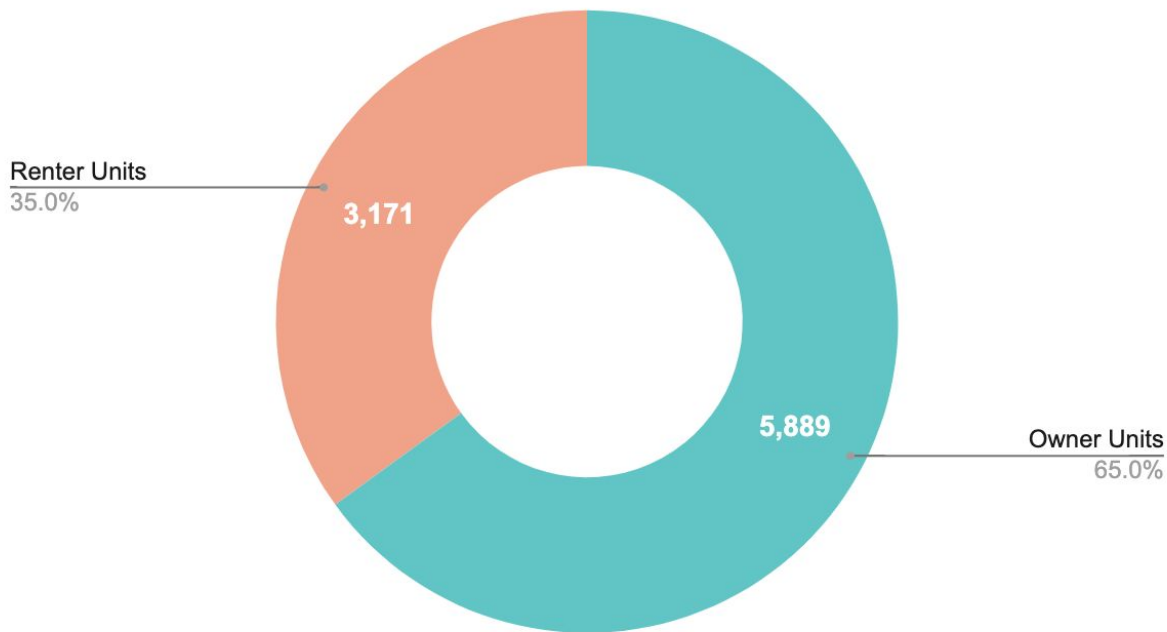
# Model Methodology

The model takes changes in the workforce due to projected job growth and retirements and translates that into housing unit demand. The model articulates total additional housing demand needed over the next 10-years in terms of owner and renter units at different price points based on household incomes.

- **Workforce changes**
  - ▶ Projected Job Growth: LMI Projections by Industry, State of Rhode Island, Department of Labor and Training
  - ▶ Projected Retirements: Quarterly Workforce Indicators, Share of Workers age 55-64 by Industry
- **Wages**
  - ▶ Quarterly Workforce Indicators, Census
- **Household Composition**
  - ▶ Forming one and two earner households. Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements (CPS ASEC).
  - ▶ Homeownership rate by household income. This input weights household income and is more likely to sort higher income households into owner units. Source: Census, American Community Survey
  - ▶ Housing stock is split between owners and renters. Source: Census, American Community Survey
- **Affordability**
  - ▶ Rent affordability based on cost-burden threshold. Home affordability based on Decennial Census Data.

