



NORTH COUNTRY COUNCIL

REGIONAL HOUSING NEEDS ASSESSMENT

RHNA



Our Homes

*An Assessment of
Housing Needs in
NH's North Country*

Full draft:
March 29, 2023

[This page is intentionally left blank.]

Acknowledgements

This assessment was funded by the New Hampshire Department of Business and Economic Affairs, and a grant from NH’s American Rescue Plan Act (ARPA) State & Local Fiscal Recovery Fund, dedicated to completing all nine (9) Regional Housing Needs Assessments concurrently in a coordinated manner. Coordination and statewide collaboration were key elements to the thoughtful and successful completion of these Assessments. By working with the talented staff of the Office of Planning & Development, all nine Regional Planning Commissions, New Hampshire Housing Finance Authority, and expert consultants.

North Country Council’s dedicated staff worked as a team to represent the unique housing needs of the north country to our statewide partners, and to use the told stories and best available data to develop this robust, and well-informed Assessment. This project was truly a team effort on the part of our staff, Board of Directors and Commission as a whole.

Finally, we acknowledge the people who call the North Country region home. Projects like this Regional Housing Needs Assessment are done to help us all understand what it takes to provide safe and quality homes to all of our residents. We are particularly grateful to the community members whose voices and stories informed and became part of this assessment. **Photo credits from cover page: Expedia, NH travel bureau, Pinterest.*

Note on Fair Share Tables

This Regional Housing Needs Assessment and the methodology by Root Policy Research that resulted in the fair share table in Appendix D (or on page 52) does not break out the current municipal fair share of regional need for workforce housing and therefore shouldn’t be relied on for current compliance with the state’s Workforce Housing Law, RSA 674:58 – 61.

Table of Contents

- Executive Summary 1
- Introduction..... 17
 - Overview of RNHA:..... 17
 - 2022 RNHA: 17
 - Purpose of the RNHA:..... 17
 - North Country Region:..... 18
 - About this Assessment: 19
- Analysis of Historical & Existing Condition and Trends 20
 - Communities of Interest..... 37
 - Community Fact Sheets..... 45
- Analysis of Future Conditions and Trends..... 46
 - Conditions Likely to Impact Future Housing Needs: 46
 - Housing Needs Projections..... 50
- Affordable and Equitable Housing Choice Opportunities &Barriers 56
 - Land Use Regulations, Policies, and Other Controls..... 56

Workforce Challenges and Employment Opportunities/Constraints..... 57

Physical Infrastructure & Services 58

Fair Housing Successes & Challenges 61

Resources for Meeting Local Housing Needs / Recommendations 64

Conclusions..... 64

Appendices 66

Executive Summary



NORTH COUNTRY COUNCIL

REGIONAL HOUSING NEEDS ASSESSMENT

RHNA



This executive summary highlights the main components and key findings of the 2023 Regional Housing Needs Assessment.

Here you'll find:

- **Key Data Points on current & historic housing condition and need**
- **Housing Needs Forecasting including population and unit need projections**
- **Recommendations that build on previous work and focus on municipal areas for actions**
- **Tools several tools explored in the RHNA are highlighted and tied to the recommendations**



NORTH COUNTRY COUNCIL

REGIONAL HOUSING NEEDS ASSESSMENT

RHNA



A Note from NCC

In NH RHNA is required to be completed every 5-years, in this respect the plan was due for an update having last been completed in 2014.

More importantly, this plan is timely. Since 2020 municipalities, the region, the state, and most rural areas of the country have seen significant changes in housing costs and markets.

There is perhaps no where that this is truer than in the north country of NH. In the past five years we've seen the cost of a single-family home more than double, and with limited construction of new units, our housing stock only continues to age, creating opportunities ripe for reinvestment and new construction. Partnerships, and strategies to keep units within financial reach of locals while creating opportunities for newcomers will be key to the region's vitality and vibrancy.

RHNA Purpose

The RHNA is required by RSA 36:47 II, as a tool to support local towns and cities understand the need for housing across all persons and income level, and to aid them in complying with the workforce housing law.

The NH workforce housing law (RSA 674:58-61) which establishes that every municipality with land use controls must provide reasonable and realistic opportunities for the development of workforce housing. Which means, in part, that lot sizes and density requirements must be reasonable, and you must allow workforce housing to be located in a

Key Data Points

The RHNA uses a wide variety of data to explore housing stock and resident needs. Stories, surveys and data (from census, local & statewide sources) to look at it from as many sides as possible.

In this Executive Summary we'll highlight a few key data points on these topics.

Population

New Units

Age

Wages

Cost Trends

STRs

Affordability

Industry Trends

Purchase & Rental Price Trends

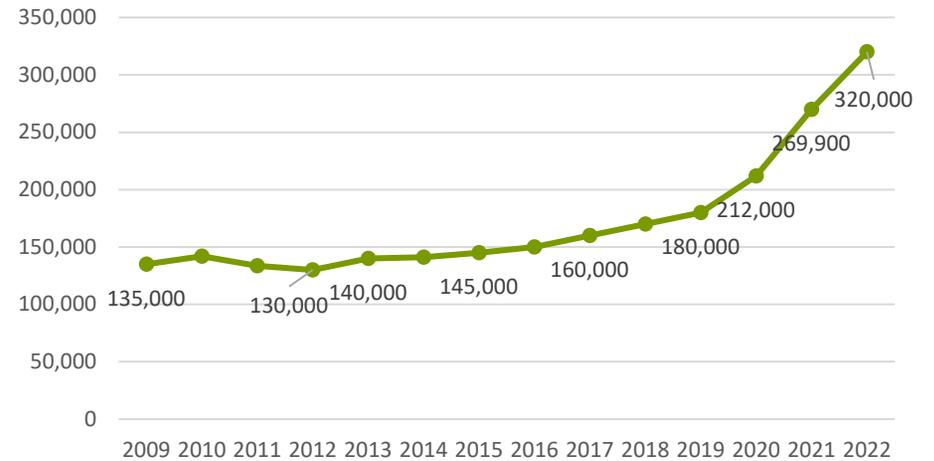
The average purchase price for a home in the North County has doubled in the past five years. From \$160,000 to \$320,000.

The steep rise in real estate prices makes it harder for people to enter the homeownership market, which in turn adds to competition in the rental market. More affordable purchase options are needed to provide opportunities for people to build equity and experience homeownership.

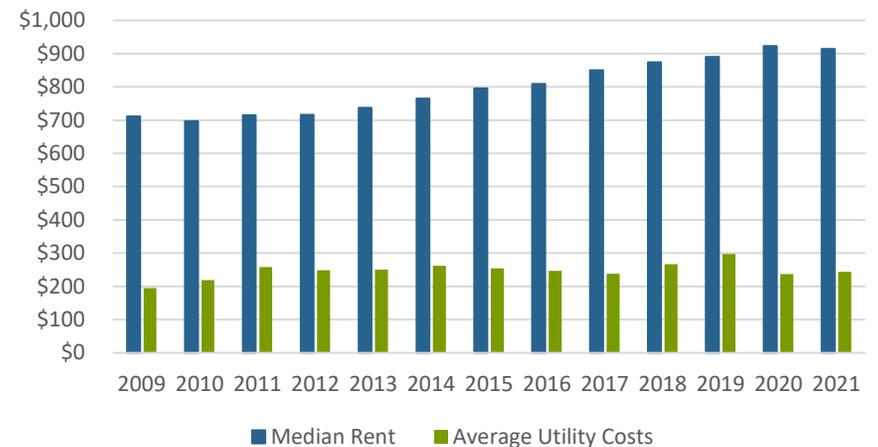
Rent price in the region are trending upward. Since '09 we've seen 29% increase in the price regardless of size.

Renter household tend to earn less than homeowner households. Increases in rent prices have a significant impact on people with lower-incomes.

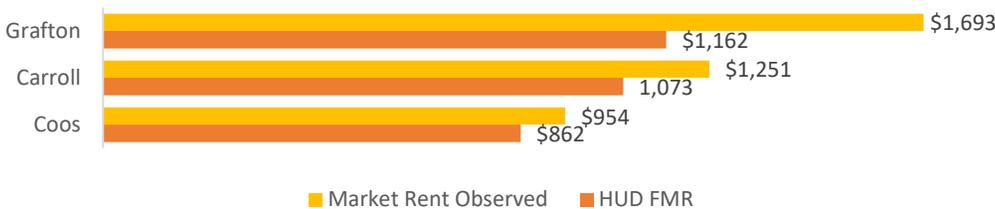
Purchase Price Trends
MLS Sales



Rent & Utility Costs
Trends (All Units)

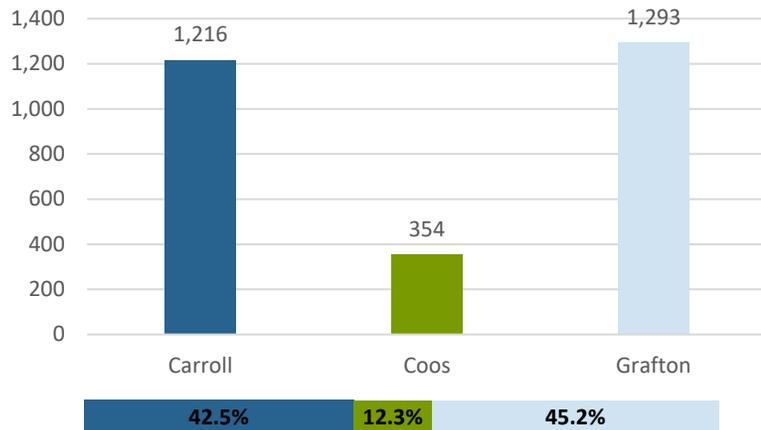


Market Rents vs. HUD Fair Market Rent
2022

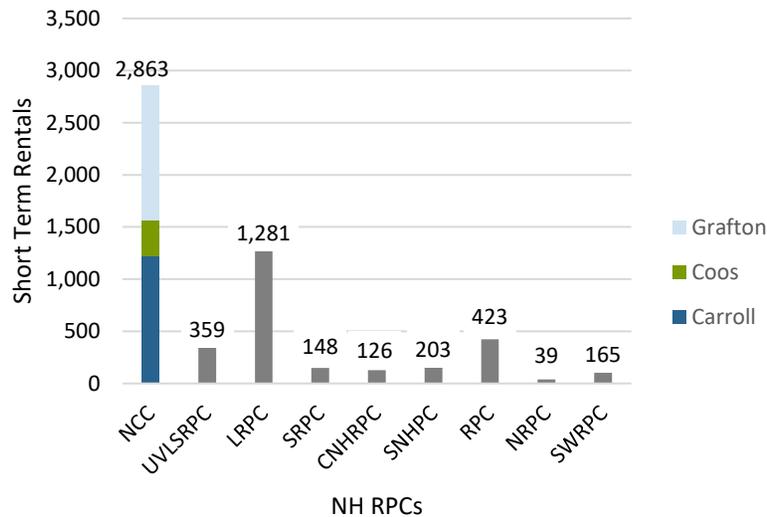


Short Term Rentals

Short Term Rentals by County



Short Term Rentals by RPC

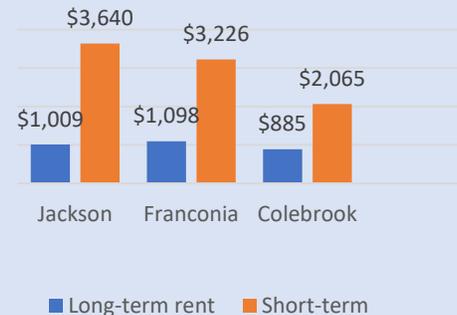


The North Country has long been a tourism destination. Recent growth in visitor volumes and increased access to the short-term / vacation rental market through online rental platforms has added demand in our already hot purchase markets,

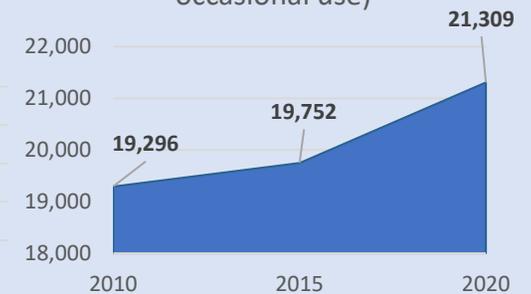
Further reducing supply in our resident rental markets adding to price rises in both markets. As of 2022 there are 2,854 short-term rental properties in north country counties.

Short-term rentals typically provide a higher monthly revenue to the property owner than the average long-term rental in the same area.

Monthly Rent Incomes Comparison (examples)

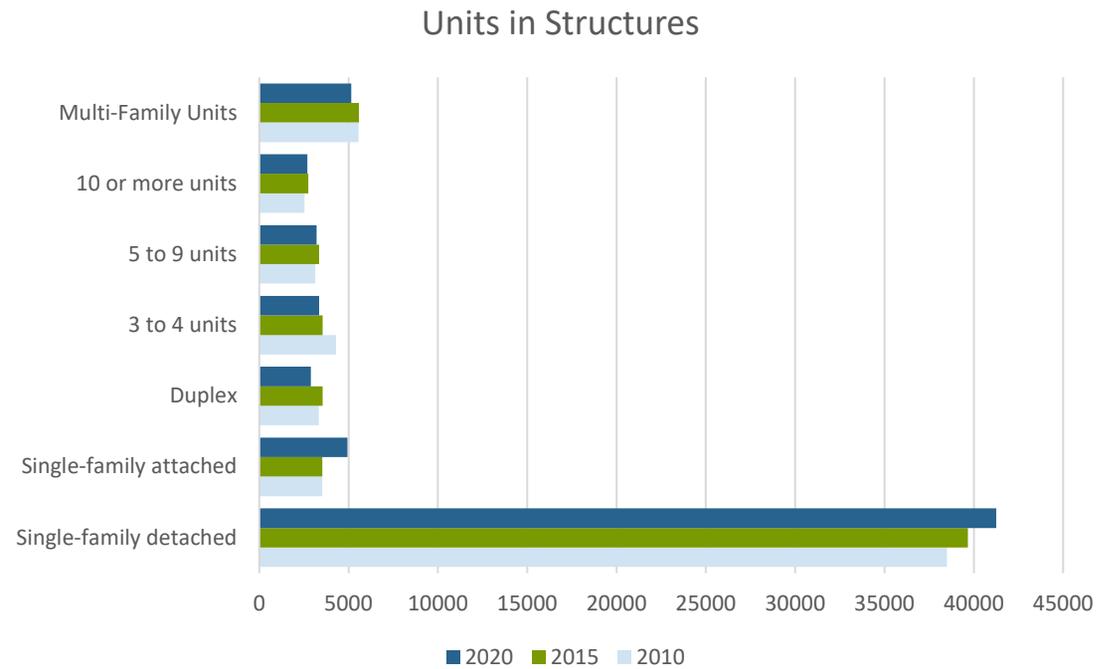
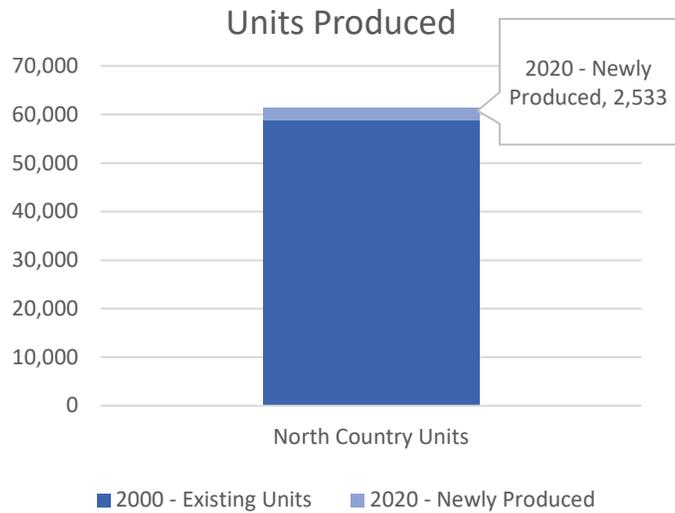
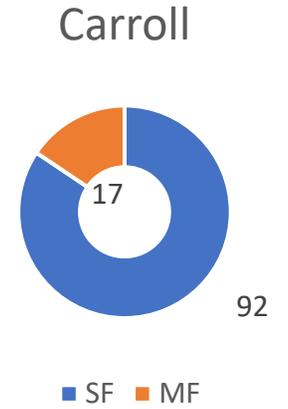
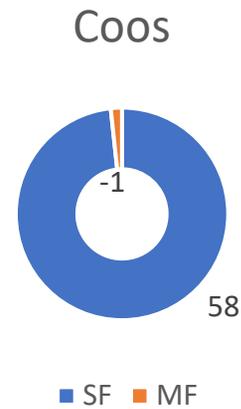
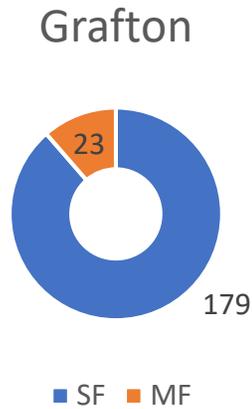


Seasonal Housing Units (for seasonal, recreational or occasional use)



Production

The North Country produces fewer housing units than other regions. Of the units being built nearly all of have been for single family housing units. Which also tend to be the most expensive housing units. Limited production has added to high prices.



Housing Cost-Burden

2020 Ownership Cost Burden by income



2020 Renter Housing Cost Burden by income



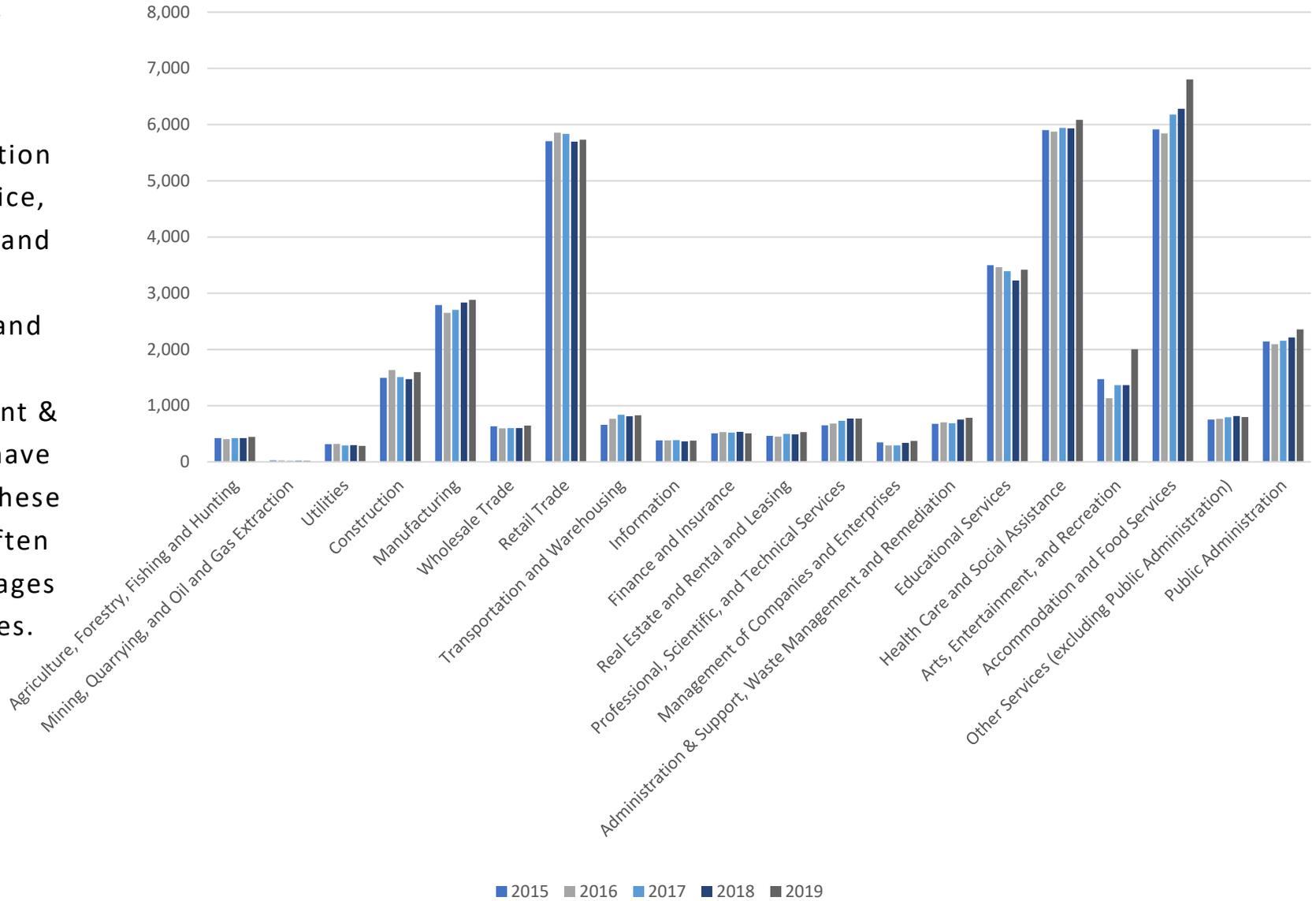
Since 2015 we've seen consistent cost burden rate among lower income homeowners but we've seen increasing cost burden in higher income homeowners.

In renter households we've seen cost burden in our lowest incomes. The majority of those with incomes less than \$35K are cost-burdened. We also see a rise in cost burden in households earning \$35K to \$75K.

Industry Growth

Industry 5-Year Trend
Number of Employees

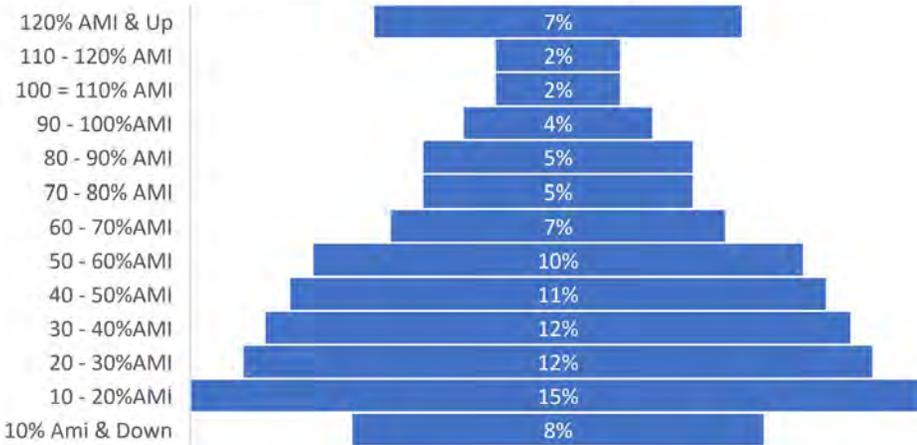
The share of employees working in Accommodation & Food Service, Health Care and Social Assistance, and Arts, Entertainment & Recreation have increased. These industries often see lower wages for employees.



Incomes

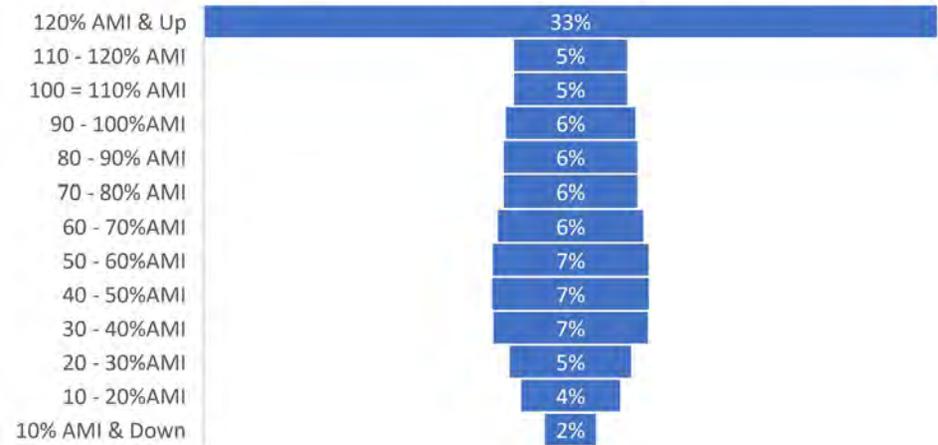
Share of Renter Household by AMI

AMI is area median income for NCC Region by household size



Homeowner Income as Share of AMI

AMI is area median income for NCC Region by household size



Looking at resident income distributions give a visual representation of our income cohorts. By far and large households earning over 120% of median income represent most homeowners. Rates decline as income reduces. In renter households we can see that most renter in the region are earning less than the median income. High income renters often indicate a lack of homeownership opportunities.

Household AMI- Coos
County: \$52,054

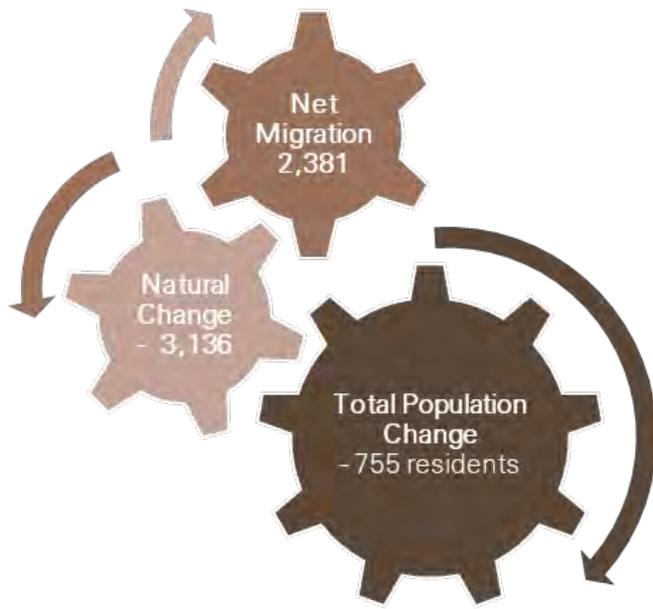
Household AMI – Grafton
County: \$73,755

Household AMI – Carroll
County: \$70,873

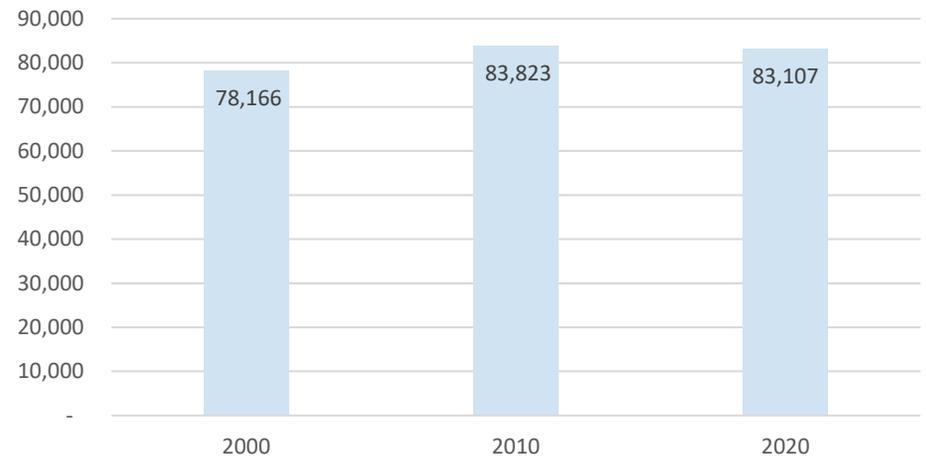
Population

The regions population has declined slightly in the last decade. Deaths have outnumbered births, while the number people relocating brought a fair share of new residents.

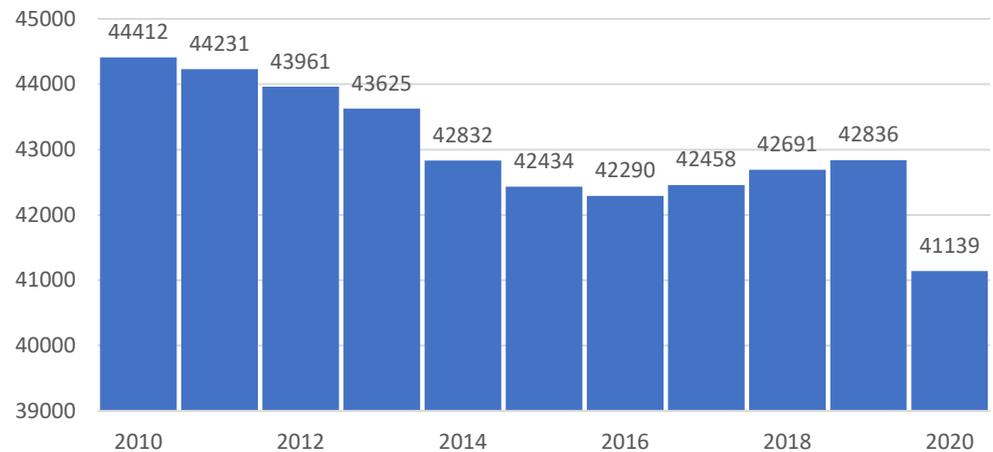
The labor force is reducing across the region.



Regional Population (Census)



Labor Force

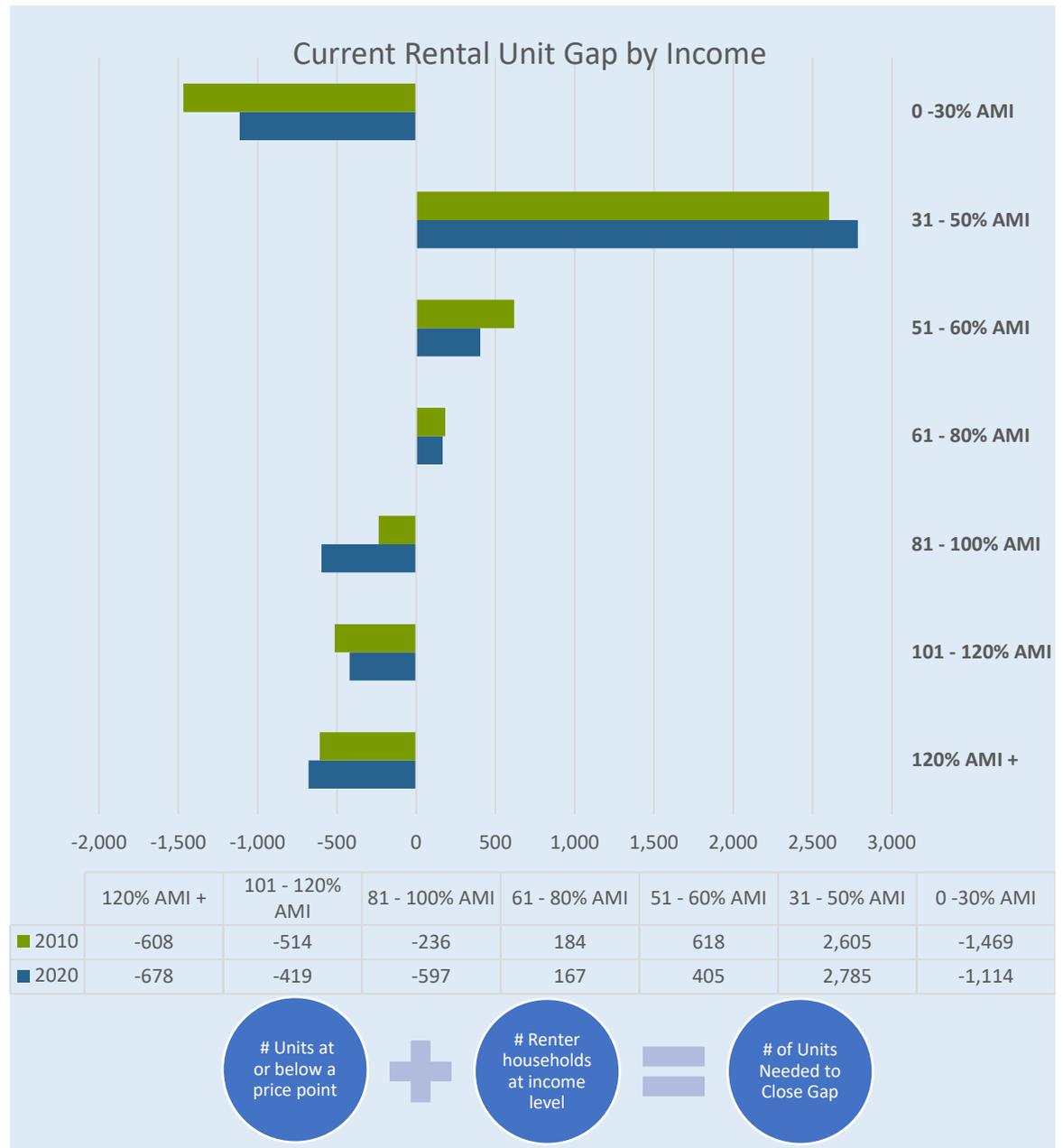


2022 Rental Gap Analysis

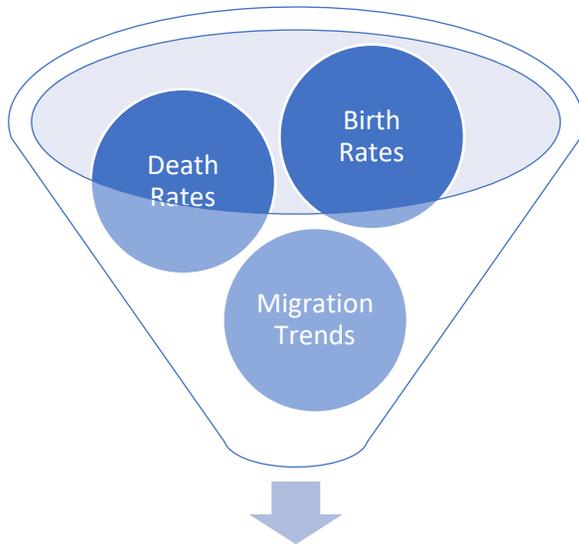
This a snapshot of the region’s current rental needs. It demonstrates the market supply gap of 2022 based on current populations, incomes, and units.

Negative numbers show a shortage of units at the specific income level; positive units indicate an excess of units. Low-income renter households who face a rental gap are not homeless; they are cost burdened, occupying more expensive units than they can afford.

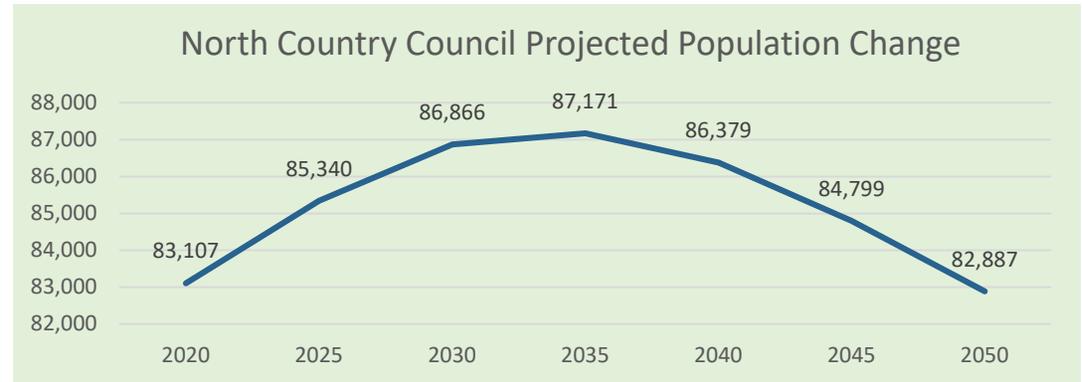
Gaps for higher income renters suggests those renters are spending less than 30% of their income on housing. This points to an income mismatch in the market in which higher income households are occupying homes affordable to lower income households.



Population Projections



Population Projections



Population projections use current and past data to anticipate the number of residents who will live in an area.

Looking forward 30 years, we see populations increase of 4,000 residents from now to 2035, followed by similarly paced decline to 82,887 in 2050.

Like all forecasting population projections only assess the factors included in the models that create them. They do no predict the future – they use current (and past) trends to present one scenario.

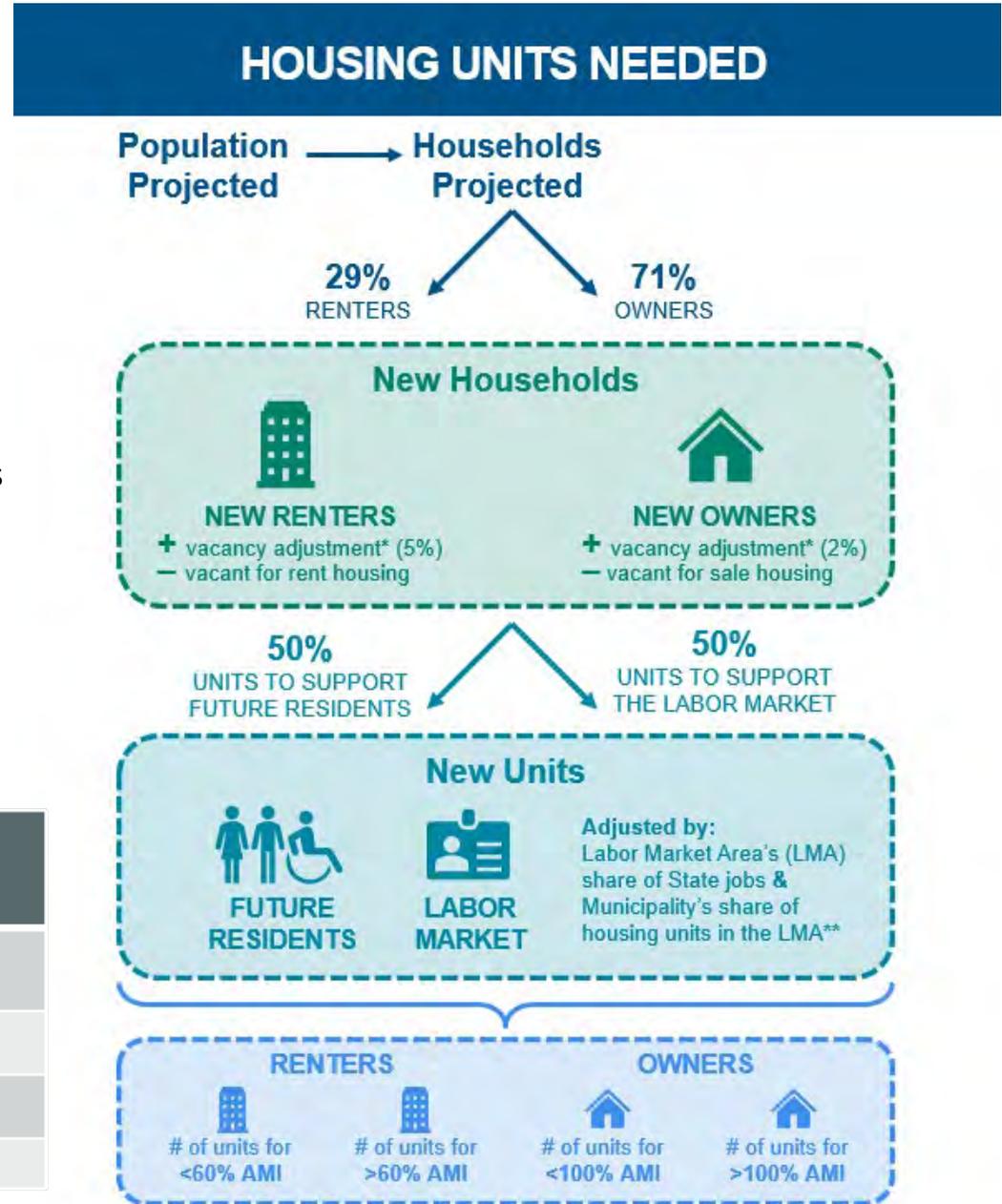
Short-Term Unit Needs

Housing units needed show us the number of units needed, in a given year, to achieve balanced rental and homeownership markets.

Looking at our Regional Housing Needs across the counties with north country RPC communities we can see a total short-term need for 2,208 ownership units and 924 rental units in the next three years.

These numbers show how many units we need to stabilize the housing market, this is achieved through a 5% rental vacancy rate and a 2% ownership vacancy rate.

Total Unit Need 2022-2025 (NC communities by county)		
County	Rental Units	Ownership Units
Carroll	336	804
Coos	72	168
Grafton	516	1,236



* Vacancy adjustment is prorated over 20 years. This adjustment is needed to bring the housing market into balance.
 ** The LMA is the Labor Market Area in which the municipality participates and from which it draws economic benefit.
 Renter AMI is based on 3-person household and owner AMI is based on a 4-person household as defined in RSA 674:58-61.

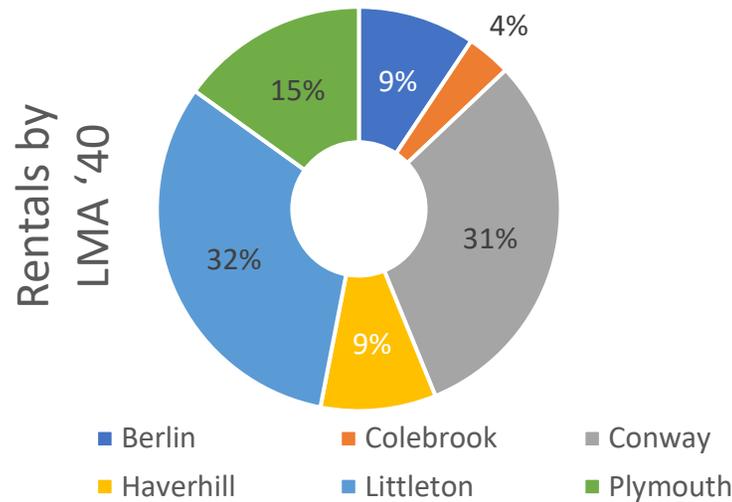
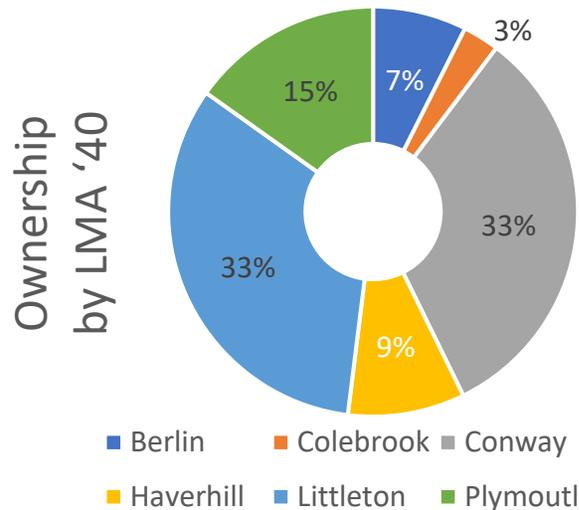
Long-Term Needs & Fair Share

2040	Owners		Renters		
LMA	Below 100% AMI	Above 100% AMI	Below 60% AMI	Above 60% AMI	Share in Hub
Berlin	56	143	23	109	58%
Colebrook	26	51	8	42	24%
Conway	441	430	129	305	44%
Haverhill	118	130	46	84	76%
Littleton	331	481	120	328	33%
Plymouth (NCC Region)	297 (185)	328 (222)	88 (33)	240 (179)	35%

Looking forward to 2040 the same process for short-term unit need was used to anticipate units needed to achieve a balanced market.

With these future looking numbers, an additional step was taken to spread units across communities, this step is known as the Fair Share Analysis. As a tool for measuring compliance with the Workforce Housing Law we look at units affordable by the definition of Workforce Housing.

To follow typical movement and daily life patterns units need were calculated by Labor Market Area (LMA). Region-wide we forecast a need for 1,406 rental units and 2,614 ownership units.



Recommendations

The recommendations in this RHNA are not new. Instead, they are based on the municipally-focused *Ideas to Address Key Housing Issues* initially published in the 2021 North Country Housing Needs Analysis.

Here, we explore those *ideas* through a municipal filter, to help towns and cities in the region see how to move forward.

Recommendation #1 Use the Tools:

Utilize the toolkit in this RHNA to identify ways to increase production of desirable, locally relevant, housing development and reinvestment.

Recommendation #2 Find Partners:

Explore opportunities to pull together local partnerships (including the town, developers, residents businesses, and property owners) for workforce housing production.

Recommendation #3 Ask for Help:

Reach out to planning experts like (NCC, NH Office of Planning & Development, NH Housing, Plan NH) to identify opportunities for funding and action.

Recommendation #4 Build Buy-In:

Build broad buy-in for solutions. Work with community members on advocacy campaign to educate folks on the connection between housing and our economy. Increase understanding of how much “Housing Matters” and “Wages Matter Too”

Tools

The RHNA includes a robust toolkit with solutions vetted statewide with access to “Starter Kits” for 19 municipal tools aimed at housing.

Each tool in the toolkit includes:

- descriptions,
- suggestions on how to get started,
- Examples & resources,
- and issues it addresses.

The 7 tools to the right are examples that align with common challenges and opportunities in our north country communities.

The tools are intended to present a wide range of possible strategies so that communities can find ones that fit their unique needs and goals.



Introduction

The State of New Hampshire statute defines planning, zoning, and regulation as the responsibility of municipal government. NH RSA 672 III(E) states that:

“All citizens of the state benefit from a balanced supply of housing which is affordable to persons and families of low and moderate income. Establishment of housing, which is decent, safe, sanitary, and affordable to low- and moderate-income persons and families is in the best interests of each community and the state of New Hampshire and serves a vital public need. Opportunity for development of such housing shall not be prohibited or unreasonably discouraged by use of municipal planning and zoning powers or by unreasonable interpretation of such powers;”

Overview of RNHA:

Prior Efforts

The 2022 North Country Regional Housing Needs Assessment (RHNA) builds upon prior Regional Housing Needs Assessments completed in 2014, 2011 and, 2004. It is also directly informed by the research and findings of the [2021 North Country Housing Needs Analysis](#), which studied the regional housing landscape through in depth qualitative and quantitative methods. (Click on the timeline below to view previous efforts.)



2022 RNHA:

This 2022 RHNA comes at a time of growing housing needs in the North Country region, and NH as a whole; it strives to look more deeply at the regional conditions of today and the future to understand better how they impact housing and what can be done to meet local needs. Development of this comprehensive and robust assessment is possible because of the unprecedented level of investment occurring in identifying solutions.

In New Hampshire, municipalities are responsible for using the powers of planning, zoning, and subdivision regulations to support a balanced housing supply. The regional planning commissions (RPCs) such as North Country Council, actively aid municipalities in planning for a balanced housing supply through technical assistance for matters related to land use and housing as well as related issues of transportation, energy, environment, and the economy. In releasing this, and previous, Regional Housing Needs Assessment, NCC aims to support its 50 member communities and unincorporated places in fulfilling their role in allowing a balanced housing stock under the state’s enabled planning and zoning powers.

Purpose of the RNHA:

Statutory Role

New Hampshire regional planning commissions are required under [RSA 36:47, II](#) to compile assessments of the regions housing needs for persons and families of all income levels. The purpose of the Regional Housing Needs Assessment is to assist municipalities in complying with RSA 674:2, III, the housing section of a local master plan, by providing an assessment of the existing and future needs in the region for households of all sizes and incomes. This RNHA provides current regional and local data on housing needs necessary for communities to truly appreciate their current and future local and regional housing needs

and to determine compliance with the Workforce Housing Statute.

Fair Housing Equity Assessment

This RHNA is being conducted in partnership with the New Hampshire Office of Planning and Development and is funded by the American Rescue Plan Act (ARPA) State and Local Fiscal Recovery Fund Grant. The ARPA funds received by the State of NH must include Fair Housing and Equity Assessment (FHEA) elements in the RHNA. This comprehensive addition will help communities better understand the existing barriers to housing access, how barriers are disparately impacting different groups across the region, and what they can do to address such disparities.

NH Council on Housing Stability 2021 – 2024 Strategic Plan

In 2022, all nine (9) regional planning commissions in NH undertook this effort to complete a regional housing needs assessment under a shared methodology. This RNHA fulfills a recommendation of the [Council on Housing Stability’s 2021 – 2024 Strategic Plan \(linked here\)](#), to update Regional Housing Need Assessments and provide strategies for meeting the housing needs of specific sub-populations (communities of interest).

North Country Region:

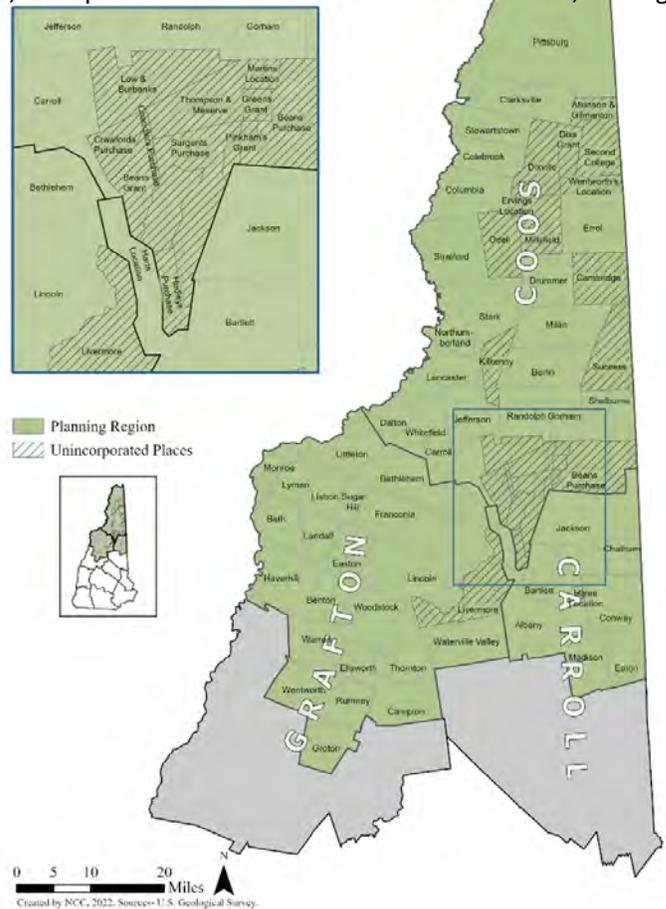
North Country Council’s planning region serves 50 municipalities and 25 unincorporated within the northern-third of the state, spanning 3,331 land square miles. Municipalities within the Council’s region are distributed throughout Coos County and the northern portions of Carroll and Grafton Counties. Of this area, 1,826 square miles are classified as conserved land, making up nearly 55% of the region.

North Country Council RPC Communities:

Coos County- Atkinson and Gilmanton Academy Grant, Beans Grant, Beans Purchase, Berlin, Cambridge, Carroll, Chandlers Purchase, Clarksville, Colebrook, Columbia, Crawford’s Purchase, Cutt’s Grant, Dalton, Dix’s Grant, Dixville, Dummer, Errol, Erving’s Location, Gorham, Green’s Grant, Hadley’s Purchase, Jefferson, Kilkenny, Lancaster, Low and Burbanks Grant, Martin’s Location, Milan, Millsfield, Northumberland, Odell, Pinkham’s Grant, Shelburne, Stark, Stewartstown, Stratford, Success, Thompson and Meserve’s Purchase, Wentworth Location, Whitefield

Grafton County- Bath, Benton, Bethlehem, Campton, Easton, Ellsworth, Franconia, Groton, Haverhill, Landaff, Lincoln, Lisbon, Littleton, Livermore, Lyman, Monroe, Rumney, Sugar Hill, Thornton, Warren, Waterville Valley, Woodstock

Carroll County- Albany, Bartlett, Chatham, Conway, Eaton, Hales Location, Hart’s Location, Jackson, Madison



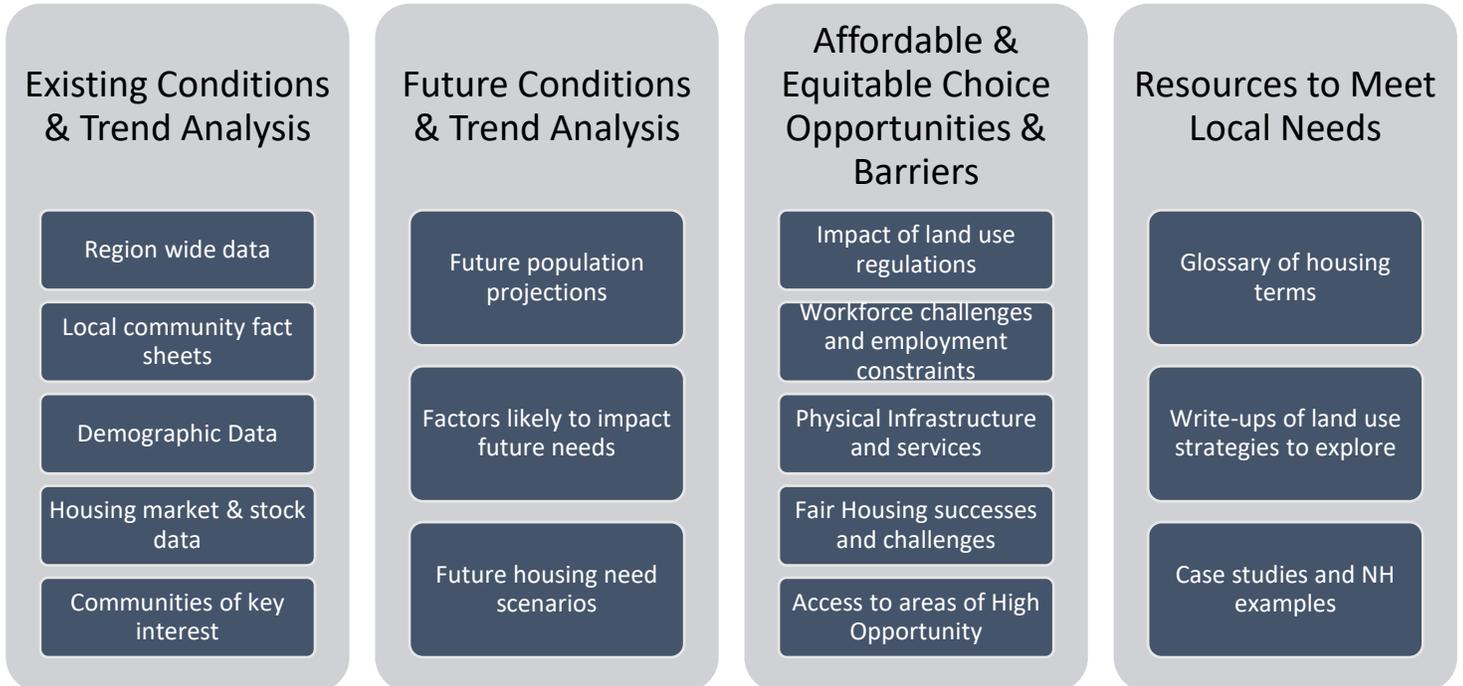
MAP . POLITICAL BOUNDARY OF NORTH COUNTRY COUNCIL REGIONAL PLANNING COMMISSION (NCC).

About this Assessment:

This 2022 Regional Housing Needs Assessment includes a combination of qualitative and quantitative data available at various geographic scales. Publicly available qualitative data has been supplemented through collection of two forms: focus group findings and expert interviews. For more detailed information on the outreach and methodology please see Appendix B.

Components & Sections

This RHNA is presented in four (4) separate sections of data and information: Analysis of Historical/Existing Conditions & Trends, Analysis of Future Conditions & Trends, Affordable & Equitable Housing Choice Opportunities & Barriers, and Resources for Meeting Local Housing Needs & Recommendations. Below is a graphic summarizing the types of information available in each.



Outreach & Engagement

This RHNA included a combination of statistical (quantitative) data on housing, as well as told (qualitative) data collected through a series of outreach and engagement activities including surveys, key informant interviews, and attendance at previously scheduled community events such as Old Home Days and Farmer’s Markets.

- 420 persons completed the resident survey & 75 businesses completed the employer survey
- 7 municipalities completed the local government questionnaire
- 2 statewide surveys of 209 realtors and 69 social service providers
- 6 events attended to table about the RHNA and housing needs

This RHNA is informed by outreach in the [2021 North Country Housing Needs Analysis](#) as follows:

- 286 persons completed this resident survey & 196 businesses completed this employer survey
- 12 persons completed Lunch & Talk Key Informant Interviews
- Persons participated in a series of 6 (six) focus groups for businesses, social services, providers, young professionals, seniors, and municipal leaders.



Terms

Throughout the RHNA housing terminology will be used. Check out the Glossary in Appendix A to learn about these terms.

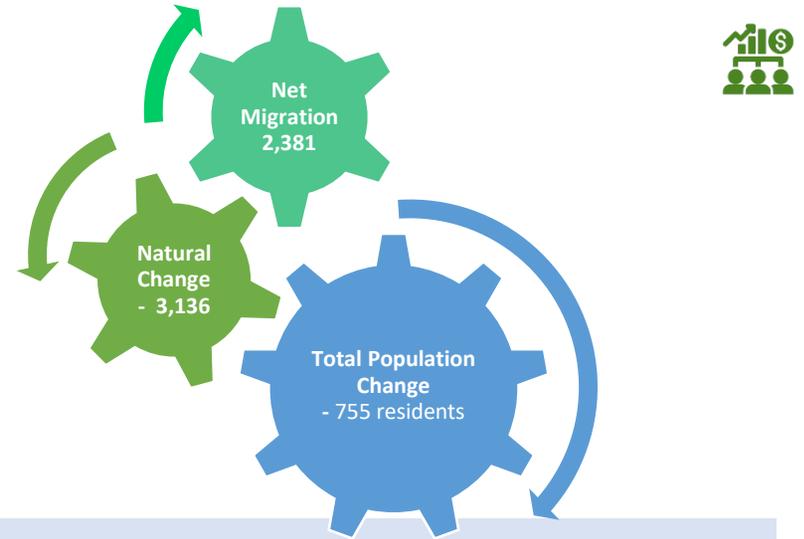
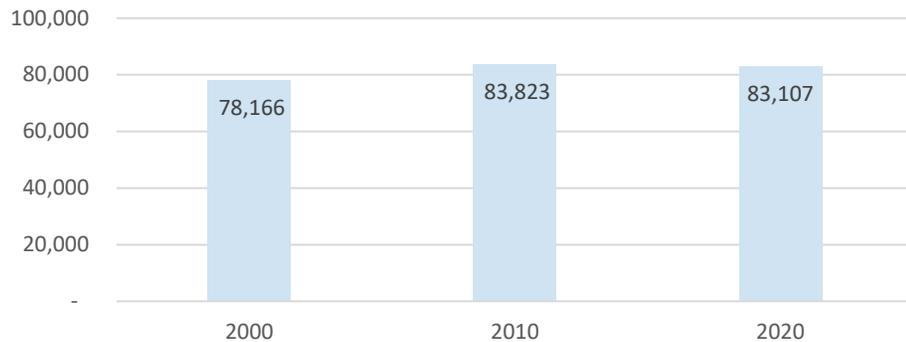
Analysis of Historical & Existing Condition and Trends

About this Section: The region’s housing condition is defined by demographic and economic trends. Housing need is influenced by population growth, housing stock, and the earning potential of the population. The report uses census data to determine the degree to which population, income, and housing stocks have changed over time.

Data included here falls within 5 Bucket Areas, each of which can be tracked using the icons below which appear on each page in this section.



Regional Population (Census)



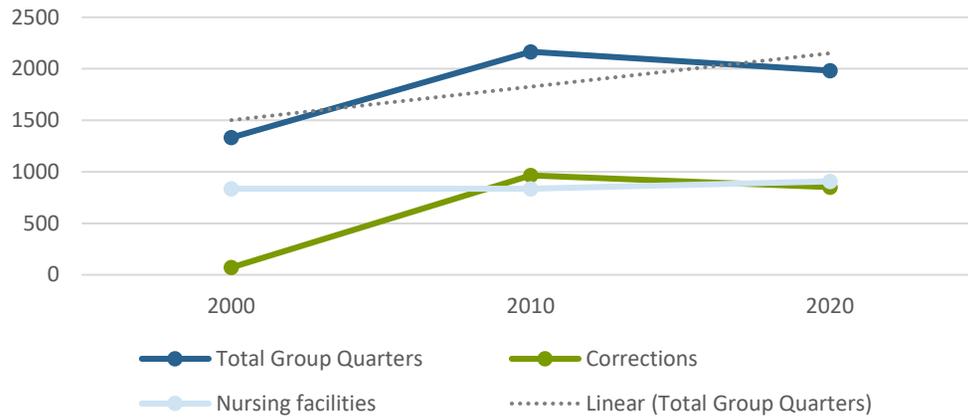
Population Changes, Migration, Births & Deaths

To understand population changes, an area must explore “natural” population change through births and deaths, and “migration” for persons moving into or out of the region. To illustrate how these factors impact the North Country regional population we combine two different data sets to use the most accurate information. From 2010 to 2019, the North Country saw more deaths (9,768) than births (6,632), resulting in a natural population decrease of 3,136 residents based on an aggregation of vital records available for regional communities, a more accurate measure than typical Census due to birth/death reporting methods statewide. (A number of small communities and unincorporated places did not have available data.) Using both vital records and 2020 Census data, we see a net decrease of 755 residents. While looking to decennial census data from 2020 alone, the regional shows a population decrease of 715 residents.



• **Population in Group Quarters.**

Group Quarters Population Trends

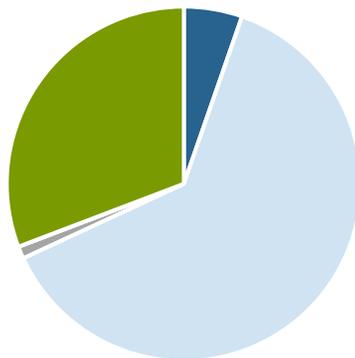


Group Quarter Trends

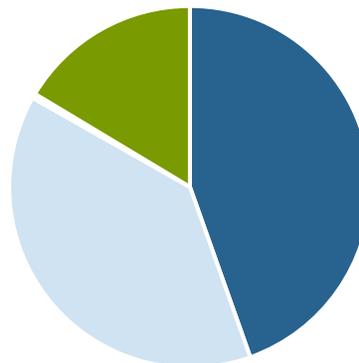
The regional population living in group quarters shows changes in our non-household populations, which includes correctional facilities, nursing homes, college dorms, and military quarters.

In the North Country our group quarters are mostly corrections and nursing home accommodations. In the past 20 years a noticeable increase in the number (and share) of people living in corrections facilities has occurred. At the same time the number of people who are living in nursing facilities has remained relatively stable. The region has seen the construction and expansion of correction facilities while not seeing increased construction of nursing facilities, a product we will need more of as the population ages.

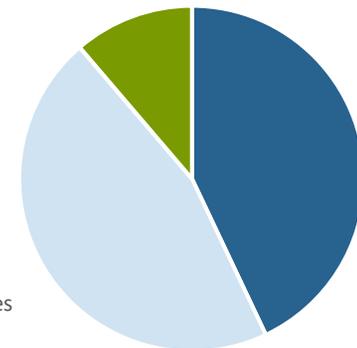
2000 Group Quarters Population Breakdown



2010 Group Quarters Population Breakdown



- Corrections
- Nursing facilities
- Military quarters



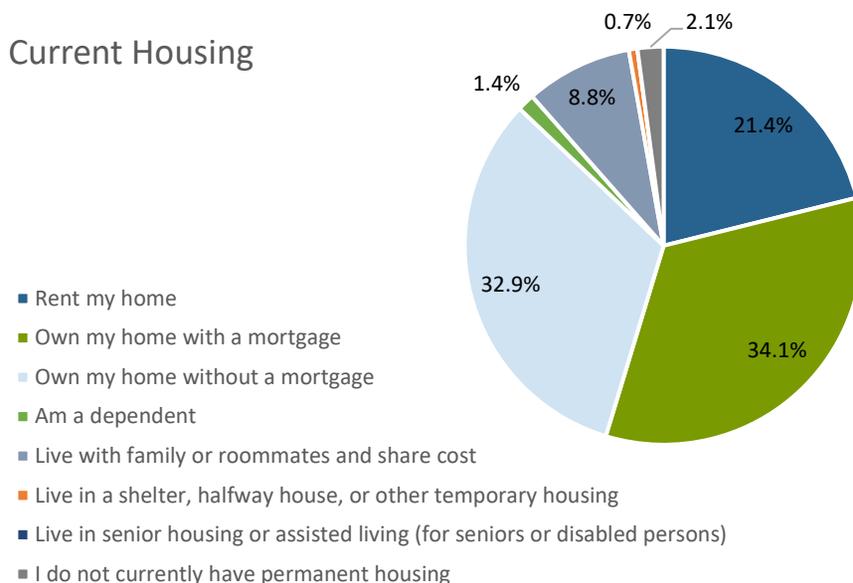


• **Homelessness:**

In NH there are two main methods by which data for people experiencing homelessness is collected. The PIT (point in time) count conducted annually in January, and the number of people served in a year as reported by the NH Council on Housing Stability. This data provides limited insight into the volumes, distribution, and details of people experiencing homelessness outside of Manchester and Nashua, due to the remainder of the state being classified as one area. Statewide (outside of Manchester & Nashua) data identifies 2,556 people experiencing homelessness in 2021, a number greatly reduced from 2020, when 4,317 people were in this situation.

Data collected from residents of the North Country through a survey of 420 people conducted in the Spring of 2022 found 9 people without permanent housing, and 3 persons living in halfway housing, shelter, or other temporary housing reflecting 3.6% of respondents. Data on homelessness is often hidden in rural communities, North Country residents who are homeless often camp in the woods, live in cars or tents, or double-up with others. The input collected from residents below supplements that typical data with people’s experiences in the region.

Current Housing



I’m working with a homeless mother right now. She and her boyfriend are living in a pop-tent trailer with some winterization; because he has a past record, they cannot find housing even though he is working full-time now and doing everything right. The door is shut in their face consistently. - Social Services Participant

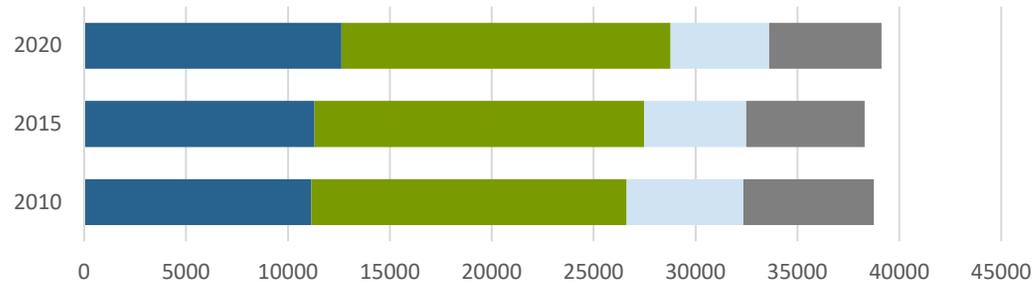
I was a J1 worker when I came here, but since then I’ve had a child and moved in with my boyfriend. We broke up and I have nowhere to go. I’m on all the statewide waiting list but I’ve been told to try to sleep in my car for now. That is not a good option for a 3-year-old. – Farmer’s Market Participant

I’ve lost employees at my business. They have become unreliable since they were often living out of their cars, struggling to survive and access essentials like shelter and running water. – Business Participant

- Household Sizes, Types & Tenure



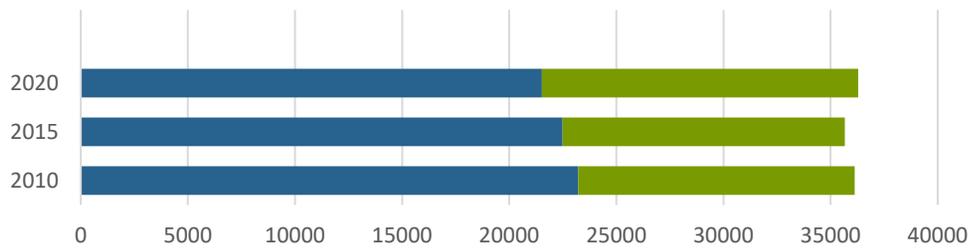
Household Size by Year



	2010	2015	2020
1 Person	11149	11295	12626
2 Persons	15472	16174	16142
3 Persons	5731	5016	4852
4+ Persons	6401	5815	5510

1 Person 2 Persons 3 Persons 4+ Persons

Families vs. Non-family household trends



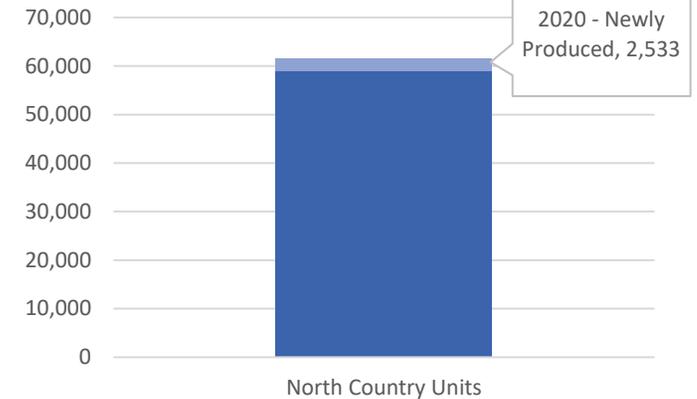
Family households Non-family households

Household Size Trends

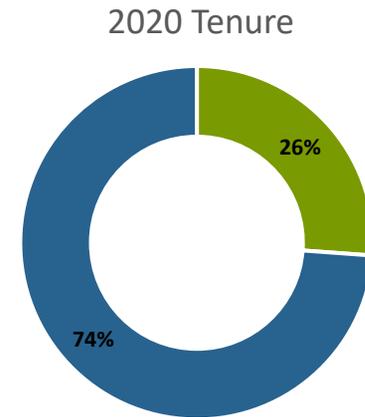
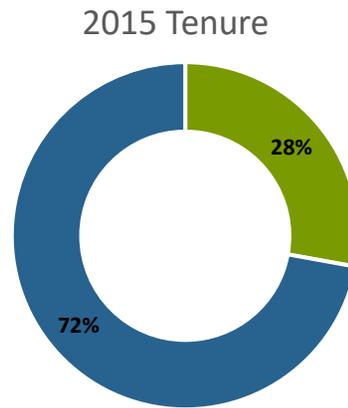
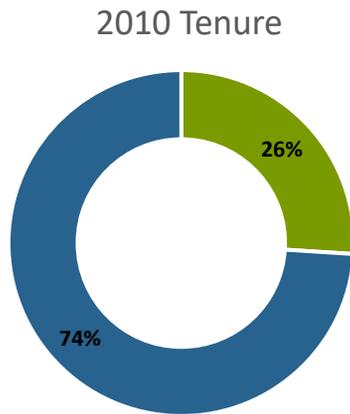
The average number of residents per household has remained relatively consistent over the past 10 years.

The size of “owner-occupied” households has remained consistently greater than the size of “renter-occupied” households. In 2020, the average owner household contained 2.5 people, whereas the average renter household contained 2.26 people. Looking back to 2010, owner households were slightly larger with 2.56 people and renter households were slightly smaller with 2.23 people.

Units Produced

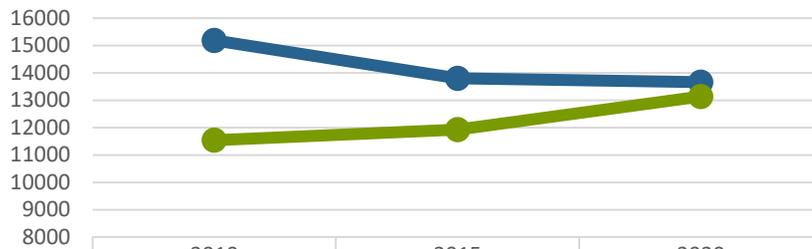


2000 - Existing Units 2020 - Newly Produced



■ Renter-Occupied
■ Owner-Occupied

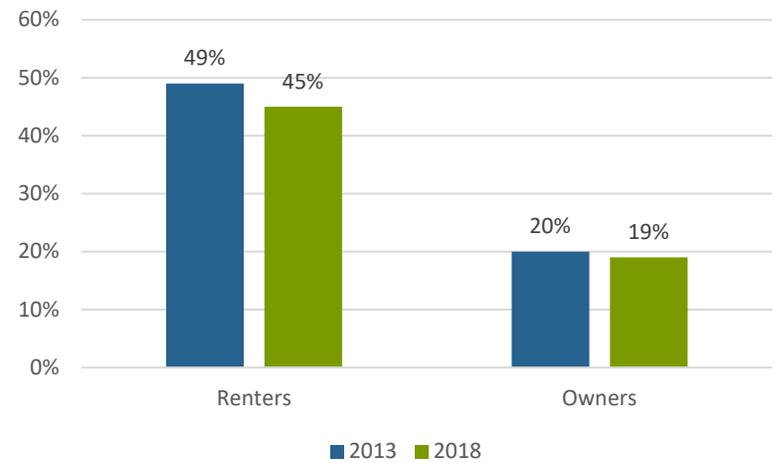
Housing Units by Mortgage Status



	2010	2015	2020
With Mortgage	15189	13,804	13,662
Without Mortgage	11539	11,932	13,138

● With Mortgage ● Without Mortgage

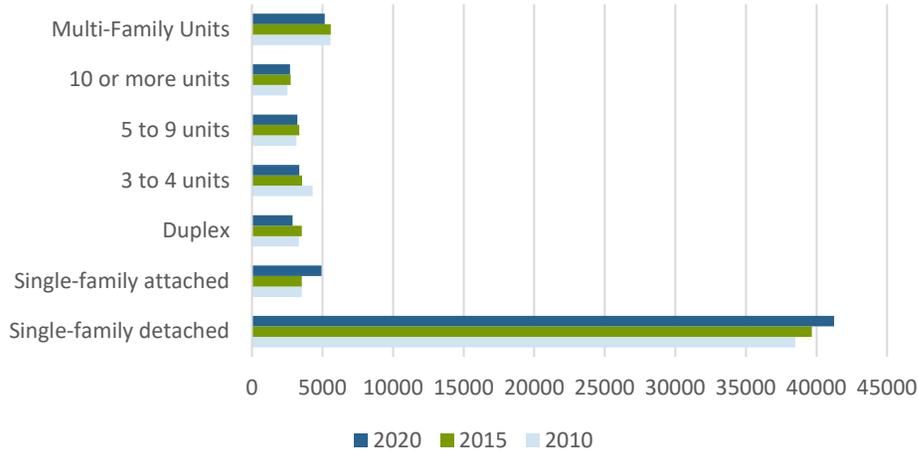
Low and Very Low Income Residents



- **Units per Structure**

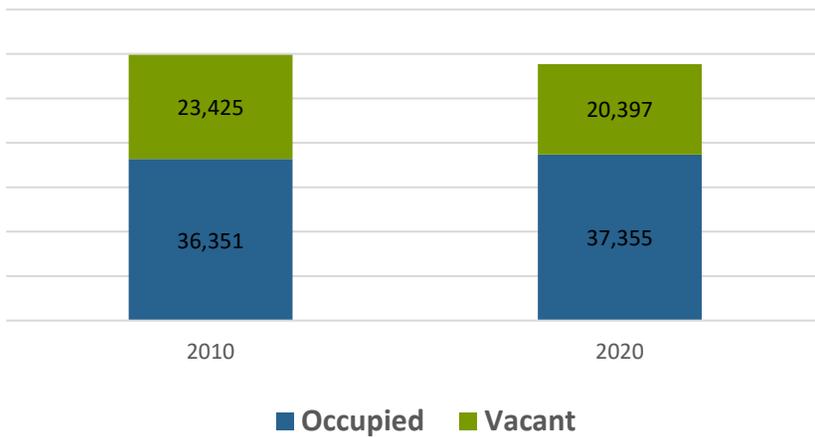


Units in Structures

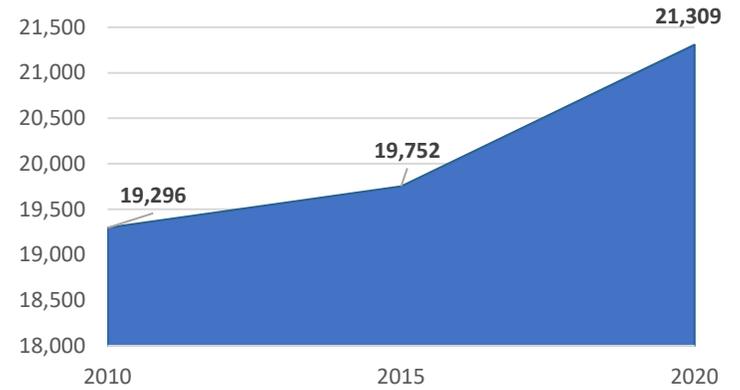


- **Vacant Housing Units**

Housing Units by Occupancy



Seasonal Housing Units (for seasonal, recreational or occasional use)



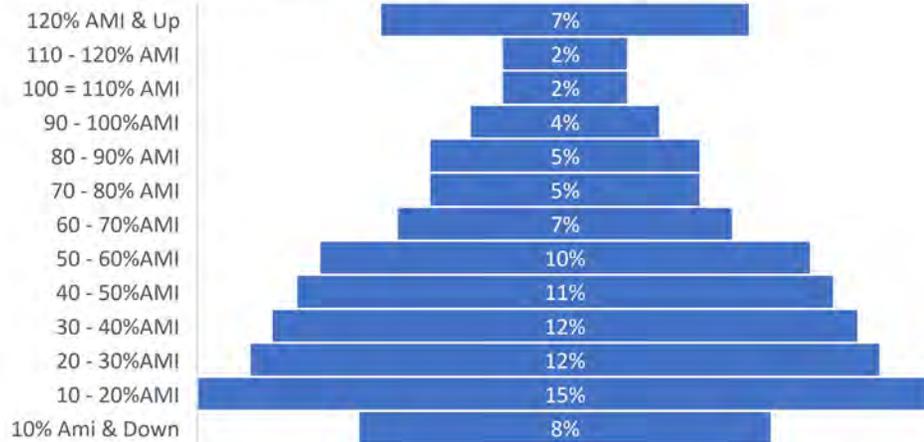
“Our seasonal guides always struggle to find temporary housing; others have been hoping to buy a home for years and haven’t been able to due to rising prices. Those that own property/homes have owned them for more than 10 years.” -Local Employer

- **Median Household Income**



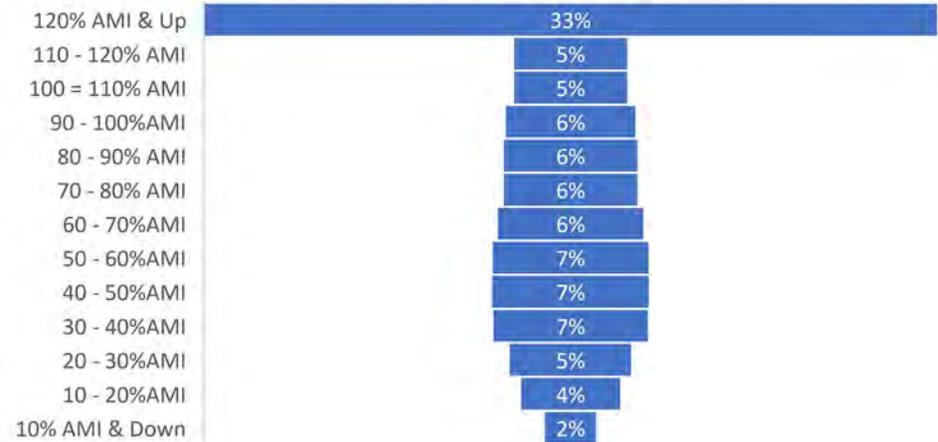
Share of Renter Household by AMI

AMI is area median income for NCC Region by household size



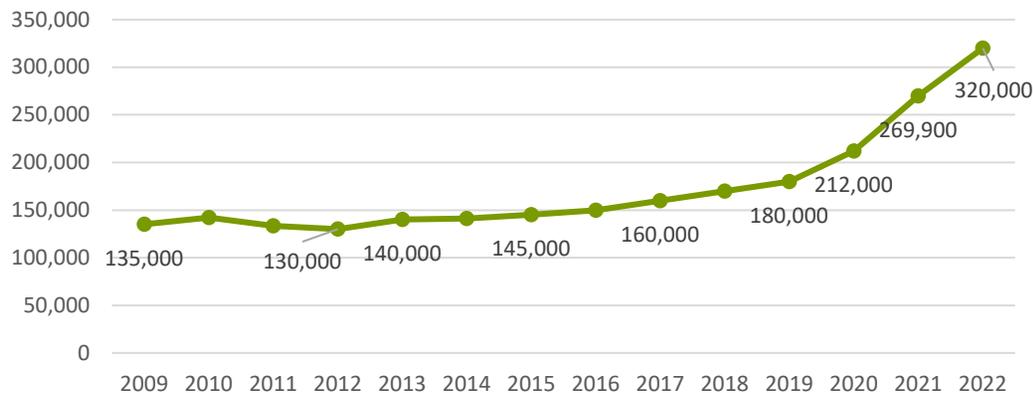
Homeowner Income as Share of AMI

AMI is area median income for NCC Region by household size



- **Median Home Values and Rents**

Purchase Price Trends MLS Sales



Homeownership Cost Trend:

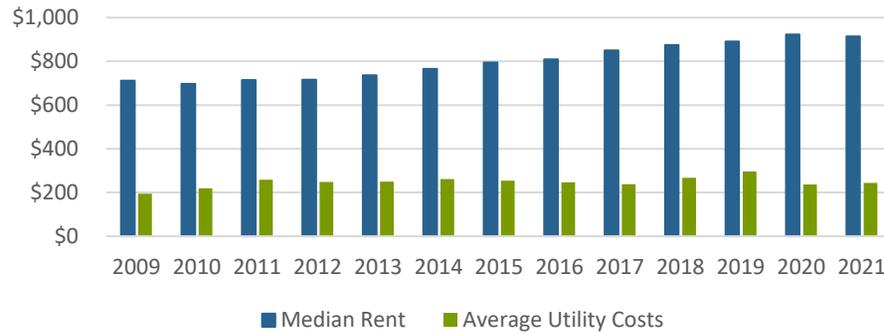
In the past 10 years, from 2012 forward the average purchase price for a home in the North Country region has consistently increased. In more recent years, the pace of price increase has grown notably based upon MLS sales data.

The average purchase price of a home has doubled in the past 5 years, from \$160,000 to \$320,000.

- Gross Rental Cost Survey Data (NHHFA)**



Rent & Utility Costs Trends (All Units)



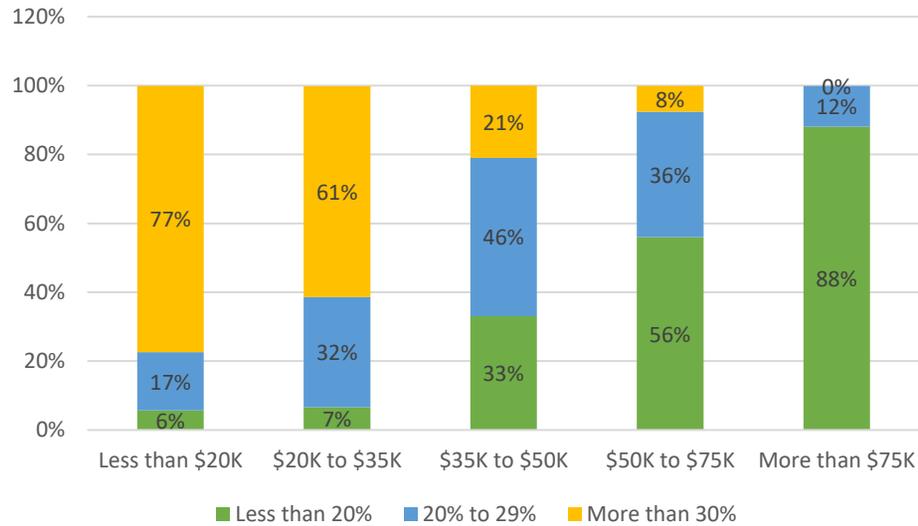
Rental Cost Trend

Rents have also increased within the North Country Planning Region. Between 2009 and 2021 the median monthly rent for a unit, regardless of size, in the region has increased by \$203 or 29%.

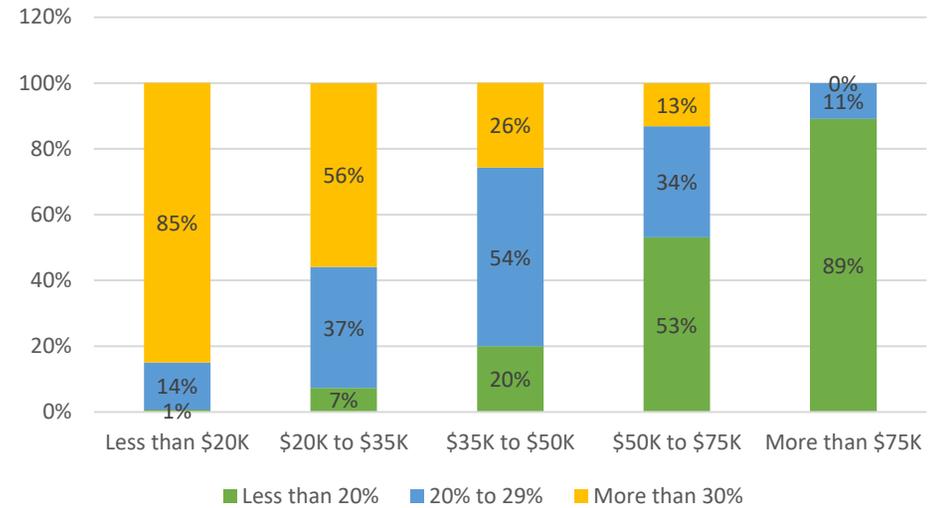
Within the same time period, average utility costs for units varied ranging from a low of \$237 per month in 2017 and 2020, to a high of \$296 in 2019.

- Renter Cost Burden by Income**

2015 Renter Housing Cost Burden by income



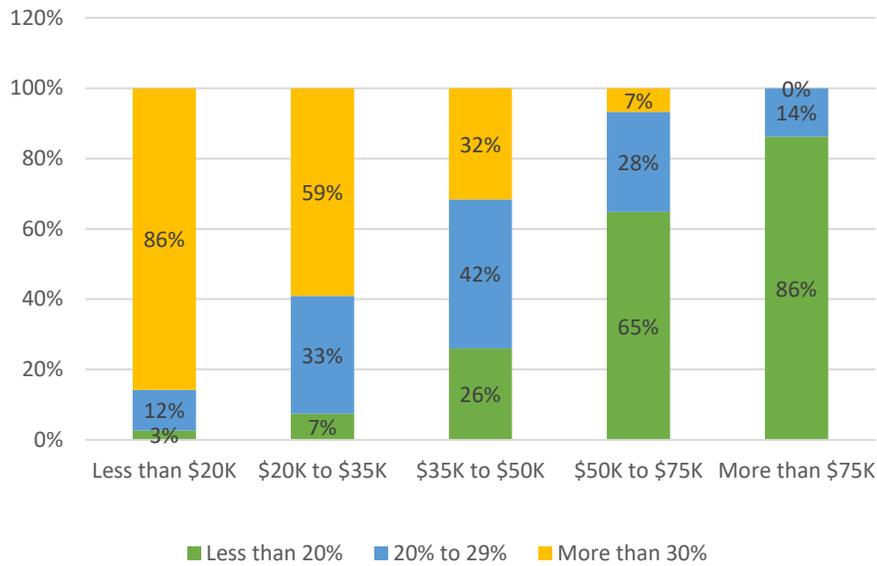
2020 Renter Housing Cost Burden by income



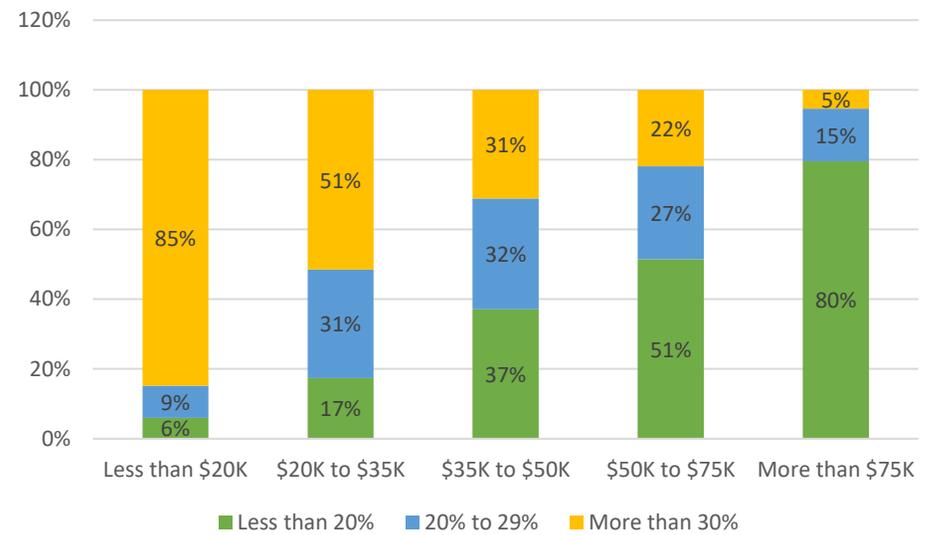
- Ownership Cost Burden by Income



2015 Ownership Housing Cost Burden by income



2020 Ownership Cost Burden by income



Ownership Cost Trend

Costs of homeownership increase as purchase prices, taxes and interest rates change. Overtime we cost-burden rates high for our low- to middle-income households. Rates of cost-burden are increasing and now impacting higher-income households as well.

“I’m a single mom and I work 2, sometimes 3 jobs just to take care of them. I’m lucky that I took advantage of a program at AHEAD to buy a home here, but minimum wage is so low, and housing is not cheap.” – Social Service Provider Participant & Area Resident

A landlord in Wentworth expressed their efforts to keep rental rates as low as possible to help with the housing challenges in the area. Many residents have been reliable, yet the landlord was negatively impacted financially throughout the COVID-19 pandemic. Despite efforts to keep rent low, some renters became unreliable in paying rent, resulting in a financial loss for the landlord due to the inability to evict tenants during the COVID-19 pandemic. – Farmer’s Market Participant

- Average wages and supportable rents & purchases, compared to market costs

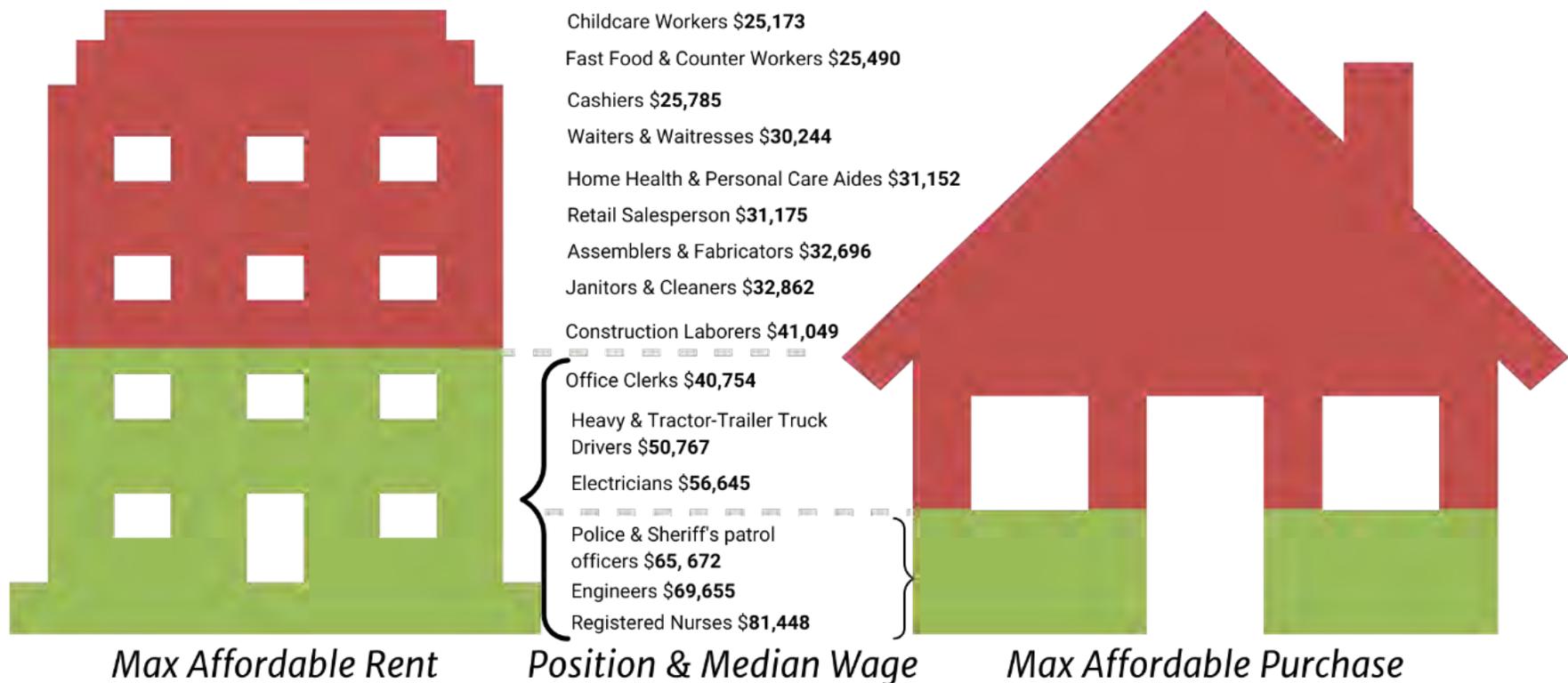


Wages and Affordability

The graphic below explore what common North Country jobs can afford the average cost of a unit for rent, or a unit for sale in the region. Only 7 of these positions (earning the median wage for the job) can afford the median rent for a 2 – bedroom apartment in the region. And only 3 can afford the average cost of a home. For 2022 the median rent for a 2 -bedroom unit in the region is \$1,035 and the median purchase price for a home was \$320,000.

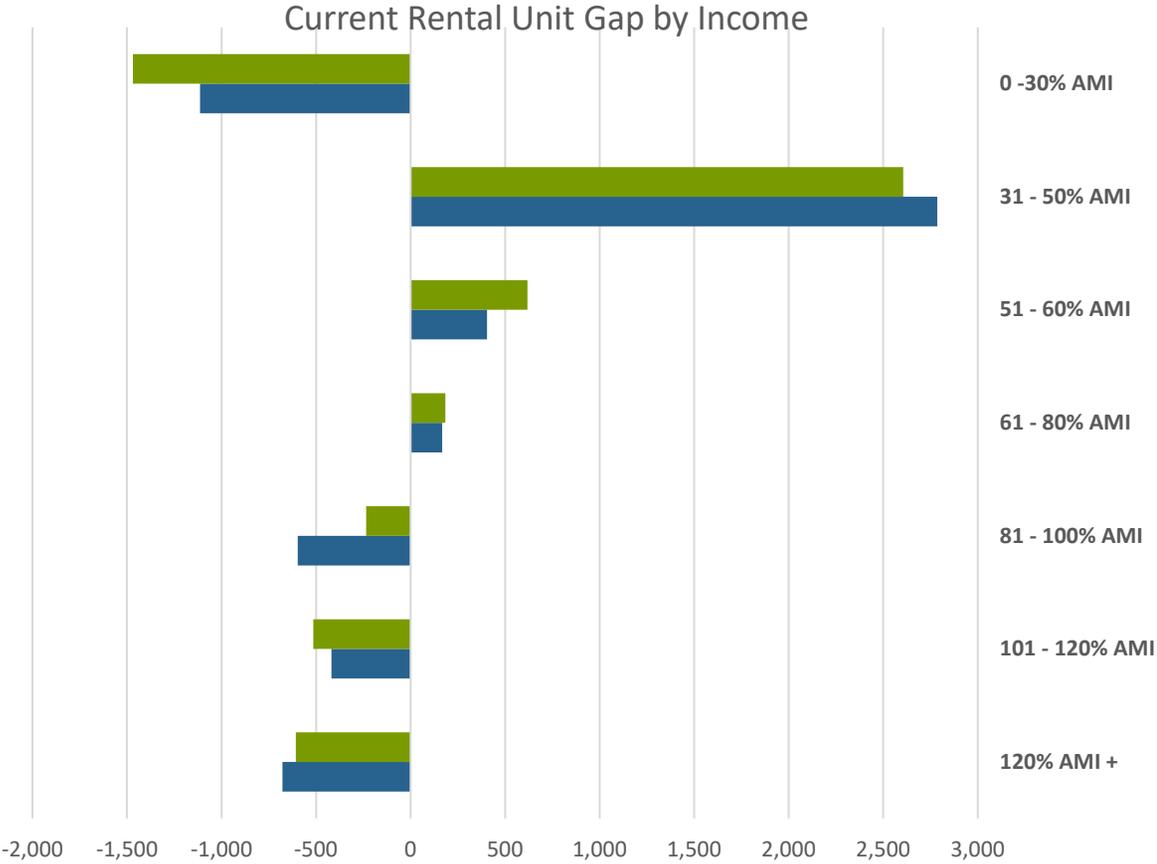
Of 15 indicator positions:

- Rent is affordable to 7 positions (46%)
- Purchase is affordable to 3 positions (20%)





Existing Rental Housing Gaps by Income Level



	120% AMI +	101 - 120% AMI	81 - 100% AMI	61 - 80% AMI	51 - 60% AMI	31 - 50% AMI	0 -30% AMI
2010	-608	-514	-236	184	618	2,605	-1,469
2020	-678	-419	-597	167	405	2,785	-1,114

Rental Unit Gap

This rental housing gap analysis is a time snapshot of the region’s current needs. The analysis can assist in setting target goals for public programs and policies aimed to increase housing choice and access. The numbers below represent the rental market supply gap of 2022 based on current populations, incomes, and units.

The rental gap is calculated as the number of units priced at or below a specific threshold minus the number of renter households with income at or below the amount needed to afford such units. Here is a description of gaps region wide.

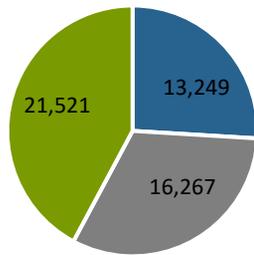
Negative numbers indicate a shortage of units at the specific income level; positive units indicate an excess of units. Low income renter households who face a rental gap are not homeless; they are cost burdened, occupying units that are more expensive than they can afford. Gaps for higher income renters suggests those renters are spending less than 30% of their income on housing. This points to an income mismatch in the market in which higher income households are occupying homes affordable to lower income households.

In Appendix C communities can find local estimates.

- Regional commute flow patterns:

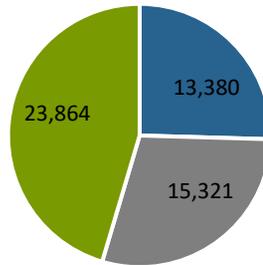


2014 Regionwide Commuter Flow



■ Commute In ■ Commute Out ■ Live & Work In ■ Commute In ■ Commute Out ■ Live & Work In

2019 Regionwide Commuter Flow



Commuter Flows & Travel to Work and Daily Needs

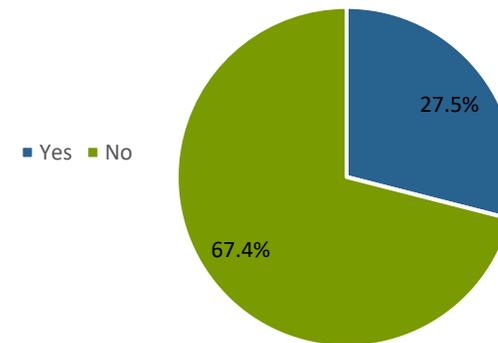
To understand where people live relative to where they work, we assess regional commuter flow and how they change over time. Between 2014 and 2019 the number of residents living and working in the region increased by 2,343 (an increase of 11%). In the same time period, the number of non-residents commuting into the region experienced a minor increase of 131 (1%) and the number of residents commuting out of the region for work decreased by 946 (5%).

Commuter Flows & Travel to Work and Daily Needs

While more residents are working in the region, the average travel to work time for residents in North Country communities has increased from 27.4 minutes in 2010, to 28.9 minutes in 2015, and 29.2 minutes in 2020.

On average residents in Randolph, Haverhill, and Rumney have the longest commute, while those in Berlin and Conway have the shortest.

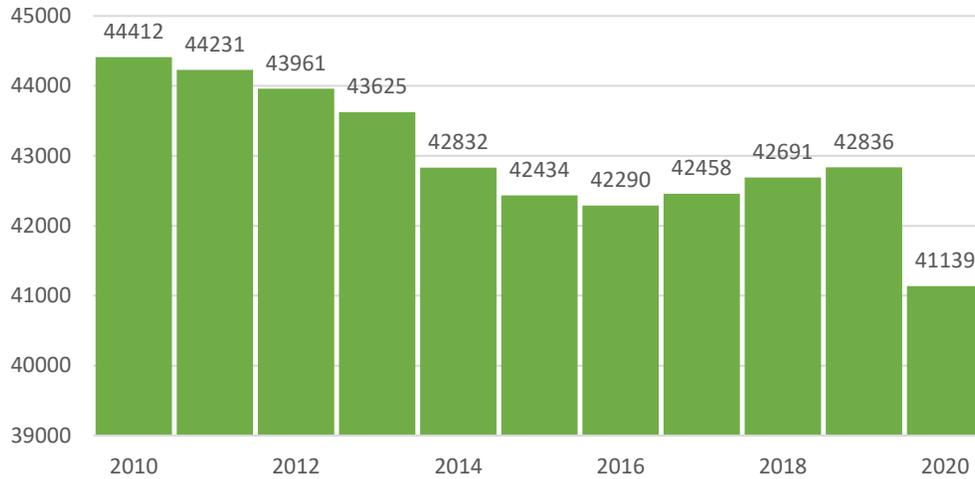
Residents that Travel More Than 30 Minutes for Work, Childcare, or Other Daily Needs



“Make sure that housing is located where the jobs are and is affordable to those jobs. There are a lot of little jobs, like working at a gas station, and they need to have places to live too. They will have to drive to get to work and the further away they live the more they spent to earn a paycheck.” - Young Professional Participant



Labor Force



Labor Force & Housing Near Employer Locations

The North Country has observed a recent overall reduction in the labor force. From 2010 on, this declining trend has held true, although the exact number has fluctuated with a minor rise from 2017 to 2019. In the last decade however, we have seen a decrease of 3,273 workers, representing a 7% loss. As the regional population continues to age, and potentially decline, further reduction in labor force participation can be expected.

Of those people employed in the region, nearly all felt there were very limited housing options near where they work. This coupled with the spread-out locations of other daily needs, including childcare, leads to long commute times, and costs.

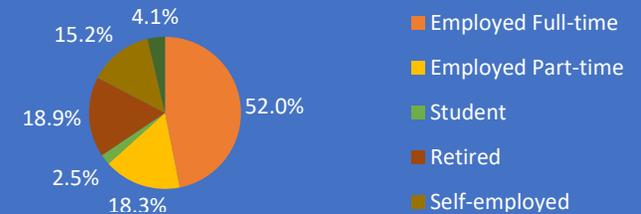
A resident of Warren shared their story of commuting to Hanover for work because he needs a good paying job and options are limited in Warren. He doesn't want to relocate, its even more expense and he wants to stay in a quiet, rural town and has considered taking a lower paying job due to the long commute time and high gas prices. – Old Homes Days Outreach Participant

90% of respondents to our 2022 resident survey felt they were limited, and no one believed their were plenty of options.

Housing Availability Near Workplace



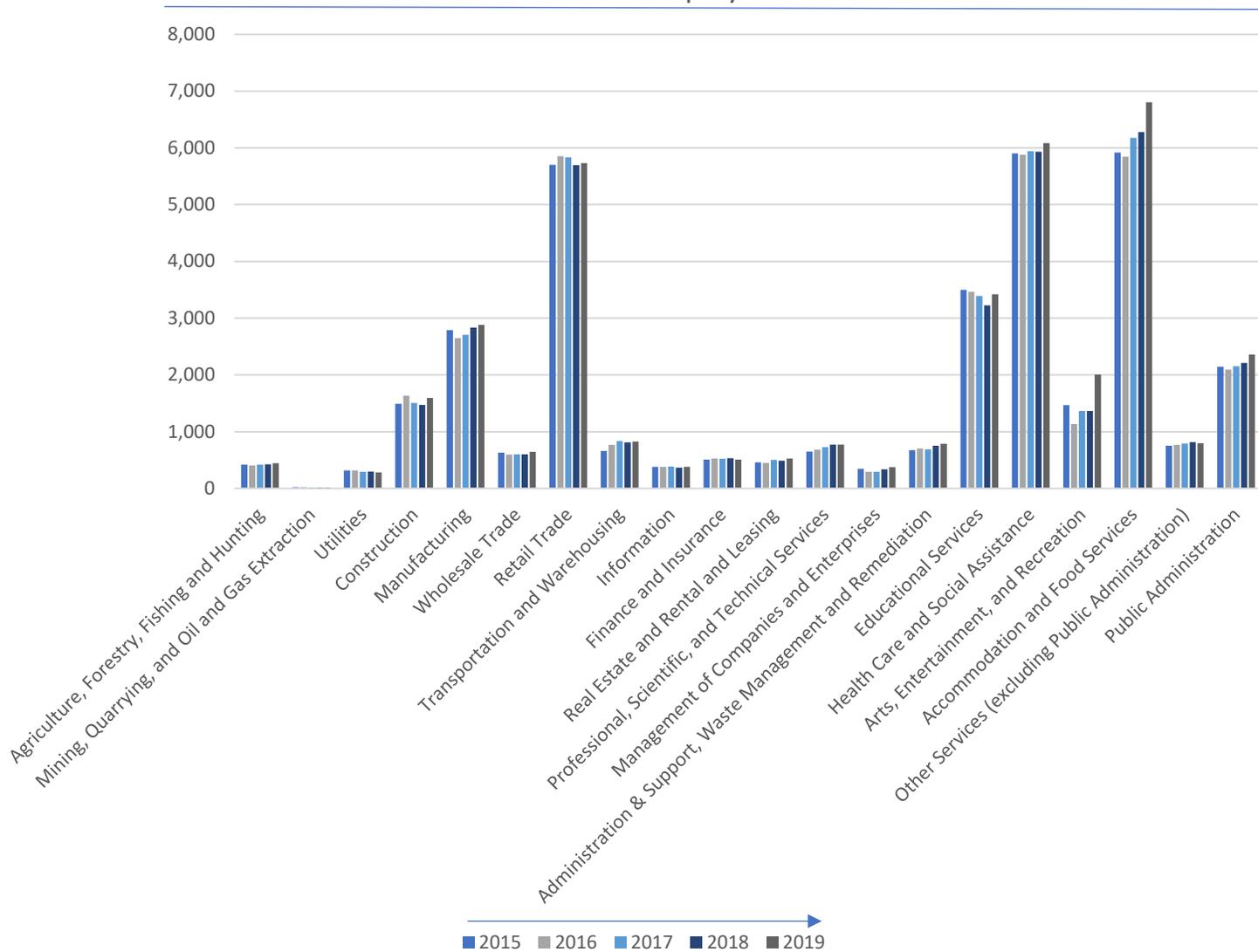
Respondents Employment Status





- Industry Participation over Time

Industry 5-Year Trend
Number of Employees



Industry Participation (number of employees)

The chart to the left displays the changes in number of workers per industry group for each year between 2015 and 2019.

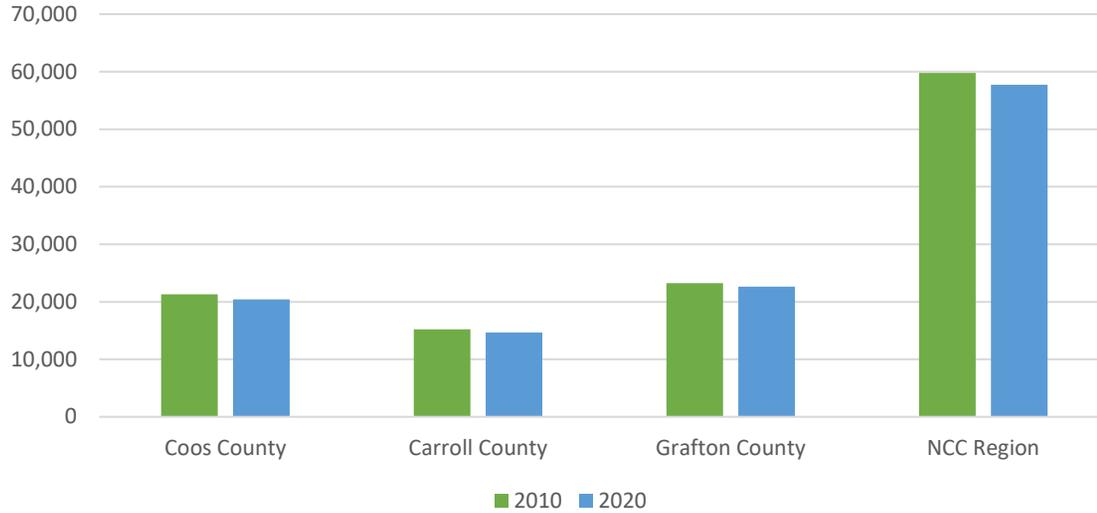
We see concentrations in retail trade, health care & social assistance, accommodation & food services. Along with smaller clusters in education, manufacturing, and public administration.

Within industries we see growth in most cluster areas. Particularly growth in accommodation & food services, health care assistance, arts & entertainment & recreation. Industries often characterized by low-wage work adding to the challenges for many meeting housing costs.

- Total Housing Units (per county over time & region totals)**



Total Housing Units
(2010, 2020 Census)



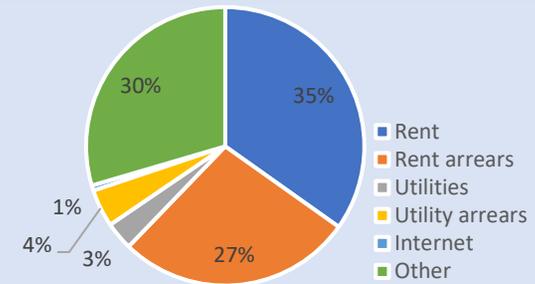
Total Housing Units

Census data shows the North Country planning region losing housing units from 2010 through 2020. This trend appears in the data from all counties and municipalities making up the North Country.

This trend appears notable, but may be due to discrepancies in the 2020 Census, or could be associated with non-response households.

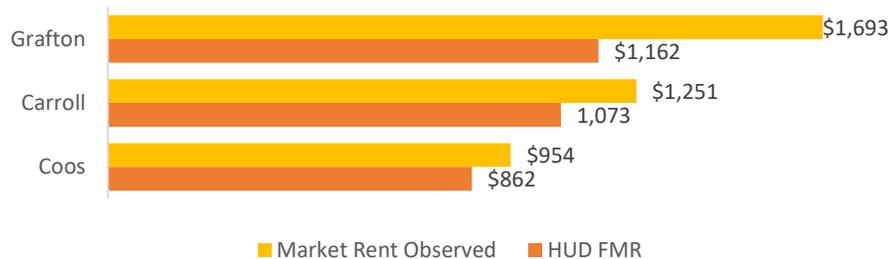
COVID Rental Relief Program Participation

1,512 households have participated in the Rental Relief Program with a total expenditure of \$14,710,938. Total expenditures across categories in the North County are:



- Market Rent Compared to Federal Fair Market Rent Levels**

Market Rents vs. HUD Fair Market Rent
2022



Market Rents vs. Federal Market Rent Determination

Each year, New Hampshire Housing Finance Authority surveys rental properties statewide to establish average market rents. The chart to the left shows “market rents” for 2 -bedroom units as published by NHHFA.