# 10-Year Housing Demand Increase: 9,060 Units

## Unit Demand



## Housing Unit Demand Increase

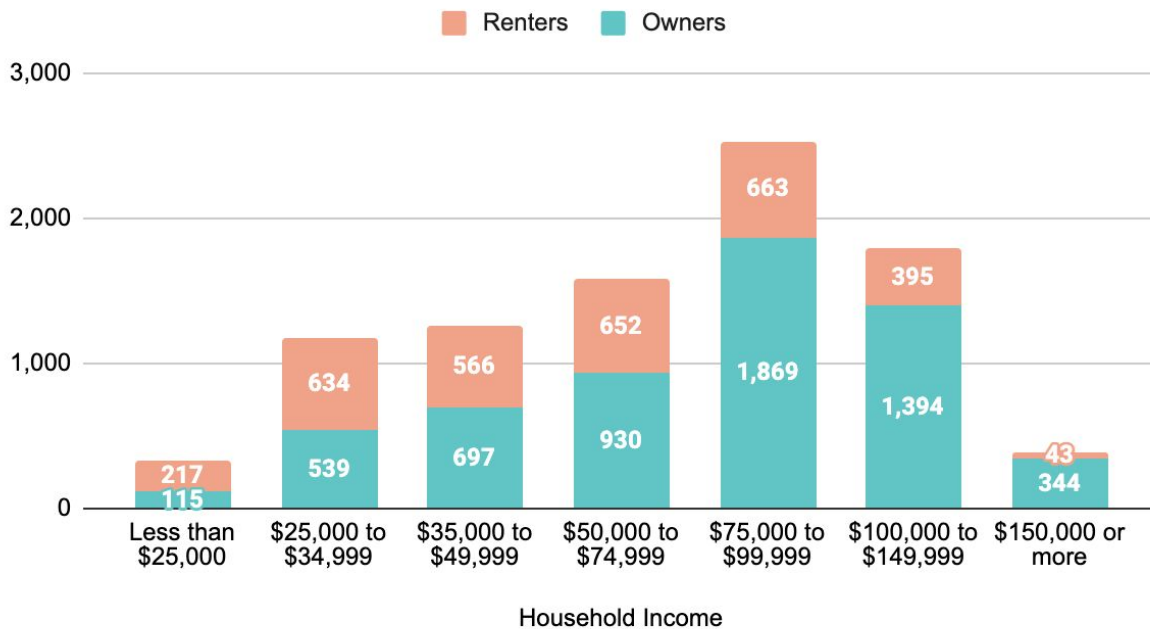
Adding 7,539 jobs and backfilling positions for 9,376 retirees will **increase overall housing unit demand in the region by 9,060 units in the next decade.**

New units demand will be split between **5,889 Owner Units** (65%) and **3,171 Renter Units** (35%).



# Income Levels of New Households

## Household Income



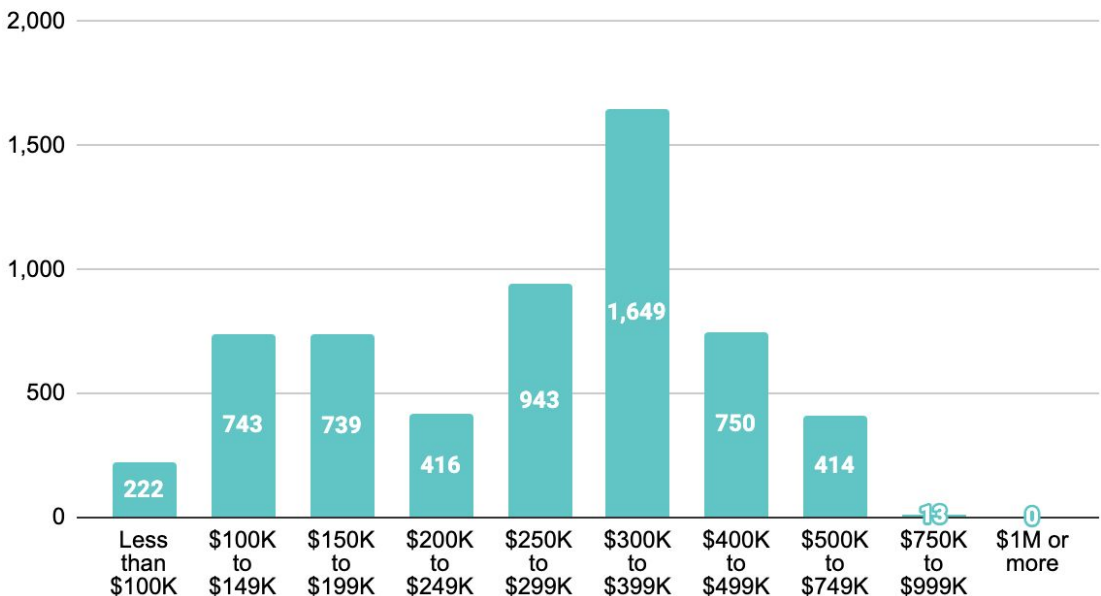
## Household Income Levels

New households will generally make between \$50,000 to \$149,999, with many households earning between **\$75,000 to \$99,999** per year.