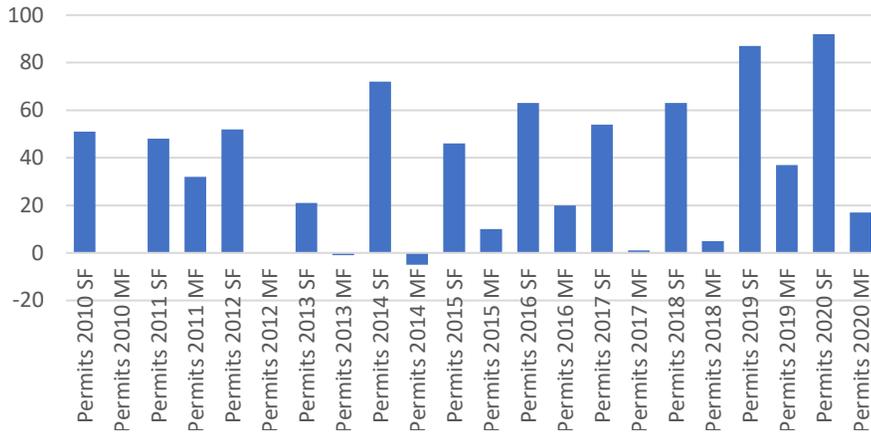
The chart also shows the HUD established “Fair Market Rent” for a 2 -bedroom which determines the maximum payment a Housing Choice Voucher or rental assistance a person is eligible for based on location.

Across each county we see a notable gap between the rents seen and the payments allowed through public assistance, increasing barriers for voucher users.

- **Building Permits Since 2000**



Carroll County Building Permits by type and year



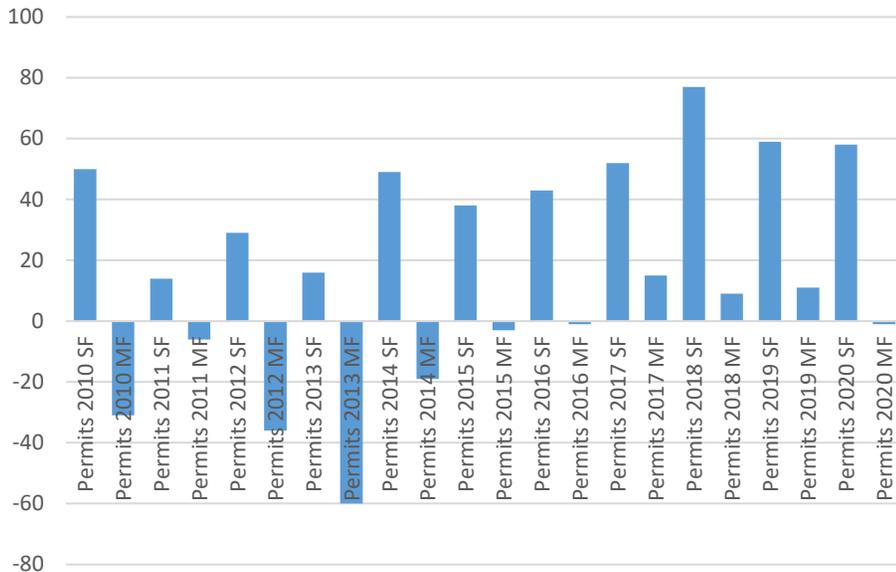
Building Permits & Structure Age

Exploring the number and type (single-family & multi-family) lets us see what units are being produced and at what rate. We can see an uptick in single-family construction from 2017 forward in Carroll, Grafton and a more variable situation in Coos County.

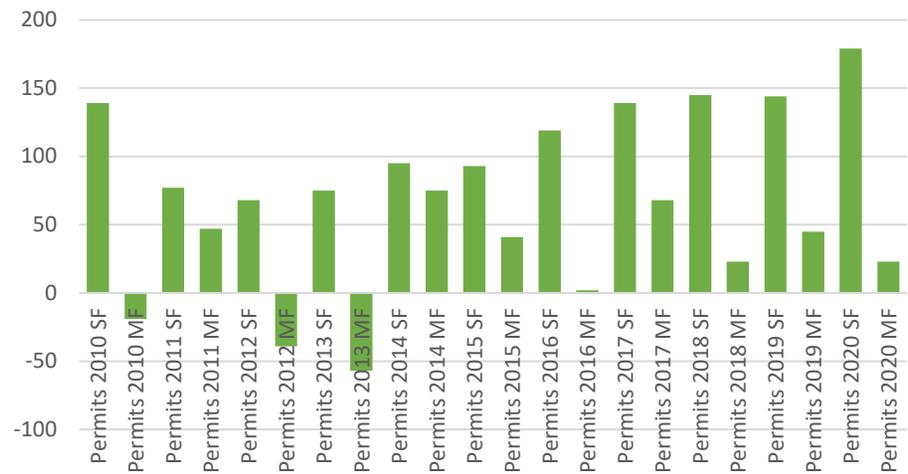
We can see efforts to remove substandard housing stock in Coos County demonstrated in negative multi-family production numbers. Overall recent years have increased the share of multi-family units constructed however the vast majority of units constructed have been single-family homes.

In the North Country, homes are older, and less new ones are produced than other areas of NH. In the North Country 24% of units were built before 1939, as compared to 16% in NH, and 11% in the US. Coos County has the highest share of older homes with 29%.

Coos County Building Permits by type and year



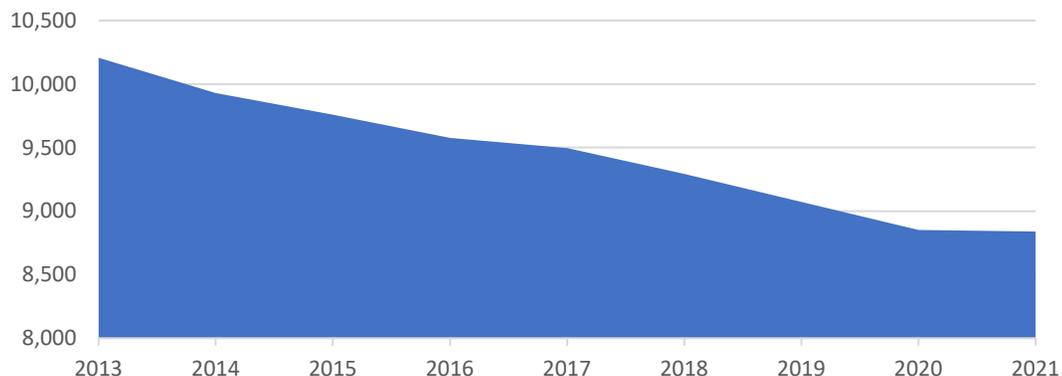
Grafton County Building Permits by type and year





- **School Enrollment:**

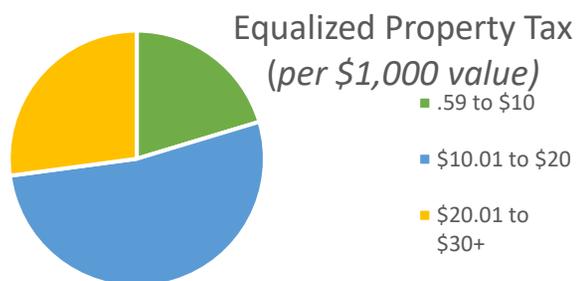
North Country School Enrollment Trends



- **Children by Unit Type**

Children by Unit Type		
Housing Type	Northern NH data	NH as a whole
Overall	0.34 * lowest of NH regions	0.42
Mobile homes	0.23	0.23
Single-family homes	0.41	0.50
Duplexes	0.23	0.35
Buildings with 3 to 5 units	0.21	0.40
Buildings with 5 to 9 units	0.23	0.32

- **Equalized Property Tax Rates:**



School Enrollment, Children per Unit & Tax Rates:

The North Country, along with the rest of NH has experienced a declining enrollment in schools over the recent past. Looking at data from 2013 forward we see a net loss of 1,368 students in North Country schools. A 13% decline in 8 years.

Across NH planning regions, all are experiencing a decline in school enrollment. The North Country is second to the Rockingham Planning region which saw a loss of over 14%. Those with the least loss of school aged students saw a rate of 6% loss.

As we consider the impacts of new construction, family affordability of housing, it is also interesting to consider which types of units tend to house the greatest share of children. In NH, single-family homes produce the greatest number of children per unit. In the North Country, this fact remains true, however we see less children per unit across all types when compared with the state as a whole.

Across the region municipal equalized tax rates vary greatly depending on the size of the community, the type, and level of municipal services provided and the value of the properties contained within the town.

“I’d like to see the town have more flexibility to allow towns to offer tax holidays to encourage the growth of the municipality’s housing stock. Towns focus so much on the expense side of their budgets, and not the revenues. They also need to focus on first-time homebuyers, workforce incomes...not doing that is going to hurt us big time in the future.” – Realtor Participant

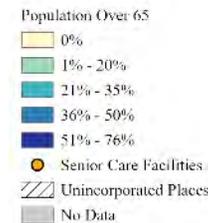
Communities of Interest

Seniors (people 65 years of age and over)

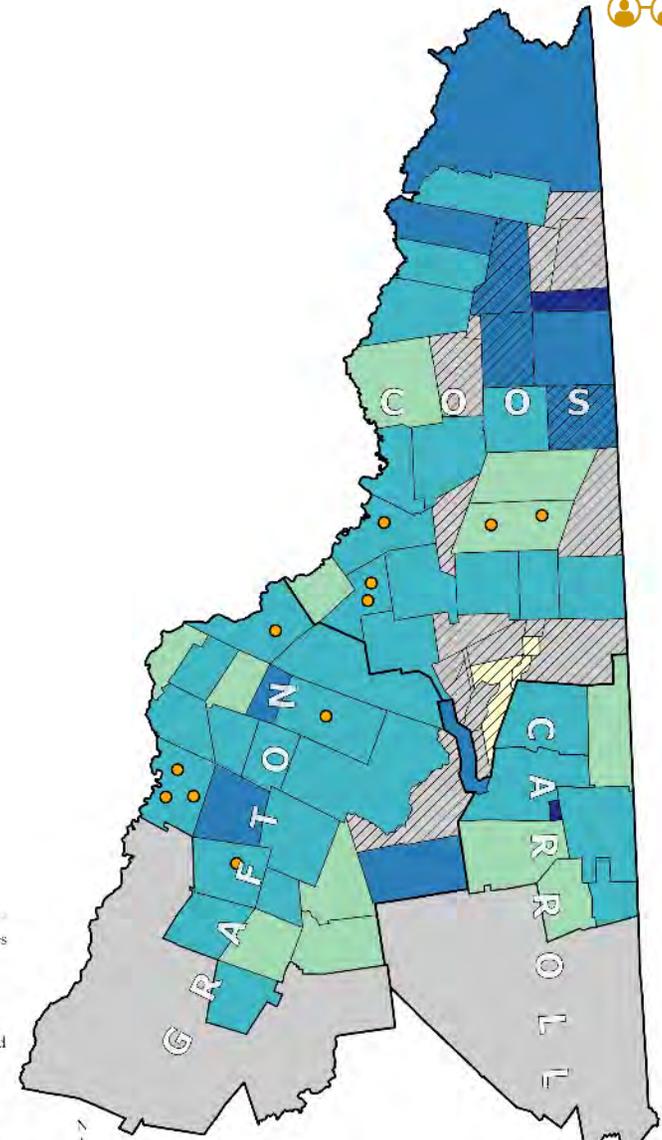
The senior population is a growing segment of the region's population. The share of people over 65 years of age has grown by 6% in the past 10 years to a population of 19,642. The population of seniors within the region are disbursed evenly across the region, which presents unique challenges in meeting their needs as they age. Senior citizens often experience mobility challenges and other impairments impacted by daylight hours, this may result in the limited use of their automobile and cause isolation. Seniors are more likely to need assistance with daily care that requires a congregate living arrangement. Seniors express a high preference for remaining in their homes and neighborhoods. If they must relocate due to cost or mobility, seniors want to do so on their own timetable, and not due to adverse effects of decisions made by housing providers, politicians, or government officials. Since New Hampshire state statute classifies age as a protected class, housing providers are not allowed to reject candidates for available housing based on the age of an individual. There are some federal and state exemptions to this rule, particularly for 55-plus age-restricted units. The benefits of allowing age-restricted communities within a municipality has been debated. 55-plus housing can be used as a means for inclusion of seniors in a community, but restrictions can also be a tool to limit families with children from moving into a community.

The measure of senior populations is defined by persons 65 years of age and older. The senior population is calculated using US Census 2020 national demographic analysis tables. This Map the distribution of senior population in the NCC region. Although the senior population is evenly distributed across northern New Hampshire, many towns in Coos County have a higher population of seniors. Many of these towns with high senior populations do not have senior care facilities nearby, making it difficult for residents to stay in place.

A resident of the Conway area shared their experience of their parents having to enter an assisted living facility on the north shore of Massachusetts, hours away, because there were no senior care options in the Conway area. Their father has since passed and they expressed the toll it has had to have their mother hours away, resulting in fewer visits and time spent together.



Unincorporated Places have low populations that can lead to skewed results.



MAP. PERCENTAGE OF SENIORS PER MUNICIPALITY AND SENIOR CARE FACILITIES WITHIN NCC REGION.

Minority Populations

The US Census Bureau measures race and ethnicity following the OMB standards as set in 1997. The 2020 Census collected data on Hispanic origin and race in two separate questions.

Racial & Ethnic Segregation

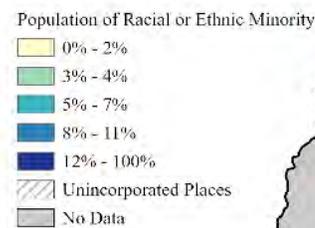
Race is broken into five categories:

- 1) White,
- 2) Black or African American,
- 3) American Indian or Alaska Native,
- 4) Asian, and
- 5) Native Hawaiian or Other Pacific Islander.

In addition, the 2020 census also allowed people completing the survey to select an undefined “Other” as well as a “Two or More Races” categories. Ethnicity classifies individuals in one of two categories: “Hispanic or Latino” or “Not Hispanic or Latino.” We use the term “Hispanic or Latino” interchangeably with the term “Hispanic,” and also refer to this concept as “ethnicity.” It is important to note that people of Hispanic origin may be of any race. For example, a person identified as having a race of Pacific Islander can also be identified as Hispanic.

The measure of minority rate for the Council’s region considers both race and ethnicity when calculating minority population. Map 24 illustrates the concentration of minority populations.

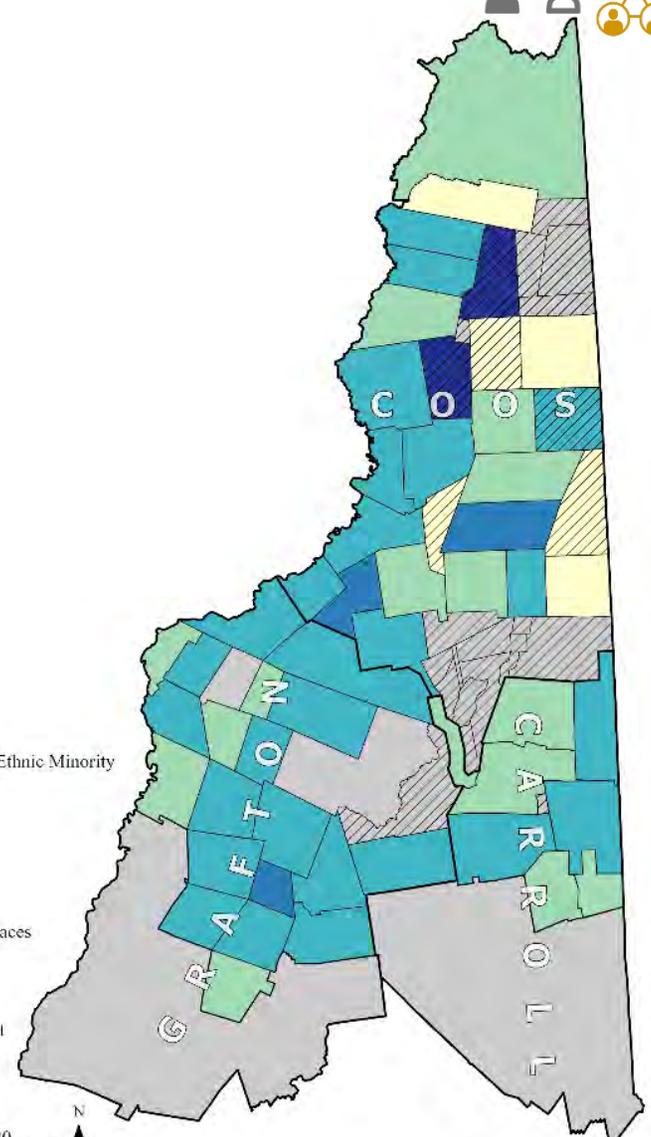
Concentrations of minorities occur in Berlin, Whitefield, and Ellsworth. Unincorporated places Dixville and Odell also have notably high concentration of minorities, however this is skewed due to the very low population in the area.



Unincorporated Places have low populations that can lead to skewed results.



Created by NCC, 2022. Sources- US Census Bureau, U.S. Geological Survey



MAP. PERCENTAGE OF RESIDENTS OF RACIAL OR ETHNIC MINORITY PER MUNICIPALITY WITHIN NCC REGION.



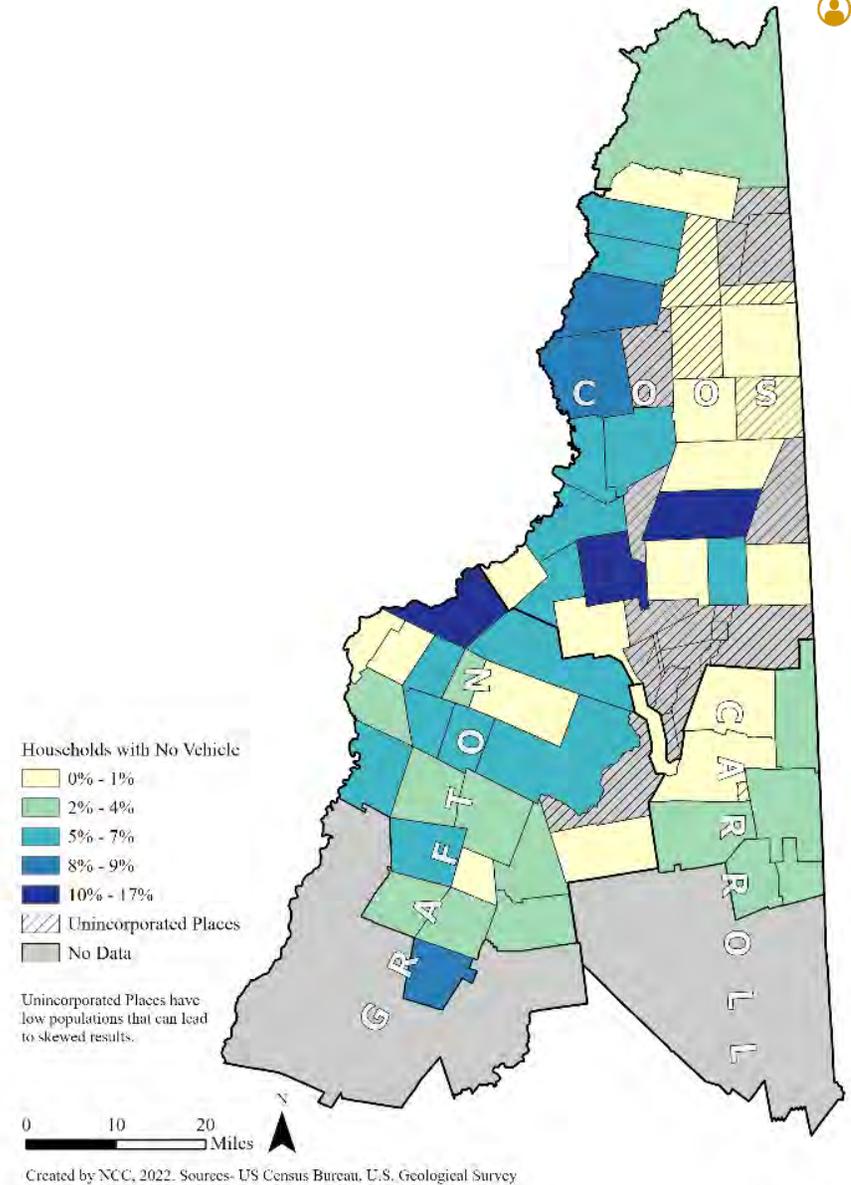
No-Vehicle Households

No-vehicle households are not provided specific protections under federal or state civil rights laws. No-vehicle households were identified by Council staff as an important population classification due its overlap with other groups identified in this analysis and the dominant role private automobiles play in the daily mobility needs of the region’s inhabitants. No-vehicle households have significantly different mobility and housing needs when compared to individuals who own a private automobile. Households with no private automobile must choose to live in locations where access to employment, housing, food, education, and services do not require owning and driving a private automobile. Such an arrangement can only be achieved where individuals can access public transit, private transportation services, walk, or bike. In places where no-vehicle households overlap with other classifications, the compounding conditions increase the chances of equity disparities. For example, having a physical disability cannot be used to refuse an individual from some forms of employment, but having a private automobile for transportation to and from work can be used as a requisite for employment.

The measure of no-vehicle households is derived from the US Census Bureau’s 5-year ACS data on vehicles available. The US Census defines a vehicle as a privately owned motor vehicle such as cars and trucks available for household transportation needs. Zero Vehicle households are an important segment of the population, this is due to the limited mobility associated with alternative transportations options. Lacking access to a vehicle can severely limit the ability of a household to meet its daily needs. Changing demographics within the region suggest a need for long-range planning of walkable and bike-able neighborhoods, employment centers, and increased access to public transportation. This is especially within the Council’s region, which is mainly composed of rural communities where car ownership is a requisite to access employment and services.

This map shows the regional distribution of No-Vehicle Households. Many towns within the region have a no-vehicle rate between 2 and 17 percent. Towns with the highest rates of households without a vehicle include Littleton, Berlin, Jefferson, and Groton.

MAP. PERCENTAGE OF HOUSEHOLDS WITH NO VEHICLE PER MUNICIPALITY WITHIN NCC REGION.

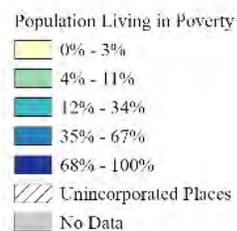




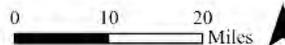
People Living In Poverty

The US Census Bureau uses a set of money income thresholds that vary by family size and composition to determine who is in poverty. If a family's total income is less than the federal family size threshold, then that family and every individual in it is considered "in poverty". The official poverty thresholds do not vary geographically, but they are updated for inflation using the Consumer Price Index (CPI-U). The official poverty definition uses money income before taxes and does not include capital gains or noncash benefits (such as public housing, Medicaid, and food stamps). The 2020 Federal threshold for poverty is \$13,171 for an individual, \$16,733 for a family of two, and escalates based on family size to an upper limit of \$53,905 for a family of nine. The poverty measure is intended to weigh household income against costs to determine the minimum amount necessary to afford basic living expenses.

The measure has some limitations as the structure of the measure does not adjust for differences in the cost of living between urban and rural areas. Poverty guidelines also do not capture other contributions to well-being, either. A family may have lots of assets, such as housing and capital gains, and still live below the poverty level. Similarly, families that receive food stamps, housing assistance, and tax credits do not count those benefits as income in the calculation of poverty level. Poverty rates are shown in the Map.



Unincorporated Places have low populations that can lead to skewed results.



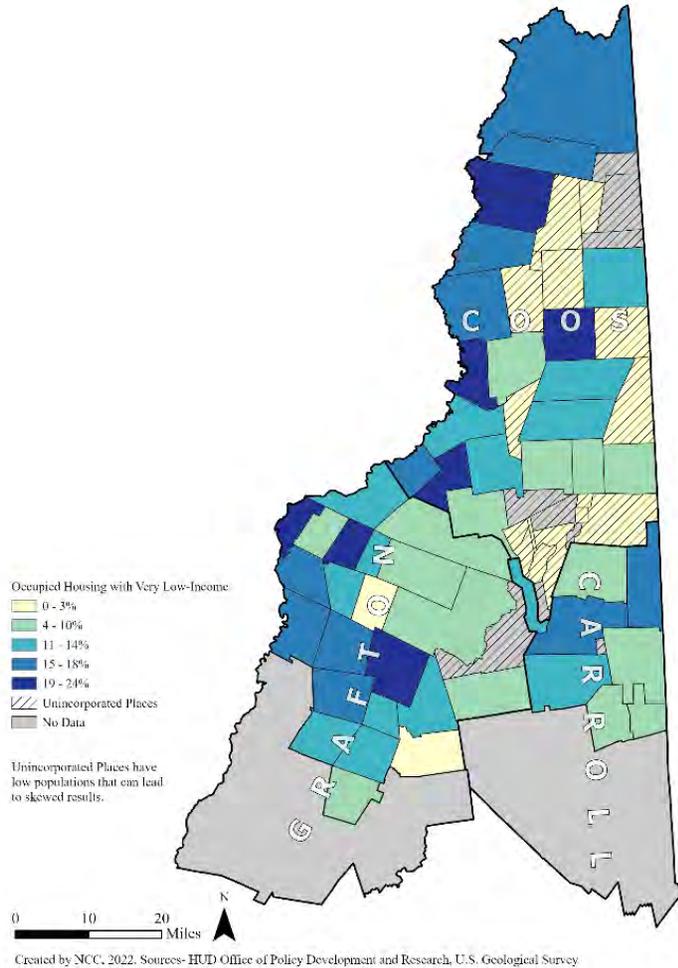
Created by NCC, 2022. Sources- US Census Bureau, U.S. Geological Survey

MAP. PERCENTAGE OF POPULATION LIVING IN POVERTY PER MUNICIPALITY WITHIN NCC REGION.

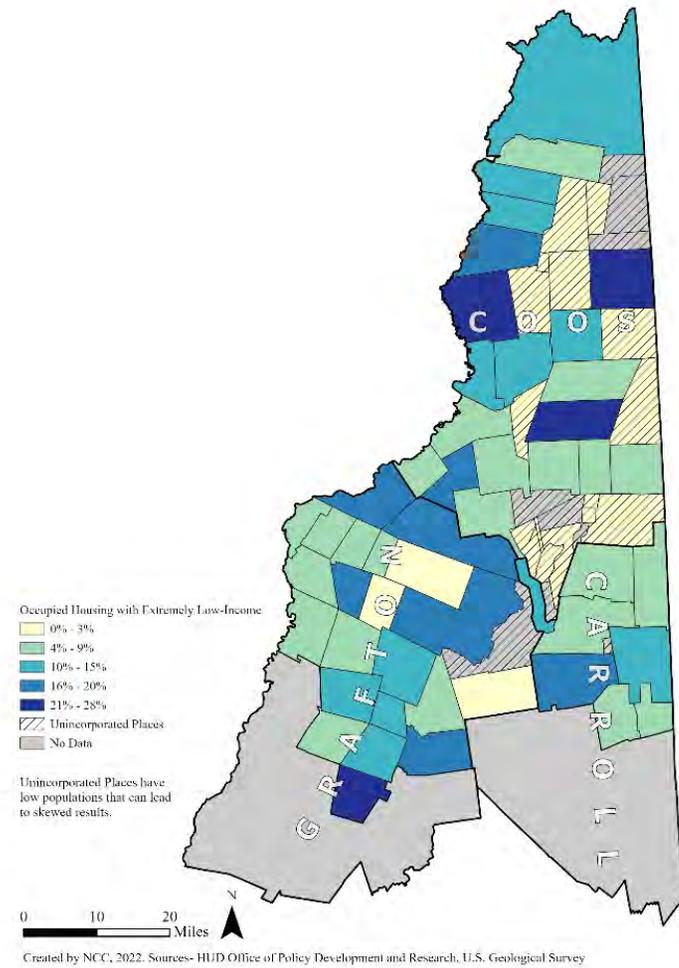


Occupied Housing with Very Low or Extremely Low-Income

Very low-income is determined by HUD Office of Policy Development and Research as income brackets greater than 30 percent, but less than or equal to 50% HUD area median family income. Extremely low-income are those who fall into less than or equal to 30% HUD area median family income. Map 27 displays the distribution of occupied housing with very low-income. Several towns and unincorporated places throughout the region including Stewartstown, Colebrook, Northumberland, Dummer, Whitefield, Monroe, Lisbon, and Woodstock have a percentage of occupied housing that fall into the very low-income bracket of 19% or higher. Four towns within the Council’s region have 21% or greater occupied housing units that falls within the extremely low-income bracket. These towns are mostly concentrated within Coos County including Stratford, Errol, and Berlin; and Groton in Grafton County.



MAP. PERCENTAGE OF OCCUPIED HOUSING WITH VERY LOW-INCOME PER MUNICIPALITY WITHIN NCC REGION.

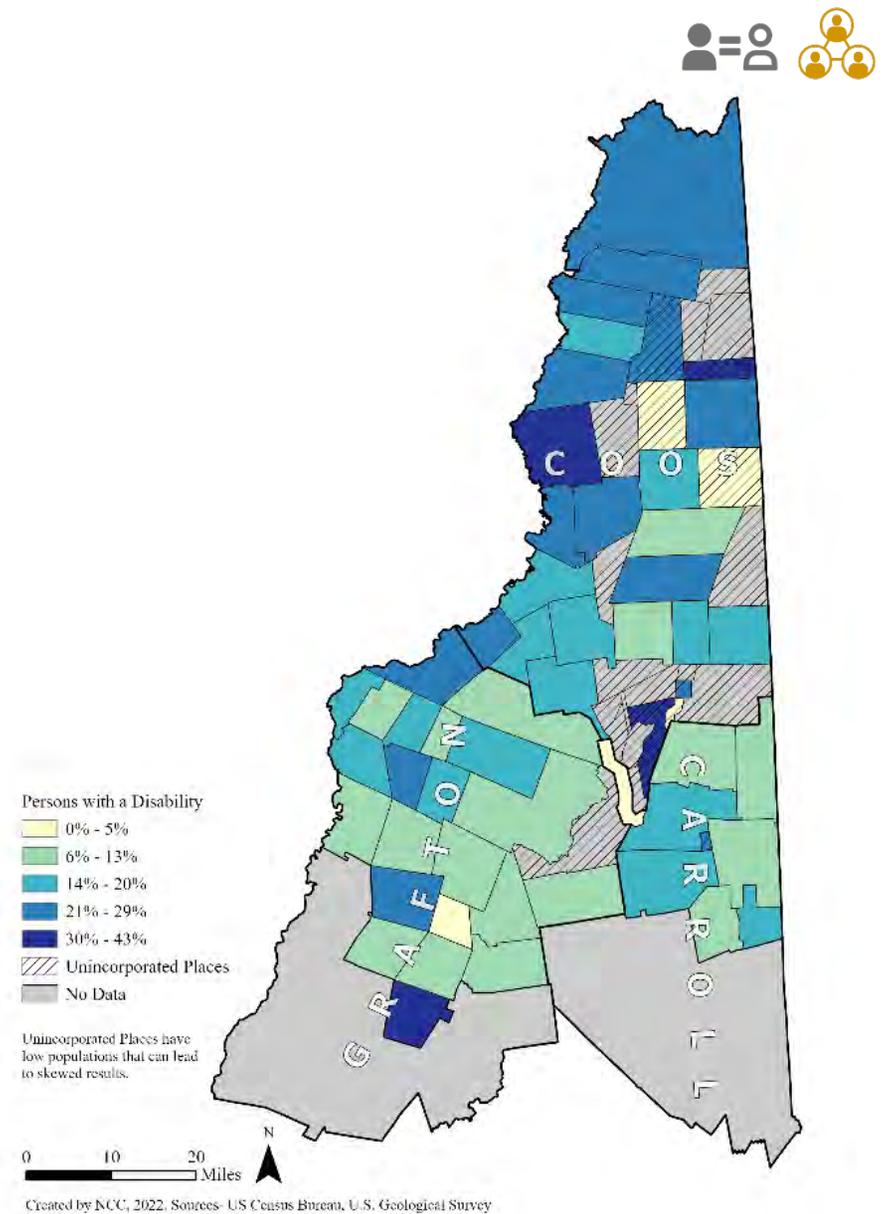


MAP. PERCENTAGE OF OCCUPIED HOUSING WITH EXTREMELY LOW-INCOME.

Persons with Disabilities

People living with a disability often seek out community-based living conditions which provide housing dignity. Many different living arrangements can be considered appropriate based on an individuals' needs. Families with a member living with disabilities often care for their dependents well into adulthood. According to a 2021 survey by ABLE-NH, 70% of both family caretakers and individuals with disabilities reported a need for access to appropriately supportive, accessible, and affordable housing. In addition, caretakers are older, with 60% of caretaker respondents noting their own age was between 55 to 74. More than 50% of respondents expressed a desire to live independently from their family, with appropriate, and nearby support. Depending on the impairment, physical improvements may need to be put in-place in order for individuals to achieve a more independent housing and living arrangement. New Hampshire Housing estimates over 47,000 households have a member with a disability which is in need of some form of housing accommodation or assistance. The civilian non-institutionalized population with a disability in the NCC Region is 13,200 or approximately 16% of the population.

Data on disabled populations is collected by the US Census Bureau's 5-Year American Community Survey (ACS). The ACS survey collects information on hearing difficulty, vision difficulty, cognitive difficulty, ambulatory difficulty, self-care difficulty, and independent living difficulty. Respondents who report any one of these identified disability types are considered to meet the definition of a person with a disability. Map 29 illustrates the distribution of the disabled population within the NCC region. Areas with high populations of persons with disabilities are heavily concentrated in Coos and Grafton County.

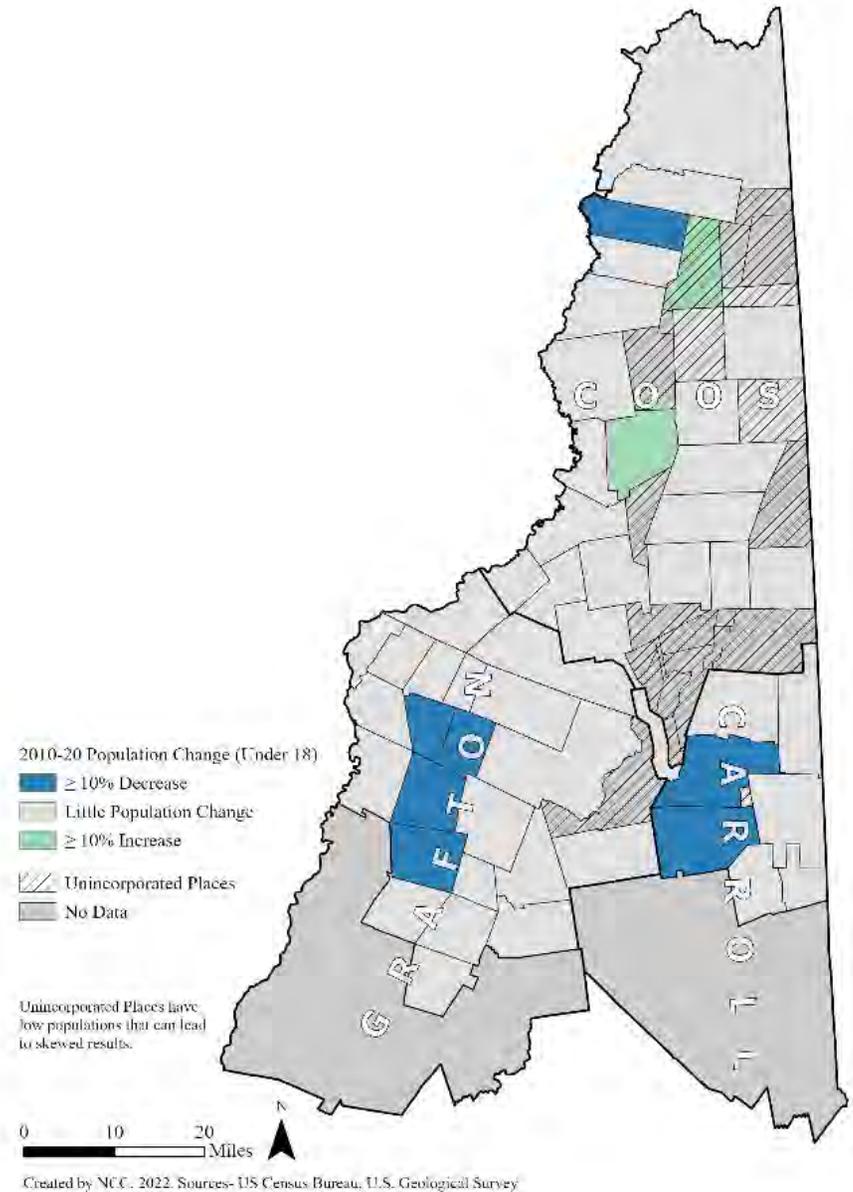


MAP. PERCENTAGE OF PERSONS WITH A DISABILITY PER MUNICIPALITY WITHIN NCC REGION.



Youth (People Under 18 Years of Age)

Within NCC's region, the population youth under the age of 18 has been declining. From 2010 to 2020, the region's youth under 18 population has declined by approximately 4%. This map displays the greatest changes in youth under 18 in this time period. Areas with the greatest increase in youth are concentrated in Coos County, while areas with the greatest decrease is spread throughout the region. There are two notable clusters of towns that have seen a great decrease in youth including one in Grafton County made up by the towns of Landaff, Easton, Benton, and Warren. A second cluster can be seen in Carroll County, both Bartlett and Albany had a decrease in youth by 10% or more.

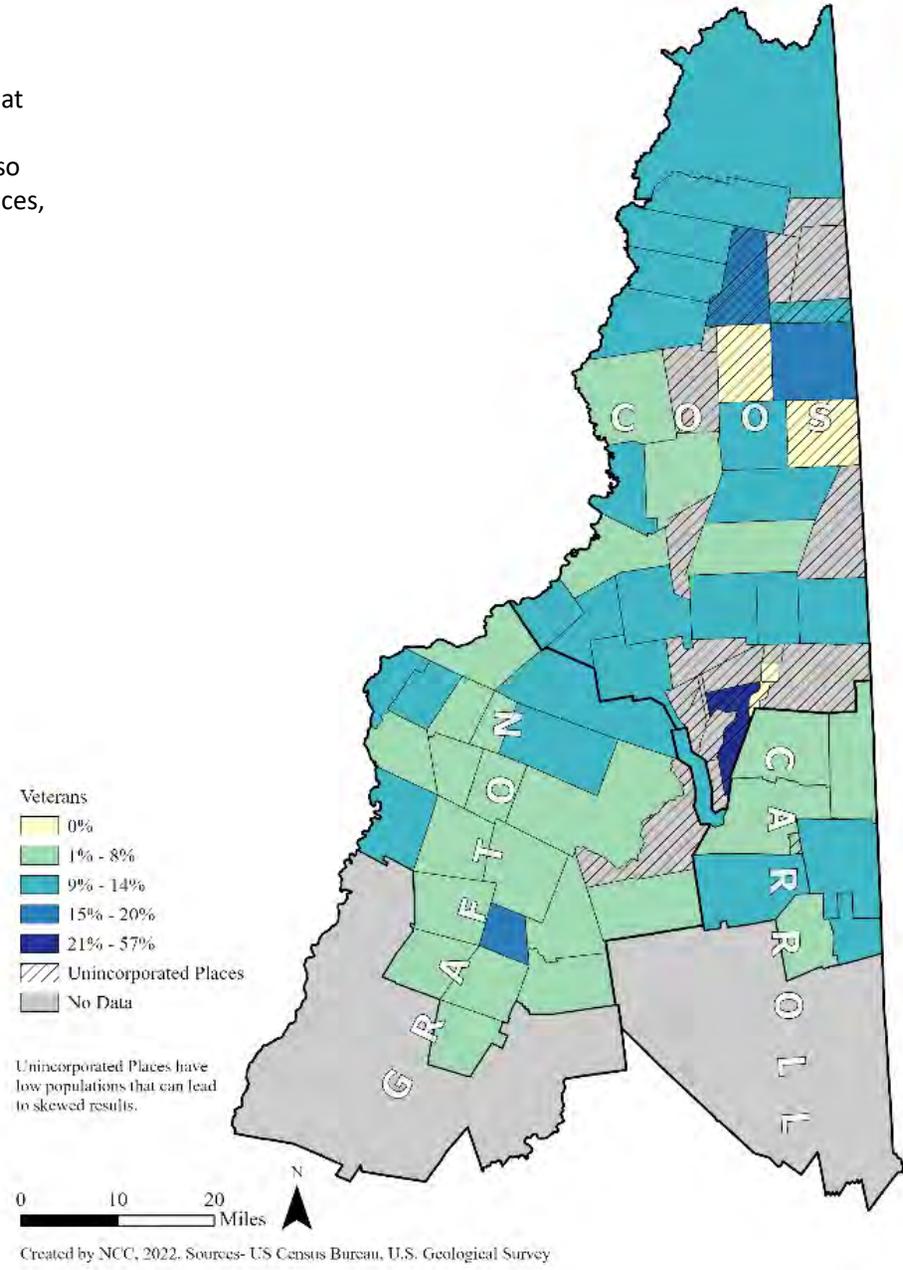


MAP. POPULATION CHANGE OF YOUTH UNDER THE AGE OF 18 PER MUNICIPALITY WITHIN NCC REGION.



Veterans

As of 2020, ACS census data reports that just shy of 7,000 veterans live within NCC's region, making up 8.5% of NCC's total population. This map displays that the veteran population is well distributed throughout the NCC region, with higher populations in Errol and Ellsworth. Several unincorporated places in Coos County also have high populations of veterans, however due to the low populations of these places, the percentage of veterans is skewed.



MAP. PERCENTAGE OF VETERANS PER MUNICIPALITY WITHIN NCC REGION.

Community Fact Sheets

The following table includes links to community fact sheets for each community in the NCC region, with the exception of unincorporated places and a few municipalities that lack data. Community fact sheets were not created for unincorporated places due to the low populations and lack of data collected from the United States Census Bureau.

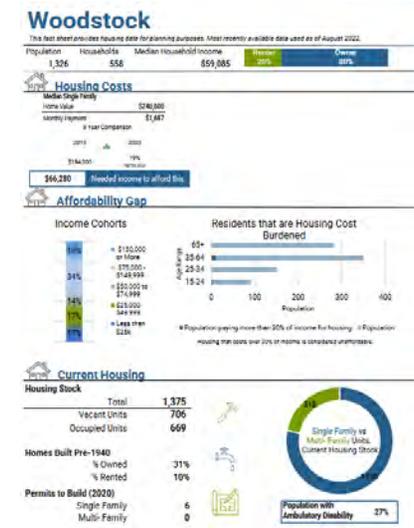
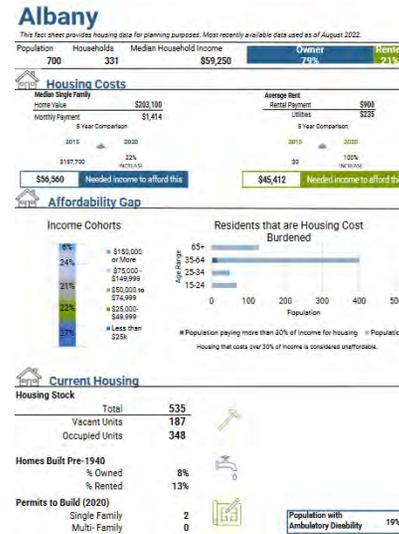
Information on:



- housing costs (average housing prices, yearly income needed to afford)
- affordability (median income and income brackets, cost burden)
- current housing (age, occupancy, number, current permits, public utilities)
- and more can be found within the community fact sheets.

How to Find & Use These Community Pages

Click on the name of any municipality below to access a community specific fact sheet with detailed information about the current housing stock, resident incomes, building permits, availability of public infrastructure and affordability.



Carroll County			Coos County			Grafton County		
Albany	Bartlett	Chatham	Berlin	Clarksville	Colebrook	Bath	Benton	Bethlehem
Conway	Eaton	Jackson	Columbia	Dalton	Dummer	Campton	Easton	Ellsworth
Madison			Errol	Gorham	Jefferson	Franconia	Groton	Haverhill
			Lancaster	Milan	Millsfield	Landaff	Lincoln	Lisbon
			Northumberland	Pittsburg	Randolph	Littleton	Lyman	Monroe
			Shelburne	Stark	Stewartstown	Rumney	Sugar Hill	Thornton
			Stratford	Whitefield	Woodstock	Warren	Waterville Valley	Wentworth

Analysis of Future Conditions and Trends

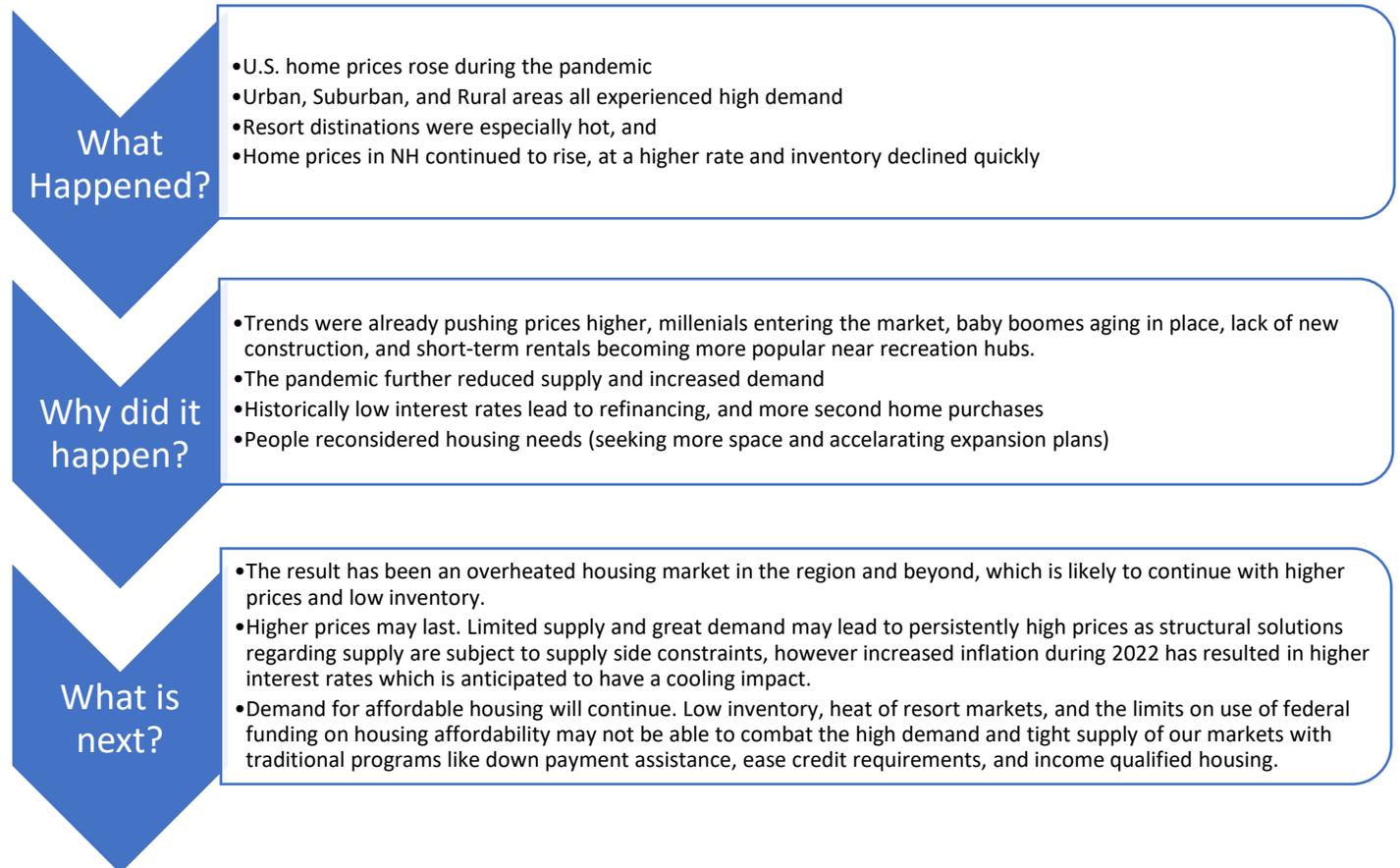
About this section: This section discusses the impact various conditions are likely to have on the North Country Region’s housing supply and project the region’s housing needs through 2030 based on these varying conditions. The specific conditions selected here are based upon statewide discussion of key trends and regional identifications of conditions with significant anticipated impact.

In this section we highlight, the COVID-19 pandemic impacts on the housing market, overall impacts of climate change, impacts to changing federal monetary policy (and access to lending), construction costs, and short-term rentals as conditions likely to impact housing choice and affordability.

Finally we explore population and housing needs projections for the region.

Conditions Likely to Impact Future Housing Needs:

COVID-19 Pandemic: As part of the North Country Housing Needs Analysis in 2021 Stepwise Data Research, studied the observed and anticipated future impacts of the COVID-19 pandemic on housing markets in the region, and across NH, striving to answer three questions. [Click here to see that write-up](#) (Section 10). This research made the following key findings which continue to shape our housing markets, considered as three main questions:



Climate Change.

Vulnerability in the Region. Wetter storms, and more hot days are increasing in the north country. More precipitation in individual storms makes flooding more common and longer dry stretches in the summer make fires and heat a rising concern. [FloodFactor](#) is an online tool providing information about vulnerability and future risks down to the property level (click to explore your local vulnerabilities). Regionwide flooding remains the most significant vulnerability to the greatest share of our properties, however fire is a minor but growing concern across the region as well. Flood Factor looks at vulnerability in three arenas: Flood, Fire, and Heat, below is information about counties with North Country communities.

Using FEMA disaster declaration data available through their [online viewer](#), we see 24 designated disasters in Coos County, 34 in Grafton and 31 in Carroll since tracking began in 1971. The majority of these have been severe storms, followed by flooding, hurricanes, and snowstorms. As events continue we must assess the share of our housing which is located in vulnerable areas, and pursue strategies that will make them more resilient. Resources like this [Climate Resilience Toolkit](#) can be used to identify strategies and prioritize actions.

County	Flood	Fire	Heat
Coos	Major vulnerability	Minor Vulnerability	Minimal Vulnerability
Grafton	Major vulnerability	Minor Vulnerability	Minor Vulnerability
Carroll	Minor vulnerability	Minor Vulnerability	Moderate Vulnerability

Climate Migration – effect of unplanned population growth. Changes in climate and increased extreme weather events have already displaced a great number of people across the US alone. Increased and more extreme wildfires, hurricanes, flooding and droughts will continue to displace residents in years to come. The relative safety and resilience of northern New Hampshire is anticipated to be a draw to new residents. Climate migration is likely to increase, which can cause significant impact on our housing markets increasing demand and continuing to drive-up hot markets which outprice local affordability.

A 2021 publication developed by Antioch University, [Identifying Planning Solutions for the Connecticut River Migration System of NH and VT](#) discusses the in-migration trends observed in portions of the North Country Region specifically. The report highlights the various impacts of this manner of population growth and its potential to displace local populations and lead to gentrification of our rural areas. Communities will need to pay close attention to escalating housing costs and begin to pursue policies and programs designed to reduce displacement pressures and reduce housing access costs for current area residents.

Gentrification

Gentrification is the process whereby a poor area (and perception of it) is changed by wealthier people moving in, improving housing, and attracting new businesses, typically displacing and outpricing current inhabitants in the process.

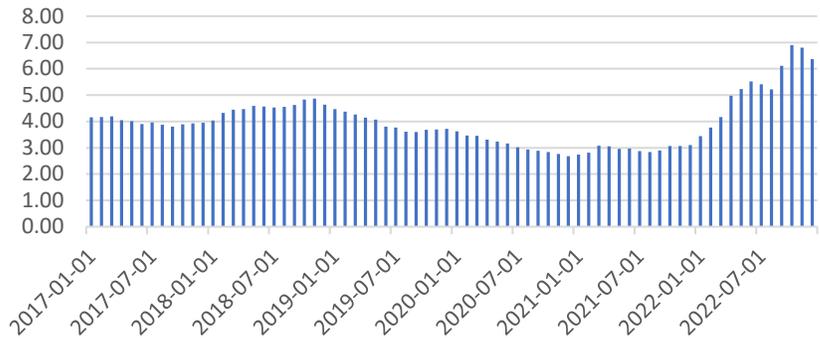
A 2017 Climate Resilience Screening index found NH counties to be relatively climate resilient and liveable ([Climate Resilience Screening Index](#) (EPA, Oct. 2017)) which will increase attractiveness to new and returning residents.

Federal Monetary Policy – interest rates/inflation.

Interest Rates. 2022 has seen rising interest rates in response to rapid inflation in U.S. consumer markets and beyond. These interest rates on the heels of record setting real estate sale prices, are anticipated to have cooling effects on housing markets nationally, particularly when coupled with limited inventory.

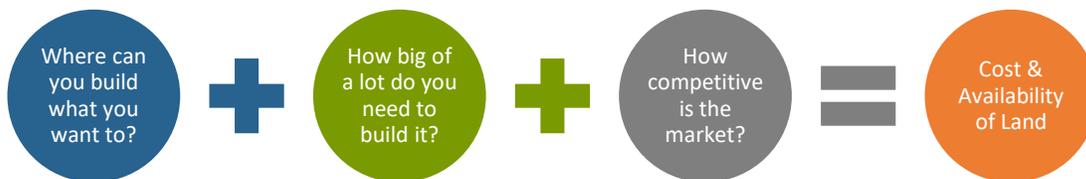
Locally, high interest rates will mean local residents will face additional challenges accessing capital for real estate mortgages and increase competition over the limited supply.

30 - Year Mortgage Interest Rates ('17 - '22 St. Louis Fed. Reserve)



Constructions Costs.

Land Cost & Availability. The most fundamental component of housing construction is land. The cost to purchase or create a lot for development depends on three (3) main things: 1) the size of the lot you need, 2) how competitive the market is, and 3) what you can do with the land.



Material Prices. Interruptions in supply chains, and increased demand during recent years has resulted in drastic increases and overall volatility in the construction materials supply market. These conditions have delayed projects, increased budgets, and caused notable challenges in completion.

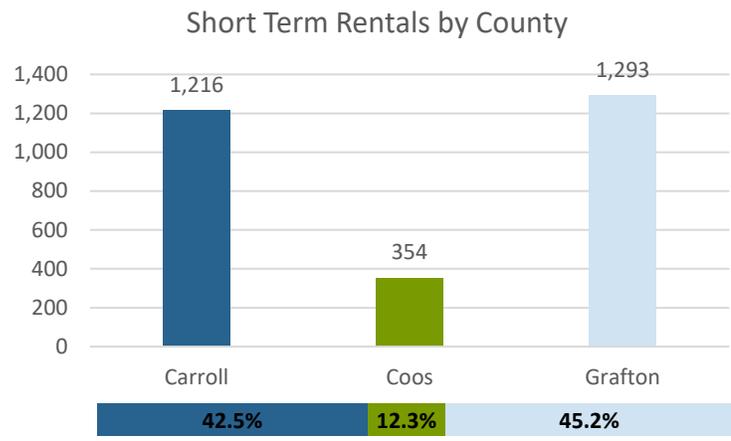
Many residents that attended farmers markets mentioned the lack of housing availability, housing costs rising, and the cost of building increasing as well. One respondent shared how they have been struggling to find a builder for over a year and that the building prices are much higher now. Due to these challenges, the respondent has considered building in stages, to help make it more affordable.

“We are seeing no housing starts in the area for less than \$250 or \$300 per sq.ft. and that is pricing everyone out of the market unless you can afford a \$750,000 custom built home. We are selling a lot of land now and we are very honest and upfront with buyers to understand the costs of construction, because they are finding that the cost at \$300 per sq.ft. is not something they can get a mortgage on because the current value of homes around here is more like \$225 to \$250 a sq.ft. and the banks are not going to have homeowners under that much water.” - Realtors & Lenders Participants”

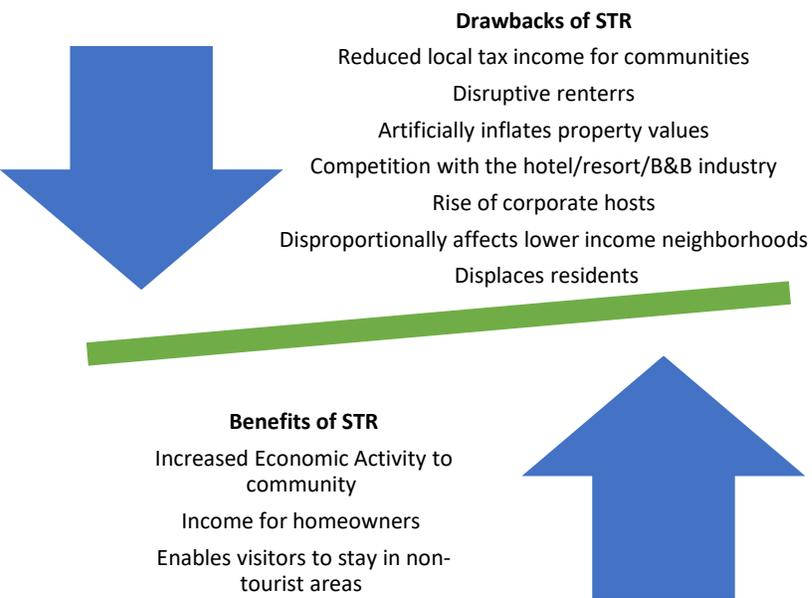
Labor Availability/Prevailing Wages. The third consideration regarding housing construction costs in the North Country is the availability and cost of the skilled labor needed to build and improve our housing stock. With an older housing stock, and declining participation in trades work, it is important that the North Country develop a labor pipeline for residential construction and rehabilitation. More capacity for projects of all types, from multi-family to single-family and manufactured housing site work, is needed to preserve our housing stock and expand it as needed.

"If the demand stays up, and I think it will, the biggest barrier is cost. The cost of infrastructure is one piece, but the cost of construction, the cost of land. Folks are booked out a year in advance. I'll have to start lining up my contractors for 2022 construction in the next few months. It creates a real problem for us. These \$7 - \$8 million dollar projects are big for the North Country, but they are not big for southern New Hampshire so getting the contractors who have the capacity to do it is a challenge. The ones in the southern part of the state who have the capacity find it too costly and they have to travel, and the ones up here do not have any capacity." - Builders & Developers

Short-Term Rentals.



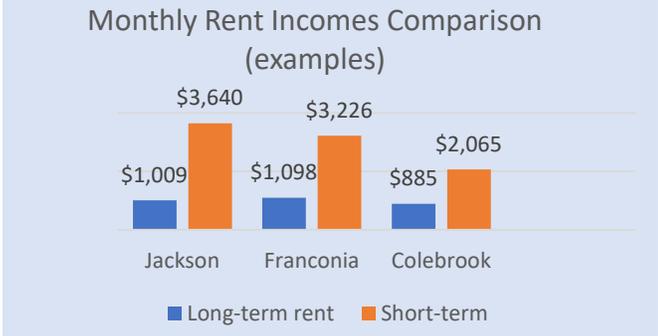
Source: [AirDNA](#)/Seasonal Housing.



History as a Tourism Destination & Current Growth

The North Country region has long been a tourism destination. Recent growth in visitor volumes coupled with increased access to the short-term and vacation rental market through online rental platforms has added demand in our already hot purchase markets, and reduced supply in our rental markets adding to price rises in both markets. As of 2022 there are 2,854 short-term rental properties in north country counties.

Short-term rentals, provide a higher monthly revenue to the property owner than the average long-term rental in the same area. Below are three examples.



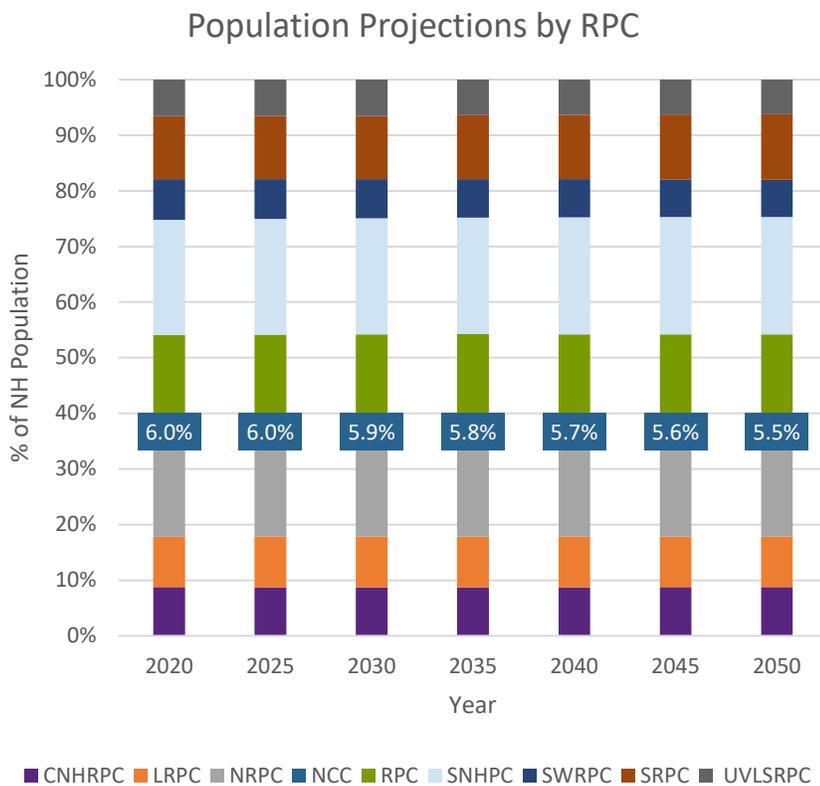
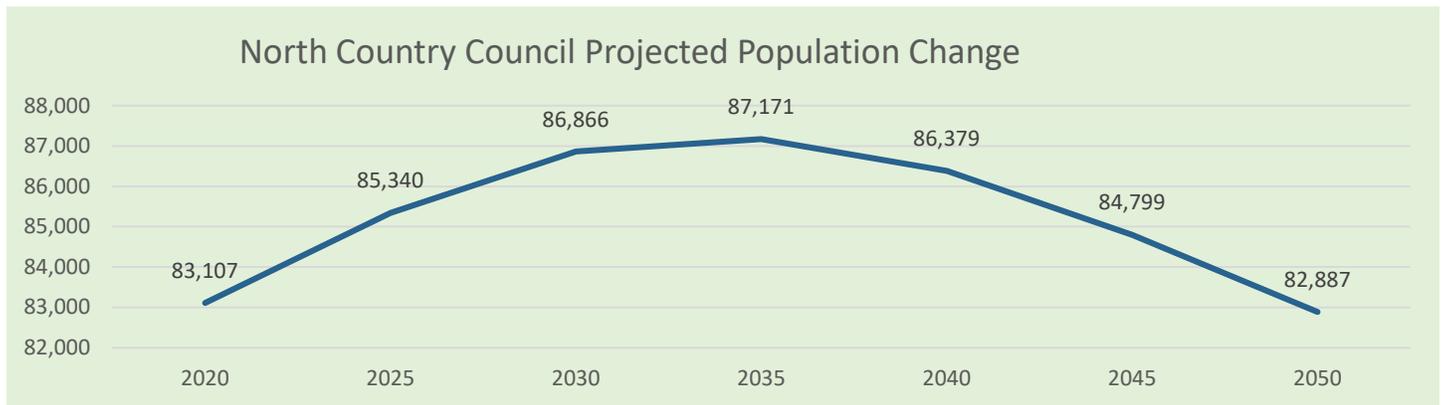
"I have had potential employees unable to find place to live and other employees have to leave when landlord decided to make their home an Airbnb." -Local Employer

Housing Needs Projections

A housing need projection is an estimate of the number of housing units a region, community, or state should have to meet future residents' needs. The projections use recent historical trends, to forecast out the number of people who will be living in our region, and details of the housing they will need (price, size, tenure). A projection is a theoretical planning tool. It is a model that only takes into account the information you include within it. Housing needs projections in the RHNA were developed by consultants with expertise in the topics with input and advisement from regional and statewide planning staff.

Population Projections.

To create a housing needs projection, first a population projection must be completed. In this assessment a 2022 Population Project developed by RLS associated is utilized. A Components of Change model considered fertility, mortality and migration as methods of population change. It based future projections on recent historic trends.

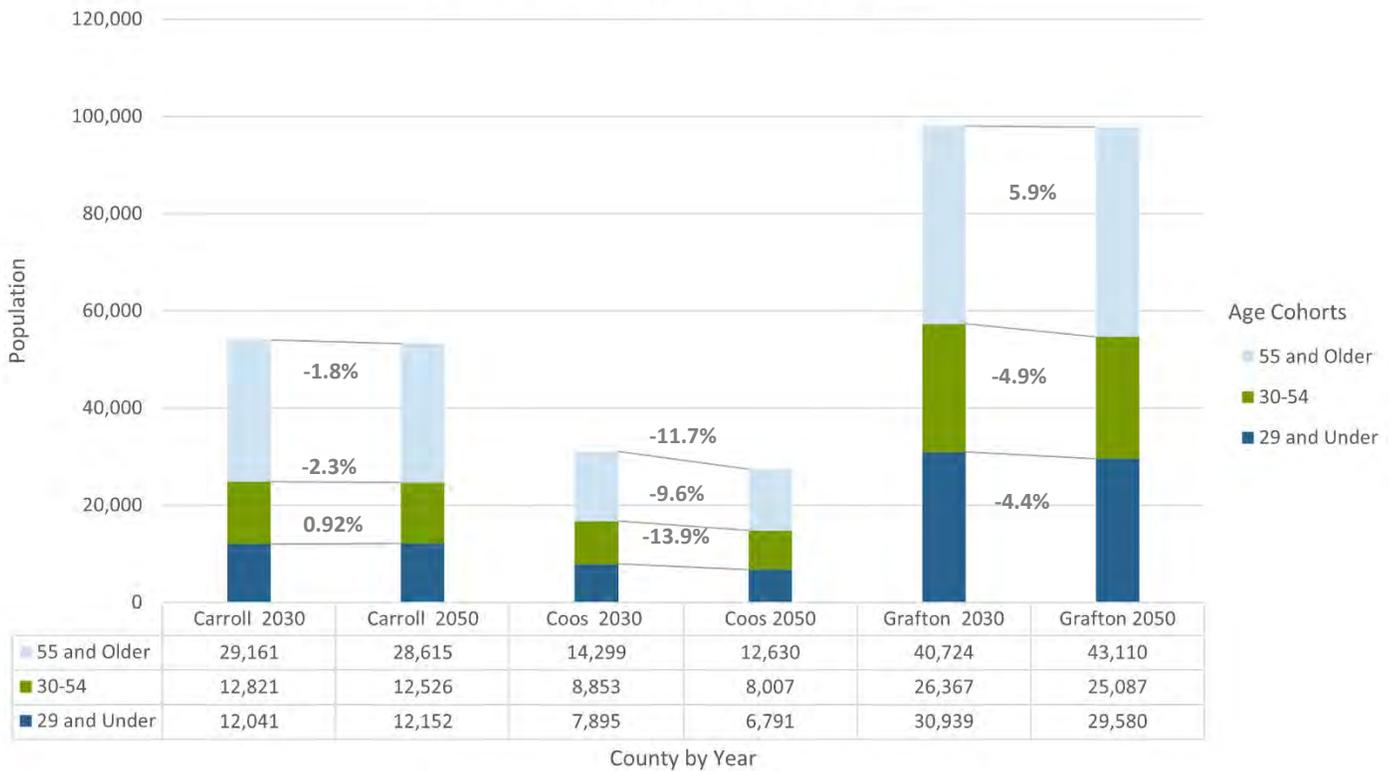


Population Projections

Looking forward 30 years, population projections anticipate an overall loss of population in the north country. This trend is not linear however, and we see populations increase from 83,107 in 2020 through a peak of 87,171 in 2035 (net increase of ~4,000 residents) followed by similarly paced decline to 82,887 in 2050.

This projection considers the recently low birth rates in the region, increased death rates in latter year tied to the significant share of aging seniors, and hold migration trend equal to what has been observed from 2000 to 2020. It is possible that increased migration to the region, as demonstrated in COVID-19 and anticipated due to climate change, grows.

Population Change by Age: 2030 - 2050



Regional Housing Need Projection.

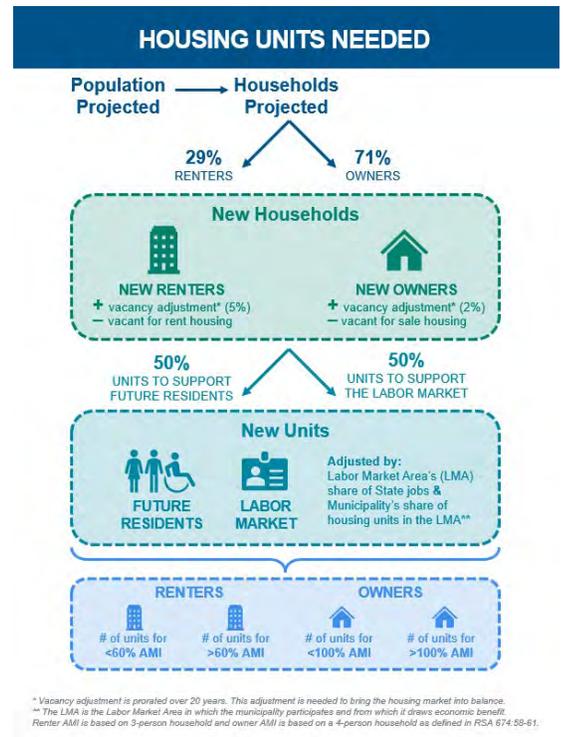
In this 2022 RHNA all nine NH RPCs worked with a consultant, Root Policy Research to complete housing needs projections across NH communities. The model used two Components in development “Planning for Projected Household Growth” and “Planning for Employment Growth,” weighed equally and is based on assumptions detailed in Appendix D.

Total Unit Need 2022-2025 (NC communities by county)		
County	Rental Units	Ownership Units
Carroll	336	804
Coos	72	168
Grafton	516	1,236

Regional Needs Owners & Renters

Looking at our Regional Housing Needs across the counties with north country RPC communities we can see a total short-term need for 2,208 ownership units and 924 rental units in the next three years.

These numbers show how many units we need to stabilize the housing market, this is achieved through a 5% rental vacancy rate and a 2% ownership vacancy rate.

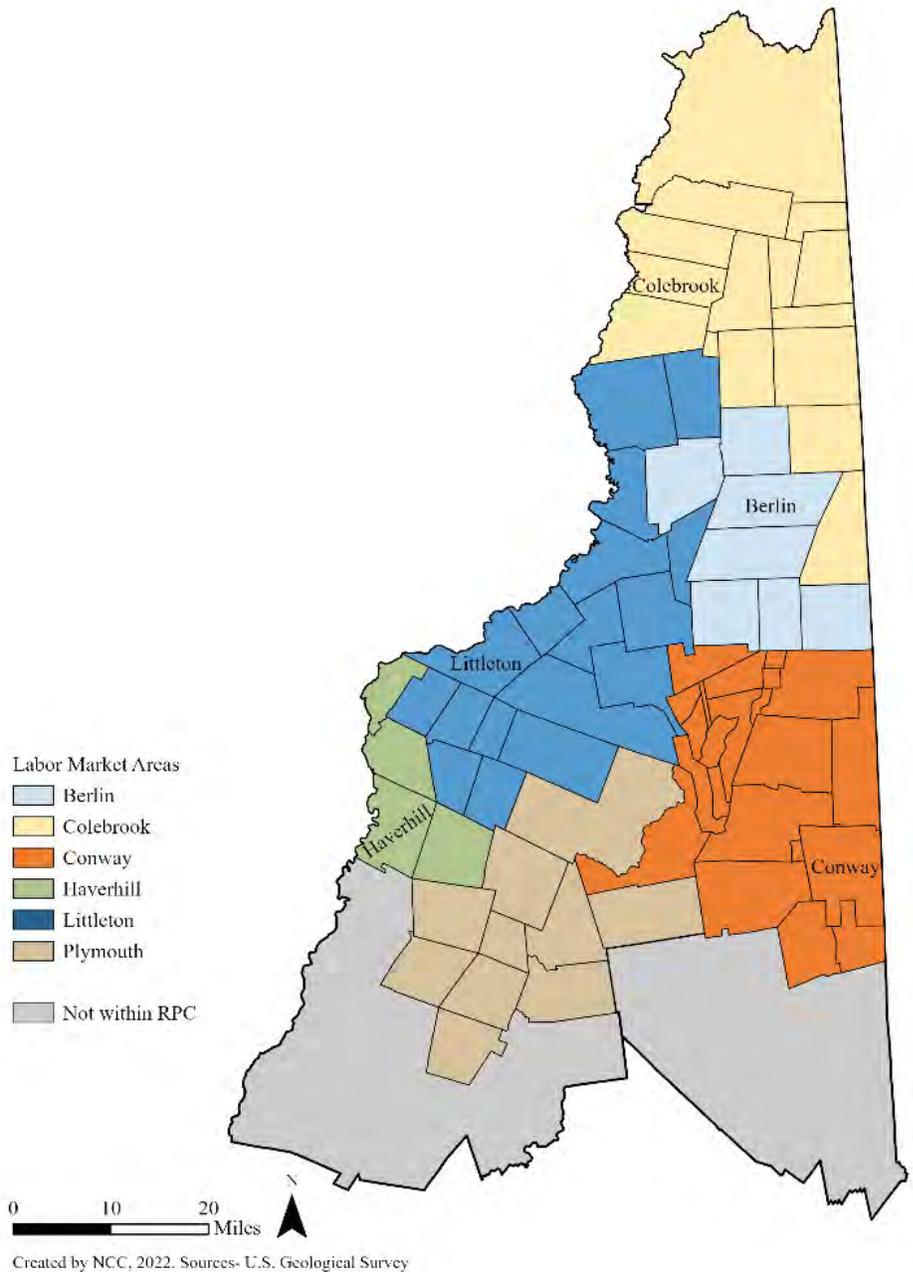


Fair Share Distribution.

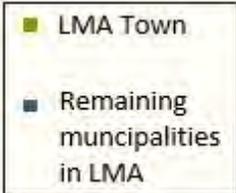
The Fair Share analysis estimates the needed additional housing unit for renters and owners for municipalities and counties to achieve a healthy vacancy rate and an appropriate amount of workforce housing. According to state statute, workforce housing units are for renters below 60% AMI and owners below 100% AMI. The following data gives estimates for needed housing units for the years 2022 through 2025, and 2040. Above we explored the totals needed across the region to meet short-term needs. Below we will explore what is needed to meet the long-term need for workforce housing by projecting out to the year 2040.

The projections are broken down to Labor Market Areas (LMA) and the LMA municipality itself. Within NCC's region, there are six LMAs including Berlin, Colebrook, Conway, Haverhill, Littleton, and a portion of Plymouth. Each LMA is further broken down to needed housing units for renters above and below 60% AMI and owners above and below 100% AMI. Although housing units for renters and owners above the respective AMI percentages are not considered workforce housing, the need is important to consider while facing an overall lack of available housing. Low vacancy rates have had a trickle-down effect, resulting in a lack of housing for all, at any income level. The creation of higher income housing will alleviate the demand for low-income housing.

The Plymouth LMA includes 10 municipalities within the NCC region; however, these municipalities do not include Plymouth itself. Plymouth is considered responsible for 112 units for owners below 100% AMI and 106 units for owners above 100% AMI. For renters, Plymouth is responsible for 55 units and 61 units for those below and above 60% AMI, respectively.



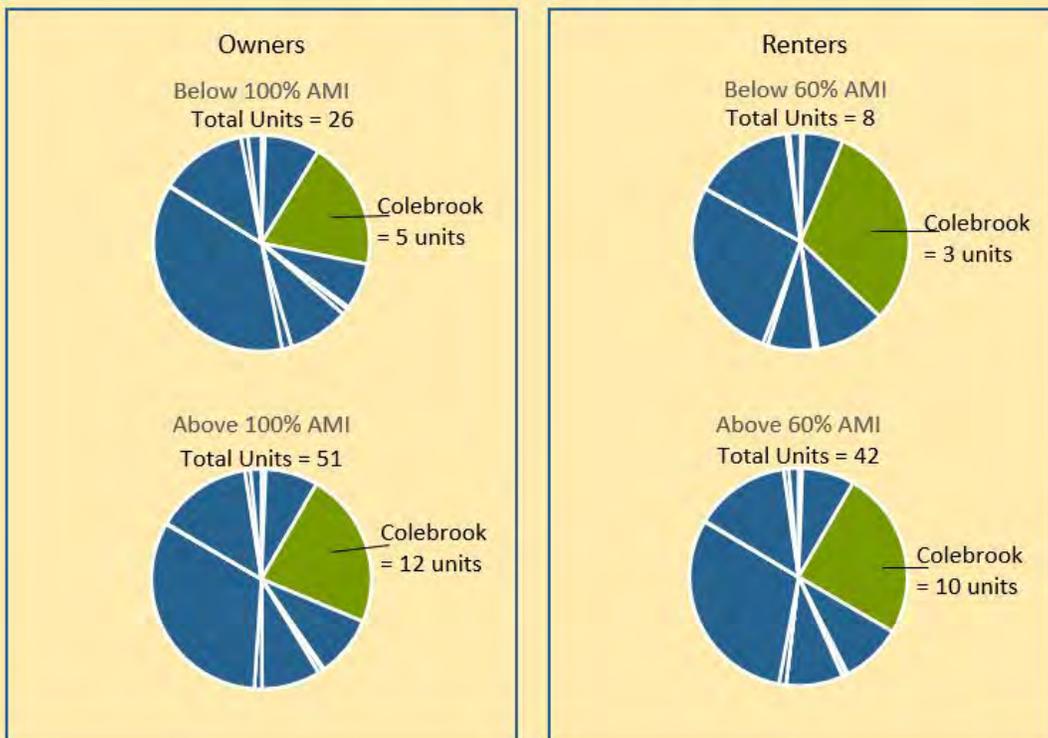
This legend applies to the pie charts on the following pages which explore units needed by Labor Market Area.



Berlin LMA, 2040



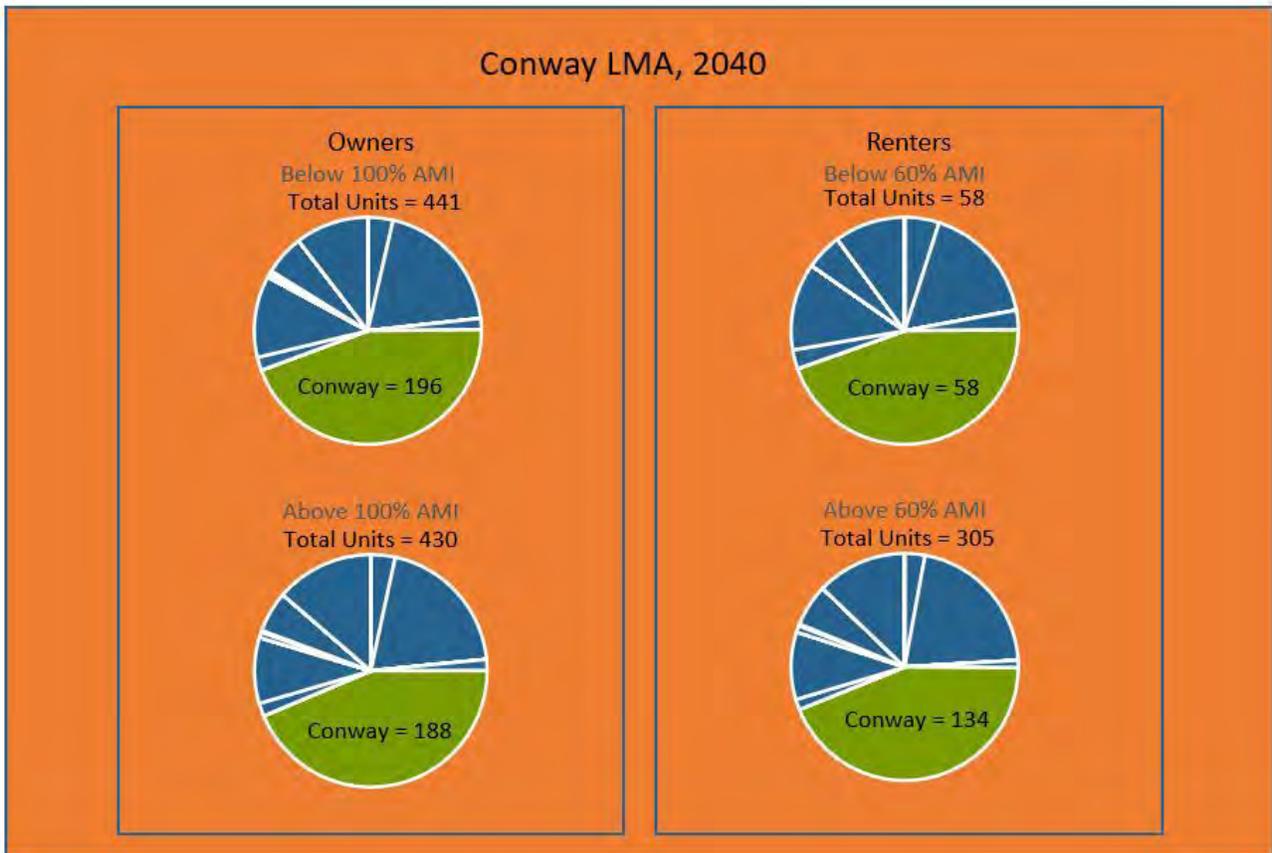
Colebrook LMA, 2040



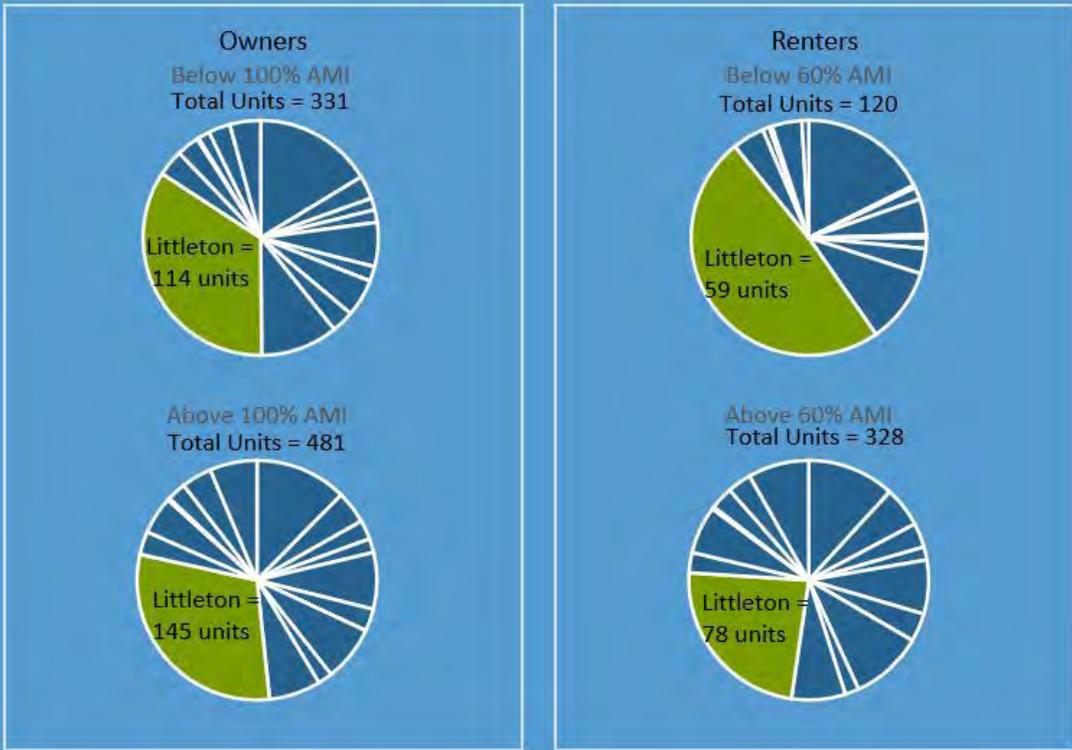
Haverhill LMA, 2040



Conway LMA, 2040



Littleton LMA, 2040



Affordable and Equitable Housing Choice Opportunities & Barriers

This section of the RHNA summarizes both opportunities and barriers to increasing housing access and affordability throughout the region. It includes an evaluation of both local land use regulations and existing infrastructure. We will explore opportunity areas for our current conditions and affordable housing growth.

Land Use Regulations, Policies, and Other Controls.

This section pulls from an audit conducted during the 2021 North Country Housing Needs Analysis. Below is an overview of available land use regulations within the North Country that can support or restrict housing development. Click here to view the [North Country Housing Need Assessment](#).

LAND USE REGIONATIONS

Minimum Lot Size

Intended to protect public health. Adequate land capacity ensures septic systems and drinking water can be maintained on the property.

Commonly 1 - 2 acres in areas with out public utilities. Some places use soil-based sizes that consider soils and slopes. Many communities require 3 to 5 acres at a minimum. Places with sewer usually require 1.4 acre per unit.

Road Frontage

Ensure access to a lot from a publicly maintained road, road frontage minimums are put into place. Most North Country communities require 200 ft minimum, although several require only 50 to 100 ft.

Larger road frontage requirements can have negative impacts including: fragmented land, disturbed habitat and significantly higher road maintenance costs.

Accessory Dwelling Unit

ADUs allow for addional housing within the context of the community and minimal impact. Resulting in less impact on the environment and public infrastructure, supplemental income to homeowners to help with maintenance and tax costs, they are allowed by statute everywhere in NH. Some towns even allow them to be separate from the main house.

Multi-family & Workforce Housing

The Workforce Housing Law requires communities to allow development of affordable housing for low- and moderate-income families. Many municipalities impose other requirements that make it difficult for developers to meet multi-family housing requirements or do not make it economically viable.

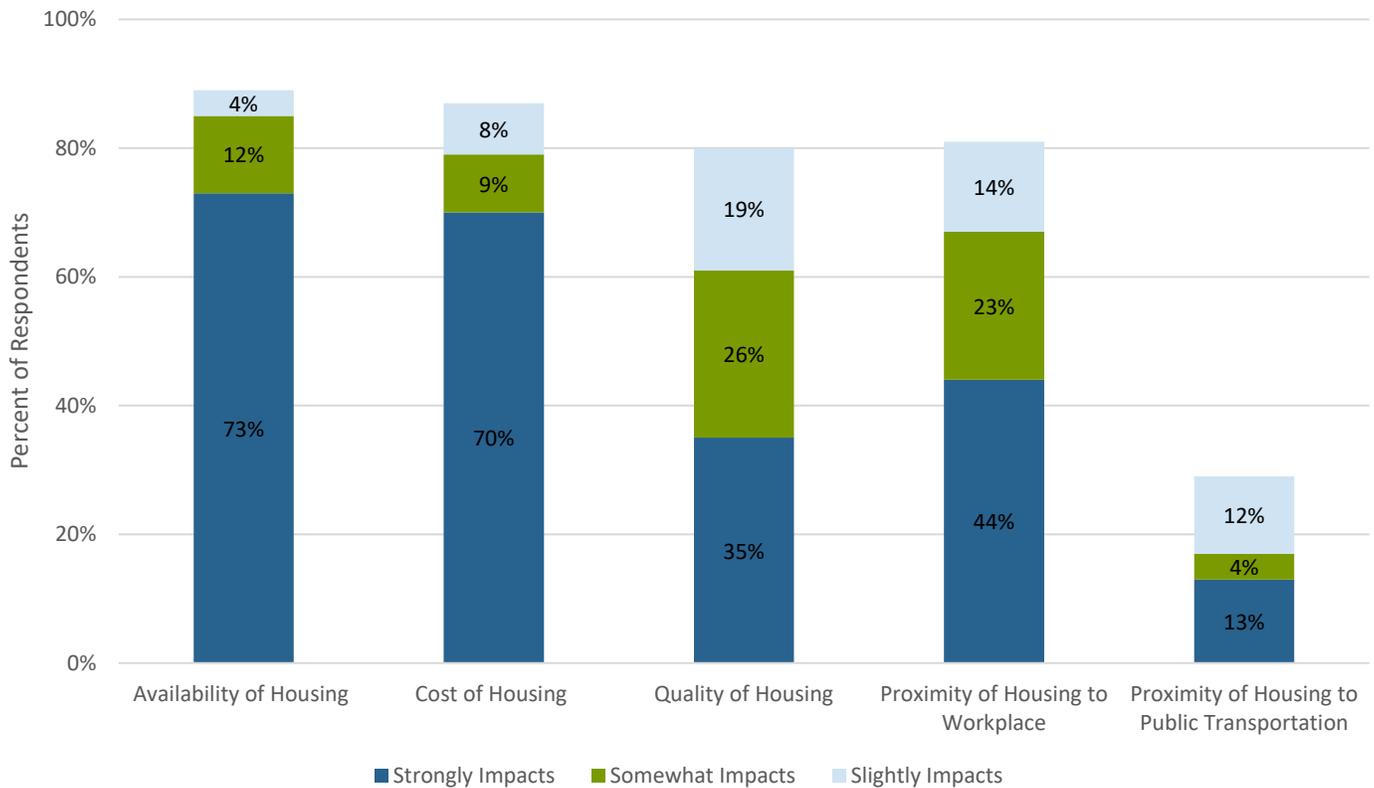
Places can promote this development by allowing 5+ units in a structure, allowing more than one principal structure per lot, or require small lot sizes for multi-family building.

Manufactured Housing

By state law, municipalities are required to allow manufactured homes on individual lots, manufactured housing parks, or manufactured housing subdivisions. Many communities in the North Country do not fully comply with this state law or failed to address manufactured housing in their zoning ordinances.

Workforce Challenges and Employment Opportunities/Constraints.

Impacts on Attracting or Keeping Qualified Workers



As housing supply, condition, and affordability continue to challenge north country residents, we continued to see ripple effects in our business community. When residents cannot find or afford quality housing, cannot manage the commute, or use public transportation; and newcomers to the area cannot enter the housing markets employers are limited in their ability to maintain a successful, thriving businesses. Access to housing impacts not only our populations, it impacts our economic activity. To continue economic growth access to housing affordability to local residents is essential for current employees, and newcomers who may reserve the anticipated trends of population loss in the region.

"We have lost several qualified employees due to lack of housing." - Local Employer

Physical Infrastructure & Services

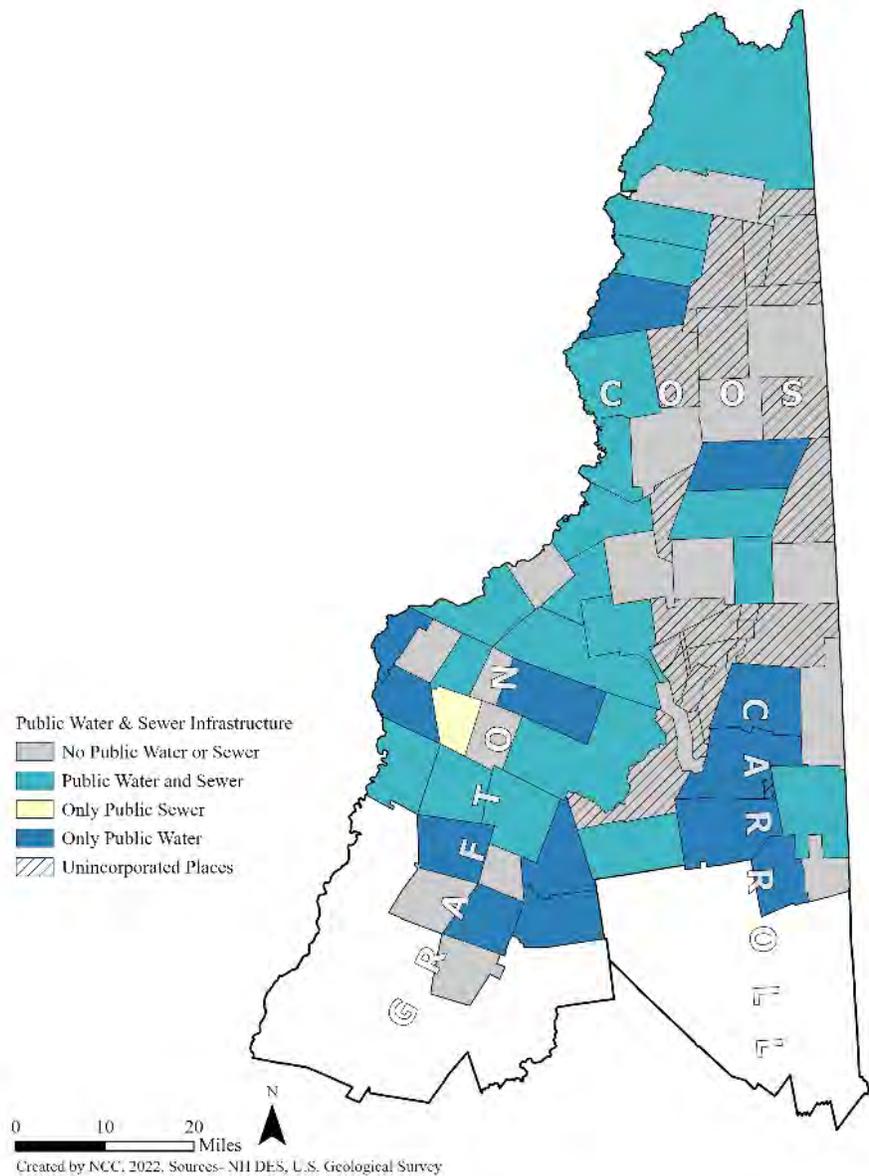
Transportation.

Within the North Country, there are few options for public transportation within and between municipalities. One option within the region is Tri-County Transit, a division of the Tri-County Community Action Program. Tri-County Transit offers bus services throughout Coos, Carroll, and northern Grafton County. The service routes span over 3,000 square miles of the North Country, including flex routes, door-to-door service, long-distance medical program, and Medicaid trips. These services run Monday through Friday, with some additional services on Saturday. Tri-County Transit routes include stops at stores, common areas, and medical facilities. Stops can also vary upon request to help fulfill rider needs.

Over the period of one year, from July 1, 2021, to June 30, 2022, Tri-County Transit had a total of 18,134 riders. In this time, Coos County serviced the most riders, with a total of 13,593. Carroll County services 3,624 and Grafton County serviced 917 riders.

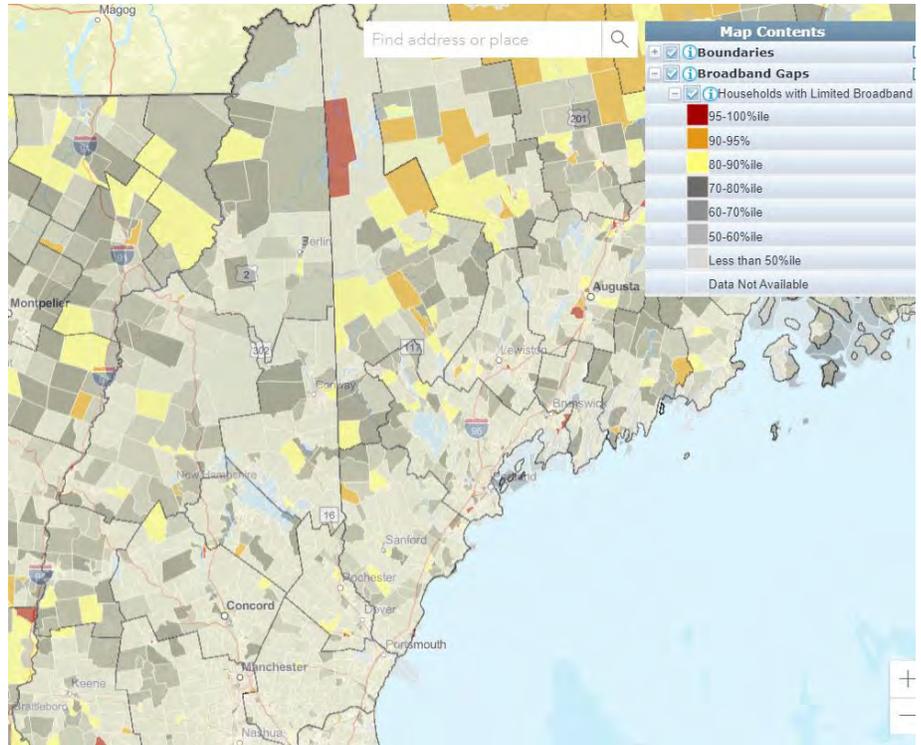
Water & Sewer Infrastructure.

Area with public water and sewer infrastructure have the greatest opportunities to create new housing. With public infrastructure multi-family, cottage and mixed-use development have great potential.



Broadband.

As defined by the Federal Communications Commission, broadband internet is currently defined as a bandwidth speed of 25 Mbps download and 3 Mbps upload, at minimum. Access to adequate and affordable high-speed fiber broadband varies throughout NCC’s region, though there are several initiatives in place to improve access for all. Efforts have been occurring to increase broadband access through communication districts, public funding, and private partnerships. According to the Environmental Protection Agency’s reporting on houses with limited access to broadband, many block groups within northern New Hampshire sit in the range of the 50th to 90th percentile in comparison to all block groups within the United States. Some block groups even reach the 85th percentile of limited access to broadband. Access to high-speed broadband can impact housing options, especially with the growing rate of remote employment and online education. Failure to improve broadband access throughout the region may result in reduced access to services and continued equity challenges in our hardest to reach communities. It may also focus population growth in areas with existing quality service.



Housing, Economic and Community Development.

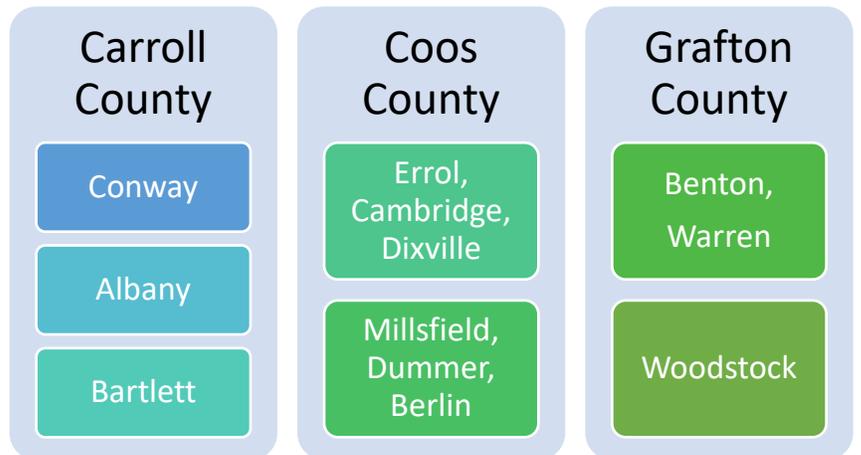
CDBG Housing Investments- There have been 13 CDBG housing investments within Coos, Carroll, and Grafton County over the last decade. Investments have included rehabilitation of residential multi-unit buildings, clearance and demolition, water and sewer improvements, creation of senior facilities, and interim assistance. Investments in the region has totaled to approximately \$4.7 million over the last decade. A breakdown of investments by county can be seen in the following table.

County (Towns)	Activity Type(s)	Total Investments	Year(s) of Project Completion
Carroll (Conway)	Clearance & Demolition	\$178,966	2013
Coos (Berlin, Colebrook, Errol, Groveton, Lancaster, Pittsburg, Whitefield)	Rehabilitation, Senior facilities, Water & Sewer, Interim Facilities	\$4,058,557	2012, 2013, 2016, 2017, 2022
Grafton (Haverhill, Lisbon, Littleton)	Rehabilitation, Clearance & Demolition	\$491,000	2012, 2013, 2018

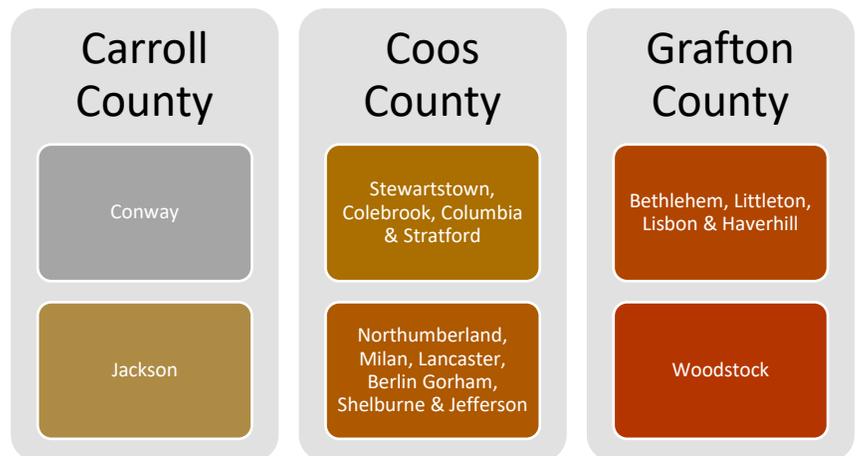
Childcare Availability. Throughout the North Country region, there are 30 childcare facilities, which holds the capacity to care for 947 children. This leaves a supply and demand gap of 756 children still in need of care. This estimate does not recognize children cared for by family or in informal settings.

County	# of Facilities	Capacity (# of children)	Supply and Demand Gap (# of children without access to care)
Carroll	8	254	188
Coos	10	399	154
Grafton	12	294	414
Total:	30	947	756

Food Access. The USDA Economic Research Service offers an atlas to examine food access in relation to low income and low access by census tract. Within NCC’s region, there are 17 communities where residents struggle with food access due to their proximity to a store, living at least 10 miles from a grocery store. Although the issue is seen in each county within the region, it is a more common issue within Coos County. **To the left is a list of places without easy access to a grocery store.**



A second measure taken to determine access to food for residents of the North Country, was to identify where farmstands are located. Farmstands within communities indicates access to healthy, local foods for at least a portion of the year that is supplemental to resident’s food needs. **Communities that regularly have farmstands include...**



Housing Related Health Issues.

Lead. Housing built before the ban of lead-based paint in 1978 are most likely to still contain lead and can therefore put residents at risk. The American Community Survey breaks down the year in which housing was built by decade, this provides the opportunity to determine what percentage of houses were built before 1979.

As of the 2020 Decennial Census, 48% of houses were built before 1979 in Carroll County. For Coos and Grafton County, 65% and 52% of houses were built in this time frame, respectively. Direct contact with lead paint or the contaminated dust it generates, can cause high levels of lead poisoning in the blood of young children. Lead poisoning in children can be detrimental to the brain and nervous system, commonly impacting brain development and causing behavioral disorders. This creates an additional barrier for families seeking safe and affordable housing.

Radon. Those with cracked foundation or private wells can also be at risk of breathing in radon that leaks into the home. Radon is a natural occurring gas that emanates from various soils and bedrock, including granite. Everyone is exposed to radon however, a high exposure to radon can lead to serious health issues, such as lung cancer. Residents of New Hampshire are at a higher risk of being exposed to radon, due to the amount of granite within the state. Homes within Carroll and Coos County, along with Rockingham County are known to have the most elevated levels of radon. Radon mitigation and remediation are essential to the health of North Country homes and can be costly.

Accessibility for Aging Residents & People with Disabilities. The North Country have a high share of people with a disability and aging seniors. Access, and issues such as ramps, permitting for ramps, universal design, first floor sleeping quarters and transportation to basic needs are essential for these communities of interest.

Fair Housing Successes & Challenges

Historic Information.

NHMA: [Fair Housing in New Hampshire | New Hampshire Municipal Association \(nhmunicipal.org\)](#) The Federal Housing Act (FHA) was created in 1934. During the Civil Rights movement it was amended to protect individuals based on race, color, gender, national origin, familial status, and disability.

Race and color are similar in which you cannot discriminate based on color or tone of skin. National origin is a person who was born in a different county, or ancestors are from. The basis of gender was added in 1974 to largely protect women who were being denied homes. Familial Status was added in 1988 which prevents discrimination on having children <18 years old in the family, including pregnancy, adoptive parents, and those awaiting custody. Disability protectants were added in 1988 as well prohibiting both mental and physical disability discrimination.

NH adopted additional unique protected classes like age in which people cannot be denied if they are older than 45 years and may not be segregated into “nursing home communities” or parts of town. Marital Status cannot be discriminated against whether the person is married, single, or in a relationship with more than 1 person. Sexual orientation is another added class to protect those in the LGBTQ+ community.

Current information.

NHPR: [How N.H.'s 'discriminatory' land use policies leave more people out in the cold | New Hampshire Public Radio \(nhpr.org\)](#) Landlords are declining tenants who want to pay in part with housing choice vouchers also known as Section 8 vouchers, even after taking years to obtain one. With limited housing property owners and landlords have the option of being “choosy.” Antigrowth zoning bylaws like frontages and setbacks, large lot sizes, parking spot minimums, and building height and densities are restrict new housing form being built and utilized. “character” was newly defined as the physical attributes

not the people who live in it and their sources of income. Many current housing options are suited to fit those with physical disabilities not mental or developmental disabilities which include considerations like noise, house layout, and location.

How to file a complaint:

Anyone can file a complaint if they feel like they have been discriminated against. Complaints can be filed with different entities including the U.S. Department of Housing and Urban Development (HUD), N.H. Commission for Human Rights, and NHLA Fair Housing Project.

Letters of complaints often include...

- Name and address of person
- Name and address of person your complaint is about
- Address of the housing space you were denied from
- Date of the incident
- Short description of the incident

Once complaints are filed, they determine if it falls under the Fair Housing Act discriminations laws. Letters are sent to both you and the person that discriminated against you. Interview processes will determine whether they were in violation or not. You can also file your complaint in federal or state courts without filing with HUD.

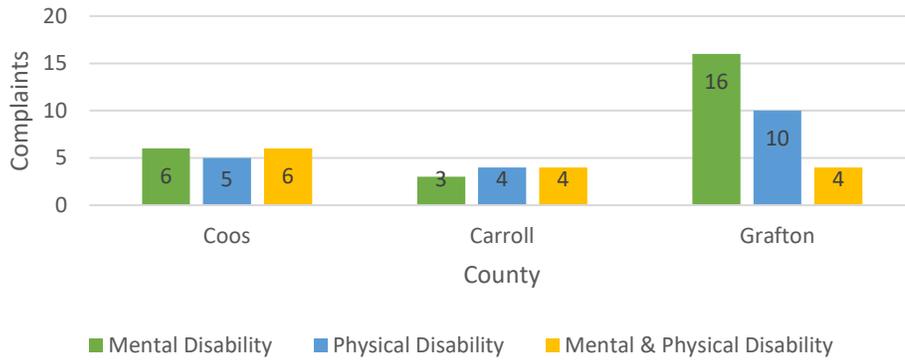
Highest Housing Discrimination Complaint Types in NH From 2014-May 2022: HUD 2022 DATA

Basis:	Number Of complaints in NH
Age	4
Disability (Mental, physical, or Both)	19
Disability Retaliation	8
Familial Status	7
Gender (Sexual Harassment)	5
Sexual Orientation	3

NH Disability Discrimination Complaints From 2014-2022

County	Mental Disability	Physical Disability	Mental and Physical Disability
Coos	6	5	6
Carroll	3	4	4
Grafton	16	10	4

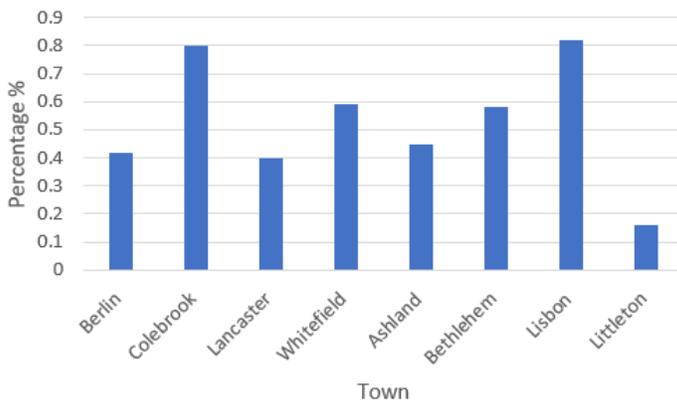
NH Disability Discrimination Complaints 2014-2022



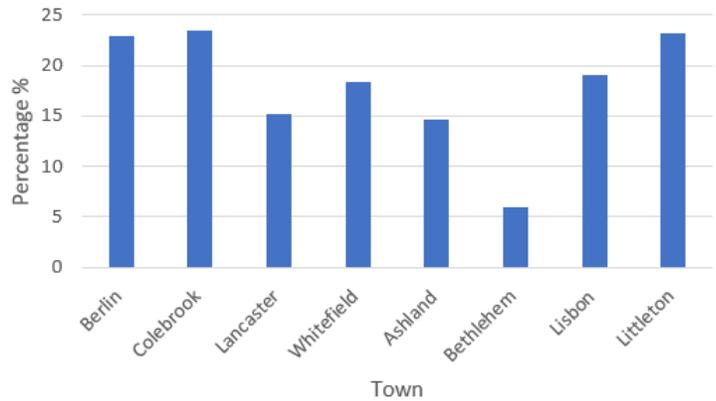
Pockets of Discrimination in North Country Towns in NH From 2014-2022: NHLA FH DATA 2022

Town	Number of Complaints	# Of housing Units	% Of Housing Discriminated	% Of disabled population
Berlin	20	4,714	0.42%	22.9%
Colebrook	6	759	0.80%	23.5%
Lancaster	4	984	0.4%	15.2%
Whitefield	4	668	0.59%	18.4%
Ashland	3	660	0.45%	14.6%
Bethlehem	3	515	0.58%	6.0%
Lisbon	4	483	0.82%	19.1%
Littleton	4	2,392	0.16%	23.2%

% Of Housing Discrimination



% Of Disabled Population



Resources for Meeting Local Housing Needs / Recommendations

The recommendations in this RHNA are not new. Instead, they are based on the municipally-focused *Ideas to Address Key Housing Issues* initially published in the 2021 North Country Housing Needs Analysis ([click here to view that Analysis](#)).

The 4 recommendations listed below provide clear steps for communities looking to address area housing needs. They are:

Recommendation #1

Use the Tools:

Utilize the toolkit in this RHNA to identify ways to increase production of desirable, locally relevant, housing development and reinvestment.

Recommendation #2

Find Partners:

Explore opportunities to pull together local partnerships (including the town, developers, residents businesses, and property owners) for workforce housing production.

Recommendation #3

Ask for Help:

Reach out to planning experts like (NCC, NH Office of Planning & Development, NH Housing, Plan NH) to identify opportunities for funding and action.

Recommendation #4

Build Buy-In:

Build broad buy-in for solutions. Work with community members on advocacy campaign to educate folks on the connection between housing and our economy. Increase understanding of how much “Housing Matters” and “Wages Matter Too”

Tools

This RHNA includes a robust toolkit with solutions vetted statewide with access to “Starter Kits” for 19 municipal tools aimed at housing. These tools were developed with the assistance of Outwith, a consultant with expertise in housing, planning and community communication.

The tools are intended for the use of municipalities. Cities and towns alike can put various tools in this package to work to address local housing needs. Each tool in the toolkit includes the following information:

- **Descriptions,**
- **Suggestions on how to get started,**
- **Examples & resources,**
- **And a list of the types of housing issues the tool addresses.**

The graphic below lists each of these tools alphabetically. Scroll to the Appendices of this document to see view the tools in the Toolkit.

- Accessory Dwelling Units (ADUs)
- Adaptive Reuse
- Age-Friendly Neighborhoods
- Cluster Housing
- Community Revitalization Tax Relief (79-E)
- Form-Based Codes
- Housing Opportunity Zones
- Inclusionary Zoning
- Infill Development
- Missing Middle Housing Types
- Mixed-Use Development
- Planned Unit Developments (PUDs)
- Reduced Zoning & Subdivision Requirements
- Short-Term Rental Regulations
- Tax Increment Financing (TIF)
- Transfer of Development Rights (TDR)
- Village Plan Alternatives
- Wastewater System Alternatives
- Workforce Housing Ordinance

Conclusions

The stories, statistics, projections, recommendations, and tools of the Our Homes RHNA are a guide to assist communities in understanding and meeting local housing needs. These needs range from reinvestment in our current housing stock, to efforts to improve affordability, access to units, and new growth needed. Regionwide needs, like affordability for seniors and locally employed residents, reinvestments in building health and basic systems, and ensure our housing is used for homes first and foremost, most be understood and addressed locally if our communities are going to continue as vibrant, thriving places for generations to come.