Higher income households are more likely to be owners, while lower income households are more likely to rent.

# Home Unit Demand: 5,889 Owner Units

**Owner Unit Demand by Home Value**

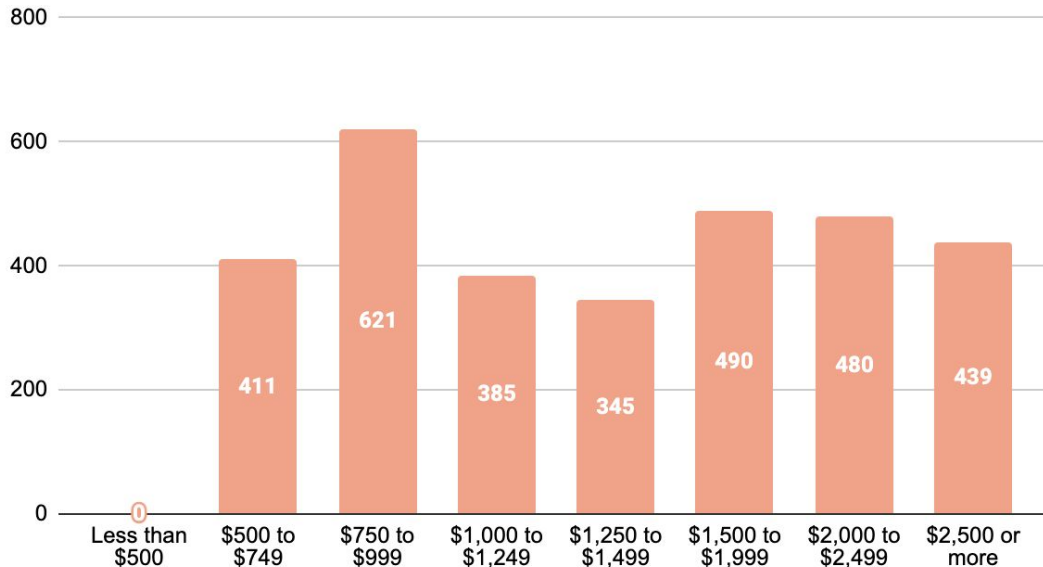


## New Home Demand

New owner housing demand for the workforce is concentrated in **homes priced below \$400,000** – in stark contrast to the current availability of owner housing.

# Rental Unit Demand: 3,171 Renter Units

**Renter Unit Demand by Monthly Rent**



## New Rental Unit Demand

New rental unit demand is more evenly distributed, with demand at unit prices throughout the spectrum. A large concentration of rental demand is for **units priced below \$1,249 per month.**

# Personas of the Future Workforce

Linking Occupations, Wages, and Housing Affordability

How do household income and housing affordability align?



**Angela**

28

Hair Stylist /  
Part-time Server



**Alex / Jamie**

36 / 32

Bartender /  
Software Engineer



**Jim / Nancy**

67 / 64

Retired "Empty  
Nesters"



**Felix**

46

Human Resources  
Consultant



**Mateo / Susan**

46

Structural Engineer /  
College Professor

<\$50k

~\$100k

>\$150k

Annual Household Income



# Angela

Angela works at a salon in Middletown. She obtained an undergraduate degree from the University of Rhode Island, but decided to attend beauty school shortly thereafter. Angela has monthly student loan debt and, because she does not receive health insurance from her employer, pays out-of-pocket for health insurance. Angela works a few nights per week as a server at a local restaurant to make ends meet and save towards opening her own business. Homeownership feels like an unattainable goal for her and she assumes she'll always be renting.