Appendices

The appendices listed below can be found in the following pages.

- A. Glossary of Terms**
- B. Summary of Outreach Findings**
- C. Current Housing Need Gap: Methodology & Local Data**
- D. Future Housing Need Projections: Methodology & Local Data**

This Regional Housing Needs Assessment and the methodology by Root Policy Research that resulted in the fair share table in Appendix D does not break out the current municipal fair share of regional need for workforce housing and therefore shouldn't be relied on for current compliance with the state's Workforce Housing Law, RSA 674:58 – 61.

- E. NH's Housing Toolkit (including all 19 tools)**

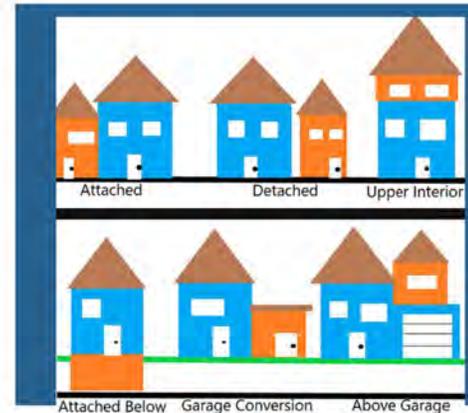
Glossary



Housing terms

Accessory Dwelling Unit (ADU)

A residential living unit that can be within or attached to a single-family dwelling, or a detached unit that provides independent living facilities for one or more persons, including provisions for sleeping, eating, cooking, and sanitation on the same parcel of land as the principal dwelling unit it accompanies. See New Hampshire Accessory Dwelling Unit statute (RSA 674:71-73).



Affordable Housing

Housing, rental or owner-occupied, that costs no more than 30% of one's gross income. Rental cost is defined as rent + utilities. Ownership cost is monthly principal, interest, taxes and insurance.

Duplex

A residential building that's owned by one person and contains 2 separate dwelling units usually divided by an adjoining wall, or ceiling/floor, and has two separate front doors.



Incremental Building

A building process done in different stages or "step-by-step". It usually starts with an essential starter room like a multi-use kitchen bathroom unit in a house or possibly a potential utility connection on a lot.

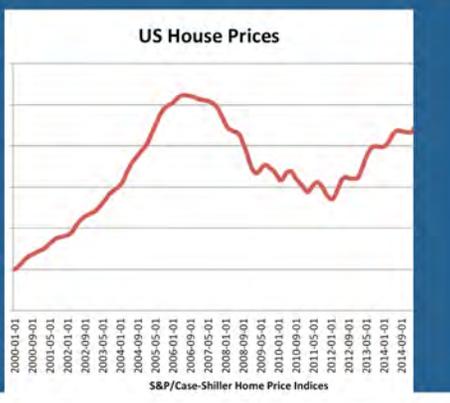
Glossary



Housing terms

Manufactured Housing

Manufactured housing is a home unit constructed primarily off-site at factories prior to being moved to a piece of property where it is set.



Market Rate Housing

Housing that is available on the private market, not subsidized or limited to any specific income level.

Missing-Middle Housing

A range of housing that provides diverse housing options of multi-unit and clustered housing which creates housing at various price points in walkable neighborhoods.



Mixed-Income Housing Development

Development that includes housing for various income levels, including housing that is targeted towards low- to moderate-income individuals and families.



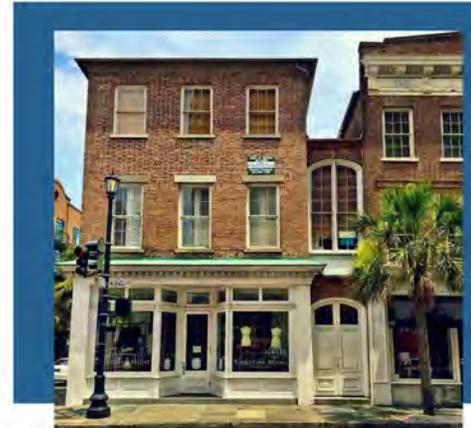
Glossary



Housing terms

Mixed Use

Any building that contains at least two different types of uses in it, such as ground floor commercial space for stores, restaurants or other businesses, and apartments on the upper floors.



Mobile Home

A dwelling structure built on a steel chassis and fitted with wheels that is intended to be hauled to a usually permanent site

Multi-Family Housing

A building or structure designed to house different families in separate housing units, usually rental property.



NIMBY & YIMBY

Acronyms for “not in my back yard and oppositely “yes in my backyard” are used by a person or community opposing or accepting a potentially dangerous development in the local area/town.

Glossary



Housing terms

Single-Family Housing

Any detached dwelling unit meant for only one family to reside in. A single-family home has no shared property but is built on its own parcel of land.



Subsidized Housing

Housing where all or a portion of the occupants' monthly housing cost is paid for directly by the government, such as by Housing Choice Vouchers. The renters pay the portion of the rent that is determined to be affordable to them based on their income.

Tiny Homes

These are smaller homes ranging from 60-400 sq ft with ceilings no higher than 6'4 and up to 8ft wide. They contain the essential living needs without the extra space. They can either be constructed on moveable frames with wheels or on poured foundations.



Workforce Housing

A variety of housing types that are affordable (no more than 30% of gross income spent on housing cost) suitable for households of working people with different needs and income levels. Due to their income, this population is generally not eligible for any federal assistance programs.

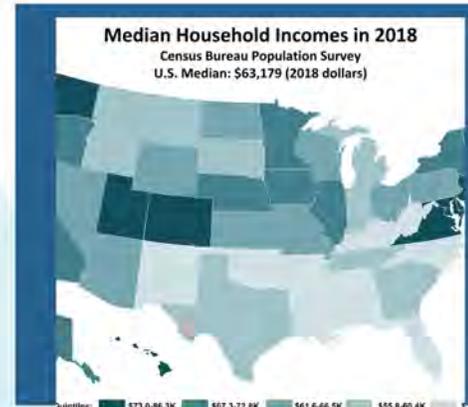
Glossary



Income terms

Area Median Income (AMI)

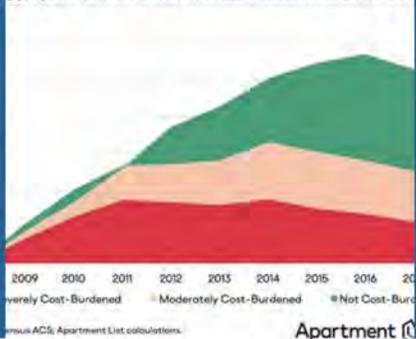
The median income of all households in a given county or metropolitan region. If you were to line up each household in the area from the poorest to the wealthiest, the household in the middle would have the median household income. Housing programs and the state's workforce housing law use AMI to determine housing eligibility.



Cost-Burdened (Rent or Ownership Costs)

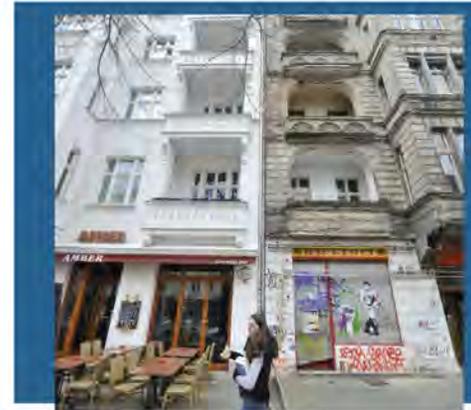
When an individual or household is paying more than 30% of their household income for housing including mortgages and utility costs.

11 million More Cost-Burdened Households Than In 2009
Aggregate Number of New Renter Households: 2008-2018



Gentrification

When wealthy college-educated people move into poor working-class communities and bring new housing and businesses while typically displacing current lower-class residents.



Housing Choice Vouchers (Also known as Section 8)

A federal government program that assists very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. It is a form of subsidized affordable housing in which families who qualify may be provided with government funding to pay a portion of their rent in standard, market-rate housing. Program eligibility and assistance is based upon income and household size.



Low Income Housing Tax Credit (LIHTC)

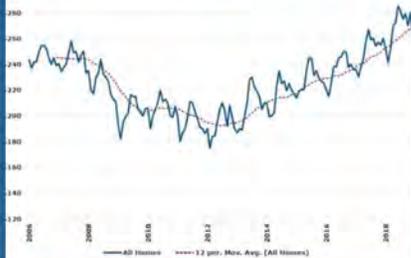
a federal program that subsidizes the acquisition, construction, and rehabilitation of affordable rental housing for low- and moderate-income tenants. Developers receive a tax credit allocation from an agency such as NHHFA, and then sells the tax credits to a private equity company in exchange for funding to build the property. LIHTC properties must have some or all of its units leased to tenants at rents that are lower than market rent.



NH Workforce Housing Law

RSA 674:58-:61 defines workforce housing as housing that is affordable to a renter earning up to 60% of the Area Median Income for a family of three paying no more than 30% of their income on rent and utilities, or a homeowner earning up to 100% of the Area Median Income for a family of four paying no more than 30% of their income on principal, interest, taxes and insurance.

HOUSING FINANCE AUTHORITY



NORTH COUNTRY REGIONAL HOUSING NEEDS ASSESSMENT

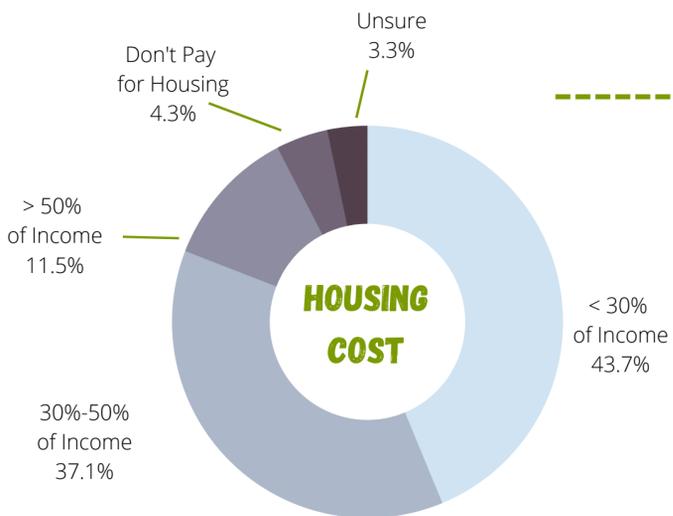
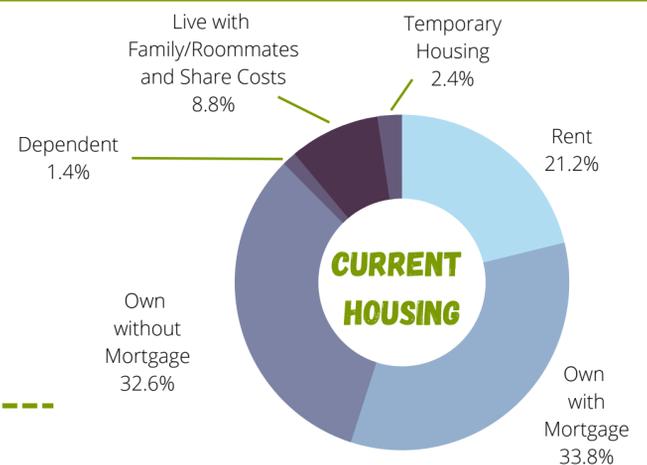


Housing is a hot issue. In NH and throughout the country, scarce available housing is putting a strain on working families and preventing businesses from recruiting and retaining workers. We want your feedback on housing in the North Country! Here is what we have heard from residents and employers so far-

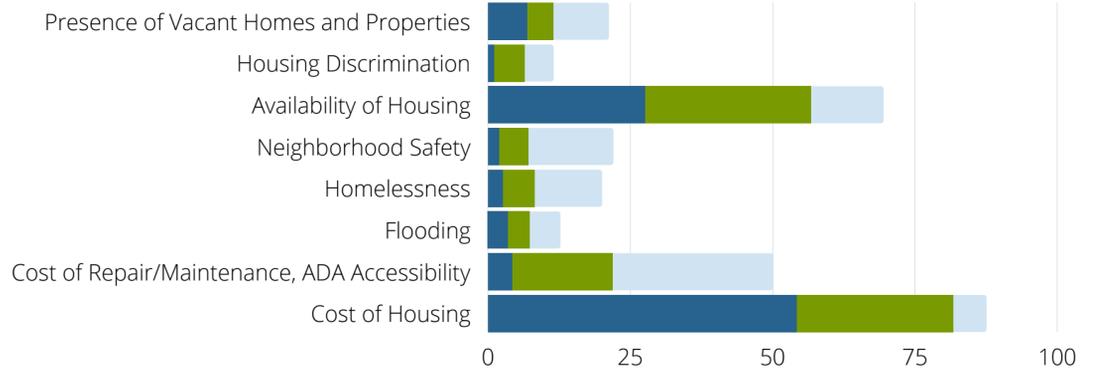
DEMOGRAPHICS



RESIDENTS

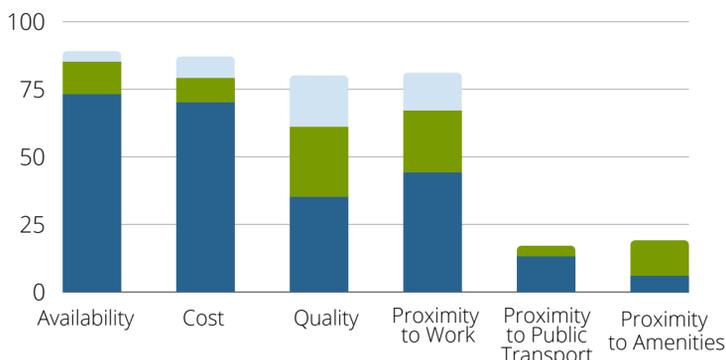


PRIORITIZED HOUSING CHALLENGES



EMPLOYERS

HOUSING IMPACTS ON ATTRACTING OR KEEPING QUALIFIED WORKERS



New Hampshire County Population Projections 2020 to 2050

Demographic Components of Change

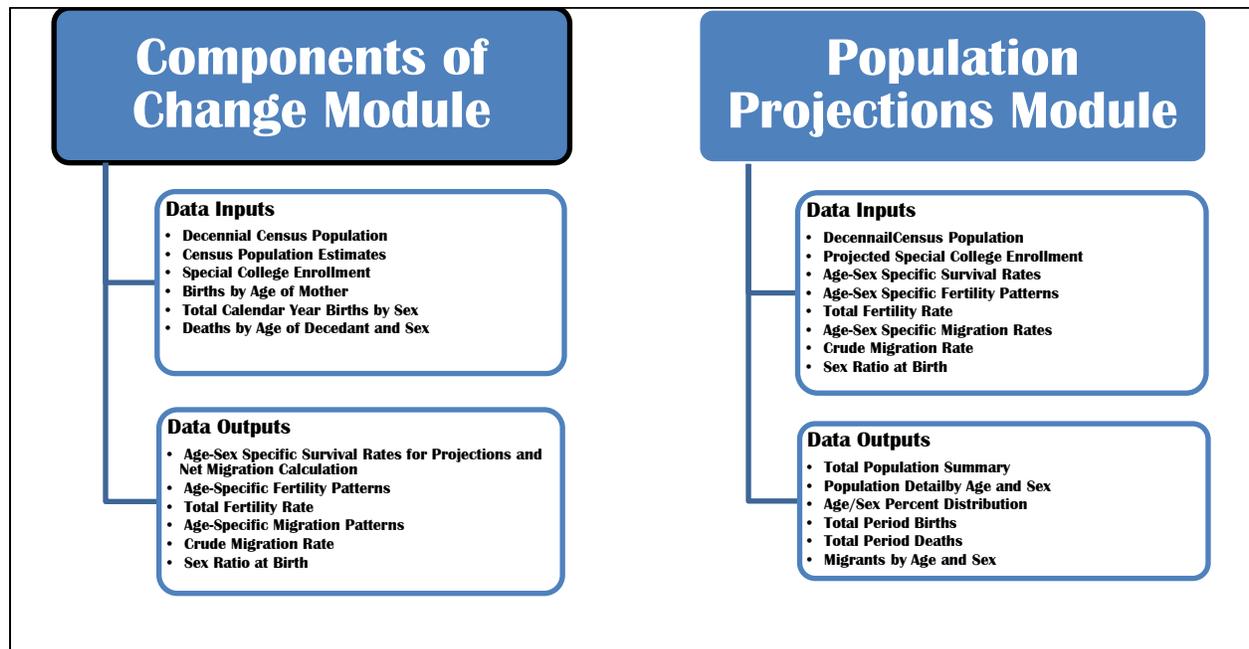
RLS Demographics, Inc.
P.O. Box 160
Rensselaerville, NY 12147
(518) 797-3163

Introduction

This report presents analysis of the demographic components of change for the ten counties of New Hampshire. The historical components of change analysis is the first step in development of transition rates for the Cohort Component Projection model. Figure 1 illustrates the link between analysis of the historical population change and the inputs to the model projecting future populations. The projection model requires age-sex specific rates of mortality and migration, and fertility rates by age of mother and their county of residence. These are developed from the historical analysis presented in this report and are necessary for understanding the demographic factors accounting for change in the population. Further analysis helps to understand population change by age and sex cohort.

Each component is applied separately in the projections model while also being sensitive to the interactive effects of the components. For example, the projected number of births in a future period is a function of the fertility rates applied to women of childbearing age but is also a function of the interaction with migration. If the number of women is increasing due to in-migration, births will increase even when fertility rates are stable.

Figure 1



The Components of Change Module and analysis utilizes the following data sources:

- Historical birth and death data by age and sex from New Hampshire Department of State through the Division of Vital Records Administration web query system,

- Current and historical census results and population estimates from the U.S. Census Bureau Decennial Census, Population Estimates Program and American Community Survey,
- College enrollment by age and sex for selected colleges from the U.S. Department of Education, Integrated Postsecondary Education Data System (IPEDS),
- Prison populations by age and sex (when available) through various county corrections departments,
- Nursing home residents by facility provided by the New Hampshire Office of Planning and Development
- Estimates of total net migration and migration by age and sex prepared by RLS Demographics using Census Bureau estimates and the Life Table Survival Rate methodology.

Demographic Components of Change – Process Overview

Demographic components of change (fertility, mortality and migration) are analyzed to capture total population change and change by age and sex. This is particularly important for projecting births which are dependent on fertility rates and the number of women of childbearing age. Changes in household composition and housing unit type are also factors to be considered when analyzing population change. Household composition relates to our living arrangements: single person households, delayed marriage, reduced household sizes. Housing construction relates to the type of unit: single family versus multi-unit structures. This has particular impacts on household size and the number of children.

The age structure of the population is particularly important in measuring changes in the fertility level. The simple Crude Birth Rate (total births divided by the total population) does not capture the “population at risk” of having children, namely, women of childbearing age. Fertility rates are not consistent across all ages requiring the calculation of age-specific fertility. Migration is a critically important component and must also be specific to age and sex populations. Each of these component factors is discussed in more detail below.

The measurement of population change over a given period of time is defined by a simple identity known as the demographic balancing equation. In its simplest form, the equation is stated as:

$$P_1 = P_0 + B_{(t,t+n)} - D_{(t,t+n)} + M_{(t,t+n)}$$

Where: P_0 = population at the base period,
 P_1 = population at the end of period n,

B = births between time t and t+n
D = deaths between time t and t+n
M = net migrants between time t and t+n

The Population Estimates Program of the U.S. Census Bureau utilizes a nationwide methodology for estimating total population and age, race, sex characteristics at the county level which follows this basic balancing equation concept. Table 1 presents these historical estimates and components of change for the State of New Hampshire and for each county.

Table 1: New Hampshire Historical Components of Change, 1990 to 2020

	April 1, 1990	July 1, 1995	April 1, 2000	July 1, 2005	April 1, 2010	July 1, 2015	April 1, 2020
New Hampshire State							
Total Population	1,109,252	1,157,561	1,235,786	1,298,492	1,316,470	1,336,350	1,377,529
Population Change	x	48,309	78,225	62,706	17,978	19,880	41,179
Percent Change	x	4.4%	6.8%	5.1%	1.4%	1.5%	3.1%
Cumulative Births	x	78,913	71,940	72,571	69,253	62,555	72,337
Cumulative Deaths	x	43,463	47,310	49,433	50,929	55,059	49,804
Natural Increase	x	35,450	24,630	23,138	18,325	7,496	22,534
Net Migration	x	12,859	53,595	39,568	-347	12,384	-4,716
Crude Net Migration Rate	x	1.2%	4.6%	3.2%	0.0%	0.9%	-0.4%
Belknap County							
Total Population	49,216	50,780	56,268	60,928	60,075	60,408	63,705
Population Change	x	1,564	5,488	4,660	-853	333	3,297
Percent Change	x	3.2%	10.8%	8.3%	-1.4%	0.6%	5.4%
Cumulative Births	x	x	2,671	3,040	3,403	2,841	2,338
Cumulative Deaths	x	x	2,287	2,722	2,635	3,015	3,064
Natural Increase	x	x	384	319	768	-174	-726
Net Migration	x	x	5,104	4,341	-1,621	507	4,023
Crude Net Migration Rate	x	x	10.1%	7.7%	-2.7%	0.8%	6.7%
Carroll County							
Total Population	35,410	37,543	43,697	46,707	47,823	47,442	50,107
Population Change	x	2,133	6,154	3,010	1,116	-381	2,665
Percent Change	x	6.0%	16.4%	6.9%	2.4%	-0.8%	5.5%
Cumulative Births	x	x	1,891	2,093	2,249	1,903	1,541
Cumulative Deaths	x	x	1,666	1,860	1,848	2,011	2,039
Natural Increase	x	x	226	233	402	-109	-498
Net Migration	x	x	5,929	2,777	715	-273	3,163
Crude Net Migration Rate	x	x	15.8%	6.4%	1.5%	-0.6%	6.7%

Source: U.S. Census Bureau, Intercensal Estimates of Population, 2000 to 2019. New Jersey Department of Health, Annual Vital Statistics, 1990 to 2020

Table 1: New Hampshire Historical Components of Change, 1990 to 2020 (cont'd)

	April 1, 1990	July 1, 1995	April 1, 2000	July 1, 2005	April 1, 2010	July 1, 2015	July 1, 2019	April 1, 2020
Cheshire County								
Total Population	70,121	70,850	73,811	76,832	77,123	76,390	75,880	76,458
Population Change	x	729	2,961	3,021	291	-733	-510	68
Percent Change	x	1.0%	4.2%	4.1%	0.4%	-1.0%	-0.7%	0.1%
Cumulative Births	x	x	3,504	3,939	4,276	3,597	2,610	3,085
Cumulative Deaths	x	x	2,481	2,855	2,559	2,993	2,526	3,005
Natural Increase	x	x	1,023	1,083	1,717	604	84	80
Net Migration	x	x	1,938	1,938	-1,426	-1,337	-594	-12
Crude Net Migration Rate	x	x	2.7%	2.6%	-1.9%	-1.7%	-0.8%	0.0%
Coos County								
Total Population	34,828	33,578	33,089	32,779	33,052	32,351	31,421	31,268
Population Change	x	-1,250	-489	-310	273	-701	-930	-1,083
Percent Change	x	-3.6%	-1.5%	-0.9%	0.8%	-2.1%	-2.9%	-3.4%
Cumulative Births	x	x	1,501	1,567	1,669	1,377	947	1,123
Cumulative Deaths	x	x	1,704	1,883	1,558	1,845	1,558	1,844
Natural Increase	x	x	-204	-316	111	-468	-611	-721
Net Migration	x	x	-286	6	163	-233	-319	-362
Crude Net Migration Rate	x	x	-0.9%	0.0%	0.5%	-0.7%	-1.0%	-1.1%
Grafton County								
Total Population	74,929	77,545	81,764	84,743	89,135	89,566	90,369	91,118
Population Change	x	2,616	4,219	2,979	4,392	431	803	1,552
Percent Change	x	3.5%	5.4%	3.6%	5.2%	0.5%	0.9%	1.7%
Cumulative Births	x	x	3,864	4,227	4,697	3,992	2,803	3,303
Cumulative Deaths	x	x	3,747	4,213	3,979	4,801	4,008	4,813
Natural Increase	x	x	117	15	718	-810	-1,205	-1,511
Net Migration	x	x	4,103	2,965	3,674	1,241	2,008	3,063
Crude Net Migration Rate	x	x	5.3%	3.6%	4.3%	1.4%	2.2%	3.4%
Hillsborough County								
Total Population	335,838	349,027	380,856	398,784	400,706	409,229	417,738	422,937
Population Change	x	13,189	31,829	17,928	1,922	8,523	8,509	13,708
Percent Change	x	3.9%	9.1%	4.7%	0.5%	2.1%	2.1%	3.3%
Cumulative Births	x	x	23,430	26,150	27,816	22,665	16,706	19,791
Cumulative Deaths	x	x	12,692	14,245	13,292	15,605	13,381	16,003
Natural Increase	x	x	10,738	11,906	14,524	7,060	3,325	3,788
Net Migration	x	x	21,091	6,023	-12,602	1,463	5,184	9,920
Crude Net Migration Rate	x	x	6.0%	1.6%	-3.2%	0.4%	1.3%	2.4%

Table 1: New Hampshire Historical Components of Change, 1990 to 2020 (cont'd)

	April 1, 1990	July 1, 1995	April 1, 2000	July 1, 2005	April 1, 2010	July 1, 2015	July 1, 2019	April 1, 2020
Merrimack County								
Total Population	120,240	123,596	136,264	146,353	146,452	148,770	151,606	153,808
Population Change	x	3,356	12,668	10,089	99	2,318	2,836	5,038
Percent Change	x	2.8%	10.2%	7.4%	0.1%	1.6%	1.9%	3.3%
Cumulative Births	x	x	7,039	8,063	8,695	7,111	5,219	6,144
Cumulative Deaths	x	x	5,341	6,608	6,028	6,966	5,964	7,106
Natural Increase	x	x	1,698	1,455	2,667	145	-745	-962
Net Migration	x	x	10,970	8,634	-2,568	2,173	3,581	6,000
Crude Net Migration Rate	x	x	8.9%	6.3%	-1.8%	1.5%	2.4%	4.0%
Rockingham County								
Total Population	245,845	257,715	277,388	292,634	295,207	302,975	309,647	314,176
Population Change	x	11,870	19,673	15,246	2,573	7,768	6,672	11,201
Percent Change	x	4.8%	7.6%	5.5%	0.9%	2.6%	2.2%	3.6%
Cumulative Births	x	x	16,090	17,344	16,959	13,610	10,618	12,603
Cumulative Deaths	x	x	6,269	7,407	6,795	8,549	7,531	9,063
Natural Increase	x	x	9,821	9,938	10,164	5,061	3,088	3,540
Net Migration	x	x	9,852	5,309	-7,591	2,707	3,585	7,661
Crude Net Migration Rate	x	x	3.8%	1.9%	-2.6%	0.9%	1.2%	2.5%
Strafford County								
Total Population	104,233	105,907	112,235	119,006	123,146	127,174	130,716	130,889
Population Change	x	1,674	6,328	6,771	4,140	4,028	3,542	3,715
Percent Change	x	1.6%	6.0%	6.0%	3.5%	3.3%	2.8%	2.8%
Cumulative Births	x	x	6,134	7,288	7,881	6,539	4,715	5,578
Cumulative Deaths	x	x	3,437	4,069	4,043	4,943	4,571	5,456
Natural Increase	x	x	2,697	3,219	3,838	1,597	144	122
Net Migration	x	x	3,631	3,552	302	2,432	3,399	3,593
Crude Net Migration Rate	x	x	3.4%	3.2%	0.3%	2.0%	2.7%	2.8%
Sullivan County								
Total Population	38,592	39,138	40,435	42,284	43,738	43,175	43,263	43,063
Population Change	x	546	1,297	1,849	1,454	-563	88	-112
Percent Change	x	1.4%	3.3%	4.6%	3.4%	-1.3%	0.2%	-0.3%
Cumulative Births	x	x	2,084	2,461	2,623	2,108	1,549	1,814
Cumulative Deaths	x	x	1,212	1,288	1,226	1,450	1,272	1,515
Natural Increase	x	x	871	1,173	1,397	658	278	299
Net Migration	x	x	426	676	57	-1,221	-190	-411
Crude Net Migration Rate	x	x	1.1%	1.7%	0.1%	-2.8%	-0.4%	-1.0%

Population change in New Hampshire and individual counties has varied over the last three decades. Total growth in New Hampshire from 1990 to 2020 exceeded 260,000 and a rate of 24.6 percent. Not all counties grew during that time period and the range of population change shows a loss of more than 3,500 (-10.2 percent) in Coos to a high of 87,000 in Hillsborough. While Hillsborough had the largest numeric increase, the rate of change was 25.9 percent. The rate of growth in five other counties (Belknap, Grafton, Merrimack, Rockingham and Strafford) were all in the range of 20 to 30 percent. Carroll County had the fastest rate of increase at 41.5 percent.

These overall population and rates of change mask the variation occurring within the three decade span. Growth or decline is not consistent. Coos County shows a fairly consistent decline in each 5-year period but even here there was some growth between 2005 and 2010. Carroll County with the most rapid rate of growth is estimated to have lost population between 2010 and 2015. Each county exhibits different patterns of change in reviewing the 5-year periods.

Population change is a function of only three demographic processes: fertility, mortality and migration. As noted earlier, this report analyzes the effects of each of these components. Two factors stand out as being consistent across all counties: a decline in the number of births and an increase in the number of deaths. This difference is referred to as “natural change”. Declining births reflect national trends of reduced fertility levels and increasing deaths reflects, again following national trends, the aging of the Baby Boom cohort into high mortality ages. These trends are so pronounced that Belknap, Carroll, Coos, Grafton and Merrimack all show natural decline – an excess of deaths over births – in the 2015 to 2020 period. Cheshire, Strafford and Sullivan are very near that level.

Migration is the most volatile of the three demographic components of change and is responsive to many economic, housing and social changes. New Hampshire counties reflect this with varying levels of both in- and out-migration over the three decades and differences between the counties. Grafton and Strafford counties are the only counties that show net in-migration in each 5-year period. Some of the largest levels of net out-migration (Belknap, Cheshire, Hillsborough, Merrimack and Rockingham) occur in the 2005 to 2010 period and are likely a result of the Great Recession.

An important caveat: To date, results from the 2020 Census only include data required under Public Law 94-171 for states to use in Congressional and state redistricting. This data file provides results for all levels of geography from the state total to all individual census blocks. However, the characteristics provided are limited to include population by race, Hispanic/Latino origin, voting age (18 and over), housing occupancy and group quarters population.

Analysis of Age-Sex Specific Components of Change

While these trends in total population are informative it's necessary to understand the underlying age-sex distribution of the population and its impact on the components of change.

In the context of producing 30-year population projections, fertility and migration become the most important components.

Fertility Analysis

The absolute number of births projected by the Cohort-Component Projections model for each area, in each 5-year time interval, is calculated by applying age-specific fertility rates to the number of women in the childbearing ages (women age 15 through 49). The number of male and female births is determined by applying the sex ratio at birth based on historical data.

Individual county fertility patterns are based on two decades of analysis using the Decennial Census as the benchmark for each decade. Births by age of mother are averaged over a three-year period centered on the Census data. The analysis for 2010 uses birth data for 2009, 2010 and 2011 and the 2010 Census population as the base. As noted earlier, 2020 Census data at this level is not available while State vital statistics data on births by age of mother is available through calendar year 2021. The analysis is based on the three-year average of 2019, 2020 and 2021 births. The base population utilizing estimates for 2020 from the Census Bureau's Demographic Analysis program for evaluation of the 2020 Census results. This process is fully described.

Estimating the 2020 Age-Sex Distribution

An important factor that can affect the results is having to estimate the 2020 age-sex distribution. In the absence of the actual 2020 Census results, the age-sex distribution has been estimated using the Census Bureau's county level Demographic Analysis estimates for April 1, 2020. These estimates use a methodology similar to the demographic balancing equation whereby the 2010 population is "aged" to 2020 incorporating birth, death and estimated migration data. The age-sex structure will closely reflect the structure of the 2010 Census but doesn't account for changes other than the natural aging process.

The estimates are subject to what is called "error of closure" which is the measureable error between the estimated population and the actual Census result. The estimates can over or understate the Census enumerated population and that difference represents error in the estimates process. Lacking the age-sex data from the 2020 Census, the Demographic Analysis estimates have been forced to equal the 2020 Census total population count for each county. This is accomplished by uniformly applying the percent difference between the estimate total and the 2020 Census total to each age-sex group.

A second issue of importance is special populations. Special populations reside in group quarters and include populations like college students, prisoners, military and nursing home residents. These populations impact the calculations for age-specific fertility and migration rates because they do not reflect actions of the general population. In the case of fertility, college age women are not prone to having children at the same rates as their counterparts who are not in college. In the case of migration, college students do not "age in place" as the general population. Graduating seniors often do not stay in the location of the college and are

replaced each year by incoming freshman. If these populations are not removed from the total resident population by age and sex, they will distort the resulting fertility and migration rates and create an artificial “bulge” in the age distribution as they age.

New Hampshire is home to a number of colleges and universities with large enrollments. They are primarily located in Cheshire, Grafton, Hillsborough, Merrimack and Strafford counties. The data used here is based on full-time undergraduate and graduate enrollment by age and sex from the National Center for Education Statistics. Prison populations are defined in Cheshire (very small populations), Coos, Hillsborough, Merrimack, Rockingham and Strafford counties though the populations are relatively small in all but Coos, Hillsborough and Merrimack. Current data by age and sex for 2020 was not available for all facilities and was estimated based on the total inmate counts. Nursing home populations reside in each county. Only the total resident population is available and the age-sex detail was estimated based on the age-sex distribution in the Census Bureau American Community Survey estimates of nursing home residents for the 2015-2019 period.

The age-specific fertility patterns establish women’s relative propensity for giving birth at each age. The patterns are often remarkably stable and it’s the pattern by age that illustrates how recent generations have delayed childbearing. This is seen in the following Figures 2 through 11 where fertility of teenage women 15 to 19 and women age 20 to 30 have continued to decline while fertility of women age 30 to 34 and older has increased. This shift reflects nationwide trends. **Two factors affecting the future projection are unknown: the results of the 2020 Census and the impact of the COVID pandemic on long term fertility.**

Figure 2

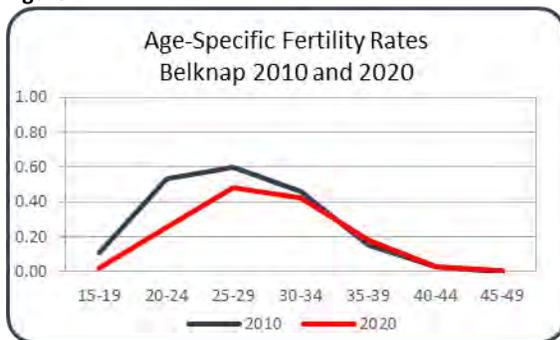


Figure 3

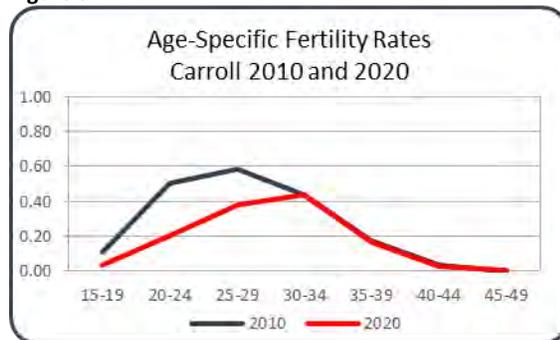


Figure 4

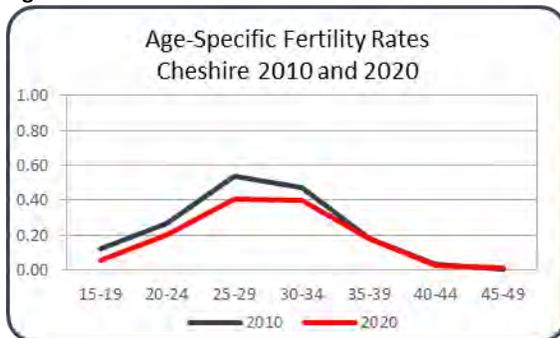


Figure 5

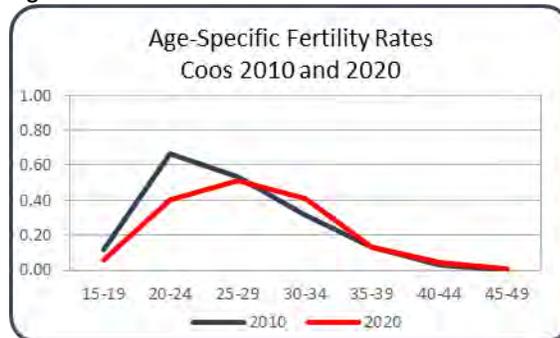


Figure 6

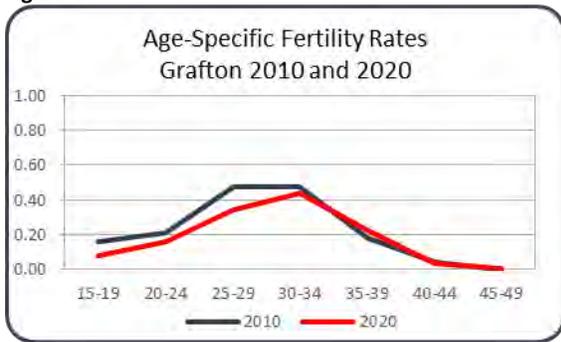


Figure 7

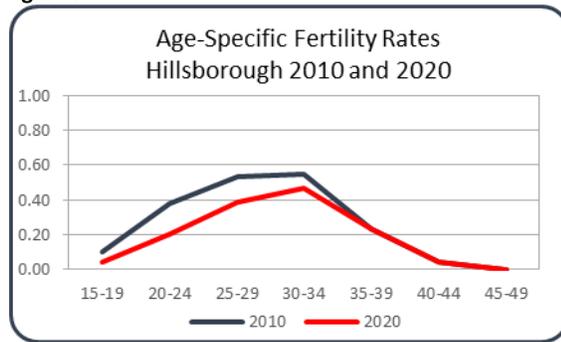


Figure 8

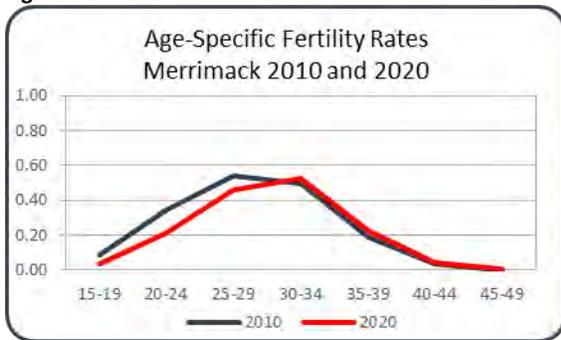


Figure 9

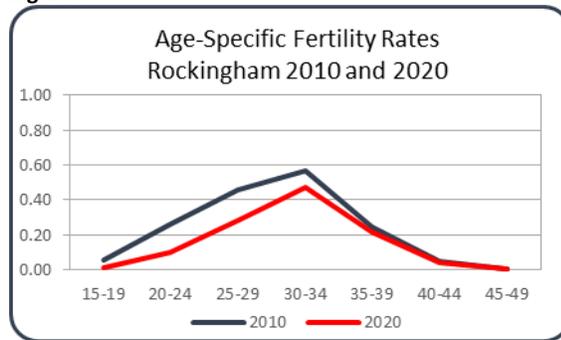


Figure 10

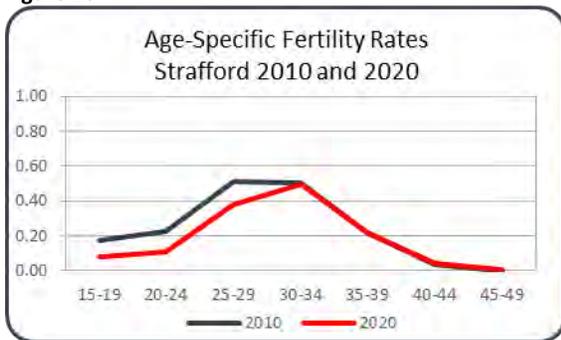
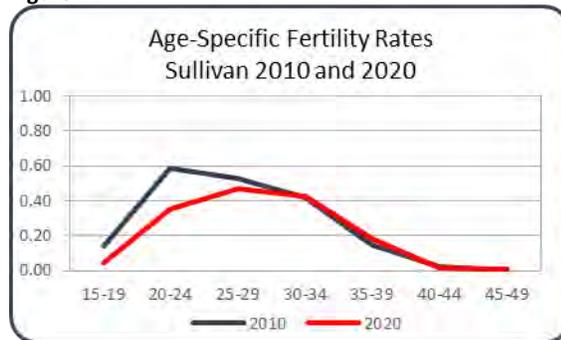


Figure 11

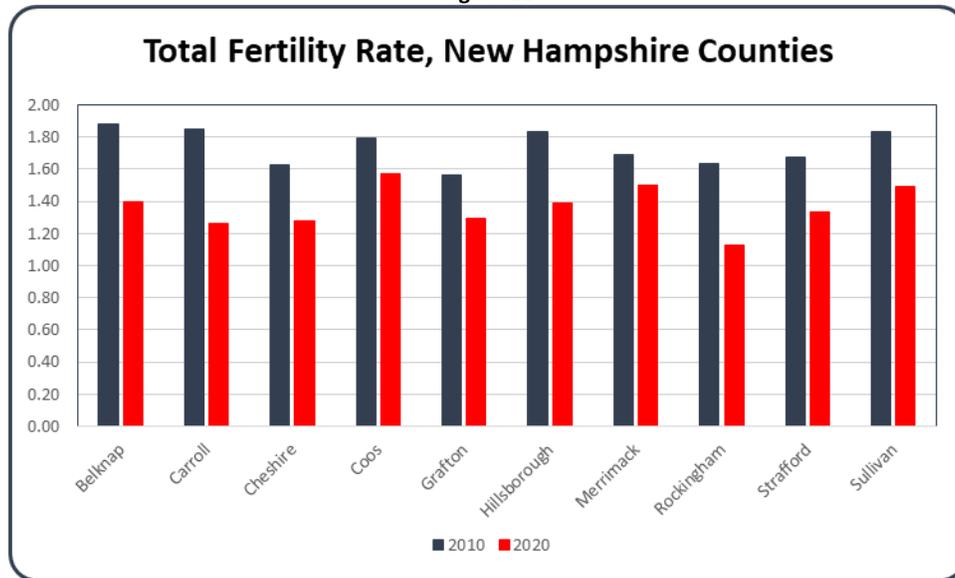


The last piece of the fertility analysis is the actual level of fertility as described by the Total Fertility Rate (TFR). A well-known number is the replacement level of fertility which is a TFR of 2.1 children per woman. This reflects the average number of children per woman necessary in a population to replace herself, a male partner and account for women unable to bear children. It is the combination of the age pattern of fertility and the Total Fertility Rate that controls the number of births generated in the Cohort-Component Projection model.

The delay of marriage and childbearing is a recognized trend of the last two decades and there is little to indicate that women will again begin to have children at younger ages, particularly for

the very young teen population. Assuming the age pattern of fertility remains constant, the TFR can be used in the model to affect the absolute number of births generated by women of childbearing years. The absolute number of births will be a function of the number of women (impacted by the age distribution and migration) and the TFR. If the TFR and age-specific rates remain constant, an increase in the number of women due to migration will increase the number of births and vice versa. If the age distribution (number of women by age) remains constant then increasing the TFR will increase the number of births and vice versa. Both of these parameters are used in the projection model to vary assumptions about future events.

Figure 12



Even in 2010, the Total Fertility Rate for each of New Hampshire’s counties, as well as the nation, was below the replacement level of fertility. It has continued to decline and the 2020 rates are reaching historically low levels.

As noted earlier, the lack of final 2020 Census data on the age-sex distribution of population and the recent impact of the COVID-19 pandemic are limitations that present challenges for projecting future changes in fertility. However, given the nationwide declines in fertility and continued delay of childbearing there seems to be little justification for making large changes in the fertility patterns or the TFR in the projections model. This will allow future births to primarily be a function of the natural cohort aging of women of childbearing age and migration. This analysis of the current fertility rates establishes the starting point for the projection of future fertility.

Migration Analysis

Similar to the modeling of fertility, net migrants by age and sex for each county are based on the age pattern of migration and a specified total absolute level of migration, the Crude Migration Rate (CMR). The age pattern typically reflects life-cycle changes. Oftentimes, life-

cycle factors are most important in the decision to migrate, or not. Because of this, age patterns of migration show can show stability over time even though economic conditions result in a higher or lower overall level of total migration. At the county level, some counties exhibit absolute stability of the age pattern while others show very mixed patterns. In cases of stability, the age patterns define the level of migration in each age group relative to other ages and the whole pattern shifts up or down depending on the total net migration or Crude Migration Rate.

The age pattern specifies the age distribution of net migrants and is sex specific. As with fertility, this can be thought of as the propensity to migrate, one age category relative to another, in any given area or time period. The absolute level of net migration is controlled by the specification of the Crude Migration Rate (CMR). The CMR used in the projection model is analogous to the 5-year Crude Net Migration Rate shown in Table 1 above. As with the fertility module, the model has the flexibility to alter assumptions regarding changes in the age pattern of migration and the Crude Migration Rate in each time period.

These age-specific patterns are calculated using the Life Table Residual Migration method. It uses the decennial census populations for 2010 and the estimated age-sex distribution for 2020 as the actual populations. This process measures the difference between the “expected” population after accounting for cohort aging and the “observed” population actually enumerated in the census.

For example, the 2010 Census population by age and gender is “aged” to be 10 years older at the time of the 2020 Census. This aging is accomplished by applying survival rates from the life table mortality analysis to each age-sex cohort and estimates the expected number of people alive at the end of the decade who are 10 years older. Applying the life table survival ratio to the population age 35-39 in 2010 yields the number of expected 45-49 year olds as of the 2020 Census. The difference between the expected number and the actual enumerated population is, by definition, migration. If the observed population is higher than the expected population then in-migration must have occurred and vice versa.

This calculation is carried out for the decade in two 5-year intervals: aging the 2010 population to 2015 and comparing it to the Census Bureau’s current estimates and aging the 2015 population to 2020 and comparing it to the 2020 estimated Census count. Annual births are also included to measure migration of the youngest age groups. Actual reported births between 2010 and 2015 become the 0 to 4 population in 2015 and births between 2015 and 2020 become the 0 to 4 population in 2020.

This calculation is shown in Table 3 for the total population in Belknap County for the 2010 to 2020 period.

Table 3: Life Table Residual Migration, Belknap County Total

Age in 2010	2010			5-gr Survival	2015		2010-2015			5-gr Survival	2020		2015-2020		Age in 2020
	Total Popul	Special Popul	HHold Popul		Expected	Actual	Net Migrants				Expected	"Actual"	Number	Rate	
							Age	Number	Rate						
Births 15-20	1,172								0.99538	1,167	1,277	110	0.094209	Under 5	
Births 10-15	1,312		1,312	0.99538	1,305	1,357	Under 5	52	0.03931	0.99888	1,355	1,520	165	0.121239	5-9
Under 5	1,548	0	1,548	0.99888	1,546	1,617	5-9	71	0.04569	0.99968	1,616	1,748	132	0.081331	10-14
5-9	1,618	0	1,618	0.99968	1,617	1,648	10-14	31	0.01886	0.99910	1,647	1,590	-57	-0.034289	15-19
10-14	1,791	0	1,791	0.99910	1,789	1,624	15-19	-165	-0.09234	0.99826	1,621	1,499	-122	-0.075232	20-24
15-19	1,783	0	1,783	0.99826	1,780	1,516	20-24	-264	-0.14801	0.99803	1,513	1,658	145	0.095634	25-29
20-24	1,317	0	1,317	0.99803	1,314	1,459	25-29	145	0.10979	0.99769	1,456	1,654	198	0.135962	30-34
25-29	1,623	0	1,623	0.99769	1,619	1,689	30-34	70	0.04297	0.99678	1,684	1,886	202	0.119862	35-39
30-34	1,561	0	1,561	0.99678	1,556	1,638	35-39	82	0.05255	0.99520	1,630	1,758	128	0.078057	40-44
35-39	1,836	0	1,836	0.99520	1,827	1,802	40-44	-25	-0.01372	0.99255	1,789	1,886	97	0.05406	45-49
40-44	2,093	0	2,093	0.99255	2,077	2,060	45-49	-17	-0.00832	0.98772	2,035	2,242	207	0.100625	50-54
45-49	2,508	0	2,508	0.98772	2,477	2,532	50-54	55	0.02184	0.98005	2,481	2,730	249	0.098146	55-59
50-54	2,692	0	2,692	0.98005	2,638	2,667	55-59	29	0.01066	0.96720	2,580	2,935	355	0.133252	60-64
55-59	2,486	0	2,486	0.96720	2,404	2,530	60-64	126	0.05062	0.94615	2,394	2,544	150	0.05917	65-69
60-64	2,362	10	2,352	0.94615	2,225	2,234	65-69	9	0.00389	0.91464	2,044	2,108	65	0.028877	70-74
65-69	1,607	43	1,564	0.91464	1,431	1,442	70-74	11	0.00709	0.86751	1,251	1,260	9	0.00625	75-79
70-74	1,125	39	1,086	0.86751	942	935	75-79	-7	-0.00617	0.78940	738	769	31	0.033444	80-84
75-79	907	64	843	0.78940	665	679	80-84	13	0.01582	0.66503	451	380	-72	-0.105844	85-89
80-84	815	62	753	0.66503	500	744	85-89	244	0.32369	0.40417	301	126	-175	-0.234625	90+
85+	936	236	700	0.40417	283	991	90+	708	1.01205						
Total	30,608	455	31,464		29,999	31,164		1,165	0.03703		29,751	31,570	1,818	0.05834	

That’s a lot of data so the resulting migration pattern for males and females in New Hampshire is more easily seen in Figures 13 and 14. It’s important to remember the economic picture for the decade. Migration slowed dramatically during the Great Recession of 2007 to 2009. However, recovery was slow and had different effects in different areas of the country. The second half of the decade was a period of more normal economic growth though many areas still experienced high unemployment and mobility. The effects of the COVID-19 pandemic on migration weren’t yet felt during this time period but likely have a great impact on the migration of population for 2020 and 2021. The continued effects are unknown.

Figures 13 and 14 illustrate some important points. First, there is some volatility between the first and second half of the decade affecting some ages, especially for males in the 30 to 60 age range. This likely reflects the economic impacts of the Great Recession. However, overall there is a very consistent shape to the age pattern which follows traditional lifecycle changes. Second, ages over 25 experience net in-migration though that positive rate stabilizes around age 50 at just over the zero line. Again, that represents stability that once you come to New Hampshire you tend to stay but it’s most attractive for in-migrants in their late 20’s to 40’s. Third, there is high out-migration in the oldest ages. The stability of most ages lends support to the assumption for the projections that the age pattern of migration can be held constant – even though allowance can still be made for positive or negative shifts in total migration.

Figure 13

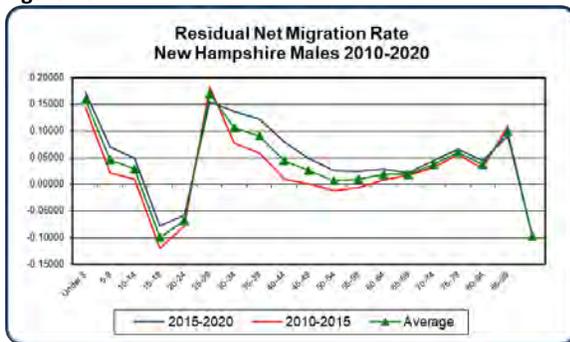
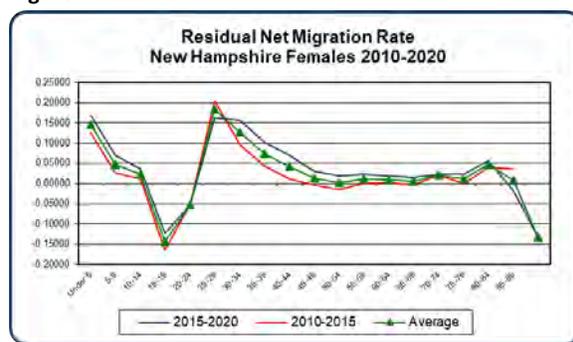


Figure 14



Of course, this pattern is not consistent for every county and there is much more variability by age and gender at the county level. Figures 15 through 24 present the county level patterns for the total population though the projection model uses the age-sex specific migration patterns and they show more variability than for the total population.

Figure 15

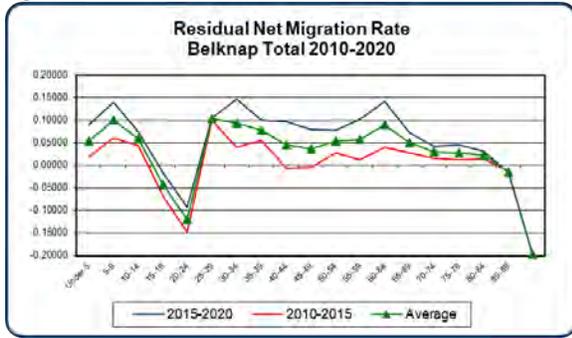


Figure 16

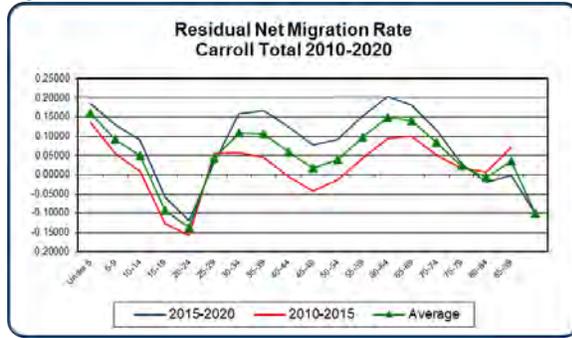


Figure 17

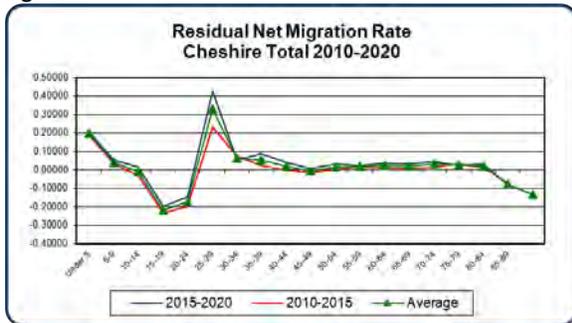


Figure 18

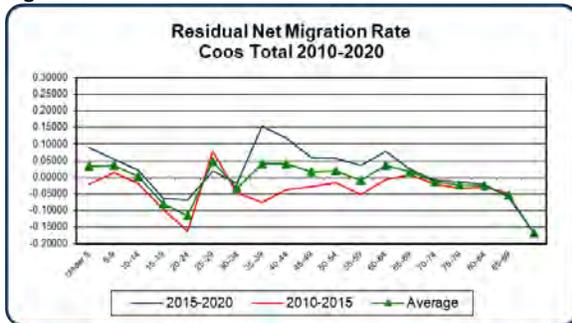


Figure 19

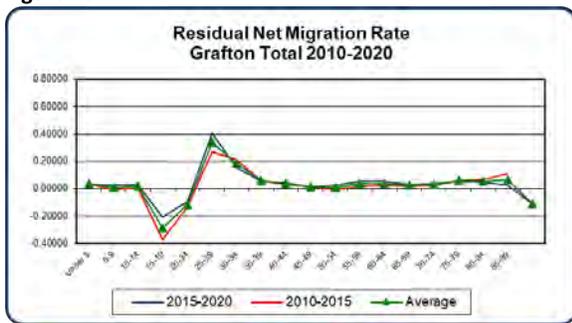


Figure 20

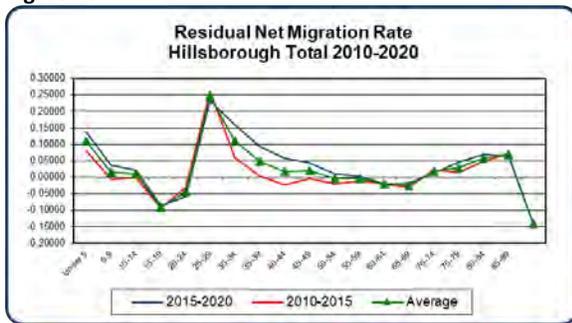


Figure 21

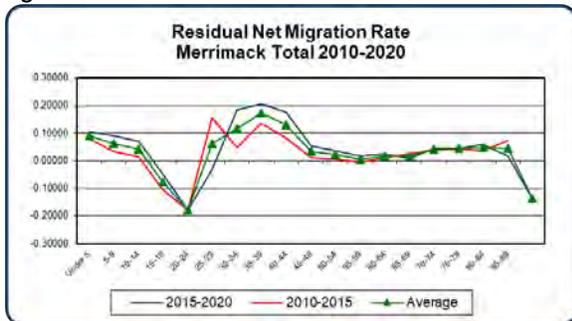


Figure 22

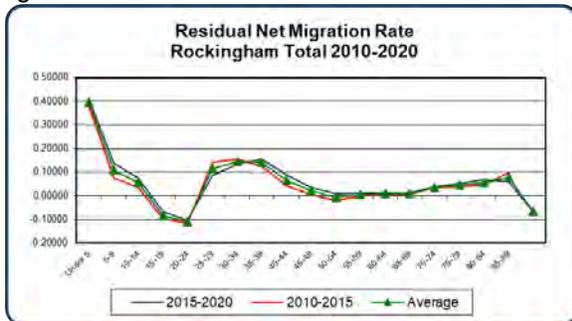


Figure 23

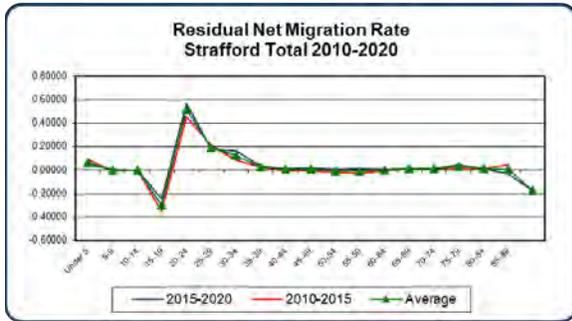
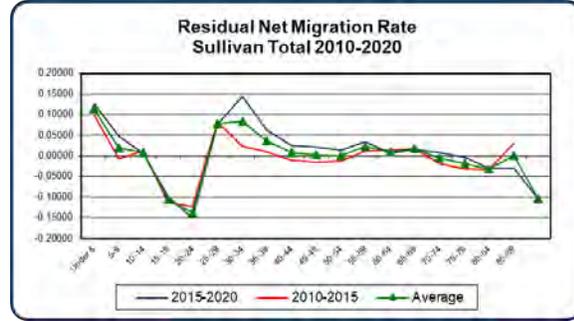


Figure 24



As with the fertility assumption, the Crude Migration Rates, shown in Table 4, reflects the net migration estimated using the Life Table Residual Migration methodology. These figures represent the starting point input to the Cohort-Component Projection model.

Table 4: Summary Crude Migration Rates

	Total		Male		Female	
	2010-2015	2015-2020	2010-2015	2015-2020	2010-2015	2015-2020
Belknap	1.14%	6.94%	1.87%	8.03%	0.55%	6.03%
Carroll	2.00%	9.43%	2.77%	10.41%	1.43%	8.72%
Cheshire	0.37%	3.51%	0.89%	4.08%	-0.06%	3.07%
Coos	-3.23%	2.39%	-2.34%	5.40%	-3.98%	-0.46%
Grafton	1.48%	4.05%	1.74%	5.15%	1.35%	3.14%
Hillsborough	0.81%	3.84%	0.41%	4.83%	1.26%	2.93%
Merrimack	1.69%	4.23%	2.67%	3.62%	0.77%	4.89%
Rockingham	3.20%	5.25%	3.74%	5.73%	2.72%	4.87%
Strafford	1.72%	3.92%	1.94%	5.04%	1.55%	2.88%
Sullivan	-0.57%	1.33%	-0.28%	2.57%	-0.78%	0.24%

Mortality Analysis

Mortality is the least volatile of the three components of change. In the projections model, the population is aged by applying age and sex specific survivorship ratios for a five-year period to the base population by five-year age group. The model allows for area specific assumptions regarding the change in survivorship however, there is little variation in survivorship in the younger ages with larger impacts among the elderly. Because of its population size, computation of the life table and survivorship ratios by sex are possible for Hillsborough County but no other New Hampshire counties. For this reason, regional life tables were prepared by creating county groups based on similar characteristics and geography. Groupings included: Belknap and Merrimack; Rockingham and Strafford; Carroll, Coos and Grafton; Cheshire and Sullivan.

The life table analysis requires a more detailed distribution of deaths by age than the fertility or migration analysis. Infant mortality is relatively high in the first year of life requiring a breakdown of the 0 to 5 ages into the under 1 and 1 to 4 years. Data for 5-year age groups is sufficient for the other ages but also needs to account for deaths beyond the age of 85 and over. This requires detail for the 85 to 89, 90 to 94 and 95 and over population. Current data for these more detailed age group data are not available from the Department of State. As a result, life tables were prepared using a 3-year average of deaths for 2009, 2010 and 2011 centered on the 2010 Census population. Life expectancy has increased since 2010 and while this is not ideal, most of the increase is due to greater longevity of the senior population – age groups which have a declining impact on the overall projections.

Figures 25 and 26 illustrate the age-specific survival rate distribution for New Hampshire’s male and female population. They clearly show the high level of survivorship in the younger ages – those most critical for the projection of women of childbearing age – and only slight differences in the older ages.

Figure 25

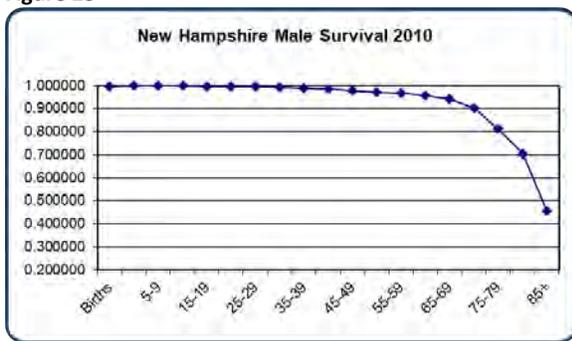
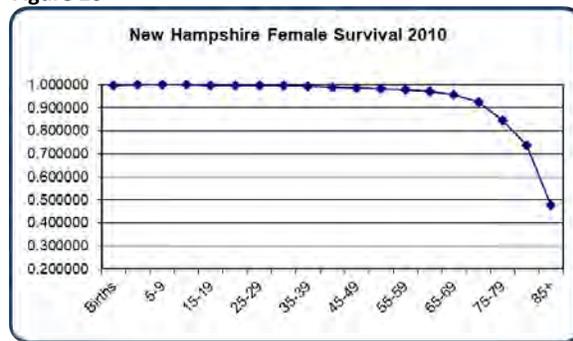


Figure 26



The most common measure resulting from life table analysis is the expectation of life at birth. The age-specific death rates used in the calculation area based on the 2009 to 2011 mortality experience of New Hampshire residents. If these rates were to continue into the future, newborn males could expect to live 81.1 years while newborn females could expect to live to 84.6 years. The increased life expectancy of females over males is typical and is reflected in the positive ratios of females to males in the older ages.

Table 5: Life Expectancy at Birth

	Total	Male	Female
Hillsborough	83.0	81.2	84.7
Belknap/Merrimack	82.0	80.4	83.6
Rockingham/Strafford	83.9	82.2	85.5
Carroll/Coos/Grafton	82.0	80.0	84.1
Cheshire/Sullivan	81.5	79.5	83.3

Model Calibration

The fertility, migration and mortality rates developed in the Components of Change module utilize the Census Bureau’s Population Estimates Program estimates for July 1, 2015 and the Demographic Analysis estimates for April 1, 2020. As estimates, there is always some unmeasurable error because there is no actual census count that can be used to evaluate the estimates. As a result of this potential error, the calculated Total Fertility Rates, the Crude Migration Rates and survival rates approach, but will not exactly duplicate actual data.

The 2020 Census provides the best total population and actual reported births and deaths from the New Hampshire Department of State provide the most accurate totals for the model to replicate. This is done through a calibration process whereby the projections model is run for the 2010 to 2020 period making adjustments to the fertility, migration and mortality rates to most closely represent the actual reported data.

This is an iterative process where fertility and mortality rates are adjusted to reflect the actual reported births and deaths. There is no corresponding migration total so migration rates are adjusted to reflect the final 2020 Census population. The following steps are repeated many times because of the interaction of the demographic processes. For example, changing fertility rates to generate more or fewer births will change the number of migrants and survivors. Changing the migration rates will change the number of women of childbearing age and hence the number of births. Tables **x** and **y** present the initial TFR and CMR rates that were output from the Components of Change module and the resulting rates required to calibrate the 2010 to 2020 projections model to meet the reported number of births, deaths, migrants and 2020 Census populations.

Table 6: Total Fertility Rate

	2015-2020 Components of Change	2015-2020 Calibration
Belknap	1.399	1.600
Carroll	1.259	1.520
Cheshire	1.278	1.470
Coos	1.567	1.670
Grafton	1.292	1.663
Hillsborough	1.392	1.610
Merrimack	1.499	1.865
Rockingham	1.125	1.252
Strafford	1.333	1.620
Sullivan	1.493	1.650

Table 7: Crude Migration Rate

	2015-2020 Components of Change	2015-2020 Calibration
Belknap	5.83	7.00
Carroll	8.72	6.95
Cheshire	3.07	0.71
Coos	-0.46	-0.40
Grafton	3.14	3.90
Hillsborough	2.93	2.86
Merrimack	4.89	4.35
Rockingham	4.87	3.48
Strafford	2.88	3.27
Sullivan	0.24	-0.50

Summary and Recommendations

The Components of Change analysis provides the baseline data for input to the Cohort-Component Projections model. This includes:

- Age-specific fertility patterns by age of mother and the summary Total Fertility Rate which will generate future births,
- Age-sex specific migration patterns and the summary Crude Migration Rate which will impact the future number of women of childbearing age and future births,
- Age-sex specific survivorship ratios used to age each age-sex cohort to future projection dates, and
- College enrollment, prison and nursing home residents used to calculate the non-special (household) population to which the fertility, mortality and migration rates will be applied.

This analysis also points to a couple of issues/concerns to be addressed in the projections model:

- In the absence of the age distribution results from the 2020 Census, the Census Bureau's 2020 Demographic Analysis estimates provide the best data on the population. However, these estimates needed to be adjusted to the final 2020 Census count of total county population. Potential differences between the estimated and actual 2020 age distribution is a concern. Final age data is not expected to be release until 2023 at which time it would be useful to update the analysis and future projections.
- Current data on college enrollment was obtained from the U.S. Department of Education IPEDS system. This data does not provide any data on projected enrollments. In the absence of such a source, the assumption will be made that enrollment is stable throughout the projections period. The same assumption will be made for prison and nursing home populations.
- The age-specific fertility rates and age-sex specific migration rates establish an appropriate starting point for the projections. These patterns will be maintained throughout the projection periods and changes in the TFR and CMR will be the primary drivers of future population change.

Lancaster town	51	34	14	20	17	4	13	87	53	17	36	34	2	32
Landaff town	11	7	4	3	4	1	2	30	19	10	9	10	4	6
Lincoln town	62	42	20	22	20	4	16	171	112	53	59	59	12	47
Lisbon town	38	25	13	12	12	4	8	105	69	35	34	36	12	24
Littleton town	142	95	42	54	47	20	27	395	258	114	145	136	59	78
Livermore town	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Low and Burbanks grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Lyman town	15	10	4	6	5	2	3	41	27	12	15	14	5	9
Madison town	65	44	19	25	21	6	15	157	105	46	59	52	13	39
Martins location	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Milan town	19	13	6	7	7	1	5	32	19	5	14	13	2	11
Millsfield township	1	0	0	0	0	0	0	1	1	0	1	1	0	0
Monroe town	19	12	5	7	6	3	3	51	34	14	20	18	9	9
Northumberland town	33	22	10	12	11	3	8	57	35	10	24	22	1	21
Odell township	1	1	0	1	0	0	0	3	2	1	1	1	0	1
Pinkhams grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Pittsburg town	20	13	6	7	7	2	5	41	26	10	16	15	2	13
Randolph town	7	4	2	3	2	0	2	13	8	3	5	5	1	4
Rumney town	33	22	11	11	11	4	7	91	59	31	28	31	11	20
Sargents purchase	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Second College grant	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Shelburne town	5	3	1	2	2	0	1	9	5	2	4	3	0	3
Stark town	9	6	3	3	3	1	2	17	11	3	8	7	1	6
Stewartstown town	11	7	4	4	4	1	2	18	11	3	7	7	1	6
Stratford town	14	9	4	5	5	1	4	28	18	5	12	10	0	10
Success township	0	0	0	0	0	0	0	1	1	0	0	0	0	0
Sugar Hill town	16	11	4	7	5	2	4	45	30	10	20	16	5	11
Thompson and Meserves purchase	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Thornton town	62	42	19	22	20	4	17	173	113	53	60	60	12	48
Warren town	18	12	7	5	6	3	3	51	33	20	13	18	9	8
Waterville Valley town	22	15	6	9	7	0	7	60	40	17	23	21	0	21
Wentworth location	1	1	0	0	0	0	0	2	1	1	1	1	0	1
Wentworth town	18	12	5	7	6	1	5	51	33	15	18	18	4	13
Whitefield town	41	27	12	16	14	3	11	73	45	14	31	28	1	27
Woodstock town	38	26	12	14	13	3	10	107	70	32	37	37	9	28
Total	1,782	1,197	556	641	585	182	402	4,272	2,773	1,230	1,543	1,499	409	1,088



Planning and zoning strategies
for **housing production** in
New Hampshire communities.



Prepared for the New Hampshire Office of Planning and Development by Outwith Studio, February 2023.

ACKNOWLEDGMENTS

This project was made possible through the efforts of the New Hampshire Office of Planning and Development, members of the Regional Housing Needs Assessment Committee and related staff, staff at New Hampshire's Regional Planning Commissions (particularly those on the Regional Housing Needs Assessment Housing Toolbox Subcommittee), and a team of private consultants.

NH Office of Planning and Development

Noah Hodgetts, Principal Planner

Toolbox Subcommittee

Chair: Mike Tardiff, Central New Hampshire RPC

Caleb Cheng, Nashua RPC

Vickie Davis, Upper Valley Lake Sunapee RPC

Natalie Gemma, Strafford RPC

Todd Horner, Southwest RPC

David Jeffers, Lakes RPC

Matt Monahan, Central New Hampshire RPC

Michelle Moren-Grey, North Country Council

George Reagan, NH Housing

Emma Rearick, Nashua RPC

Kaela Tavares, North Country Council

Matt Taylor, Central New Hampshire RPC

Olivia Uyizeye, Upper Valley Lake Sunapee RPC

Sylvia von Aulock, Southern New Hampshire Planning Commission

Consultant Team

Willy Mann, Outwith Studio

June McCartin, Outwith Studio

Louis Do, Bocoup

Isaac Durazo, Bocoup

Courtney Holland, Bocoup

Grace McCants, Bocoup

Sheila Moussavi, Bocoup

Boaz Sender, Bocoup



Contents

INTRODUCTION	4
ACCESSORY DWELLING UNITS (ADUS)	7
ADAPTIVE REUSE	15
AGE-FRIENDLY NEIGHBORHOODS	23
CLUSTER HOUSING	28
COMMUNITY REVITALIZATION TAX RELIEF (79-E)	36
FORM-BASED CODES	43
HOUSING OPPORTUNITY ZONES	50
INCLUSIONARY ZONING	54
INFILL DEVELOPMENT	59
MISSING MIDDLE HOUSING TYPES	65
MIXED-USE DEVELOPMENT	71
PLANNED UNIT DEVELOPMENTS (PUDS)	78
REDUCED ZONING AND SUBDIVISION REQUIREMENTS	86
SHORT-TERM RENTAL REGULATIONS	93
TAX INCREMENT FINANCING (TIF)	100
TRANSFER OF DEVELOPMENT RIGHTS (TDR)	108
VILLAGE PLAN ALTERNATIVE	115
WASTEWATER SYSTEM ALTERNATIVES	120
WORKFORCE HOUSING ORDINANCE	128



Introduction

The New Hampshire Housing Toolbox is a project that compiles and describes many of the tools available to New Hampshire cities and towns to produce more housing, especially more housing that is aligned with community needs. Government officials and local housing advocates can use this toolbox to assess what tools might be right for their community, quickly understand how the tools function and can be implemented, and know where to look for detailed information and precedents. Some of these tools are broad approaches to development that municipalities have encouraged, while others are specific regulations or programs that municipalities can implement.

This toolbox is meant for all those involved in planning, zoning, and housing development at the local level, particularly local government staff, local government officials (such as Select Board, Planning Board, or Zoning Board of Adjustment members), and housing advocates working in and around local government. The list of tools has been curated with these groups in mind—with the hope that the tools can be actionable in the near term and with most of the effort expended at the local government level.

This project was part of the New Hampshire Regional Planning Commissions' Regional Housing Needs Assessment (<https://www.nharpc.org/rhna/>). It was coordinated by the New Hampshire Office of Planning and Development and executed with assistance from Outwith Studio. The project was funded through the American Rescue Plan State and Local Fiscal Recovery Fund Grant.

The toolbox exists as this document, as an interactive website at www.nhhousingtoolbox.org, and excerpted in some Regional Planning Commissions' individual Regional Housing Needs Assessments.

How to use this toolbox

Start by assessing what issues are in your community from the list below. Then find tools in the matrix below that can be used to address those issues. Tools are ordered alphabetically in this document. Each tool contains the following sections, which you can use to better understand your options.

- **What is it?:** A brief description of the tool's mechanisms.
- **How can it help?:** A list of potential benefits for your community.
- **Getting Started:** Notes on how to implement the tool.
- **Considerations:** Nuances or qualifications you will need to think about in using the tool.



- **Resources:** A list of articles, presentations, government reports, and other information that will help you further understand this tool.
- **Issues Addressed:** A list of issues this tool addresses (see below).
- **Related Tools:** Other tools in this toolbox that are similar to, work with, or are otherwise relevant to this tool.
- **State Law:** A list of any state statutes that authorize, specify, or otherwise act on this tool.

Use this toolbox as a starting point. Most of these tools can be implemented with creativity, so be sure to research each tool thoroughly and understand what you can (and cannot) do with the strategies here.

Issues these tools address

In order to help organize these tools, this document notes important themes that each tool addresses. There are seven broad themes addressed in this toolbox

- **Housing Options:** Production of a variety of housing options, including options that are more affordable and accessible than conventional housing development.
- **Housing Costs:** Production of housing that is more likely to cost less than conventional housing development.
- **Affordable Housing:** Production of housing that is formally offered at below-market rates, typically due to some form of subsidy. Often this is nonprofit housing.
- **Sustainable Housing:** Production of housing that is less resource intensive and land-consuming than conventional development.
- **Multigenerational:** Production of housing that encourages communities with people of all ages, and allows for multigenerational living patterns for families and others.
- **Infrastructure:** Deals with constraints on infrastructure capacity and maintenance, including road and utility.
- **Redevelopment:** Deals with the redevelopment of complex sites in previously developed areas that have gone through disinvestment.



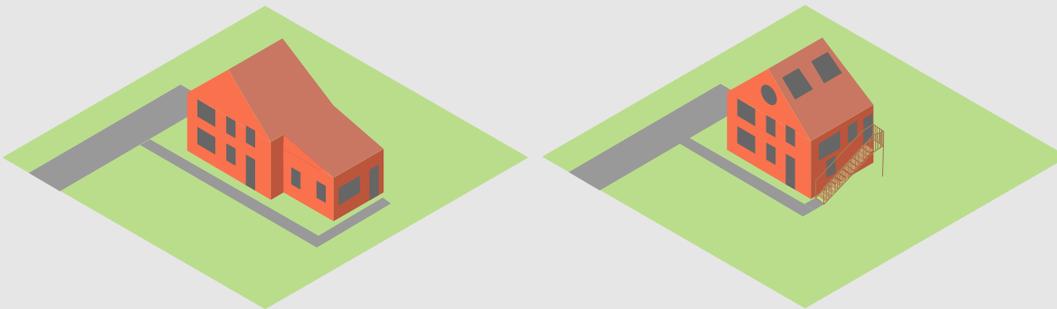
Housing Tool by Issue Addressed

Tool	Housing Options	Housing Costs	Affordable Housing	Sustainable Housing	Multi-generational	Infra-structure	Redevelopment
Accessory Dwelling Units (ADUs)	•	•			•		
Adaptive Reuse	•	•		•		•	•
Age-Friendly Neighborhoods	•	•			•		
Cluster Housing	•			•		•	
Community Revitalization Tax Relief (79-E)		•				•	•
Form-Based Codes	•	•				•	•
Housing Opportunity Zones			•			•	•
Infill Development		•				•	•
Inclusionary Zoning			•				
Missing Middle Housing Types	•	•	•	•	•		
Mixed-Use Development	•	•	•	•	•		
Planned Unit Developments (PUDs)		•		•		•	
Reduced Zoning and Subdivision Requirements	•	•	•	•			•
Short-Term Rental Regulations	•	•					
Tax Increment Financing (TIF)		•				•	•
Transfer of Development Rights (TDR)	•	•		•		•	
Village Plan Alternative (VPA)	•	•		•	•	•	
Wastewater System Alternatives	•			•		•	
Workforce Housing Ordinance	•	•	•		•		



Accessory Dwelling Units (ADUs)

Attached ADU



Detached ADU





What is it?

Accessory Dwelling Units (ADUs) are secondary homes or apartments on an existing single family lot. They can be apartments within the primary home (such as in a basement or attic), attached to the primary home, or in an accessory building (like a converted garage). ADUs are sometimes called “in-law apartments” or “granny flats.” In New Hampshire, ADUs are defined under state law. An ADU is not simply an extra room, but an “independent living facility for one or more persons, including provisions for sleeping, eating, cooking, and sanitation...” (RSA 674 § 71).

Attached ADUs (where the ADU is within or connected to the primary structure) are allowed by default in all New Hampshire communities. Municipalities can adopt more specific zoning rules related to ADUs, but they must be allowed in all single-family housing and additional zoning rules cannot be applied to discourage them. Municipalities can also allow detached ADUs, but they are not required to do so.

How can it help?

ADUs can...

- Provide an age-friendly housing option for older adults, as they can down-size while aging in place.
- Provide less expensive housing options for younger adults, single parents, and others.
- Accommodate multi-generational families and other household structures that are not well-served by conventional development.
- Reduce demand on assisted living facilities by providing homes to caregivers for elderly homeowners.
- Create more housing without changing the architectural character of an existing neighborhood.
- Create more housing affordability and options without the need for additional water and sewer infrastructure.
- Provide more units with fewer building materials than conventional development and with no additional land costs.
- Create income-support opportunities for homeowners in expensive housing markets.
- Generate increased tax revenue (over the long term) for municipalities.



Getting Started

1. If your community has a zoning ordinance without ADU provisions, attached ADUs are allowed by-right under State law in all zoning districts that permit single-family dwellings.
2. If your community already has local zoning provisions for ADUs, you may still want to amend the zoning bylaw to incentivize more ADU production or ADUs that are more aligned with the community's needs and desires.
3. Review your community's single-family districts. Assess demographics, architectural character, typical lot size, typical home size (by square feet and bedrooms), presence of existing outbuildings (like garages or sheds), presence and capacity of existing utilities, parking need and capacity. Assess local knowledge of any unpermitted ADUs, how they are configured, and what issues they create. Use these assessments to determine what constraints and opportunities exist for ADU production.
4. Hold a community engagement process with property owners, potential ADU tenants, and relevant boards (e.g. Planning and Zoning boards). Use this process to determine the community's general housing needs and desires and/or ADU-specific needs and desires.
 - a. The community should consider how ADUs are permitted, whether detached ADUs are allowed, square footage rules, parking requirements, design regulations or guidelines, and more.
 - b. Engagement will not only help craft locally appropriate ADU zoning, but generate awareness and interest in ADUs among property owners.
5. Draft amendments to the zoning bylaw to either add local ADU rules or amend existing rules. Amendments can encourage ADU production that meets the needs and desires of the community.
6. The community can also consider pre-permitting site plans and ADU designs based on local conditions and could consider public financing (e.g. low-interest loans) for ADU construction.
7. The municipality can promote ADUs to residents and homeowners.

Considerations

- Attached ADUs are allowed by-right by default under state law in all zoning districts that permit single-family dwellings. Local zoning may allow them explicitly either by-right, by special exception, or by conditional use permit. Compared to by-right permissions with clear requirements, discretionary permissions are more likely to limit ADU production by typical homeowners and encourage unpermitted ADU production by bad-faith actors.



- Detached ADUs are not allowed by-right by default under state law. They may be allowed explicitly in local zoning, either by-right, by special exception, or by conditional use permit.
- ADU construction typically costs between \$50,000 and \$200,000. Most homeowners or homebuyers will require bank financing for construction. That financing may be backed by equity in the existing home or the expected increase in property values.



An ADU in Florence, MA. (Image via Backyard ADUs.)

- Local law can require owner-occupancy and principal place of residence of either the primary home or the ADU. Owner-occupancy requirements may limit the number of ADUs produced, however, as they discourage ADU construction on seasonal housing and rental properties. Owner-occupancy requirements also limit the availability of financing for ADU construction, as many lenders fear such restrictions limit their options in the event of a foreclosure.
- Local law cannot require that residents of both units be relatives.
- ADUs can be counted toward a municipality's Workforce Housing requirement.
- In most cases, ADUs will not be deed-restricted affordable housing. However, some municipalities offer ADU construction financing in exchange for affordability restrictions on the ADU.
- Dimensional requirements for single-family homes with *attached* ADUs must not differ from single-family homes generally. Dimensional requirements are allowed to differ for single-family homes with *detached* ADUs.
- Local zoning may add rules on additional parking for ADUs.
- Local zoning may add minimum and maximum square footage rules for ADUs, but must allow ADUs of at least 750 square feet. Local zoning may not limit ADUs to one bedroom.
- Property owners must demonstrate the adequacy of water and wastewater utilities on-site, but local law may not require a separate water and wastewater facilities for the ADU.



Resources

- NH OEP, “Planning for Accessory Dwellings,” <https://www.nhhousingtoolbox.org/resource-archive/oep-planning-for-accessory-dwellings.pdf>
- NH Housing, “Housing Solutions: Accessory Dwelling Units,” <https://www.nhhfa.org/housing-challenges-solutions/accessory-dwelling-units/>
- NH Housing, “ADU Guide for Municipalities,” https://www.nhhfa.org/wp-content/uploads/2019/08/NHHFA_ADU_Guide_final_web.pdf
- NH Housing, “ADU Resources,” https://www.nhhfa.org/wp-content/uploads/2020/04/ADU_HOGuideAppendixD_2018.pdf
- Backyard ADUs, “Our Homes,” <https://backyardadus.com/our-homes>

Issues Addressed

Housing Costs, Housing Options, Multigenerational

Related Tools

Age-friendly neighborhoods, Reduced Zoning and Subdivision Requirements, Short-Term Rental Regulations, Workforce Housing Ordinance, Wastewater System Alternatives, Missing Middle Housing Types

State Law

- RSA 674:71-73, <https://www.gencourt.state.nh.us/rsa/html/LXIV/674/674-mrg.htm>

Case Studies

Portsmouth, NH

The City of Portsmouth passed a local ADU ordinance in 2017, which allows attached and detached ADUs by Conditional Use permit across many of its zoning districts. ADUs may be no larger than 750 square feet in most cases. Either the primary home or



the ADU must be occupied by the property owner, and this must be verified annually. Since the law's passage, 31 ADUs have been permitted and 25 have begun construction. The City's Planning Board has considered ways to simplify permitting, as one estimate places a price tag of \$20,000 to \$30,000 in permitting costs alone. Several amendments have been proposed to the ADU law, with the stated aim to make ADU production easier.

- City of Portsmouth, "Land Use and Zoning Regulations," <https://www.cityofportsmouth.com/planportsmouth/land-use-and-zoning-regulations>
- Portsmouth Herald, "Accessory dwelling units in Portsmouth: 'Easiest' housing solution or is it too late?" (November 29, 2022)
- Portsmouth Herald, "As popularity of accessory dwelling units grows, Portsmouth looks to simplify permitting" (July 26, 2022)

Swanzy, NH

The Town of Swanzy first introduced ADUs through zoning in 2009, allowing attached ADUs by Special Exception for owner-occupied single-family homes in certain zoning districts. In 2017, the Town amended the law to respond to the state-level ADU law. Under the current zoning, attached ADUs are allowed by-right and detached ADUs are allowed by Special Exception. Both types of ADUs are allowed in all zoning districts where single-family homes are permitted. Either the principal unit or the ADU must be owner-occupied. Dimensional rules for ADUs are the same as single-family homes, but there must be at least three parking spaces available on the property.

- Town of Swanzy Zoning Ordinance, <https://cms8.revize.com/revize/swanzy/nh/Planning/2022%20ZONING%20ORDINANCE.pdf>
- Keene Sentinel, "Zoning changes would expand housing options in area communities" (February 5, 2022)



Homes in Swanzy with ADUs: attached (top photo, above garage) and detached (bottom photo, upper left). (Images via RE/MAX Town & Country from Redfin and Zillow)



Wellfleet, MA

The Town of Wellfleet, MA on Cape Cod has allowed ADUs since 2002, but through 2021 they were required to be deed-restricted affordable housing for income-eligible renters. (Massachusetts has no statewide ADU requirement.) The Town's affordability requirements were matched by property tax relief for the homeowners, as well as grants by the local Housing Authority for construction. Still, between 2002 and 2020, only 11 affordable ADUs were permitted in Wellfleet, though hundreds of grandfathered ADUs and illegal ADUs exist there.

In 2021, Wellfleet Town Meeting passed amendments to remove affordability requirements for ADUs, hoping the move would bring broader market affordability. ADUs are now permitted by right in most of Wellfleet, as long as they meet the zoning's specifications. The (attached or detached) ADUs must be between 600 and 1,200 square feet in size and require two parking spaces. The ADU must be rented out on a year-round basis. Renting the ADU seasonally or as a short-term rental results in a daily \$300 fine.

- Provincetown Independent, "Wellfleet Looks at Changing Its Accessory Dwelling Bylaw" (December 17, 2020)
- Town of Wellfleet, ADU Reform Ordinance, https://www.wellfleet-ma.gov/sites/g/files/vyhlif5166/f/uploads/2_accessory_dwelling_unit.pdf
- Wellfleet Housing, Accessory Dwelling Units, <https://www.wellfleethousing.org/accessory-dwelling-units>



An ADU in Wellfleet, MA. (Image via Wellfleet Housing)

Lexington, KY

Lexington-Fayette County, KY passed an ADU bylaw in 2021. Following a recommendation in the 2018 Comprehensive Plan, Lexington proposed ADU legislation in 2019. The legislation was considered bold by ADU advocates, largely due to allowance for attached and detached ADUs, a lack of owner-occupancy or parking requirements, and reasonable site planning requirements.

The proposal received push-back due to a lack of rental registration (and concerns



about code compliance); the potential for overcrowding; a lack of design, owner-occupancy, or parking requirements; fears about short-term rentals; and other frustrations about capacity and neighbors wanting more control on permitting. The final legislation was a compromise by only allowing detached ADUs in existing structures (like garages), adding owner-occupancy requirements, and clearer (but still limited) design standards.

- Strong Towns, “Three Cheers for Lexington ADU Ordinance,” <https://www.strongtowns.org/journal/2019/8/21/three-cheers-for-lexingtons-adu-ordinance>
- CivicLex, “What is in Lexington’s proposed ADU legislation?,” <https://www.civiclex.org/issue-hub/adu-legislation>
- Imagine Lexington, “Overview of ADU Regulations,” https://drive.google.com/file/d/1SpybD7xG_fa6GqPI11ReEGhkZaI3jt3W/view

Eugene, OR

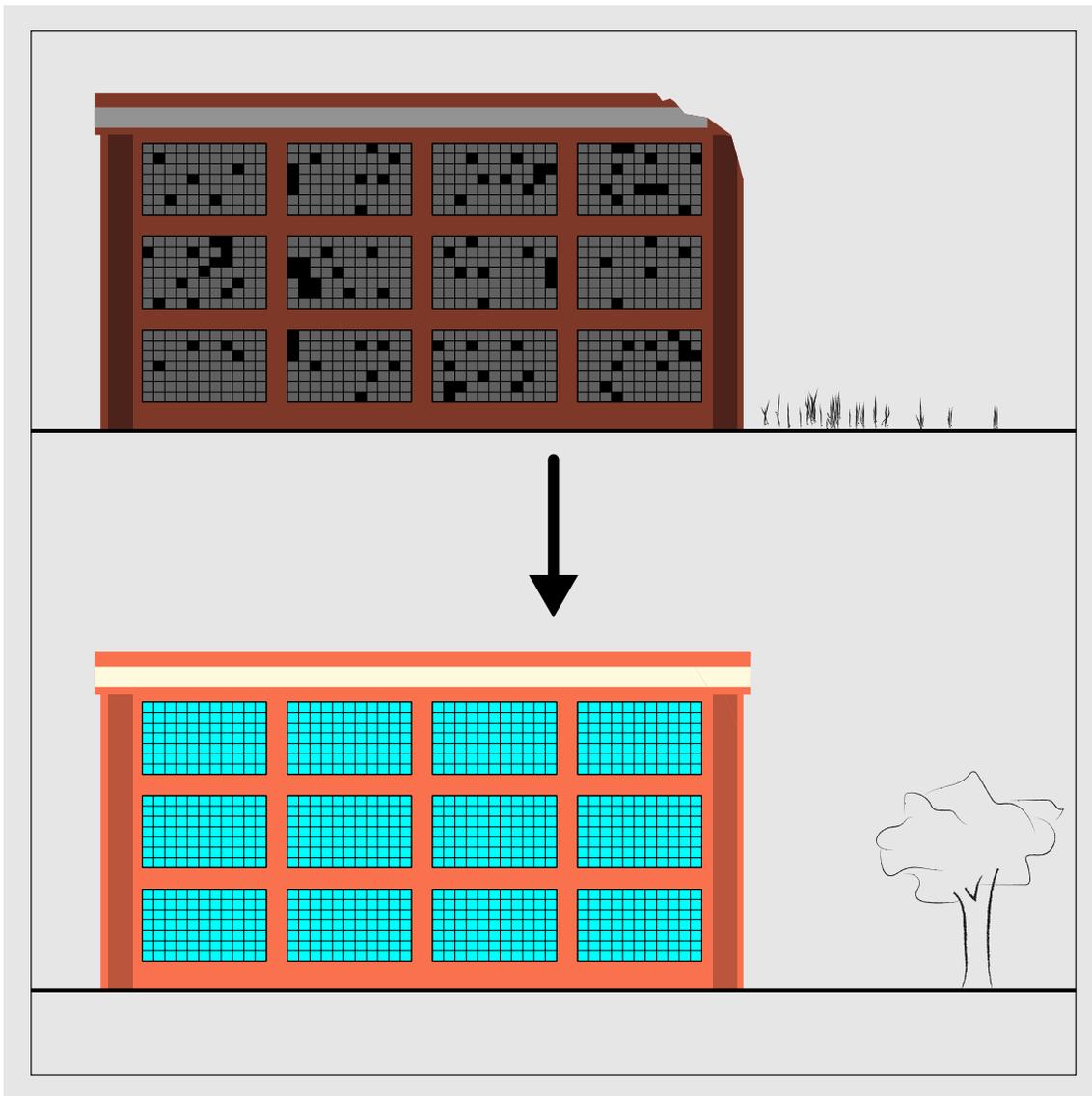
In 2017, the State of Oregon mandated most towns and cities to allow ADUs in single-family residential zones with reasonable local regulations on siting and design. The City of Eugene already allowed ADUs at that time, but required owner occupancy and other restrictions not related to siting or design. In 2020-2021, Eugene brought its ADU code into compliance with State law. Now Eugene permits ADUs in all residential zoning districts. The ADUs can be a maximum of 800 square feet, they have ADU-specific design standards, they do not require owner-occupancy or additional parking, and they are not restricted by minimum lot sizes or certain other dimensional requirements.

Most importantly, the City also pre-approved certain ADU designs, and the ADU designers licensed the designs to property owners for \$500. Owners must still work on a site plan and follow other steps of construction, but by providing pre-approved designs, the City has simplified the process and reduced ultimate costs.

- City of Eugene, “Pre-approved ADU plans,” <https://www.eugene-or.gov/4707/Pre-Approved-ADU-Plans>
- The Register-Guard, “City of Eugene offering free pre-approved plans for accessory dwelling units” (October 3, 2021)



Adaptive Reuse





What is it?

“Adaptive reuse” or “adaptive use” is the practice of reusing old buildings for new purposes. While people have always adapted their buildings to meet the needs of the moment, the contemporary architectural practice and term “adaptive reuse” emerged in the 1970s and 1980s in response to the demolition of historical buildings during the era of urban renewal.

While, in theory, many types of buildings can be adapted for new uses, in practice adaptive reuse most often occurs in pre-World-War-II industrial buildings (like factories, mills, and power plants) and institutional buildings (like hospitals, schools, and houses of worship). The durability of pre-war construction and the dimensions of such buildings make them more amenable to adaptive reuse compared to post-war buildings. Often these older buildings are well suited for housing.

While adaptive reuse is a great way to add new housing, revitalize vacant buildings, increase local tax revenue, and reduce the energy used for new construction, adaptive reuse projects are typically more complex than new greenfield development.

How can it help?

Adaptive reuse can...

- Provide new housing in existing communities.
- Provide a wider range of home types than conventional development.
- Create opportunities for mixed-use development.
- Preserve local heritage and sense of place and history.
- Eliminate the negative impacts of empty buildings and vacant lots.
- Increase the value of and tax revenue generated by older buildings.
- Spur economic development in disadvantaged areas.
- Remediate sites contaminated with hazardous industrial materials.
- Save on costs for construction (if the site does not require extensive cleanup).
- Reduce the embodied carbon footprint of new housing.
- Reduce demand for greenfield housing development, thus preserving open spaces.
- Take advantage of current infrastructure capacity, rather than creating the need for new infrastructure.



Getting Started

1. Recognize and promote adaptive reuse's impact on common master plan goals, such as historic preservation, economic development, open space preservation, and increased housing options.
2. If undertaking a master plan, include adaptive reuse as a recommendation.
3. Consult any other plans, including urban renewal plans, to learn if other sites have already been identified for adaptive reuse or redevelopment. If so, find out what barriers to redevelopment have been previously identified.
4. Inventory existing buildings and sites that would be appropriate for adaptive reuse. This could include historic mill complexes, power plants, factories, schools, hospitals, churches, retail malls, or other sites.
5. Where possible, talk to property owners to gauge interest in redevelopment or selling their property for that purpose. If the property owner has already considered redevelopment, determine what factors have shaped their decisions.
6. Reach out to and build relationships with property developers who specialize in adaptive reuse. Talk to them about the typical impediments they face in their projects.
7. Conduct an audit of your city or town's regulations to find impediments to reuse of existing buildings. Your audit should include zoning (use, parking, and dimensional rules), site design regulations, any local amendments to the state building code, conservation requirements, and any other regulations relevant to your conversations with property owners and developers. Identify barriers to adaptive reuse.
8. Propose amendments to local regulations that would make adaptive reuse viable in your community. Building, zoning, and site design regulations should be flexible enough to make projects workable on constrained sites.
9. Build public awareness of preservation needs and adaptive reuse potential.
 - a. Use public forums, outreach to local boards and committees, and other engagement methods to grow awareness.
 - b. Use visuals to illustrate what adaptive reuse would look like at specific sites.
10. Introduce and encourage partnerships between property owners and potential developers.
11. Work with private consultants and/or the New Hampshire Department of Environmental Services to assess environmental remediation needs on viable sites.
12. Where necessary, identify sources of funding for environmental remediation, including local sources, NH DES grants and loans, or US EPA funds.



The Amoskeag Millworks in Manchester, now with residential and office uses. (Image via Wikimedia.)

Considerations

- Public investment in infrastructure or environmental clean-up can spur private investment in building rehabilitation.
- Brownfield assessments and cleanups can be facilitated by NH Department of Environmental Services and US Environmental Protection Agency grants and loans.
- For identified sites, ensure housing is allowed by-right following administrative review.
- Larger projects benefit from a mix of uses. Leading development with retail, restaurant, and/or cultural institutions can help spur interest in reuse of other buildings/sites nearby.
- When allowing non-residential uses, ensure residential uses are prioritized through zoning incentives and/or restrictions.



- Your community’s building inspector should be trained to use the International Existing Building Code (IEBC); the 2018 version has been adopted by the State..
- (Re)branding a specific site or historic area may help increase interest in adaptive reuse.

Issues Addressed

Redevelopment, Housing Costs, Housing Options, Sustainable Housing, Infrastructure

Related Tools

Mixed-Use Development, Infill Development, Community Revitalization Tax Relief, Housing Opportunity Zone, TIF, Reduced Zoning and Subdivision Requirements, TDR, Form-Based Code

Resources

- NH Division of Historical Resources, “Adaptive Reuse: ‘Cause Everything Old is New Again!,” <http://nhhousingtoolbox.org/resource-archive/adaptive-reuse-michaud.pdf>
- National Association of Home Builders, “Case Study: Dover, NH Adaptive Reuse,” <https://www.nahb.org/-/media/NAHB/advocacy/docs/top-priorities/housing-affordability/case-study-dover-nh.pdf>
- Business NH Magazine, “Breathing New Life Into Old Buildings,” <https://www.businessnhmagazine.com/article/breathing-new-life-into-old-buildings>
- Buildings of New England, “Tag: Adaptive Reuse,” <https://buildingsofnewengland.com/tag/adaptive-reuse/>
- Multi-Housing News, “Reviving the Past Through Adaptive Reuse,” <https://www.multihousingnews.com/reviving-the-past-through-adaptive-reuse/>
- B. Schliemann, J. Mullin, Z. Kotval-k, Z. Kotval, “The Adaptive Reuse of Closed Military Bases in New England,” https://www.researchgate.net/publication/325732032_The_adaptive_reuse_of_closed_military_bases_in_new_england/link/5b2a2a5f4585150c63400a8a/download
- Berkshire Regional Planning Commission, “Adaptive Reuse Zoning,” <https://berkshireplanning.org/wp-content/uploads/2022/05/Toolkit-2022-Adaptive-Reuse-Zoning.pdf>



- Massachusetts Historical Commission, “Preservation through Bylaws and Ordinances,” <https://www.hingham-ma.gov/DocumentCenter/View/6735/preservation-through-bylaws-and-ordinances->

Case Studies

Manchester, NH

The Amoskeag Manufacturing Company was a 19th and early 20th Century textile manufacturer that built a massive mill complex in Manchester, NH. By the end of the 1940s, the company had closed, leaving behind many buildings unfit for modern manufacturing. A 1966 plan called for partial demolition and partial rehabilitation of the complex. In the early 1980s, they attracted private investor attention, notably by inventor Dean Kamen for some of his commercial operations. Development continued in the 1990s, in large part due to purchases made by the City then deeded to private developers and other forms of subsidy. The complex is now home to offices, restaurants, apartments, colleges and universities, art studios, a museum, and research and development space for technology companies. The Millyard has added over 500 housing units, with developers expressing continued interest in residential as the local jobs market thrives. There were many factors that contributed to this success, but ones that were critical include infrastructure improvements, environmental remediation funds, the introduction of mixed-use zoning, public/private partnerships, and marketing efforts.

- Hastings and Trumball, “Mill District: Factors Contributing to Success in Manchester, NH” <http://nestval.aag.org/wp-content/uploads/2015/09/Adaptive-Re-use.pdf>
- New York Times, “A Millyard Transitions From Textiles to Tech” (March 14, 2017), <https://www.nytimes.com/2017/03/14/realestate/commercial/commercial-real-estate-manchester-millyard.html>
- Business NH Magazine, “Turning Mills Into Economic Engines” (July 6, 2015), <https://www.businessnhmagazine.com/article/turning-mills-into-economic-engines>
- Politico Magazine, “How a 19th-Century Town Became a New Millennium Marvel” (February 18, 2016), <https://www.politico.com/magazine/story/2016/02/what-works-manchester-new-hampshire-renaissance-213639/>

Newmarket Mills, Newmarket, NH

Newmarket’s mill complex began construction in the early 19th century and the Newmarket Mill Company continued using the mills through the mid 1930s. In 2009, the then-decrepit mill complex was purchased and rehabilitated by Chinburg properties, a now-prolific mill redeveloper in New England. Today the Newmarket Mills is a mixed-use development with 111 housing units. The development was financed in



part by state Rehabilitation Tax Credits.

- Chinburg Properties, “Newmarket Mills,” <https://chinburg.com/property/newmarket-mills/>
- Portsmouth Herald, “Newmarket celebrates mill history in bronze” (March 22, 2021).

Cottage Hospital, Portsmouth, NH

The Portsmouth Cottage Hospital is a National Register of Historic Places site that served as the primary hospital for the Portsmouth area from 1895 to 1986, when another hospital opened. The City purchased the site and began a slow redevelopment process, beginning with municipal facilities. In 2004, the Portsmouth Housing Authority redeveloped the original hospital building into 20 units of senior housing. The project was funded in part through state Rehabilitation Tax Credits.

- Walk Portsmouth, “Portsmouth Cottage Hospital,” <http://walkportsmouth.blogspot.com/2012/03/portsmouth-cottage-hospital.html>
- Portsmouth Housing Authority, “Connor’s Cottage,” <https://porthousing.org/connors-cottage/>
- Portsmouth Herald, “Portsmouth makes (Ted) Connors Cottage name official, honoring former mayor” (April 21, 2022)



Connors Cottage in Portsmouth is a public senior housing development adapted from the historic Cottage Hospital building in the city.



Holyoke, MA

In the early 2000s, a small campus of Catholic institutions, including the Holyoke Catholic High School, closed for good. The century-old buildings stood vacant and boarded up for nearly a decade before plans to rehabilitate them finally materialized with the ultimate conversion of the campus's schools and convents into 54 units of housing. The \$19 million project was funded in part by \$1.6 million in direct state aid and almost \$1 million in federal low-income housing tax credits. Permitting for the project was facilitated by Holyoke's adoption of a Massachusetts law that allows relatively high-density development by-right for affordable and mixed-income projects.

- The Architectural Team, "Chestnut Park Apartments," <https://www.architecturalteam.com/projects/chestnut-park/>
- MassLive, "Conversion of old Holyoke Catholic High School into 54 apartments underway; construction to last a year" (July 22, 2014), https://www.masslive.com/news/2014/07/conversion_of_old_holyoke_cath.html

Baltimore, MD

Baltimore's Greater Hampden area is marked by many mill complexes along the creek that once powered the city's industry. By the end of the 1980s, many of the mills had been shuttered, with the neighborhood's last industrial occupants mostly in newer facilities. The first adaptive reuse projects opened in the late '80s and early '90s, including the 1992 reopening of Meadow Mill with a gym, artist studios, restaurants, and commercial space. The first residential project opened in 1995 at Clipper Mill. In the 2010s, a wave of new development kicked off with a greater overall focus on residential mixed-use development. Mill No. 1, which had most recently been a model train factory, had been largely vacant by 2009, save skateboarder and artist squatters.

- Mill No. 1, <https://millno1.com/>
- Baltimore Sun, "Greater Hampden faces flood of development" (December 12, 2015), <https://www.baltimoresun.com/business/bs-bz-jones-falls-20151212-story.html>



Renovated mill buildings from the courtyard at Mill No. 1. (Image via Terra Nova Ventures.)

Age-Friendly Neighborhoods





What is it?

Age-friendly neighborhoods are places that address the needs of younger and older adults that may move away from their community due to a lack of housing that fits their needs. Typically, younger adults that hope to buy their first home and older adults that want to downsize are looking for similar housing essentials: smaller and easier-to-maintain homes that are affordable. Older adults in particular may also want single-level living arrangements.

Communities who answer yes to the following questions may want this tool:

- Are long time residents leaving your community because there are no options available for them to downsize or age in place?
- Are young adults who grew up and want to stay in the community unable to find local, affordable starter homes?
- Are existing residents finding their two-story homes burdensome and are looking for one-story homes?
- Are the businesses, agencies, and educational institutions in your community unable to attract workers on every level due to the lack of housing in your community?

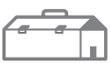
An age-friendly neighborhood has multiple attributes that attracts younger and older adults, including:

- Accessible single-level living options such as first floor bed/bath, kitchen and living space.
- Smaller and easier-to-maintain homes and yards.
- Homes that are accessible for all abilities (incorporating universal design elements).
- Shared infrastructure and amenities to reduce costs and increase social engagement.
- Homes that offer quality-of-life essentials such as a nearby library, parks and recreation programs, and walking trails or sidewalks.

How can it help?

Age-friendly neighborhoods can

- Enable residents to age-in-place.
- Retain young people in their hometowns.
- Prevent economic losses due to workers leaving their community in search of adequate housing.



- Create housing that meets the needs of residents of all ages and abilities.
- Provide incentives to build smaller, more affordable, low-maintenance homes.
- Maintain or increase local tax revenue by maintaining demand for housing.

Getting Started

1. Assess your community's changing demographics through data analysis and public engagement. Identify whether your community's lack of housing options is causing age cohorts to move away (especially young people and seniors).
2. Assess existing subdivision regulations and residential zoning rules. Identify any rules that are preventing the development of housing that meets the community's needs or provisions (such as cluster and open space housing districts) that could be easily adapted to create more age-friendly communities.
3. Assess the infrastructure associated with age-friendly neighborhoods, such as sidewalks, open spaces, outdoor furniture like benches, playgrounds, snow plowing capacity (for streets and sidewalks), and more. Identify any areas in your community that are particularly well-served or underserved with these infrastructures.
4. Create zoning rules for existing and/or new neighborhood developments that incentivize (through density bonuses) or require age-friendly housing. Some key components that might be required or incentivized include:
 - a. First-floor main bedrooms and bathrooms
 - b. Maximum building square footages and/or bedroom counts
 - c. Accessible (no-step) thresholds
 - d. Universal design requirements
 - e. Shared amenities (community spaces, playgrounds)
 - f. Sidewalks and other age-friendly infrastructures required.

Considerations

- A specific element of age-friendly neighborhoods can be incorporated into any type of residential building, specifically requiring units (or a minimum percentage) be built to universal design standards. Universal design standards are typically standards that ensure accessibility to the home regardless of ability, including provisions for people in wheelchairs or using walkers, low-vision and blind people, and people with hearing difficulties. Universal design features include:



- No step entry
- Wide doorways and wide hallways
- Walk-in showers with grab bars and/or benches
- Thresholds flush with floors throughout
- Kitchen layouts and appliances that accommodate wheelchair use
- Easy access light switches and other components

Resources

- AARP, “Network of Age-Friendly States and Communities,” <https://www.aarp.org/livable-communities/network-age-friendly-communities/>
- Grantmakers in Aging, “Aging Power Tools: A Curated Selection of Resources to Promote Stronger, Age-friendly Communities,” https://www.giaging.org/documents/130402_GIA_AFC_Toolkit.pdf
- Citizens’ Housing and Planning Association, “Age Restricted Active Adult Housing in Massachusetts,” https://www.chapa.org/sites/default/files/f122952789640_BUpdateDec2008_4.pdf

Issues Addressed

Housing Costs, Housing Options, Multigenerational

Related Tools

Missing Middle Housing Types, Cluster Housing, Village Plan Alternative, Housing Opportunity Zone, PUD, Workforce Housing Ordinance, Inclusionary Zoning



Case Studies

Chester, NH

Chester's age-friendly subdivision law grew from a public outreach campaign that identified a lack of housing options for young people and downsizing seniors. These age-friendly neighborhoods are envisioned to consist of smaller, affordable, low-maintenance homes for all people regardless of age, ability, or disability. The ordinance allows single-family and duplex developments on lots of at least 12 acres. Density is based on 1.75 acres per single-family home and 2.5 acres per duplex, with a maximum of 10 units in each subdivision. These rules are significantly more permissive and consume less land than Chester's conventional subdivision rules. Housing must meet universal design standards for accessibility, and each unit can have no more than two bedrooms.

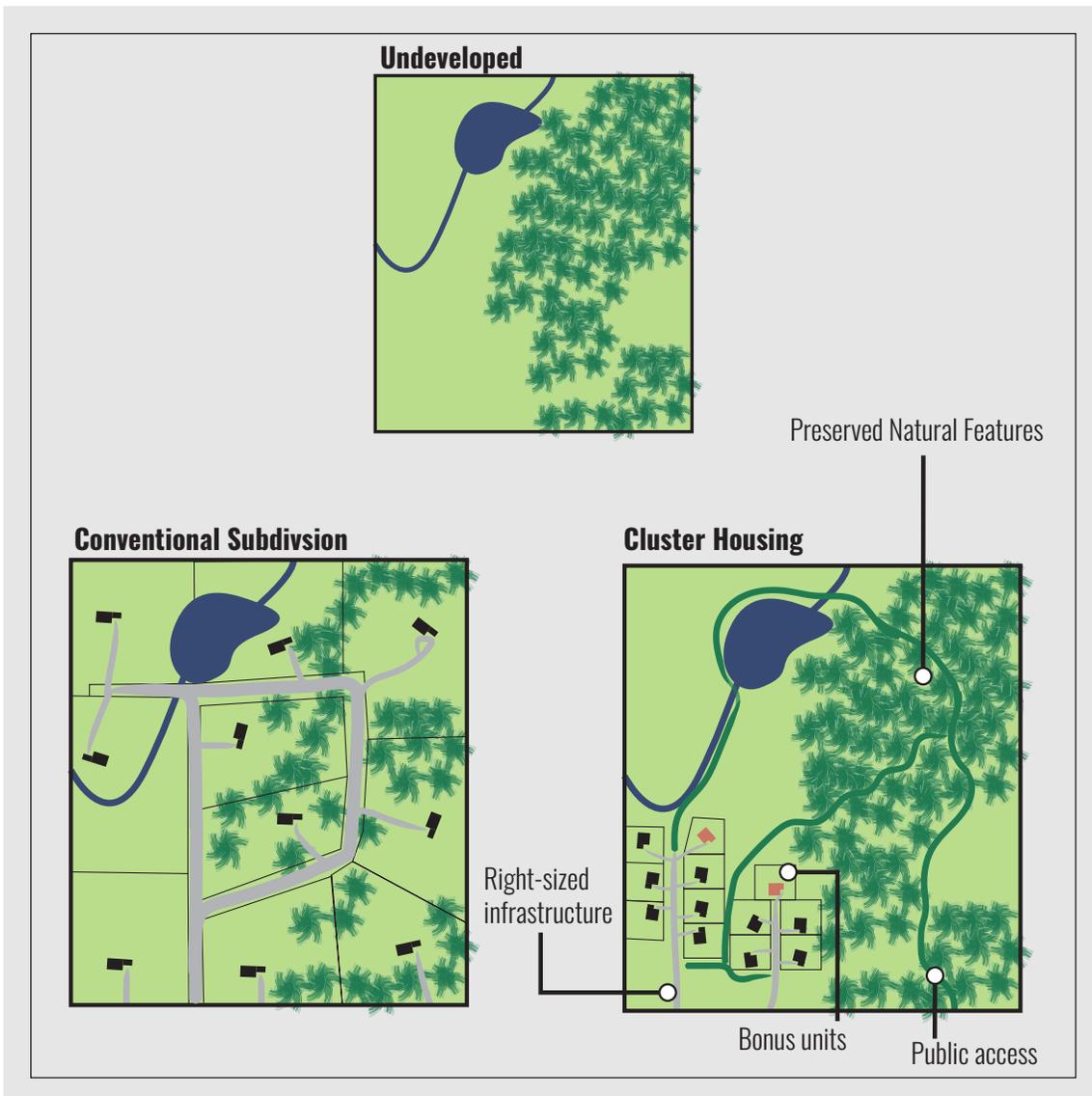
- Chester's Zoning Ordinance, https://www.chesternh.org/sites/g/files/vyhlf2941/f/uploads/50_zoning_ordinance_03-14-22.pdf

Stow, MA

Stow, Massachusetts' zoning laws include provisions for an Active Adult Neighborhood Overlay District, which emphasizes design elements to promote aging in place, such as ADA accessibility, clustering of buildings, and the provision of community gathering spaces. Active Adult Neighborhoods are subdivisions on at least 25 acres of land, allowing single-family homes, cottages, duplexes, triplexes and four-plexes. At least 30% of units must be less than 1,800 square feet in size, and at least half of those must be detached single-family dwellings. The maximum density is three units per acre. At least 15% of units must be affordable to low-income households. Both the homes and public realm must be accessible to people with disabilities, and the development must include shared community spaces for residents.