**Age:** 28

**Occupation:** Hair Stylist,  
Part-time Server

**Annual Household Income:**  
<\$50k

## **Housing opportunities in Greater Newport:**

52 homes for sale per year on average within their price-point of under \$174,000 (2.7% of homes).

**Angela will likely:** rent for several years and most likely be cost burdened due to the lack of rental units. She will do this until she decides that she wants to place roots down in a community. At that point she will most likely need to move out of the region.

## **Impact on Greater Newport:**

- Lost sales tax revenue from the lack of workers living in the area
- Loss of active residents of the local community
- May move from the region over time to seek more stable housing
- Causes churn for employers and limits their business growth



# Alex and Jamie

Alex and Jamie are a young married couple who dream of starting a family. Jamie works as a bartender at an upscale restaurant in Newport where he makes decent money in tips, especially during the tourist season. Alex recently started as a Software Coder at a tech firm in Barrington and commutes to the office two days during the week. Both love the community they've developed in Newport - but are having difficulty finding a home they can afford, even with help from Jamie's parents.

**Age:** 36 / 32

**Occupation:** Bartender (Alex),  
Software Engineer (Jamie)

**Annual Household Income:**  
\$98k

**Housing opportunities in Newport:** 425 homes for sale on average each year within their price-point of \$174k to \$347k (20% of homes). This makes it difficult for them to find a place to the significant demand.

**Chris and Jamie will likely:** Move away after a few years to a community in Massachusetts that is seeing more development and lower cost housing.

## Impact on Greater Newport:

- Lost sales tax revenue from the lack of year-round workers living in the area
- Less potential students for Greater Newport schools
- Loss of potential active residents of the local community
- May potentially try to get jobs closer to home
- May potentially leave RI in general for more affordable, efficient live/work environment



# Felix

Felix rents a townhome in Providence, but has been looking to buy a home and has been considering properties in the Bristol/Newport area. He loves the slower pace and walkability of Bristol, but knows his dollar will go further in Fall River or Bedford, and likes that those areas are within an easy commuting distance to his job in Middletown,.

**Age:** 46

**Occupation:** Human Resources  
Consultant

**Annual Household Income:**  
\$125k

## **Housing opportunities in Greater Newport:**

713 homes for sale on average each year within their price-point of \$347k to \$521k (33% of homes).

## **Felix will likely:**

Get frustrated with the long commutes and cost of doing so.

Look for opportunities outside the Greater Newport region that have for similar amenities but with lower housing costs.

## **Impact on Greater Newport:**

- Lost sales tax revenue from the lack of year-round workers living in the area
- Loss of potential active residents of the local community
- May potentially try to get jobs closer to home
- May potentially leave RI in general for more affordable, efficient live/work environment
- Limits businesses ability to grow due to churn of labor force



**Age:** 41 / 42

**Occupation:** Structural Engineer (Mateo), College Professor (Susan)

**Annual Household Income:** \$175k+

# Mateo and Susan

Mateo works as a structural engineer at a firm in Kingston. Susan is a professor in the School for Marine Science and Technology at UMass Dartmouth. Susan and Mateo live in Warren as it's a central location for both of their work and they like the restaurants and amenities Warren has to offer. Since the pandemic both Susan and Mateo have been working from home more often and could use more space.

## **Housing opportunities in Greater Newport:**

1,155 homes for sale on average each year within their price-point of \$521k+ (65% of homes). This is the household income, represents 23% of households and the level at which people will most be able to afford living and working in Greater Newport. .

## **Mateo and Susan will likely:**

Remain in Greater Newport and try to increase their space through another purchase.

## **Impact on Greater Newport:**

- Limits the income diversity in the community
- Lack of lower cost housing limits front line services and education's ability to retain workers
- Will make selling their existing and finding a new home more difficult
- Ability for these households to give more back to the community through donations/ volunteering





**Age:** 67 / 64

**Occupation:** Both retired

**Annual Household Income:**  
~\$75k

# Jim and Nancy

Jim and Nancy have lived in Portsmouth for thirty-five years and raised three children with the last one just settled in their first home in Denver. Jim retired two years ago from his independent construction business two days after Nancy retired from her Nurses Aide position at the Hospital. They thought they planned well for retirement but inflation and the ups and downs of their investment portfolio have them worried. They would love to sell their 3-bedroom home and stay in the area but there are few options for senior active lifestyle housing.