- Stow's Active Adult Neighborhood Special Permit Rules and Regulations, https://www.stow-ma.gov/sites/g/files/vyhlf1286/f/uploads/2021_aan_rules_and_regulations.pdf

Cluster Housing





What is it?

Cluster housing (also called “conservation subdivision”) is a style of development in which homes are grouped together on a site and given large shared open spaces, rather than the style of conventional development, with homes evenly distributed with smaller private open spaces. The practice mirrors historic patterns of neighborhood development before the rise of large-lot subdivisions. Towns can encourage and developers can pursue cluster development to preserve natural resources, provide high-quality open space amenities, and reduce the ecological impact of new development.

Over 170 communities in New Hampshire permit some form of this development today. Cluster housing laws are also known as “open space development” and “conservation development” laws. In its most common form, this method more closely groups homes within a subdivision by reducing the zoning codes’ dimensional requirements for new homes (such as minimum lot size). Cluster housing may also have different infrastructure requirements under a subdivision bylaw and may include a residential density bonus for open space protection. Cluster housing is typically given as an option for developers through a Conditional Use Permit (or other discretionary) process.

How can it help?

Cluster developments can...

- Provide flexibility to both planning boards and developers for handling unique site characteristics, such as steep slopes, wetlands, and wildlife corridors.
- Facilitate the preservation of large tracts of open space, protecting farmland, natural features, and key resources like aquifers.
- Create smaller subdivision lots, which can be more affordable.
- Reduce the footprint of new development, minimizing impervious surface and site grading.
- Reduce the cost of construction and maintenance of infrastructure. Savings can be passed on to residents.
- Reduce utility costs for residents.
- Protect important views and vistas for the community.
- Improve stormwater management.
- Provide outdoor recreation opportunities, especially for seniors and young families living on site.
- Increase overall supply of housing, especially smaller and less expensive housing types.



Getting Started

1. Recognize and promote cluster housing's impact on common master plan goals, such as open space preservation, natural resource management, and increased housing options.
2. If undertaking a master plan, include cluster housing as a recommendation.
3. Identify sites or areas of town appropriate for cluster development:
 - a. Identify important natural or agricultural resources, especially those at the margins of recent development.
 - b. Catalog parcels that include or are adjacent to those resources, noting those that are not already built out and may be likely to be developed.
4. Build public awareness of preservation needs and alternative development options like cluster.
 - a. Use public forums, outreach to local boards and committees, and other engagement methods to grow awareness.
 - b. Use visuals to illustrate what cluster development is like.
5. Craft an ordinance to allow for cluster housing in the identified areas. If you already have a cluster housing ordinance, craft an update to ensure its requirements are aligned with current needs and desires.
 - a. The ordinance will need to consider the density of cluster housing units in terms of the whole site as well as on subdivided lots.
 - b. The ordinance will need to consider dimensional regulations applying to the whole site, as well as the subdivided lots.
 - c. Subdivision regulations will need to be updated to reflect and implement the zoning.
6. Promote the cluster housing option to the owners of identified parcels, locally and regionally active housing developers.
7. If possible, create opportunities for pre-proposal consultations between landowners, developers, and planning staff on cluster development designs and opportunities.

Considerations

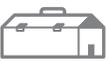
- Make cluster housing an allowed use by right. Conditional Use Permits and vague regulations can make the process unpredictable, which will discourage developers from choosing this option. Consider making cluster development mandatory for environmentally sensitive areas.



- Ensure application procedures are not overly burdensome, especially compared to conventional development.
- The method for determining housing density should be relatively simple and should not require a near-full design of a conventional subdivision to determine yield. Ensure any density formula is easily understood.
- Incorporate basic design standards into the ordinance to better achieve the aesthetics desired in your community, while keeping the ordinance flexible enough to address unique site conditions. Rigid dimensional requirements, such as requiring large perimeter buffers may not work for every parcel.
- If open spaces are provided to the public, try to provide public access separate from residents' access.
- Try to connect cluster development open spaces to existing open space resources and/or other cluster developments. This will expand the area of undeveloped contiguous land, which can create better recreational opportunities and ecosystem supports.
- Consider requiring a design-oriented process, in which developers first design open space based on clear criteria, then site houses, roads, trails, and finally lot lines.



Clustered homes overlooking a working farm in Nubanusit Neighborhood and Farm in Peterborough. (Clive Russ via Harvard Magazine)



Resources

- NH DES, NH Association of RPCs, NH OEP, and NHMA, *Innovative Land Use Planning Techniques: A Handbook for Sustainable Development*, Chapter 4: Conservation Subdivision, <http://nhhousingtoolbox.org/resource-archive/ilupt-chpt-1.4.pdf>
- NH DES, “Conservation Subdivision Design,” <http://nhhousingtoolbox.org/resource-archive/conservation-subdivisions.pdf>
- American Planning Association, “Active Living Opportunities through Cluster Housing,” <https://www.planning.org/blog/9227411/active-living-opportunities-through-cluster-housing/>
- American Planning Association, “Planning Advisory Service Report 135 (June 1960): Cluster Subdivisions,” <https://www.planning.org/pas/reports/report135/>

Issues Addressed

Sustainable Housing, Housing Options, Infrastructure

Related Tools

Age-Friendly Neighborhoods, TDR, Village Plan Alternative, Inclusionary Zoning, Missing Middle Housing Types, Wastewater System Alternatives

State Law

- RSA 674:21(I)(f), <http://www.gencourt.state.nh.us/rsa/html/lxiv/674/674-21.htm>

Case Studies

Nubanusit Neighborhood and Farm, Peterborough, NH

The Nubanusit Neighborhood and Farm is an intentional community and cohousing development in a conservation subdivision in Peterborough. The 113-acre neighborhood includes 29 environmentally sensitive farmhouse-style homes, clustered



Clustered homes in the Nubanusit Neighborhood and Farm development in Peterborough. (Clive Russ via Harvard Magazine)



around a working farm and common indoor and outdoor spaces. The development was enabled by a zoning change by the Town of Peterborough, and it includes single-family, duplex, and four-plex units.

- Nubanusit Neighborhood and Farm home page, <https://www.nhcohousing.com/>
- Foundation for Intentional Community, Nubanusit description, <https://www.ic.org/directory/nubanusit-neighborhood-farm/>
- Harvard Magazine, “A New Hampshire cohousing community models sustainability,” <https://www.harvardmagazine.com/2010/07/greener-pastures>

Terrell Farm, Nashua, NH

Until the 21st Century, the Terrell Homestead was an eighth generation dairy farm on 74 acres in southeast Nashua. In 2011, the Terrell family sold most of the property to the City for permanent conservation. In 2019, the last 25 acres were sold to Etchstone Properties for development under the City’s Conservation Subdivision rules. The new development provides 25 new three-bedroom, single-family homes of less than 2,000 square feet each. Homes are sold as condominiums. The development includes three conserved areas with wetlands, hayfields, and nature trails that connect to other parks. The homes are sold as condominiums, with the land held by a nonprofit condominium association.

- Union Leader, “Twenty-five new homes to be built in southwest Nashua” (December 6, 2019)
- Etchstone Properties, “Terrell Farm Condominiums,” <https://www.etchstoneproperties.com/properties/terrell-farm.html>

Brandywine at Thornbury

The Brandywine at Thornbury is a conservation subdivision on the rural fringe of the Philadelphia Suburbs. The development consists of single-family homes, townhomes, and carriage houses set on over 200 acres of land. The developed areas feature closely sited homes with small front setbacks and sidewalks, in order to encourage interaction between neighbors. The open spaces feature a riparian reserve surrounding a stream, trails, basketball and tennis courts, playgrounds, and community spaces. (Chester County, PA’s conservation zoning calls for 20% active open space). The community also includes a daycare center.

- Brandywine at Thornbury HOA, <https://brandywineatthornbury.nabrnetwork.com/>
- Chester County Planning, “Successful Cluster Developments,” <https://www.chescoplanning.org/municorner/ConservationSubdivision/pdf/BrandywineThornbury.pdf>



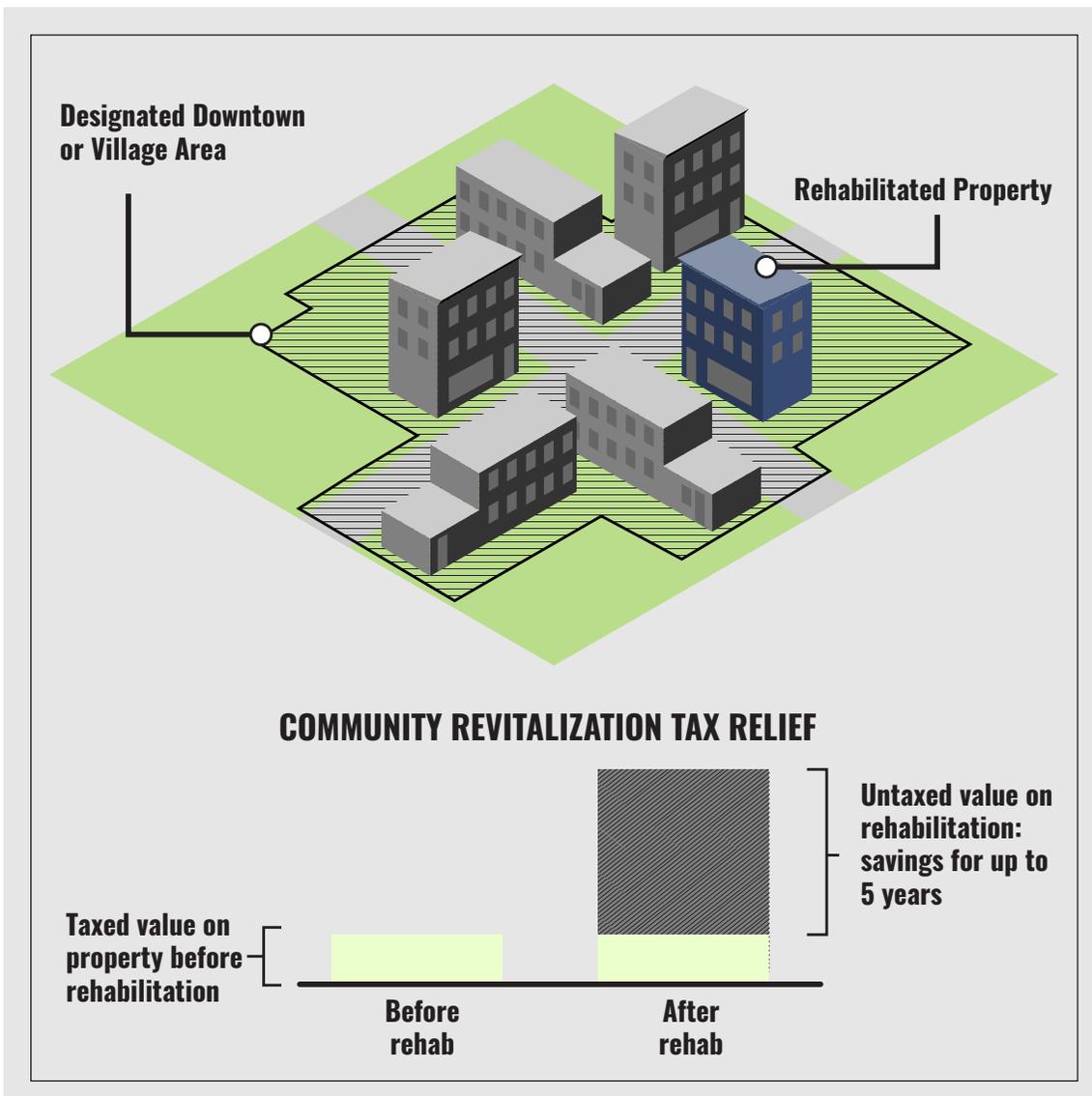
SITE MAP



TERRELL FARM CONDOMINIUM | NASHUA, NH | (603) 724-2655 | ETCHSTONEPROPERTIES.COM

A site plan for the Terrell Farms development in Nashua. (Etchstone Real Estate)

Community Revitalization Tax Relief (79-E)





What is it?

The Community Revitalization Tax Relief Incentive provides temporary tax relief for a property owner to rehabilitate or replace their building in a village or downtown area. The tax relief program is authorized under state law RSA 79-E, and so the program is often referred to as “79-E.”

Though it’s a state law, the program must be adopted locally to go into effect. To be eligible for the tax relief, the property owner must provide a “public benefit.” Eligible public benefits include the creation of housing in town centers, preservation of the existing building stock, economic development in town centers, and more. For any 79-E project, a covenant specifying the public benefit owners will provide is placed on the property’s deed.

Under the program, a property owner can apply to the Board of Selectmen or a similar body to **delay an increase in property taxes caused by the increase in valuation from rehabilitation for up to 5 years**. The tax relief does not decrease the property owner’s taxes or provide permanent tax relief. Following expiration of the tax relief, the property is taxed at its full market value, taking into account the rehabilitation.

A property owner can apply for the tax relief only if:

- The building is located in the community’s downtown district (or equivalent neighborhood business district), as defined by the community (see Considerations for further detail).
- The rehabilitation costs at least 15% of the building’s pre-rehab assessed value, or \$75,000, whichever is less.
- The rehabilitation is consistent with the municipality’s master plan or development regulations.

How can it help?

The Community Revitalization Tax Relief Incentive can...

- Preserve buildings of historical significance in a downtown or village area.
- Spur economic development in a downtown or village area.
- Encourage infill development.
- Direct investment to areas where infrastructure and public facilities already exist, preventing increased costs to expand that infrastructure.
- Reduce demand for conventional greenfield development, thus reducing pressure on natural resources and open spaces.
- Fix old and deteriorating buildings, reduce the number of vacant buildings and lots, and otherwise revitalize disinvested areas.



- Encourage development that fits the historic architectural character of New Hampshire's towns and villages.
- Provide amenities to surrounding neighborhoods.
- Conserve energy by directing development to established areas.

Getting Started

1. Recognize and promote 79-E's impact on common master plan goals, such as increased housing options, economic development in downtowns and village centers, open space preservation, and historic preservation.
2. If undertaking a master plan, include adoption of 79-E housing as a recommendation, and designate a district officially as a downtown, town center, central business district, or village center.
3. Through a community engagement process, determine as well as what types of development and which specific sites within the downtown or village center area would be most appropriate and desirable for 79-E development.
4. Draft legislation to adopt RSA 79-E. If not already in your master plan, the legislation should define your community's "village" or "downtown" area through zoning.
5. Adopt that legislation via the relevant public body (Town Meeting, Town Council, City Council, etc.).
6. Upon adoption, develop application materials and a process for property owners to apply for the 79-E program.
7. Promote the 79-E program to property owners in the village or downtown area, as well as property developers who are locally active. Send letters to these stakeholders, post the process and application materials to your community's website, etc.

Considerations

- Per RSA 79-E:2, II, a development is only eligible for this relief, if the "building is located in a district officially designated in a municipality's master plan, or by zoning ordinance, as a downtown, town center, central business district, or village center, or, where no such designation has been made, in a geographic area which, as a result of its compact development patterns and uses, is identified by the governing body as the downtown, town center, or village center."
- The key trade-off for this program is property redevelopment versus increased



local tax revenue. The tax relief is only relevant if the real estate market is otherwise unable to redevelop properties in these areas of your community, due to a “cold” market or the extraordinary costs of redevelopment.

- Ideally, the need for relief would be backed by history of the sites in the target area and up-to-date real estate financial analysis.
- Your community should hold public outreach which explains the goals of the program, clarifies how the village or downtown area is established, the requirements for local property owners, and the nature of the tax relief and covenant.
- All applications for tax relief under 79-E are given a public hearing by the relevant governing body (i.e., the Select Board or City Council). The governing body has full discretion to approve or deny the application.
- Existing structures can be rehabilitated or replaced. In the case of a replacement, the governing body must work with the local Historic District/Heritage Commission and/or other local or state bodies to show the existing



Construction underway at the China Mill rehabilitation project using 79-E in Allenstown, NH. (Image via allenstown-alt.com)



structure has little historical, cultural, or architectural value before approving the application.

- Your community can adopt stricter eligibility criteria for projects.
- Historic structures outside of village or downtown areas are eligible for the 79-E program if they are listed or eligible for the National or State Register of Historic Places.

Resources

- Plymouth State University. “A Tool for Your Town: New Hampshire’s Community Revitalization Tax Relief Incentive” https://www.nh.gov/nhdhr/publications/documents/79e_psu_report.pdf
- New Hampshire Preservation Alliance. “79-E Process Flow-Chart.” <https://static1.squarespace.com/static/60f857d53daa8866a9caed91/t/62711b837bf8827dd8b00fa3/1651579779645/RSA%2B79-E%2BFlow%2BChart%2B2016.pdf>

Issues Addressed

Redevelopment, Housing Costs, Infrastructure

Related Tools

Infill Development, Adaptive Reuse, Workforce Housing Ordinance, Mixed-Use Development, Housing Opportunity Zone

State Law

- RSA 79-E, <http://www.gencourt.state.nh.us/rsa/html/V/79-E/79-E-mrg.htm>



Case Studies

Allenstown, NH

In 2020, Allenstown approved 79-E tax relief for an 155-year-old textile mill that had been underutilized. The town also rezoned the area to allow for residential uses to enable the project. Project plans called for 150 new market-rate apartments. As of this writing, the rehabilitation project is under construction.

- Allenstown 79-E materials, <https://www.allenstownnh.gov/economic-development-committee/pages/community-revitalization-tax-relief-incentive>
- Town site on mill rehab project, <https://www.allenstownnh.gov/economic-development/pages/an-historic-old-mill-finds-new-life>
- Video: Construction Images, <https://allenstown-alt.org/news-analysis/videos/china-mill-110121.mp4>



A historic riverfront restaurant in Exeter was renovated using 79-E tax relief and is now a Sea Dog Brewing brewpub location.

Exeter, NH

Exeter, NH used 79-E for the first time to aid the rehabilitation of a riverfront restaurant location, making way for a brewpub location.

- Exeter 79-E materials, <https://www.exeternh.gov/business/community-revitalization-tax-relief-incentive-rsa-79e>
- Exeter News-Letter. “Sea Dog Brewing building could be town's first 79-E project” (July 29, 2017).

Dover, NH

In Dover, the City is using 79-E to incentivize the rehabilitation of a vacant courthouse into new housing. The courthouse itself will be renovated, and a new four-story structure will be built there. The City negotiated for 20% of housing units to be deed-restricted Affordable Housing for low-income residents.

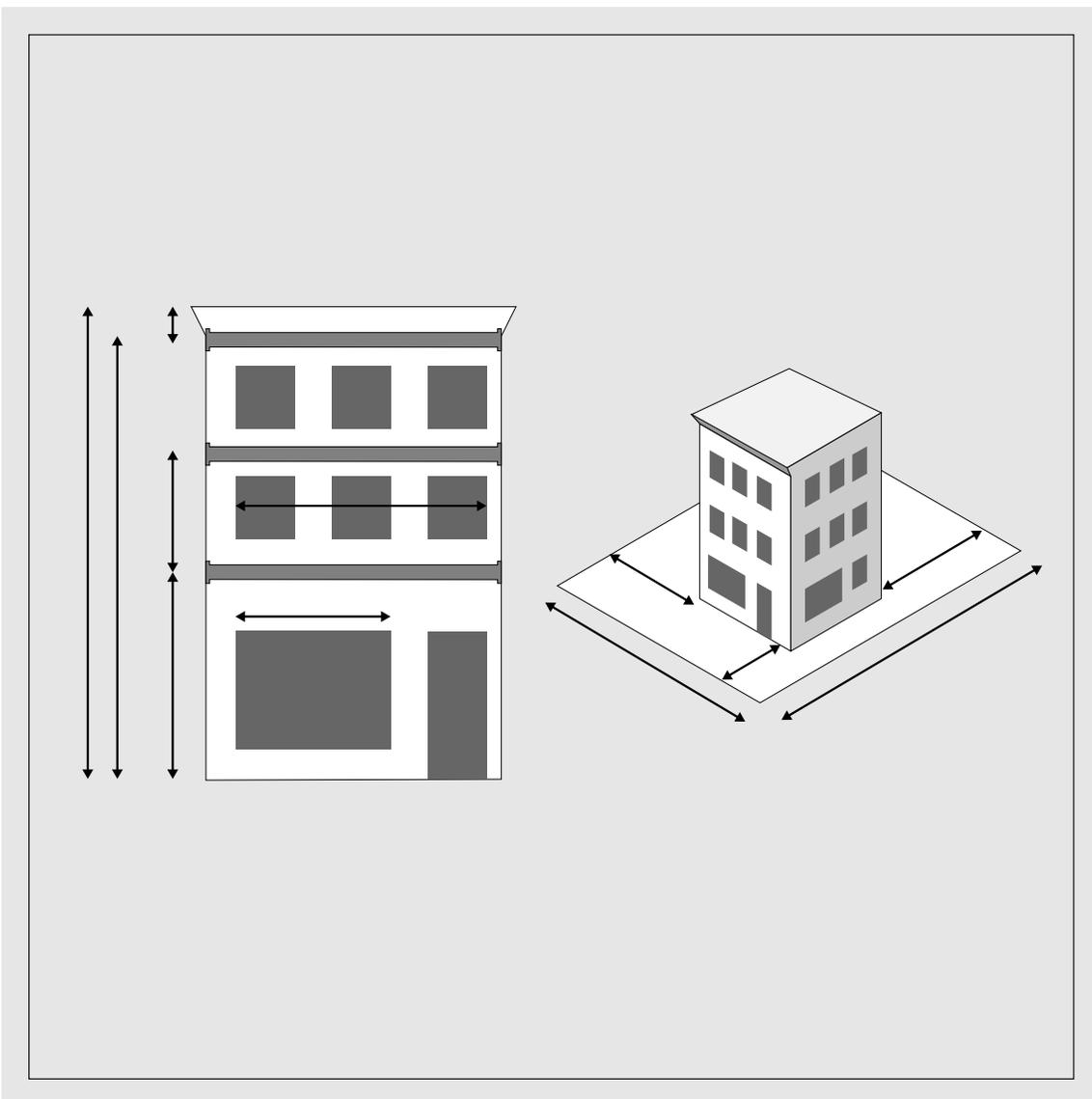
- Fosters Daily Democrat, “Chinburg's old Dover courthouse housing project: What's new, what's next” (February 25, 2021).



Dover's vacant Strafford County courthouse in 2021 (above) and a rendering of the 79-E enabled redevelopment (below). (Images via Foster's Daily Democrat)



Form-Based Codes





What is it?

A “Form-Based Code” (FBC) is a set of land development regulations with a primary focus of achieving a specified urban form. It is an alternative to conventional zoning, and is more direct about the type of development it hopes to foster. In practice, FBCs either replace the base zoning for an area, or are incorporated into a zoning overlay district. FBCs are often used in downtown areas and village centers, but they can also regulate development in historic districts and small infill development in neighborhoods.

Conventional zoning works by specifying allowed uses, development densities, dimensions for the site and building, parking ratios, and other qualities of a site. It often relies on ratios or formulas to determine the exact regulations for a given site. Often one needs the help of a zoning lawyer and architect to decipher what is allowed and where. It is common for development approvals to be at the discretion of a public body like a Planning Board. The community can provide reactive input on development proposals, but they rely on individual property owners and their teams to interpret zoning into built form. Approval processes can be long and uncertain.

In contrast, FBCs specify what types of buildings can go where, and this can lead to more predictable proposals and results for municipalities. Standards for building form with graphical depictions are a hallmark of FBCs. Use tables are typically shorter than those found in zoning ordinances, with more general categories and the uses are linked to specific building types rather than a zoning designation or area. The scale (and sometimes architectural style) of a building is usually refined with more specific standards, along with its relationship to parking areas, the street, and other public spaces.

How can it help?

Form-Based Codes can...

- Encourage construction of alternative housing types like duplexes and small multifamily buildings, which are often missing in smaller communities with little affordable housing.
- Increase property owners’ certainty about what is allowed on their land, and, for developers, reduce design and permitting uncertainty—potentially lowering costs for homebuyers and renters.
- Help regulate the infill, expansion, and redevelopment of downtowns and village areas.
- Help to continue historic development patterns and reflect the character of an existing built environment.
- Encourage mixed-use development and opportunities for small businesses.
- Create more useful and enjoyable public spaces, especially streets.



Getting Started

1. Recognize and promote an FBC's impact on common master plan goals, such as increased housing options, economic development in downtowns and village centers, historic preservation, and more.
2. If undertaking a master plan, include adoption of an FBC as a recommendation.
3. Hold a public visioning process to determine where an FBC might be useful and the community's long-term goals for that area, including specific design goals as well as broader goals that a FBC may be helpful in achieving.
4. Inventory the existing built environment in your target FBC areas. Determine if any existing buildings in the area could serve as a model for the FBC's standards. Catalog different built conditions to which the code should respond.
5. Develop standards for buildings and public spaces for new development. Work with an architect to help define the parameters for these new standards.
6. Draft legislation defining the area for the FBC, the standards new development must meet, and any processes related to development in the FBC area. The form of this legislation will vary greatly depending on the needs and conditions of each community.

Considerations

- Since FBCs are still relatively new, some people may need extra education on what they can do. This is especially the case for planning and development professionals who are used to conventional zoning. People not familiar with conventional zoning may find form-based codes more intuitive. You may want to include a "How to use this code" accompanying document to clarify the process of reading it as zoning.
- While most FBCs respond directly to the historic built environment, ensure the FBC is aligned with contemporary building practices and real estate economics. If these are ignored, the code may halt development altogether.
- An FBC can take many forms, such as a special district, an overlay district, or even an alternative development incentive.
- Additional specific standards, such as those for building architecture, landscaping, and signs, can be included in the code, if desired.
- Graphics should clearly depict standards for buildings, streets, and the outdoor space that they create, and they should help the code to be understood by all.
- While FBCs are more specific than conventional zoning and the intent should be clear, incorporating flexibility is important, as site conditions can be diverse.
- Developing an FBC can be a daunting task. Consider hiring a consultant or



contact your regional planning commission.

- If an FBC covers a larger area, they are typically divided into different districts (often called “transects” in FBCs), which deal with different existing conditions. Often a transect will define a community core with rings of decreasing density.
- Much like zoning, an FBC requires provisions for permitting and other administrative processes. An FBC also requires a map to show where the FBC applies and any transects within that area.
- FBCs are often hybrids with some typical FBC features and not others, in order to mesh with existing ordinances. FBCs are often confused with design guidelines, but they are regulatory rather than advisory.

Resources

- Form-Based Code Institute, <https://formbasedcodes.org/>
- Community Planning New Hampshire, “Form-Based Code,” https://extension.unh.edu/sites/default/files/migrated_unmanaged_files/Resource004821_Rep6854.pdf
- Strong Towns, “6 Reasons Your City Needs a Form-Based Code,” <https://www.strongtowns.org/journal/2020/6/8/6-reasons-your-city-needs-a-form-based-code>
- Cape Cod Commission, “A Framework for Form-Based Codes on Cape Cod,” https://www.capecodcommission.org/resource-library/file/?url=/dept/commission/team/Website_Resources/crbd/FBC-Framework-FINAL.pdf
- Peter Katz, “Form First,” <http://nhhousingtoolbox.org/resource-archive/form-first.pdf>
- Emily Talen, Transect Code Manual: A Step-by-Step Manual,” <https://urbandesignresources.org/wp-content/uploads/2013/12/transectmanualDec13smallerize.pdf>
- Town of Bridgton, Maine, “Place-Based Maine and Form-Based Codes,” <https://www.maine.gov/dacf/municipalplanning/docs/2010-04-22FormBasedCodes.pdf>

Issues Addressed

Redevelopment, Housing Costs, Housing Options, Infrastructure



Related Tools

Infill Development, Mixed-Use Development, Workforce Housing Ordinance, Missing Middle Housing Types, Age-Friendly Neighborhoods, Cluster Housing

State Law

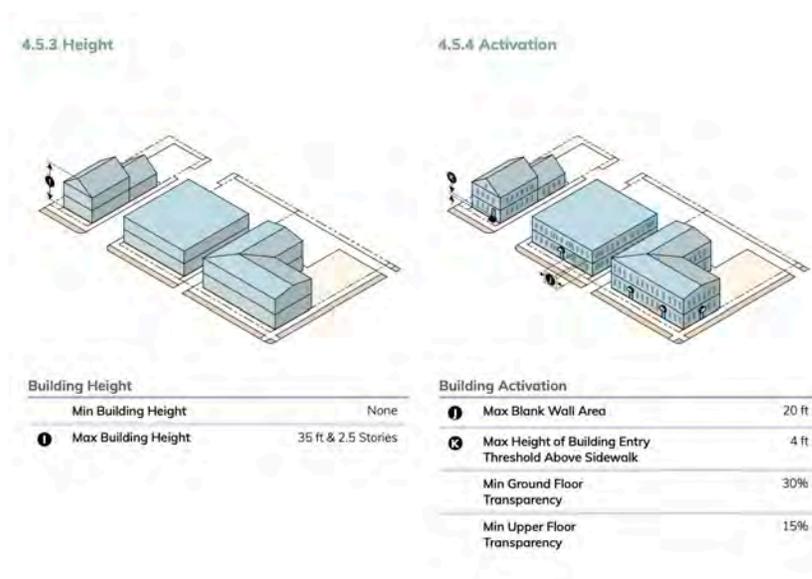
- RSA 674:21, <http://www.gencourt.state.nh.us/rsa/html/lxiv/674/674-21.htm>

Case Studies

Keene, NH

In 2021, Keene adopted a new Land Development Code, which recodified the whole of the City's zoning and uses form-based elements in the Downtown Area.

- Keene Land Development Code, <https://keenenh.gov/land-development-code>
- Keene Building Better, <https://www.keenebuildingbetter.com/>



Dover, NH Downtown Form-Based Code

With the first FBC adopted in New Hampshire in 2009, Dover has garnered several awards for the effort, which has spurred redevelopment in the downtown.

- Downtown FBC Homepage, <http://www2.dover.nh.gov/government/city-operations/planning/special-projects/form-based-code/>
- Business NH, "Dover's Economic Explosion," <https://www.businessnhmagazine.com/article/dover-s-economic-explosion>
- PlanNH Award, <https://plannh.org/awards/2010-merit-awards/form-based-code-project-dover>

An excerpt from Keene's Land Use Code, using form-based elements in downtown districts. (Image via City of Keene)



Lancaster, NH

The largely rural town of Lancaster adopted a form-based code for their downtown in 2014. The form-based approach grew from the community’s recognition that their old conventional zoning code would not allow development in line with the historic character of downtown, nor would it provide needed community space.

- Community Planning New Hampshire, “Form-Based Code,” https://extension.unh.edu/sites/default/files/migrated_unmanaged_files/Resource004821_Rep6854.pdf

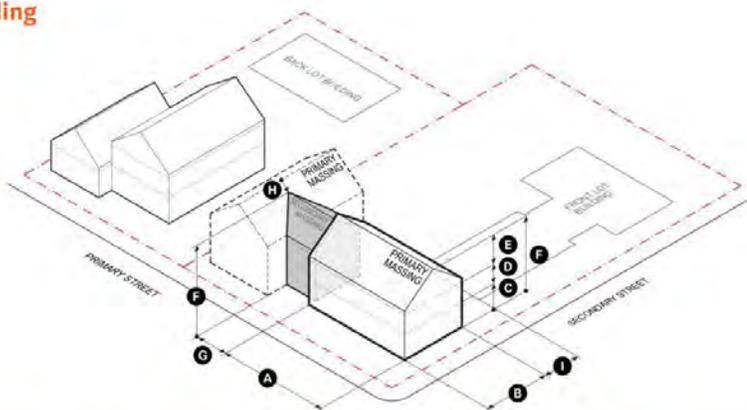
Littleton, MA

The largely rural town of Littleton has a population of 10,000 and sits on the outskirts of Greater Boston, near I-495. In 2020, the Town adopted an FBC to spur development in its Village Common. The FBC followed recommendations from the Town’s master plan and a Village Common District Plan.

- Adopted Code, https://www.littletonma.org/sites/g/files/vyhlf8011/f/uploads/littleton_vcfbc_for_tm.pdf
- Public Presentation, https://www.littletonma.org/sites/g/files/vyhlf8011/f/uploads/2020-02-10_littleton_common_fbc_-_slides_for_feb_10_public_hearing.pdf

Front Lot Building

On corner lots, up to 2 Front Lot Buildings are permitted. On interior or key lots, 1 Front Lot Building and up to 1 Back Lot Building is permitted.



Primary Massing		Secondary Massing		Use and Features		Permitted Building Components	
A Width (max)	36 ft	C Projection from Side or Rear Wall (max)	18 ft or 50% of the largest primary massing, whichever is less	Ground Story Occupation	Commercial	Permitted Building Components Projecting Gable Projecting Storefront Side Wing Rear Addition Dormer Window Cross Gable Bay Window Balcony	
B Depth (max)	64 ft			Upper Story Occupation	Any		
Facade Build-out (min)	--	D Dwelling Units (max)	1 / 1.25 parking spaces				
Primary Front	60%	E Fenestration	--				
Secondary Front (Corner Lots)	50%	H Root Ridge Offset (min)	6 ft	F Ground Story (min)	60%	Permitted Frontage Types Gallery Entry Plaza Dining Patio Front Garden	
Height		Building Separation		G Upper Story (min/max)	15% / 50%		
C Story Height	--	I Distance from any other building (min)	20 ft				
D Ground Story (min)	14 ft						
E Second Story (min/max)	10 ft / 12 ft						
F Half Story	10 ft / 15 ft						
G Number of Stories (max)	2.5 stories						
H Building Height (max)	36 ft						

An excerpt from Littleton, MA’s Village common Form-Based Code. (Image via Utile.)



Standish, ME

The Town of Standish was the first community in Maine to adopt an FBC in 2011. It is designed to address village development in a rural community.

- Standish’s FBC, <https://ecode360.com/6382121#29444870>
- Main Biz, “Form-based codes | A new zoning philosophy gets a toehold in Standish.” (July 25, 2011)

Lowell, MA

First adopted in 2004 and amended in 2006, the primary goal for the City’s FBC is to address urban infill development.

- Commonwealth of Massachusetts. Form Based Code Case Studies: Lowell, <https://www.mass.gov/service-details/case-studies-form-based-codes>
- George Proakis. “Adopting Innovative Form Adopting Innovative Form-Based Codes Based Codes in Massachusetts,” <http://www.growsmartri.org/training/Adopting%20Innovative%20FBC%20-%20Lowell%20MA%20Presentation%202008.pdf>

Fort Worth, TX

This FBC aimed to balance historic preservation and incentivizing new development. The code includes three transects for the historic district (a National Register of Historic Places), a transition district, and an edge district. In addition to the FBC, the project provided design guidelines that could shape development in more detail without being mandatory, as well as a one-page guide for using the code.

- Fort Worth FBC webpage, <https://www.fortworthtexas.gov/departments/development-services/preservation-urban-design/historic-preservation/historic-stockyards>
- “How to Use this Document,” <https://www.fortworthtexas.gov/files/assets/public/development-services/documents/all-preservation-and-design/historic-stockyards/33648829-8140-4799-a38a-4b713548887d.pdf>

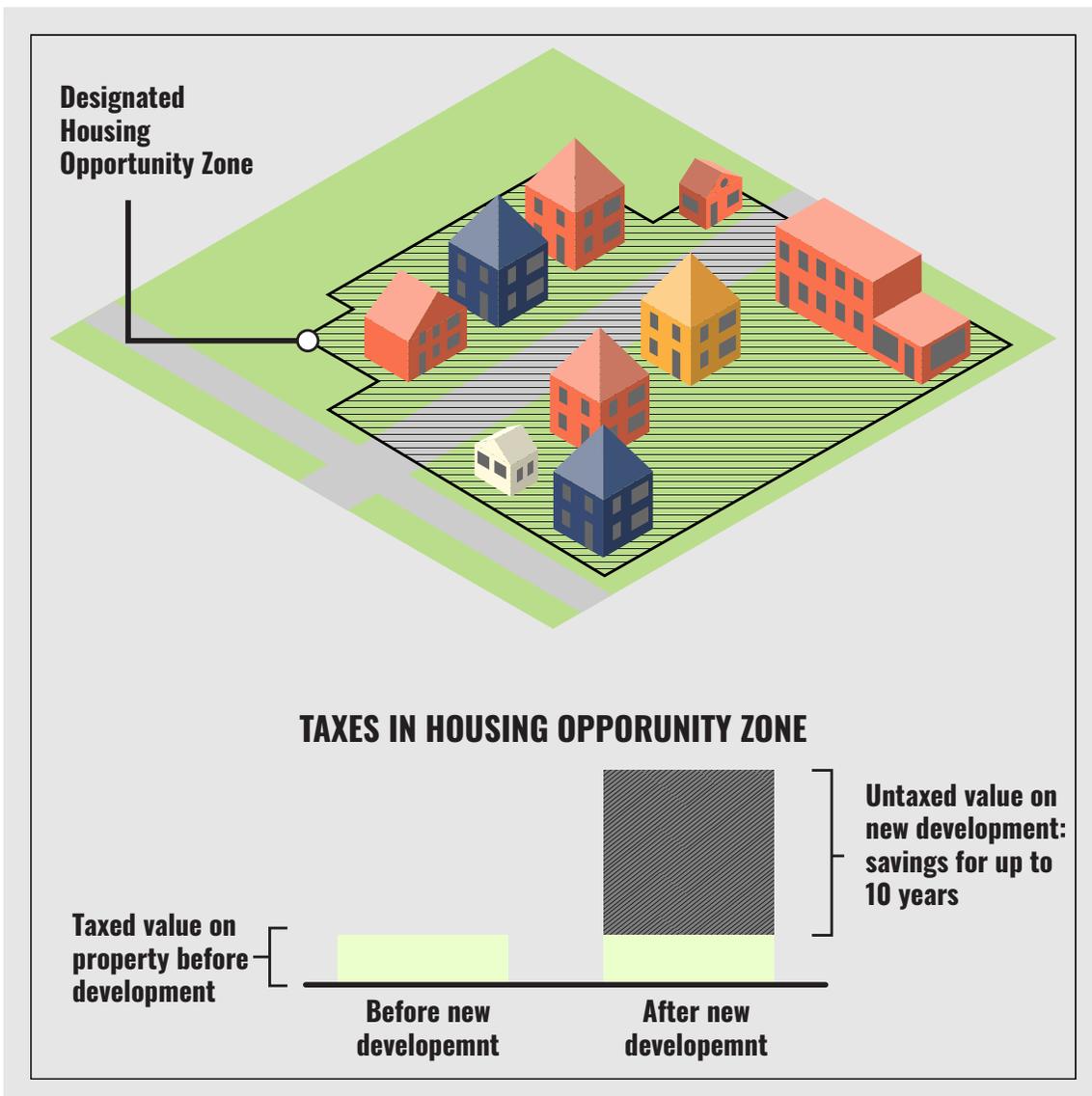
Burlington, Vermont

The City adopted a master plan for the downtown and waterfront area that recommended an FBC-based approach. The City Council adopted an FBC in 2017 and followed up with streetscape standards in 2018.

- Adopted Code, https://www.burlingtonvt.gov/sites/default/files/Art14planBTVDowntownCode_FINAL_11-13-17.pdf
- Presentation on FBC, https://www.burlingtonvt.gov/sites/default/files/PZ/planBTV/Downtown_Plan/FBC_101_AIAVT.pdf



Housing Opportunity Zones





What is it?

A Housing Opportunity Zone is an area within a community where qualifying mixed-income developments can receive property tax relief for up to 10 years. Under the program, a community defines an area of their town or city as a “Housing Opportunity Zone,” and new housing developments there can apply to the municipality for a delay on increased property taxes resulting from that new development. For a development in a Housing Opportunity Zone to qualify, it must provide at least 30% of its homes to low-income households or meet another mix of incomes defined under state law. The program does not reduce that development’s property taxes overall, nor does it permanently decrease taxes owed. The Housing Opportunity Zone, which became law in 2022, is an iteration of the older Community Revitalization Tax Relief Incentive (Chapter 79-E).

How can it help?

Housing Opportunity Zones can...

- Encourage new housing development at targeted locations.
- Provide new housing for households at lower income levels, who are otherwise unserved by new development.
- Spur economic development in targeted areas.
- Create incentives for new housing with no up-front cost to the municipality or other government bodies, while ensuring greater municipal revenues after the tax relief’s expiration.

Get Started

1. Recognize and promote Housing Opportunity Zones’ impact on common master plan goals, such as increased housing options, increased affordability, economic development in downtowns and village centers, open space preservation, and more.
2. If undertaking a master plan, include adoption of a Housing Opportunity Zone as a recommendation.
3. Conduct a public engagement process to determine what areas of your community should be considered a Housing Opportunity Zone. A Housing Opportunity Zone does not need to be a “downtown” or “village” area, like with the Community Revitalization Tax Relief Incentive, but it can be.
4. Draft legislation to adopt the Housing Opportunity Zone. The legislation should define the boundaries of the zone.



5. Draft legislation to adopt RSA 79-E. The legislation should define your community's "village" or "downtown" area, as well as administrative procedures and criteria for determining the duration of the tax relief.
6. Adopt that legislation via the relevant public body (Town Meeting, Town Council, City Council, etc.). Adoption follows the provisions of RSA 79-E:3.
7. Upon adoption, develop application materials and a process for property owners to apply for the Housing Opportunity Zone program.
8. Promote the Housing Opportunity Zone to property owners within the zone, as well as property developers who are locally active. Send letters to these stakeholders, post the process and application materials to your community's website, etc.

Considerations

- The key trade-off for this program is new (affordable) housing versus increased local tax revenue. The tax relief is only relevant if the real estate market is otherwise unable to develop new mixed-income housing in these areas of your community, and if the tax relief can cover the increased costs of constructing the affordable housing units.
- Ideally, the need for relief would be backed by history of the sites in the target area and up-to-date real estate financial analysis.
- In some limited "hot" real estate markets, developers may be able to provide mixed-income housing without tax relief. Your community could also consider other kinds of incentives, such as density bonuses or dimensional relief for provision of affordable housing units.
- The Housing Opportunity Zone is another tool to help provide all-affordable housing developments, and it will have synergy with other incentives and programs like the state Affordable Housing Fund and the federal Low-Income Housing Tax Credit (LIHTC).
- Your community will need to have capacity to enforce the regulations, ensuring the units of a qualifying structure are rented and sold to income-eligible residents.
- Under the Housing Opportunity Zone law, qualifying income mixes include 30% or more units reserved for households making 80% or less of the area median income, or under a unit mix defined in RSA 204-C:57, IV. The mixes from that law range from at least 50% of the units being affordable to persons of very low, low, or moderate income to at least 20% of the units being affordable to persons of very low income.
- A qualifying structure is eligible for tax assessment relief for a period of up to 10 years, beginning upon issuance of the certification of occupancy.



Issues Addressed

Affordable Housing, Redevelopment, Infrastructure

Related Tools

Community Revitalization Tax Relief, Cluster Housing, Workforce Housing Ordinance, Missing Middle Housing Types

State Law

- RSA 79-E:4-c: <https://www.gencourt.state.nh.us/rsa/html/V/79-E/79-E-4-c.htm>

Case Studies

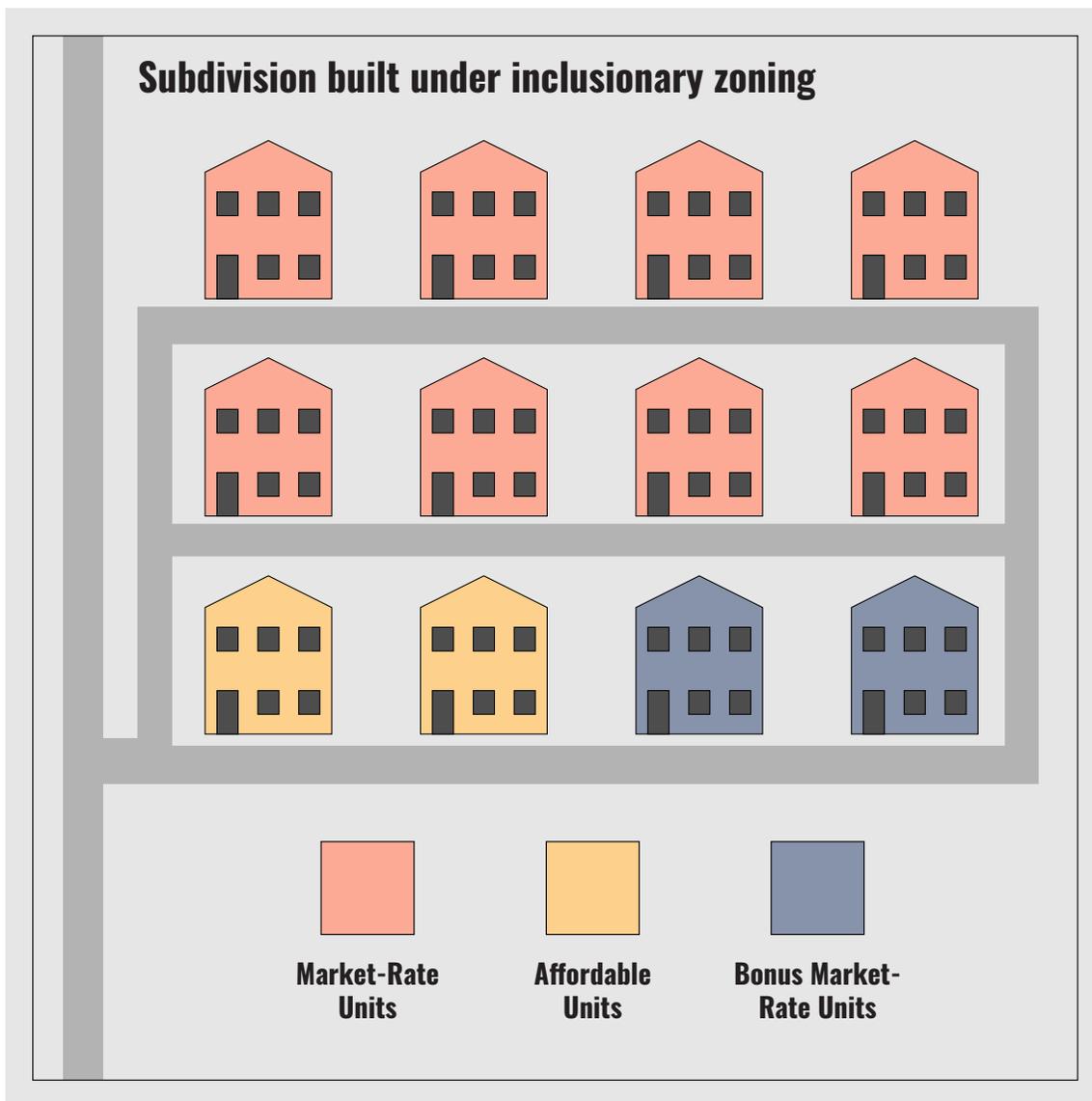
There are no examples of a Housing Opportunity Zone due to the tool's novelty. There have been many examples of both housing and non-housing projects enabled by Community Revitalization Tax Relief Programs, of which Housing Opportunity Zones are a part.



The State House added Housing Opportunity Zones to RSA 79-E in 2021.



Inclusionary Zoning





What is it?

Inclusionary Zoning (IZ) is a land use regulation that encourages the creation of deed-restricted affordable housing (homes that must be rented or sold at a price affordable to the typical household) within market-rate developments. The name “Inclusionary Zoning” is meant to reference and counteract “exclusionary zoning,” the practice of crafting zoning rules to limit the presence of low-income households, racial and ethnic minorities, and other groups.

The typical IZ law specifies that certain zoning rules (maximum density, dimensional rules, minimum parking) can be relaxed for new developments of a certain size if that development rents or sells a portion of its units at an affordable rate to income-eligible households. Under New Hampshire law, IZ must be voluntary (i.e., a developer elects to provide the affordable units in exchange for zoning relief). Some states allow for mandatory IZ, in which all developments of a certain size must provide affordable housing. Usually, IZ’s affordable housing units must be provided on the same site as the market-rate development. Some IZ laws allow affordable units to be built off-site. Others allow developers to pay a fee in lieu of building the units themselves. This “payment-in-lieu” is a way some communities capitalize their funds for affordable housing development.

In the case of most developments built under IZ, the market rate units “cross-subsidize” the affordable units, making up for any financial loss that below-market-rate prices create. For cross-subsidies to work, there must be sufficient market-rate rent to cover the affordable units and deliver the profit that financiers expect from developers. This real estate balancing act is tricky and will be very specific to your community.

How Can It Help?

Inclusionary Zoning can...

- Increase affordability without reliance on scarce government funding.
- Encourage housing production (if a bonus is included).
- Create more community support for housing development generally.
- Produce more diverse housing options.
- Produce affordable units even when costs are rising.

Getting Started

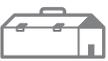
1. Recognize and promote IZ’s impact on common master plan goals, such as increased housing options and increased affordability.



2. If undertaking a master plan, include adoption of IZ as a recommendation.
3. Conduct a real estate financial analysis to determine whether and at what levels IZ will work in your community. This step is needed to ensure any IZ law provides the most amount of affordability without foregoing housing production generally or regressively passing affordable housing costs to low-income households. The analysis should consider typical home rents/prices, land and construction costs, your community's income distribution, the proportion of affordable units within an overall development, the level of affordability of those units, the number of units in a development at which IZ goes into effect, density bonuses or other zoning relief, the impact on market-rate rents/prices, and more.
4. Hold a public engagement process to discuss the costs and benefits of IZ in your community. Use the real estate financial analysis to educate the community on what is possible and what trade-offs there are. Use the public discussion to determine a vision for IZ in your community.
5. Draft and adopt an IZ law that reflects both the market realities and your community's vision.
6. Work with local developers to help them understand the IZ law and take up the IZ option for their developments.

Considerations

- IZ is a very technical intervention into the private market. Passing a law without considering its market impact will cause the law to fail. It could encourage “gaming” of the law, a failure to produce an optimal number of units. It could also shift affordable housing production costs from the government to the most vulnerable populations.
- New Hampshire law does not allow mandatory IZ requirements, which are common in some other states. Mandatory IZ must be similarly (if not more) calibrated to local market conditions in order to prevent unwanted outcomes. New Hampshire lawmakers may consider allowing local mandatory IZ laws in the future.
- IZ typically works best in high-demand downtown or village areas. Applying IZ in low-demand markets or in rural and suburban single-family areas may not result in uptake of the program.
- Payments-in-lieu are a great way to build up local coffers for affordable housing development. They should only be used if your community has the capacity to spend the money, typically through an active Housing Authority or Housing Commission, but potentially through municipal staff with existing relationships to nonprofit housing developers.
- Payments-in-lieu can be difficult because there are many ways to put a dollar value on an affordable housing unit. Consider all the options and their impacts



- There is a lot of controversy around IZ. It can drive affordable housing production during periods of government austerity, but it relies on homebuyers and renters to directly cover the costs of affordable housing, pushing up overall market rents and prices.

Resources

- NH DES, NH Association of RPCs, NH OEP, and NHMA, "Innovative Land Use Planning Techniques: A Handbook for Sustainable Development," Chapter 1.9: Inclusionary Housing, <http://nhhousingtoolbox.org/resource-archive/ilupt-chpt-1.9.pdf>
- Grounded Solutions Network. *Inclusionary Housing*. <https://inclusionaryhousing.org/>
- Grounded Solutions Network. "Inclusionary Housing In the United States." https://groundedsolutions.org/sites/default/files/2021-01/Inclusionary_Housing_US_v1_0.pdf

Issues Addressed

Affordable Housing

Related Tools

Workforce Housing Ordinance, Reduced Zoning and Subdivision Requirements, Housing Opportunity Zone

State Law

- RSA 674:59, I-II. <https://www.gencourt.state.nh.us/rsa/html/LXIV/674/674-59.htm>
- RSA 674:21(k), <https://www.gencourt.state.nh.us/rsa/html/LXIV/674/674-21.htm>



Case Studies

Chester, NH

Chester had a version of IZ for cluster housing that provided affordable units at different income levels. That system produced more than 70 affordable units. It was repealed in 2007 and replaced with a version that offered a density bonus for age-restricted units. In 2020, the bonus was adjusted to encourage Workforce Housing instead. (Under New Hampshire law, homes are considered “Workforce Housing” when they meet the requirements of RSA 674:58-61 being affordably rented to a three person household earning no more than 60% of the Area Median Income (AMI) or sold to a four person household earning no more than 100% AMI.)

- Chester, NH Zoning Code, https://www.chesternh.org/sites/g/files/vyhlif2941/f/uploads/50_zoning_ordinance_03-14-22.pdf
- Planning Board report on 2020 TM warrant, https://www.chesternh.org/sites/g/files/vyhlif2941/f/uploads/037_-_planning_board_-_2020_final.pdf

Exeter, NH

Exeter’s zoning ordinance provides for IZ. Developments can opt into the IZ program if they provide at least 10% of units at affordable rates to income-eligible residents and if they adhere to design standards. The IZ program is structured by removing density caps for new developments and allowing dimensional and parking requirements to dictate allowable residential density, while also increasing some height limits and reducing parking requirements.