## **Housing opportunities in Greater Newport:**

497 units sold per year on average within their price-point of below \$347K.

**Jim and Nancy will likely:** Either stay in their home as long as they can because there are few options to sell and move into an smaller place. They may also start renting their home for short-term rentals as they stay with their oldest daughter during the summer. They are unsure about what's next.

## **Impact on Greater Newport:**

- Loss of community character
- Fewer volunteers and charitable giving
- Struggling households that defer maintenance
- Increase in short-term rentals (legal and otherwise)
- Inability for individuals to age in place and contribute

# Personas of the Future Workforce

Linking Occupations, Wages, and Housing Affordability

How do household income and housing affordability align?



Household Income	Less than \$50K	\$50K to \$100K	\$100K to \$150K	\$150K or more
Home Affordability	Less than \$174K	\$174K to \$347K	\$347K to \$521K	\$521K or more
Rent Affordability	Less than \$1,250	Less than \$2,500	Less than \$3,750	\$3,750 or more
Current HH Composition	30%	27%	19%	23%
Future HH Composition	30%	30%	19%	21%

Household Income: Census ACS, 2020, 5-year estimates

Home Affordability: HousingWorksRI, Housing Fact Book, 2017-2021

# Personas of the Future Workforce

Linking Occupations, Wages, and Housing Affordability

How do household income and housing affordability align?



Household 1



Household 2



Household 3



Household 4

HH Income	Less than \$50K	\$50K to \$100K	\$100K to \$150K	\$150K or more
Ownership Threshold	<\$174k	\$174k - \$347k	\$347k - \$521k	>\$521k
% of Potential Units*	23%	48%	24%	6%
Rental Threshold	<\$1,250	<\$2,500	<\$3,750	>\$3,750
% of Potential Units*	45%	41%	12%	1%

Household Income: Census ACS, 2020, 5-year estimates  
Home Affordability: HousingWorksRI, Housing Fact Book, 2017-2021

\*% of Potential Units – The percent of future units that would need to target this income bracket with their pricing.

# Sample two-earner households

these workers are neighbors and colleagues!

	<u>Household 1</u>	<u>Household 2</u>	<u>Household 3</u>	<u>Household 4</u>
<b>Worker 1</b>	<b>Food Prep</b> (entry wage)	<b>Healthcare Support</b>	<b>Business and Finance</b>	<b>Management</b>
Earnings	\$24,050	\$36,590	\$79,330	\$125,690
<b>Worker 2</b>	<b>Personal Care</b> (entry wage)	<b>Office and Admin</b>	<b>Construction</b>	<b>Life Science</b>
Earnings	\$24,340	\$46,370	\$59,610	\$80,060
<b>Total HH Income</b>	<b>\$48,390</b>	<b>\$82,960</b>	<b>\$138,940</b>	<b>\$205,750</b>
Ownership Threshold	<\$174k	\$174k - \$347k	\$347k - \$521k	>\$521k
% of Potential Units*	23%	48%	24%	6%
Rental Threshold	<\$1,250	<\$2,500	<\$3,750	>\$3,750
% of Potential Units*	45%	41%	12%	1%

# If Housing Development Does Not Match Workforce Growth...

1

**Greater Newport will lack a core cluster of essential workers able to live and work in the community.**

Essential workers, such as teachers, electricians, and healthcare workers, will be priced out of the local housing market, forced to find housing outside of the Greater Newport Region. This trend will negatively impact population growth and regional density.

2

**Workers may choose jobs that do not require making the long commute to Greater Newport.**

Those who cannot afford to live in the region may seek new employment opportunities that do not require long commutes for equal pay, according to national workforce trends. This transition may take workers to other Rhode Island communities or elsewhere in the country.

3

**Anchor institutions, such as education and medical centers, will miss out on critical revenue.**

Entities that rely on a concentrated population for success, such as schools and hospitals, will miss out on key potential customers. This revenue loss will weaken key community institutions and the broader quality of life of Greater Newport residents.

---

# Recommendations

# Recommendations for the Greater Newport Region

- The CGN Region **needs over 9,000 new units** over the next decade to support the replacement of existing workforce and employment growth of organizations in the region.
  - ▶ **Action:** Create a workforce housing program that provide financial support for the construction of new housing targeted to sector of most significant need - healthcare and social assistance, educational services manufacturing and accommodation. Housing prices below \$350k and rents below \$3,000 should be prioritized. Model after RI Housing's Workforce Housing Innovation Challenge.
  - ▶ **Action:** Support the development of smaller footprint and bedroom units to match population demographic trends of smaller households.
  - ▶ **Action:** Explore the feasibility of a regional or community-specific land trust that allows for the preservation of workforce housing.

# Recommendations for the Greater Newport Region

- **Recognize the aging population** of the region and **address the desires for retirees to remain in the region** while allowing some to downsize affordably.
  - ▶ **Action**: Support the development (zoning, financial support) of senior housing that meets a range of lifestyles and needs and allows retirees to downsize in an affordable way.
  - ▶ **Action**: Evaluate the impacts that the homestead exemption is having on housing access in the region. Consideration should be given to alternative models for supporting residents aging in place.
  - ▶ **Action**: Ensure there is broad awareness of the ability for RI residents to create [accessible dwelling units \(ADUs\)](#) on their property which are permitted by right.



# Recommendations for the Greater Newport Region

- Develop a **strategy for supporting infrastructure** required to limit the loss of working age population, while recognizing the need for increased commuting.
  - ▶ **Action:** Engage with municipalities, developers, and agencies to plan for housing development alongside other infrastructure improvements such as improved transportation resources, road or sidewalk improvements, broadband, water, and sewer expansions
  - ▶ **Action:** Create a program that requires housing investment offsets for any development that will create employment (see Telluride program)

# Recommendations for the Greater Newport Region

- **Protect farm and forest land while increasing density** in neighborhoods seeking development growth.
  - ▶ **Action:** Pursue a Transfer of Development Rights (TDR) program, a smart growth technique that allows legal manipulation of zoning to protect some parcels while permitting the development of others (Exeter and North Kingstown are currently authorized to use TDR)
  - ▶ **Action:** Establish Conservation Development zoning ordinances to ensure that development on green fields can preserve most of the open space within the development parcel (See Charlestown, RI as a model)

# Recommendations for the Greater Newport Region

- **Increase multifamily housing development** to help meet housing demand.
  - ▶ **Action:** Allow multifamily development by right in areas zoned commercial to facilitate conversion of the growing amount of vacant office and retail space into housing.
  - ▶ **Action:** Revisit provisions of local zoning ordinances that may pose unnecessary barriers to robust mixed use multifamily housing development, especially provisions that require more off street parking than may be necessary and unreasonably restrict building height, building uses and building density in built up neighborhoods
  - ▶ **Action:** Assess the benefits of adopting a version of Woonsocket's zoning overlay district for its Downtown District, which has seen several new multifamily housing developments in part due to increased density allowed by the zoning reform becoming economically feasible
  - ▶ **Action:** Assess whether enhanced state funded infrastructure investment, e.g., water sewer, etc., through the State's Municipal Infrastructure Grant Program would make it easier to complete significant multi family housing developments in neighborhoods where such development is a good fit

# Recommendations for the Greater Newport Region

- **Prioritize affordable and equitable housing development and redevelopment** at the local level.
  - ▶ **Action:** Seek out best practice information about Community Benefit Agreements to facilitate equitable development and redevelopment plans for the North End of Newport
  - ▶ **Action:** Use Rhode Island’s new Accessory Dwelling Unit law as a means of increasing the supply of affordable market rate housing
  - ▶ **Action:** Identify and seek to access existing sources of State technical assistance for local development efforts, including the municipal technical assistance authorized in the State’s Housing Incentives for Municipalities program
  - ▶ **Action:** Apply for a Super TIF district designation, a specific development district to budget a portion of the anticipated increases in State income and sales tax revenue as well as local property tax revenue towards physical improvements to enhance the district’s level and quality of development, including multifamily housing development

# Recommendations for the Greater Newport Region

- **Maximize the feasibility of rehab and infill housing development, transit oriented development, and development on revitalized land** to encourage increased housing units.
  - ▶ **Action:** Explore the availability of the State Historic Tax Credit (administered by the RI Division of Taxation and the RI Historic Preservation and Heritage Commission) and the Rebuild RI Tax Credit (administered by Commerce RI) to elevate the feasibility of potential rehab and infill housing
  - ▶ **Action:** Advocate for passage of Speaker Shekarchi 's Transit Oriented Development proposal and take advantage of its provisions for housing development incentives near transit stops and corridors
  - ▶ **Action:** Pursue State Brownfield cleanup funds (administered by the Rhode Island Department of Environmental Management) for any desirable development parcel that can only be redeveloped if thoroughly remediated

---

# Promising Practices

# Models: Housing Trust Fund

Regional leaders can establish an affordable housing trust fund that promotes preservation, construction, acquisition, loans, and operational support for affordable housing.

Housing trust funds can be supported through locally generated revenues such as increased fees on mortgage and deed recordings, property taxes, transfer taxes, TIF diversions, and linkage fees, as well as additional state and federal funding to support investments in affordable housing

## Models: Land Trust

A community land trust is a nonprofit that purchases, manages, and retains land and/or property in trust on behalf of the community in order to maintain affordability of owner-occupied homes.

In Pennsylvania, the State College Community Land Trust has been promoting affordable home ownership for 25+ years. SCCLT buys and rehabilitates housing for code compliance and energy efficiency. It then sells to applicants meeting federal income guidelines and leases the land to the homeowner in a long-term agreement that saves the homeowner 30% in costs. Homeowners can sell the house in the future to other qualified buyers or back to SCCLT based on a resale formula that maintains affordability while allowing homeowners to build equity.

Community land trusts can be supported through grant funding, philanthropic contributions, and governmental sources.



## Models: Deed Restrictions

**Breckenridge (CO):** [Housing Helps](#) program incentivizes homeowners and real estate investors to deed-restrict their property to help maintain and sustain affordable homes. The program provides funds to local homeowners and apartment developers to permanently deed-restrict their homes or units, incorporating workforce requirements and income caps. Under Housing Helps the Town will pay owners, buyers, sellers, businesses, and investors 15-30% to accept a deed restriction on homes that are currently unrestricted. The amount that will be paid for a deed restriction will vary depending on the market and how well the home meets current needs in the community. Recipients may use the funds for down payment, home repairs, special assessments, or any other purpose. In return, the recipients are required to execute a deed restriction that will insure the property is used for local housing.

[Lease to Locals](#) program, a partnership between the town and a private organization called Landing Locals, provides cash incentives to property managers and property owners to convert their short-term rentals into seasonal and long-term rentals. The cash incentives can range up to \$20,000 per property depending on unit size and the length of the lease.

## Models: Tie Housing Development to Job Growth

**Telluride (CO): Housing Mitigation Program** - The objective of the Town's Housing Mitigation Program is to create housing for at least 40 percent of the new employees generated by new development in the Town. In exchange for complying with workforce housing requirements (see below), developers receive a density bonus, generally up to an increase of five thousand (5,000) cubic feet of above-grade density for each designated employee housing unit. Therefore, while the program is technically a mandatory program, there is a density exchange built into the policy. A formula define how many units must be created.

***Developers can meet the requirement via:***

Construction of units on-site, • Construction of units elsewhere within the Town (or Region as defined by the Telluride Master Plan), • Deed restricting existing market units within the Town, • Fee in lieu, or • Conveyance of land to the Town. (Typically the land conveyance happens as part of an annexation. The Town makes the land available through an RFP process to a developer to build workforce housing.)

Thank you.

Contact: [Rich.Overmoyer@fourtheconomy.com](mailto:Rich.Overmoyer@fourtheconomy.com) or  
412-251-1607