- Exeter, NH Zoning Code, https://www.exeternh.gov/sites/default/files/fileattachments/zoning_board_of_adjustment/page/13161/2022_final_zo_with_cover_appendix_03-08-22.pdf

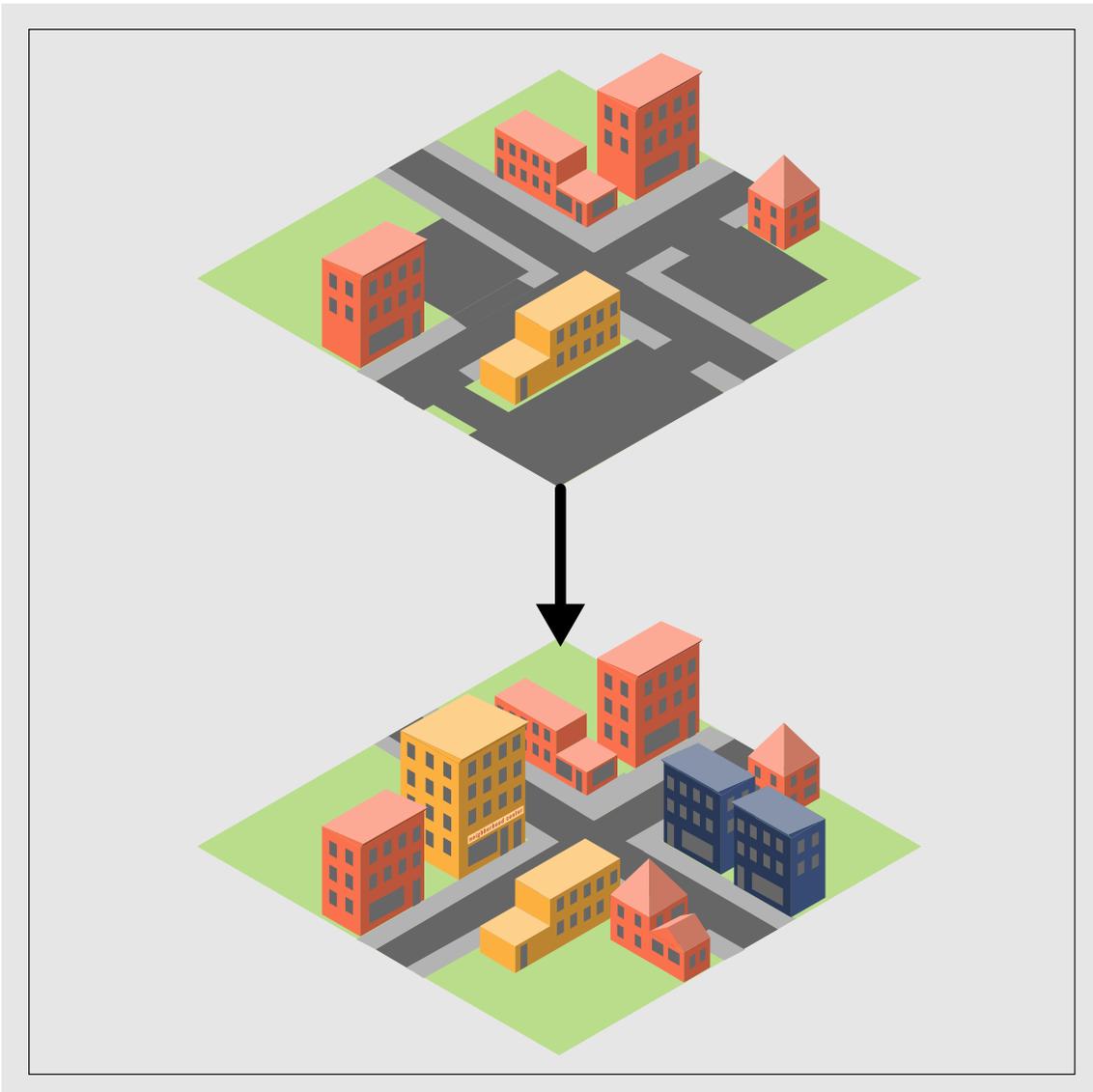
Seattle, WA

The City of Seattle offers a voluntary “Incentive Zoning” program for new development. In exchange for either building affordable housing, making an in-lieu payment, or providing another amenity from a list of community benefits, the City will allow more gross floor area in a development. In 2022, the program raised more than \$800,000 dollars for affordable housing and other public benefits, directly created three affordable housing units, and directly generated other public benefits.

- City of Seattle, Incentivize Zoning program home page, [https://www.seattle.gov/sdci/codes/codes-we-enforce-\(a-z\)/incentive-zoning-program](https://www.seattle.gov/sdci/codes/codes-we-enforce-(a-z)/incentive-zoning-program)
- Cornerstone Partnership, “Seattle Incentive Zoning: Analysis of data relating to the historical production under Seattle’s Incentive Zoning Program,” http://www.rjacobus.com/wp-content/uploads/2014/05/plus20140213_1e.pdf



Infill Development





What is it

New construction undertaken in an already built-up area is often referred to as “infill development.” It generally occurs on underused properties within a downtown or urban core either by reusing existing buildings, developing on vacant parcels, or demolishing existing buildings to make way for new construction. It can vary in scale from a single residential lot to large industrial sites. Infill can also occur in neighborhoods or along commercial corridors, similarly when the site is vacant or underutilized.

Towns and cities in New Hampshire have taken a variety of approaches to encourage infill development. Many use one or more of the tools listed in RSA 674:21, Innovative Land Use Controls, which are discussed elsewhere in this document. Buildings, of course, have a shelf life, just like everything else in the universe. They are often repurposed and reused (see Adaptive Reuse), but sometimes they are demolished, leaving gaps in our communities. Attracting new development that fits well into those gaps is an ongoing challenge for most cities and towns.

How It Can Help

Infill Development can...

- Encourage more efficient use of land.
- Reduce negative impacts of vacant buildings and lots.
- Reduce cost for development and need to extend infrastructure.
- Lead to more housing options in a community.
- Spur new investment and help to expand the tax base.
- Serve as an impetus to clean up contaminated sites.

Getting Started

1. Recognize and promote infill development’s impact on common master plan goals, such as increased housing options and increased affordability.
2. If undertaking a master plan, include infill development as a recommendation.
3. Identify potential and priority infill development sites. Talk to property owners and developers to gauge redevelopment interest and constraints.
4. Audit existing regulations to find impediments for infill development.
5. Consider adopting a fee structure that favors infill development.
6. Consider infill development incentives, including density bonuses, a streamlined



permitting process, and tax relief.

7. Provide clear rules for building renovations
8. Draft and adopt amendments to land use regulations to reflect the above changes.
9. Promote infill opportunities to local property owners and developers.

Considerations

- Capital costs are often higher and finance options are limited for infill projects.
- Clean up of environmental contamination usually requires public investment.
- Infill developments can be good candidates for a mix of uses, especially in areas that are walkable and have residents to support retail. Encourage or require mixed-use developments in infill projects.
- Right-sizing regulations may be necessary for projects to fit into the existing character of the area and to pencil out. Many zoning codes do not allow traditional neighborhood development and/or are out of step with real estate economics.
- Land assembly can be a challenge for some infill projects. Your community should be proactive when opportunities arise, facilitating discussions between stakeholders or even purchasing land for banking or immediate development.

Resources

- NH DES, NH Association of RPCs, NH OEP, and NHMA, *Innovative Land Use Planning Techniques: A Handbook for Sustainable Development*, Chapter 6: Infill Development, <http://nhhousingtoolbox.org/resource-archive/ilupt-chpt-1.6.pdf>
- US EPA, “Attracting Infill Development in Distressed Communities: 30 Strategies,” https://www.epa.gov/sites/default/files/2015-05/documents/fresno_final_report_042215_508_final.pdf
- Municipal Research and Services Center of Washington, “Infill Development,” <https://mrsc.org/home/explore-topics/planning/development-types-and-land-uses/infill-development-completing-the-community-fabric.aspx>
- City of Dover, “Infill Development Update to City Council,” <https://www.dover.nh.gov/Assets/government/city-operations/2document/planning/Presentations/EcDev/City%20Council%20infill%20update.pdf>
- American Planning Association, “Infill Development Supports Community Connectivity,” <https://www.planning.org/blog/9227414/infill-development->



[supports-community-connectivity/](#)

- US EPA, “Smart Growth And Economic Success: Investing In Infill Development,” <https://www.epa.gov/sites/default/files/2014-06/documents/developer-infill-paper-508b.pdf>
- US EPA, “Smart Growth, Brownfields, and Infill Development,” <https://www.epa.gov/smartgrowth/smart-growth-brownfields-and-infill-development>
- Colorado Real Estate Journal, “Infill development: Challenges, opportunities,” <https://crej.com/news/infill-development-challenges-opportunities/>



Issues Addressed

Redevelopment, Housing Costs, Infrastructure

Related Tools

Community Revitalization Tax Incentive, Mixed-Use Development, Inclusionary Zoning, TIF, TDR, Reduced Zoning and Subdivision Requirements, Housing Opportunity Zone



22 Marshall Street before and after infill development. (Images via Google StreetView (top) and Metropolis Property Management (bottom)).

Case Studies

Marshall Street Apartments, Nashua, NH

The site at 22 Marshall Street is located in downtown Nashua and was home to Beebe Rubber Company, which manufactured rubber products at that location for about 70 years. Buildings were demolished on



The Orpheum Apartments, an infill project in Dover. (Image via Orpheum)

the property in 2001 after the plant closed and soil contamination was later discovered. Cleanup had been ongoing for a number of years and in 2020 construction of a new multifamily residential project with 152 units was completed. A variety of tools were employed by both the developer and the City to make the project possible, which was funded, in part, by the New Hampshire Finance Authority.

- NH Business Review. “Apartment complex planned at former brownfields site.” <https://www.nhbr.com/apartment-complex-planned-at-former-brownfields-site/>

Orpheum Apartments, Dover, New Hampshire

The site on Washington Street had been home to Robbins Auto Supply Company since the 1930s. The company was a local, family-owned business that was sold in 2009 and business operations on the property ended in 2011; the buildings sat vacant for several years. Previously, the State Theater and the Orpheum Hotel had been located within this block of buildings.



Over the past decade, the City of Dover has worked to set the stage for new infill development in its downtown by adopting many of the tools that are included in this document. In 2018, demolition began on the Robbins Block to make way for a new five story mixed use building with ground floor commercial and 130 residential units. The project was completed in the summer of 2020.

- NE Real Estate Journal. “Fulcrum Associates completes 130-unit Orpheum Apartments - a five-story, 157,000 s/f building developed by Cathartes” <https://nerej.com/fulcrum-assocs-completes-130-unit-orpheum-apartments>

42 Lafayette Square, Haverhill, MA

A developer in a historically disinvested mixed-use area of Haverhill, MA proposes to construct 14 market-rate housing units and two commercial units in a four-story building. The site had been vacant for 23 years after a fire destroyed the previous structure. The size and architecture of the proposed building is in line with its neighbors, as well as the previous structure. The proposal is the work of a developer who has invested elsewhere in the immediate vicinity and who is attempting to make transformative investments in the area.

- WHAV Wavelengths. “Developer Proposes New Lafayette Square Building with Two Commercial Units and Housing.” <https://whav.net/2020/10/20/developer-proposes-new-lafayette-square-building-with-two-commercial-units-and-housing/>



The presently vacant lot and proposed building at Lafayette Square in Haverhill, MA. (Images via Google Street View (left) and Atlantis Investments (right).)



Missing Middle Housing Types





What is it?

Missing middle housing types refer to a range of housing options that are smaller than conventional single-family homes, but are not large apartment buildings. They include various types of attached and detached housing units that are designed to be more affordable than conventional development. These units can include duplexes, triplexes, fourplexes, townhouses, and other types of small multifamily housing. Their relative affordability is driven by their “gentle density”—which lowers land cost per housing unit while not requiring the space, circulation areas, or infrastructure required of large apartment buildings—and their smaller square footages require less construction materials.

These housing types are called “missing middle” housing because they fill the gap between single-family homes and large apartment buildings in terms of density, and they can help address the shortage of affordable housing options in many areas.

Many communities have zoning codes and subdivision regulations that do not permit these housing types. Bans on missing middle housing types can be explicit in the codes or they can happen in effect through the combined application of dimensional standards, parking requirements, and subdivision rules. Allowing missing middle housing types includes aligning regulations so that it is truly enabled and encouraged.

How can it help?

- **Increased housing options:** Missing middle housing types provide more housing options for people with different needs and budgets. This can help a community attract and retain a greater mix of residents, allow seniors to age in their community, and allow young people and new families to find homes.
- **Increased affordability:** Because missing middle housing units are smaller, require less land per unit, and can have shared amenities and infrastructure, they can be more affordable than conventional single-family homes. This can help address the shortage of affordable housing in a community and make it more accessible to a wider range of people.
- **Improved walkability:** missing middle housing types can make use of public sidewalk and trail infrastructure, making it easier for residents to walk to work, school, and run everyday errands. This can help reduce traffic congestion and improve air quality.
- **Preservation of open space:** Construction of missing middle housing units can preserve open space and natural areas on the outskirts of a community that would otherwise be pressured by development.
- **Economic benefits:** missing middle housing developments can bring economic benefits to a community and more concentrated demand for local businesses.
- **Sense of community:** missing middle housing developments can foster a sense of community by bringing people together in a shared living environment.



- Environmental benefits: Missing middle housing units can be designed to be more energy-efficient and environmentally sustainable, which can reduce energy needs, and greenhouse gas emissions.

Getting Started

1. Recognize and promote the impact of missing middle housing types on common master plan goals, like increased housing options, increased affordability, open space preservation, and more.
2. If undertaking a master plan, include missing middle small housing types as a recommendation.
3. Assess the existing built environment, existing parcel sizes and configurations, the community's housing needs, local infrastructure capacity, recent real estate market trends, and property owner and developer interest in non-conventional residential development. Using these assessments, determine which missing middle housing types might be well-suited for different areas of your community.
4. Audit your land use regulations to see what rules would need to be changed to allow (and encourage) missing middle housing development. This should



Classic New England architectural elements applied to the townhouse housing type in Providence, RI.



begin with zoning use tables, dimensional regulations, parking regulations, and subdivision rules.

5. Draft and adopt amendments to land use regulations that proactively support missing middle housing types. These amendments should be targeted toward promoting specific housing types that the community desires, given development constraints like actual lot sizes, rather than blanket increases to density.
6. Promote missing middle housing types among property owners and developers active in your community or nearby.

Considerations

- Not all housing types may be appropriate for every community, but there are many housing types and designs. Pursue whatever housing types that are most likely to be embraced by the community.
- Many zoning codes include provisions for multifamily housing, but fail to distinguish between a three- or four-unit building and a hundred-unit building. Even if your community technically allows these missing middle housing types, untargeted rules will not promote their production.
- Depending on the state of the real estate market, allowing more density could increase land values, translating to higher prices for existing homes, particularly in areas where the existing homes have low prices or are in poor condition. Price effects are less likely for properties that are unlikely to “flip” to higher densities.
- In hot real estate markets, increasing allowed densities can contribute to displacement of established communities. Housing production incentives should be paired with restrictions to protect the vulnerable and avoid the social and public health consequences of displacement.
- Consider form-based codes as a method of promoting missing middle housing types more directly, rather than through esoteric dimensional rules.
- Consider Conservation Subdivisions and Village Plan Alternatives as means to allow these housing types.
- Pre-approving housing types can reduce the guess-work by a town’s developers and zoning board when assessing potential developments.
- Traditional neighborhood design included many types of housing nearby one another. This type of housing mix can reduce actual segregation by race, income, and other factors, and increase feelings of shared community.



Issues Addressed

Housing Costs, Housing Options, Affordable Housing, Multigenerational, Sustainable Housing

Related Tools

Reduced Zoning and Subdivision Requirements, Wastewater System Alternatives, Inclusionary Zoning, Workforce Housing Ordinance, Village Plan Alternative, Form-Based Codes, Age-Friendly Neighborhoods

Resources

- Opticos Design, “Missing Middle Housing” resources and information on small housing types, <https://missingmiddlehousing.com/>
- Metropolitan Area Planning Council, “Living Little” resources and information on small housing types, <https://living-little.mapc.org/>
- Strong Towns, “Making Normal Neighborhoods Legal Again,” <https://www.strongtowns.org/journal/2019/7/3/making-normal-neighborhoods-legal-again>
- Strong Towns, “Pre-Approved House Designs Jump-Start Infill Development in South Bend,” <https://www.strongtowns.org/journal/2022/10/6/pre-approved-house-designs-jump-start-infill-development-in-south-bend>
- American Planning Association, Michigan Chapter, “Zoning Reform Toolkit,” https://www.planningmi.org/assets/images/ZoningReformToolkit/MAP_ZoningReformToolkit_2022%2008%2002_Gradient.pdf
- Turner Center for Housing Innovation, “Lessons in Land Use Reform,” https://turnercenter.berkeley.edu/wp-content/uploads/pdfs/Lessons_in_Land_Use_Reform.pdf

Case Studies

New Hampshire House Bill 44

In response to the housing crisis, HB44 was introduced in the 2023 Session. It would mandate that any local zoning district that allows single-family housing must allow up to four units per parcel by right for any parcel served by public water and sewer.



- Bill text, <https://legiscan.com/NH/text/HB44/2023>
- NH Business Review, “Could allowing ‘quadplexes’ help solve New Hampshire’s housing crisis?,” <https://www.nhbr.com/could-allowing-quadplexes-help-solve-new-hampshires-housing-crisis/>

Grand Rapids, MI

In 2008, Michigan’s second largest city updated their zoning to allow duplexes in previously single-family-only zones. (The amendments also allowed mixed-use development in commercial districts, and included “form-based light” provisions.) Duplexes were allowed by Special Permit on corner lots under the 2008 law. In 2018, the City amended the new code to remove the Special Permit requirement and allow duplexes by-right.



A prewar duplex in Grand Rapids—the type of housing the city hoped to allow again.

- Next City, “A Decade without Single-Family Residential Zoning in Grand Rapids,” <https://nextcity.org/urbanist-news/a-decade-without-single-family-residential-zoning-in-grand-rapids>

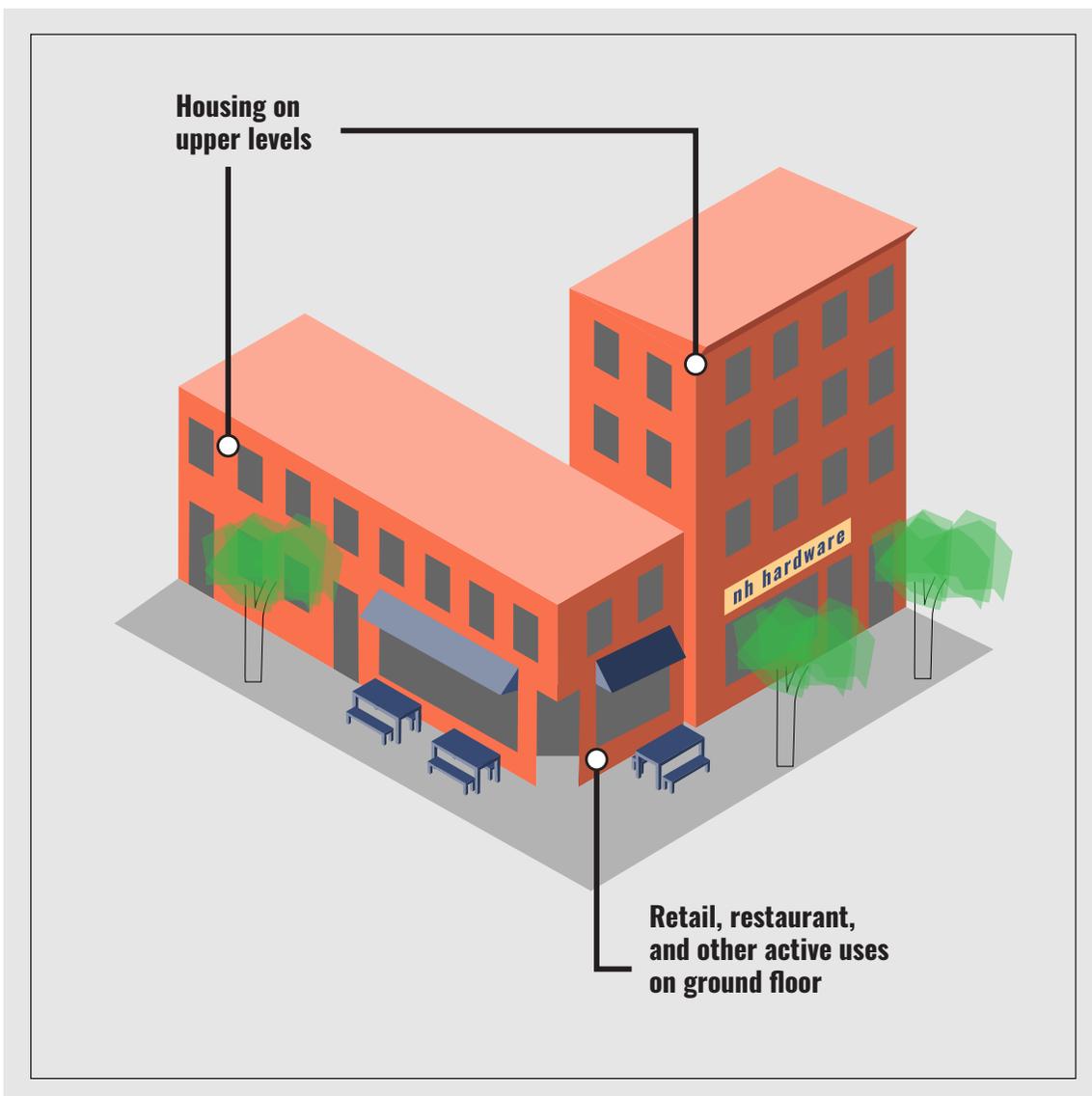
Bend, OR

In 2019, Oregon passed a law to allow some missing middle housing types in all single-family zones across the State, giving discretion in implementation to a state land use board. In addition to allowing duplexes, fourplexes, and other small multifamily options, the board reduced local parking minimums for small multifamily homes in large Portland-area cities. Bend, Oregon became the first community to comply with the law locally, adjusting its zoning to allow duplexes and fourplexes. Those changes, combined with a strong real estate market, with 650 units under construction in early 2022.

- Planetizen, “Statewide Zoning Changes Adopted in Oregon to Limit Parking, Add Missing Middle,” <https://www.planetizen.com/news/2020/12/111546-statewide-zoning-changes-adopted-oregon-limit-parking-add-missing-middle>
- KTVZ, “Bend’s big shift from single-family homes to more multifamily housing tops city’s expectations,” <https://ktvz.com/news/bend/2022/01/24/bends-big-shift-from-single-family-homes-to-more-multifamily-housing-tops-citys-expectations/>



Mixed-Use Development





What is it?

Mixed-use development is a type of real estate development that combines multiple uses, such as residential, commercial, cultural, entertainment, and institutional, into a single development project. These types of developments can take many forms, including residential buildings with ground-floor retail space, office buildings with apartments on upper floors, or entire neighborhoods that mix different types of residential buildings with commercial, cultural, and institutional uses.

Mixed-use developments can be located in a variety of settings. In urban areas, mixed-use developments are often located in downtown areas, along commercial corridors, or in neighborhoods that are undergoing redevelopment. In suburban and rural settings, mixed-use developments may be located in traditional village centers, near shopping centers or strip malls, or they may be standalone developments that create a new mixed-use center in an area without one.

Mixed-use developments are typically designed to create a sense of community and to foster a variety of activities and interactions. Housing in mixed-use developments may take the form of apartments, condominiums, or townhouses, and may be designed to appeal to a range of income levels, household sizes, and physical abilities. Larger mixed-use developments often include amenities such as parks, playgrounds, and other public spaces to encourage socialization and economic activity.

How can it help?

Mixed-use development can...

- Provide a range of housing options, including affordable housing, which can help to address the needs of a diverse population and promote economic diversity within the community.
- Revitalize downtown areas by bringing new residents, businesses, and activity to the area. This can help to support local economic development and create a more vibrant and attractive community.
- Reduce traffic congestion and improve air quality by bringing residents closer to jobs, neighborhood retail, and other sources of trips.
- Provide needed community spaces to foster social connections and a sense of belonging among residents.
- Preserve natural and open spaces by allowing for more compact and efficient development patterns.
- Generate new tax revenue while using fewer public infrastructure resources.



Getting Started

1. Recognize and promote mixed-use development's impact on common master plan goals, such as increased housing options, increased affordability, economic development, reduced traffic, and fostering community wellbeing.
2. If undertaking a master plan, include mixed-use development as a recommendation.
3. Assess options for mixed-use development in your community. This could include existing downtowns or village areas with infill development opportunities, aging shopping centers or strip malls, old industrial buildings ready for adaptive reuse, rural areas that can be preserved through a Village Plan Alternative (VPA), and large sites requiring a Planned Unit Development (PUD).
4. Hold a public engagement process to determine the communities vision for identified places, goals for any housing in mixed-use development, and retail needs and desires.
5. Audit land use regulations and identify potential barriers to mixed-use development. This includes allowed uses in zoning; right-sizing dimensional, parking, and subdivision rules; or a lack of specialized zoning tools (like PUDs or VPAs) that must be adopted locally.
6. Identify any infrastructure challenges that constrain mixed-use development. To the extent possible, use your community's capital budget and any state grants to address these.
7. Draft and adopt amendments to land use regulations that will enable the community's desired mixed-use development at relevant locations.
8. Promote mixed-use opportunities to local property owners and mixed-use developers.

Considerations

- Mixed-use development involves different skills and knowledge than conventional single-family development, and typically they are not the same developers. Promote your community and its development opportunities to mixed-use developers working in the region.
- Requiring smaller retail units in mixed-use developments may be needed to ensure commercial tenants are small, community-focused businesses.
- Mixed-use development is more likely to be successful when commercial tenants are lined up before financing is secured. Connect established businesses and entrepreneurs in town to potential mixed-use developers to spur potential retail tenancies.
- Developments in hot real estate markets can sometimes afford to include



“loss leaders” that do not turn a profit on their own but attract residents. This includes specialty retail and food service businesses, as well as community spaces and cultural institutions.

Resources

- Metropolitan Area Planning Council, “Mixed-Use Zoning: A Planners’ Toolkit,” http://www.mapc.org/wp-content/uploads/2017/11/Mixed_Use_Planners_Toolkit.pdf
- Montgomery County Planning Commission, “New Town Mixed-Use District: Creating Walkable, Transit-Friendly Places,” <https://www.montcopa.org/DocumentCenter/View/4101/NTMMOrdFinal?bidId=>

Issues Addressed

Housing Costs, Housing Options, Affordable Housing, Multigenerational, Sustainable Housing

Related Tools

Village Plan Alternative, Planned Unit Development, Infill Development, Community Revitalization Tax Relief, Age-Friendly Neighborhoods, Form-Based Codes, Missing Middle Housing Types

Case Studies

Concord, NH

Concord has undertaken a series of visioning exercises to reimagine areas of the city. Many of these exercises include zoning for mixed-use developments similar to that in Downtown Concord. Bringing these visions into reality would require significant rezoning, including adoption of a draft form-based code, and ultimately piecemeal redevelopment



A rendering of the mixed-use vision for Loudon Road in Concord. (Image via the Concord Monitor).



Portwalk Place, a mixed-use project in downtown Portsmouth. (Image via portwalkplace.com)

by numerous property owners. In contrast, the city is also reviewing a plan for the mixed-use redevelopment of a large industrial site in the city's Penacook village. The developers' design includes market-rate and Workforce Housing in apartments and townhomes, as well as retail.

- Concord Next (Form-based code), <https://www.concordnext.info/>
- Concord Monitor, "City planners work with residents to redevelop Concord neighborhoods," (October 22, 2022)
- Concord Patch, "Massive Mixed-Use Project Proposed At Former Concord Monitor Property," (August 11, 2022), <https://patch.com/new-hampshire/concord-nh/massive-mixed-use-project-proposed-concord-monitor-property>

Portwalk Place, Portsmouth, NH

Portwalk Place is a five-acre, 400,000 square foot redevelopment in downtown Portsmouth. The development includes 149 housing units, 50,000 square feet of retail space, and several hotels.

- Cathartes Development, "Portwalk Place," <https://cathartes.com/portwalk-place/>
- Tighe & Bond, "Portwalk Place," <https://www.tighebond.com/project/portwalk-place/>



501 Main, Fairlee, VT

Fairlee, VT is a town of less than 1,000 people on the New Hampshire border. Since 2021, a small real estate developer has been working on a 10-unit development on the town's Main Street, a mix of commercial uses and housing tucked between I-91 and the Connecticut River. The development will replace a vacant commercial building, and uses a state tax credit for downtown redevelopments. The developer has documented the process online, which provides useful insights into the financial and regulatory landscape for small mixed-use projects in small towns, including zoning rules that are out of scale with the existing built environment and lengthy review processes. The documentation also yields interesting insights on dealing with wastewater disposal through smart site planning and community septic, as well using shared parking strategies to meet zoning requirements.

- Brick+Mortar, "Project Spotlight: 501 Main," <https://brickandmortar.substack.com/p/project-spotlight-501-main>
- Valley News, "Downtown projects in multiple towns win Vermont tax credits" (October 3, 2021)



Mixed-use construction underway on a constrained site on Main Street in Fairlee, VT. (Image via brickandmortar.substack.com)



Mashpee Commons, Mashpee, MA

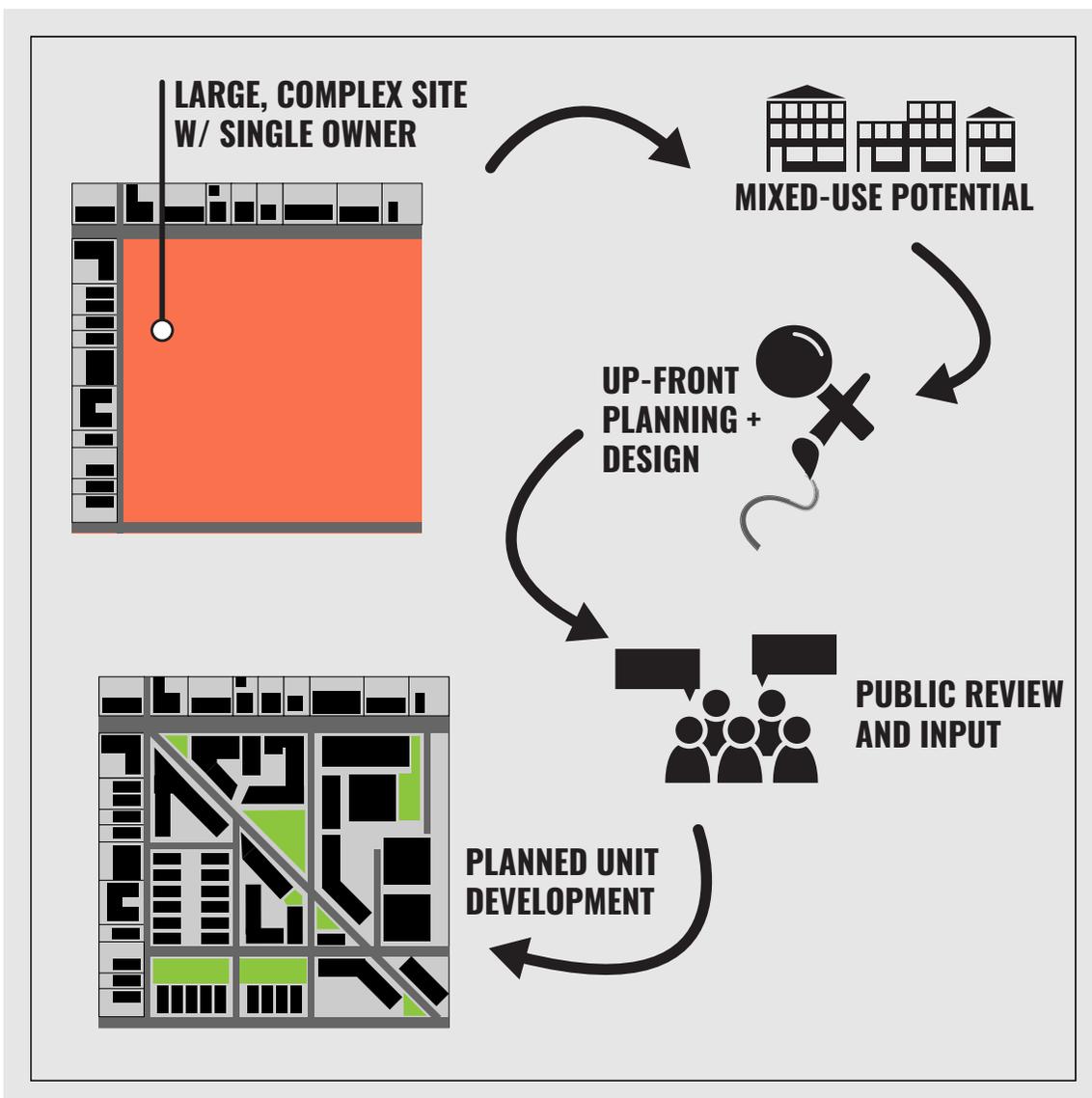
In 1986, the owners of an aging strip mall on Cape Cod in Massachusetts held a design charrette with the community to determine a direction for the property. Since then, the developers of the site have been realizing their vision of a new mixed-use community following the traditional New England town style. The development currently contains 77 homes, with plans for additional residential development underway, though mired by controversy.

- Sightline, “We Could Fit Lots of Homes in the Middle of Old Strip Malls,” <https://www.sightline.org/2022/02/14/we-could-fit-lots-of-homes-in-the-middle-of-old-strip-malls/>
- Metropolitan Area Planning Council and Congress for New Urbanism, “Reclaiming the Strip Mall: A Common Suburban Form, Transformed,” <https://www.cnu.org/sites/default/files/MAPC-CNU%20Strip%20Mall%20Case%20Studies.pdf>
- Cape Cod Times, “Mashpee Commons will still try to create housing, despite partnership agreement dissolving” (November 10, 2021)



Mashpee Commons’ existing retail/office (top left) and housing (top right) and 2022 plans for expansions to the neighborhood (bottom). (Images via Mashpee Commons and capenews.com)

Planned Unit Developments (PUDs)





What is it?

Planned unit development (PUD) is a method of land use regulation where the allowed mix of land uses, building types, densities, site design, and infrastructure are specified in detail for a single parcel or small collection of parcels. While PUDs are authorized under State law, the State provides no guidance on their use, and therefore they can take many forms.

PUDs are helpfully contrasted with conventional zoning:

- Conventional zoning sets broad parameters for many public and private property owners and those parameters can be interpreted to result in a variety of building outcomes, depending on site conditions and the owners' wishes.
- PUDs set specific rules for (typically) one property owner that are laid out in a master plan. Those rules will result in a single outcome known by the owner and the community. While these rules are specific, the PUD allows for more flexibility in the final outcome of development than would be allowed under conventional zoning and subdivision rules.

PUDs typically result in a broader mix of uses, better configurations of public space and conserved open space, more targeted parking, and less unnecessary infrastructure.

Communities allow PUDs within their zoning code, and they can be limited to particular zoning districts. Within the PUD section of the zoning bylaw, the community can specify a process and criteria for permitting a PUD, allowed uses, allowed densities, design or performance standards, and PUD master plan requirements.

How can it help?

PUDs can...

- Provide a mix of uses and multifamily housing that expand the tax base without the proportionate costs found under conventional zoning for infrastructure maintenance.
- Decrease development costs for new housing, potentially passing savings on to homebuyers and renters.
- Create a wider range of housing options than that found under conventional zoning.
- Efficiently use land available for development.
- Better integrate large developments with existing communities.
- Connect existing neighborhoods and new housing with commercial development to create more amenity-rich communities.
- Spur investment in public infrastructure, while creating less demand burden on



that infrastructure.

- Address the quality-of-life issues and limit open space encroachment associated with conventional development.

Getting Started

1. Recognize and promote PUDs' impact on common master plan goals, such as open space preservation, natural resource management, increased housing options, and more connected communities.
2. If undertaking a master plan, include PUDs as a recommendation.
3. Identify large sites or collections of sites that are under concentrated site control and which may be likely to redevelop. These sites are often older, vacant, and/or deteriorating institutions, campuses, industrial areas, business parks, or logistics sites.
4. Approach owners of those sites to gauge their interest in redevelopment or selling their site and to discuss redevelopment options.
5. Hold a public engagement process to determine the community's vision for these areas, including what types of uses, site configurations, and other goals. Through this process, educate the community on the PUD option.
6. Draft an ordinance that allows PUDs in your community through the zoning bylaw, based on your engagement process and conversations with property owners and stakeholders. The legislation should specify where PUDs would be allowed, the process for permitting them, and any other restrictions for proposals (design, allowed uses, density, etc.)
7. Adopt the ordinance through your community's governing body.
8. Promote the PUD option to local property owners and developers, and promote its community benefits to the general public.
9. When large property owners approach the municipality with development ideas or interest, pose the PUD as an option and encourage a master planning process to test PUD strategies and find the best outcomes.

Considerations

- PUDs are often used where a single entity has site control, though multiple property owners can be party to a PUD. In any case, the site typically has considerable flexibility (such as a large amount of buildable area, especially in the interior of the site).
- Before allowing PUDs, communities should conduct district-level planning to



establish a clear community vision for areas where PUDs might be relevant.

- Because they rely on intensive up-front planning, iterative design, and highly discretionary permitting, PUDs are among the most expensive land use controls for property owners, who pay holding costs during the design phases and other soft costs for planning. Over-reliance on PUDs could therefore impact the affordability of units produced.
- The availability of infrastructure will determine the limitations of density and uses on the site for the PUD.
- New infrastructure improvements can take years to plan, design, and build. Get started early!
- Permit the local land use board as much flexibility as possible in the PUD ordinance. Markets can change considerably in just a few years. The intent of the PUD option, however, should be very clear so that flexibility is not later abused.
- Areas of open space should be usable with amenities for both visitors and residents.

Resources

- UNH Cooperative Extension, “Innovative Land Use Controls,” <http://nhhousingtoolbox.org/resource-archive/innovative-land-use-controls.pdf>
- American Planning Association, “Planning Advisory Service: Planned Unit Developments,” <https://www.nhhousingtoolbox.org/resource-archive/PAS-Report-545.pdf>
- Wisconsin Center for Land Use Education, “Planning Implementation Tools Planned Unit Development,” https://www3.uwsp.edu/cnr-ap/clue/documents/planimplementation/planned_unit_development.pdf
- NH Municipal Association, “Look Before You Leap: Understanding Conditional Use Permits,” <https://www.nhmunicipal.org/town-city-article/look-you-leap-understanding-conditional-use-permits>

Issues Addressed

Housing Costs, Sustainable Housing, Infrastructure



Related Tools

Age-Friendly Neighborhoods, Cluster Housing, Mixed-Use Development, Adaptive Reuse, TIF, TDR, Workforce Housing Ordinance, Missing Middle Housing Types, Wastewater System Alternatives

State Law

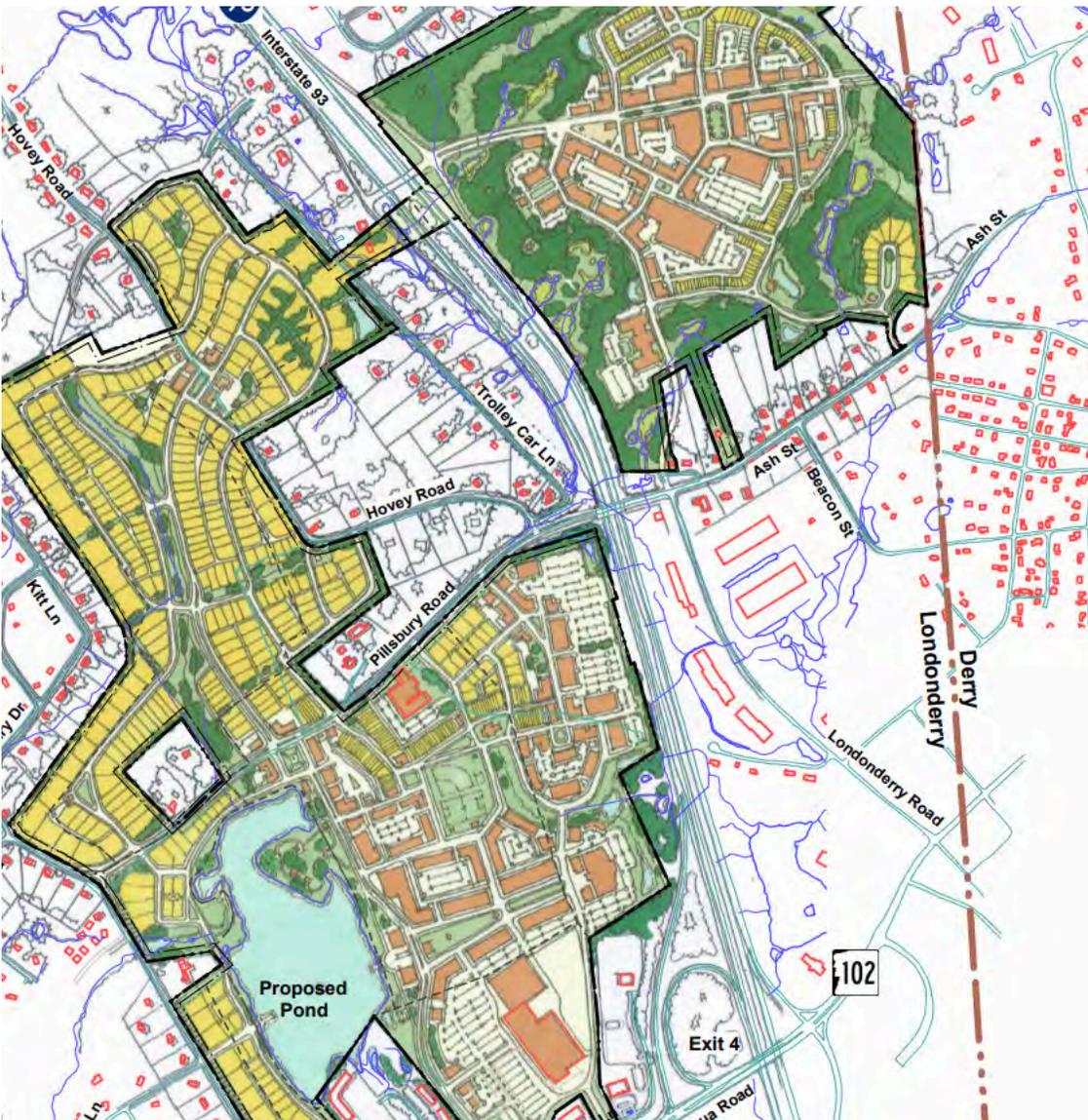
- RSA 674:21(e), <http://www.gencourt.state.nh.us/rsa/html/lxiv/674/674-21.htm>

Case Studies

Woodmont Commons, Londonderry, NH

Woodmont Commons is a 603 acre mixed-use development with housing, office space, retail and restaurants, medical space, civic space, and open space. The PUD's master plan, approved in 2013, divides the former orchard into 12 subdistricts, each with its own mix of street types, block types, building types, and more. The project includes 1,400 new housing units, some of which are age-restricted. Construction of the 20-year project began in 2018.

- Londonderry's PUD Bylaw. <https://online.encodeplus.com/regs/londonderry-nh/doc-viewer.aspx?tocid=001.002.008#secid-233>
- Woodmont Commons Master Plan. https://www.londonderrynh.gov/sites/g/files/vyhlif4616/f/uploads/volumeifinalwoodmontcommons_pudmasterplansigned10.2.pdf
- New Hampshire Public Radio. "Can You Build A Downtown From Scratch? Londonderry, N.H. Is Going To Find Out." <https://www.nhpr.org/nh-news/2018-01-23/can-you-build-a-downtown-from-scratch-londonderry-n-h-is-going-to-find-out>



Completed construction for Woodmont Commons Phase I, and an excerpt of the site plan from the approved PUD application. (Images via TF Moran Engineers (top) and Pillsbury Realty (bottom)).



Tuscan Village, Salem, NH

Tuscan Village is a large-scale mixed-use district in Salem, NH on the site of a former race track. If the plans for the development are fully executed, the 170-acre site will contain 4 million square feet of development, costing more than \$1 billion, and completed potentially by 2030. As of January 2023, the developers plan nearly 1,800 housing units on the site. Roughly 1,200 units were completed or under construction at the end of 2022.

- Town of Salem, Tuscan Village project page, <https://www.townofsalemnh.org/home/projects/pages/tuscan-village>
- Town of Salem, Tuscan Village Planning Board page, <https://www.townofsalemnh.org/planning-board/pages/tuscan-village>
- Union-Leader, “Three huge developments combine retail and office space with thousands of residential units” (September 10, 2022)
- Union-Leader, “Tuscan Village seeks to add 600 more housing units and more entertainment” (January 23, 2023)



The Tuscan Village mixed-use development in Salem, NH was permitted through a PUD process on the site of the former Rockingham Park Race Track. Housing is located in the mid-ground and background of this photo. (Image via Tuscan Village)



Bloomington, IN

Bloomington, Indiana's PUD base zoning district is a vehicle for allowing PUDs within the 80,000-person city. For a PUD to be permitted, property owners petition to change the base zoning of their land and submit a PUD plan, which triggers a series of public hearings and municipal staff reviews, and ultimately reviews by their Planning Board equivalent and their governing body. If any housing is built, at least 15% must be deed-restricted Affordable Housing for low-income residents. Much of the city's recent housing production and notable investments in transit have resulted from a few large PUDs.

- PUD district and applicability, https://library.municode.com/in/bloomington/codes/code_of_ordinances?nodeId=TIT20UNDEOR_CH20.02ZODI_20.02.050PLUNDEPUDI
- PUD permitting process, https://library.municode.com/in/bloomington/codes/code_of_ordinances?nodeId=TIT20UNDEOR_CH20.06ADPR_20.06.070PLORAM
- Herald Times. "City council approves 1,000+ bedroom development," (March 5, 2020) <https://www.heraldtimesonline.com/story/news/local/2020/03/05/city-council-approves-1000-bedroom-development/43881983/>
- B Square Bulletin. "Bloomington alters zoning to reduce monoliths, spur affordability; city council could push more tweaks," (May 20, 2022) <https://bsquarebulletin.com/2022/05/20/bloomington-alters-zoning-to-reduce-monoliths-spur-affordability-city-council-could-push-more-tweaks/>

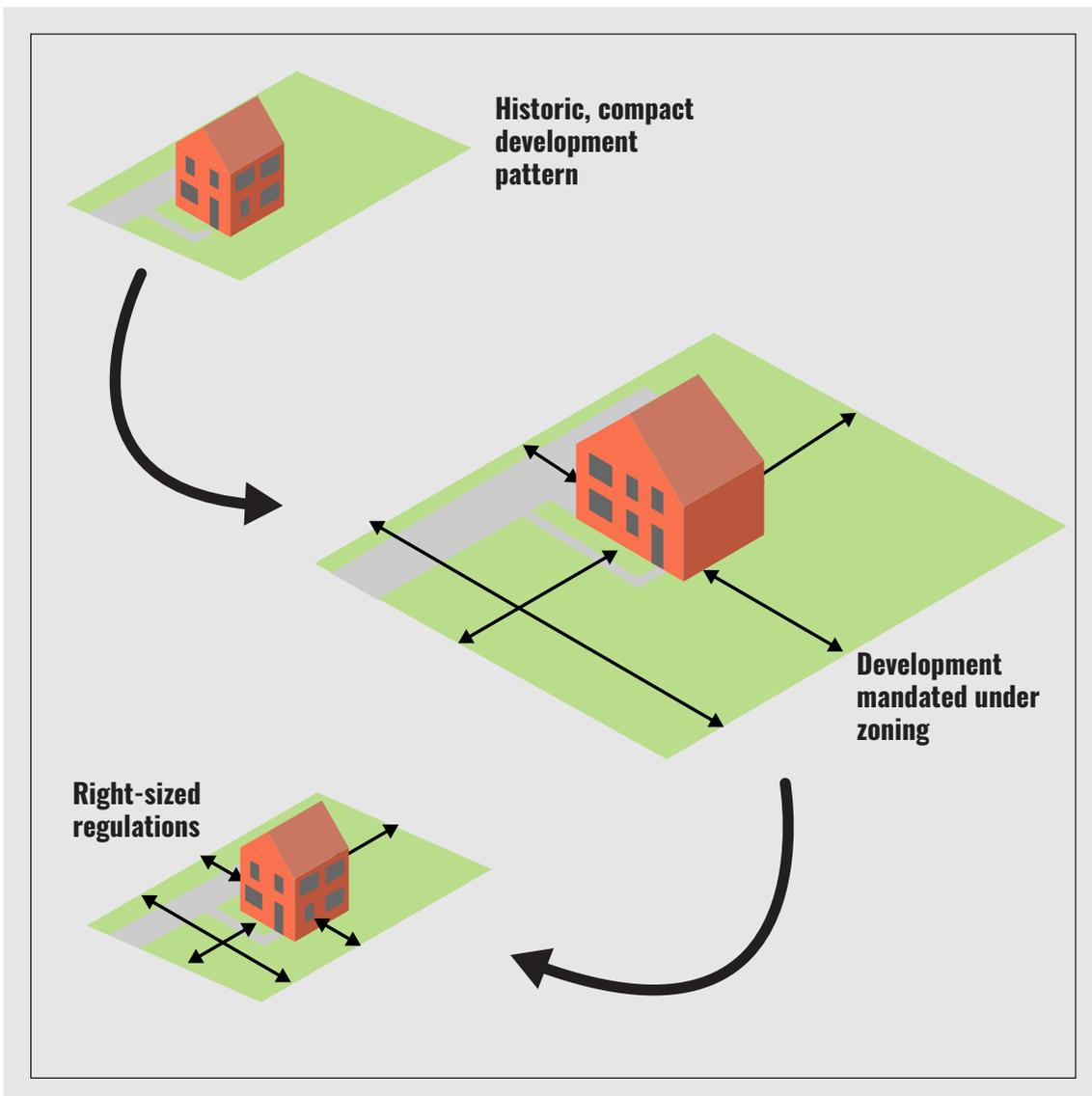
Cliff Street Retreat, Ithaca, NY

Not long after a custom metal fabricator vacated its small industrial space in Ithaca, NY, the property owner proposed to adapt the existing structure into a mixed-use development incorporating office, restaurant, residential, light industrial, and hotel uses. The industrial use was already non-conforming. The developer and city used the PUD zoning provisions to bypass the purely residential zone's rules and take on this more ambitious project. The complexity of the site, existing building, and proposed uses required the PUD zoning provision, though the site (at 2 acres) is relatively small among PUDs. The PUD was approved and the terms of the PUD were incorporated into the zoning code itself. Incidentally, the thorough municipal review made the project eligible for State tax relief.

- Ithaca's PUD enabling bylaw, <https://ecode360.com/8394237>
- Cliff Street Retreat PUD District, <https://ecode360.com/38916606>
- Ithaca.com "Cliff Street Retreat sails through PUD public information session" (May 12, 2021), https://www.ithaca.com/news/ithaca/cliff-street-retreat-sails-through-pud-public-information-session/article_ca30065a-b340-11eb-9724-8bf50ed58a14.html



Reduced Zoning and Subdivision Requirements





What is it

Reducing zoning and subdivision requirements is a process of matching local land use rules with the existing built character of a place, with community needs, with contemporary real estate economics, and with a community's vision for its future. This process of "right-sizing" regulations can open up housing opportunities. Too often, a community's land use regulations will mandate development that doesn't complement well-loved neighborhoods and architecture, unnecessarily increasing housing costs, and removing open space. Sometimes, these regulations have been passed from one community to the next out of convenience, without much thought to the particularities of the place. Often, these regulations have not been substantially revised in decades. According to a study from the Wharton Residential Land Use Regulatory Index, New Hampshire is one of the most regulated states for home construction. Today many municipalities in our State have super-sized regulations, especially for new residential construction, which add significantly to the cost of housing and can limit housing production altogether.

Most cities and towns in New Hampshire have historic downtowns and villages that are cherished by residents. If your community's historic downtown or village couldn't be built under its current standards, you may not have right-sized regulations. As well as looking to the past, look to the future vision in your community's master plan, which should also include specific recommendations for achieving that vision.

To get development that a community actually wants, an audit of current regulations is critical. Scrutiny should be given to numerical values in ordinances, such as those for minimum lot size, setbacks, lot coverage, height restrictions, road design standards, and parking requirements.

How can it help?

Reducing zoning and subdivision requirements can...

- Effectively increase housing production
- Lower land and construction costs for new housing
- Provide more diverse housing options
- Help reduce economic segregation
- Nurture and complement historic districts and traditional architecture
- Reduce the impact of unnecessary pavement, including on groundwater and flooding



Getting Started

1. The community's master plan and any district-level plans or studies can serve as guides for right-sizing regulations. These plans may have already identified problematic rules that should be modified.
2. If you are currently undertaking a master plan, include right-sizing regulations as a recommendation or even include specific regulatory changes that should be made.
3. Audit your zoning code, subdivision regulations, and any other land use controls that impact lot size, street frontages, heights, setbacks, parking, etc.
 - a. If possible, use geographic information systems (GIS) to assess whether current neighborhoods and housing could be built under present regulations.
 - b. Assess whether desired housing could be built, given present land use regulations, the latest version of the building code, and market conditions.
 - c. If possible, use build-out analyses to project land needed to support reasonable growth under current regulations versus other housing types/scenarios.
 - d. If possible, conduct a parking study to determine areas where parking may be over- or under-built.
 - e. Make note of specific controls that cause issues (minimum land area, minimum parking requirements, setbacks, etc.).
 - f. Make note of any specific locations (neighborhoods, landmarks) that have regulatory issues.
4. Conduct a community engagement process to present your findings and gather feedback.
 - a. If land use regulations would not permit specific landmarks or common housing types, communicate those discrepancies.
 - b. Gather feedback on what regulations there is support for changing, if any.
5. Draft and adopt amendments to zoning, subdivision rules, etc. to reflect the community's desires.
6. Periodically audit regulations to ensure they are a good fit for your community.



Considerations

- Design charrettes can help build support for relaxing regulations
- Numerical values in ordinances are based on assumptions that may no longer be valid, check them carefully.
- Make sure to right-size your permitting fees; they can significantly add to the cost of housing.
- Also, your review process should be the right size; time is money and lengthy local reviews of projects add to the cost of every home.

Resources

- NH DES, NH Association of RPCs, NH OEP, and NHMA, *Innovative Land Use Planning Techniques: A Handbook for Sustainable Development*, Chapter 2: Lot-Size Averaging, <http://nhhousingtoolbox.org/resource-archive/ilupt-chpt-1.2.pdf>
- Edward Glaeser, “Reforming land use regulations,” <https://www.brookings.edu/research/reforming-land-use-regulations/>
- Manhattan Institute, “Changing Minds on Restrictive Zoning: How to Unclog America’s Home Supply,” <https://www.manhattan-institute.org/sorens-changing-minds-restrictive-zoning>
- Jason Sorens, “Residential Land Use Regulations in New Hampshire: Causes and Consequences,” <https://jbartlett.org/wp-content/uploads/Residential-Land-Use-Regulations-in-New-Hampshire-Report.pdf>
- Strong Towns, “Do Minimum Lot Size Rules Matter?” <https://www.strongtowns.org/journal/2019/6/19/do-minimum-lot-size-rules-matter>
- Strong Towns, “A Map of Cities That Got Rid of Parking Minimums,” <https://www.strongtowns.org/journal/2015/11/18/a-map-of-cities-that-got-rid-of-parking-minimums>
- Strong Towns, “How Zoning is Holding Your Neighborhood Back,” <https://www.strongtowns.org/journal/2018/7/3/how-zoning-is-holding-your-neighborhood-back>
- Victoria Transport Policy Institute, “Parking Requirement Impacts on Housing Affordability,” <https://www.vtpi.org/park-hou.pdf>
- The Square Center, “Report: New Hampshire's housing crisis fueled by restrictive local zoning,” https://www.thecentersquare.com/new_hampshire/report-new-hampshires-housing-crisis-fueled-by-restrictive-local-zoning/article_1de57708-2b73-11ec-aa3c-bb6c25515ff3.html



Issues Addressed

Housing Costs, Sustainable Housing, Redevelopment, Affordable Housing, Housing Options

Related Tools

Missing Middle Housing Types, Workforce Housing Ordinance, Infill Development, Housing Opportunity Zone, Form-Based Codes, Age-Friendly Neighborhoods

Case Studies

Seabrook, NH

In 2019, the Town of Seabrook replaced its parking minimums for certain land uses with parking maximums. The maximums apply to nonresidential uses, with all residential uses required to provide parking at the discretion of the Planning Board. Though the parking maximums do not apply specifically to residential uses, they are a directional signal indicating the type of development the community is seeking.

- Seabrook Site Plan Regulations, <https://seabrooknh.info/wp-content/uploads/2021/06/Site-Plan-Regs-dated-14June2021.pdf>

Brunswick, ME

Brunswick is a town in Maine half an hour north of Portland. In 2017, the town enacted a new zoning code implementing their 2008 master plan, which aimed to increase development in designated growth areas and limit new housing in designated preservation areas. To implement this goal by encouraging infill development, the new code eliminated residential lot minimums in all growth districts, maximum frontages in most growth districts, and curtailed several other dimensional rules.

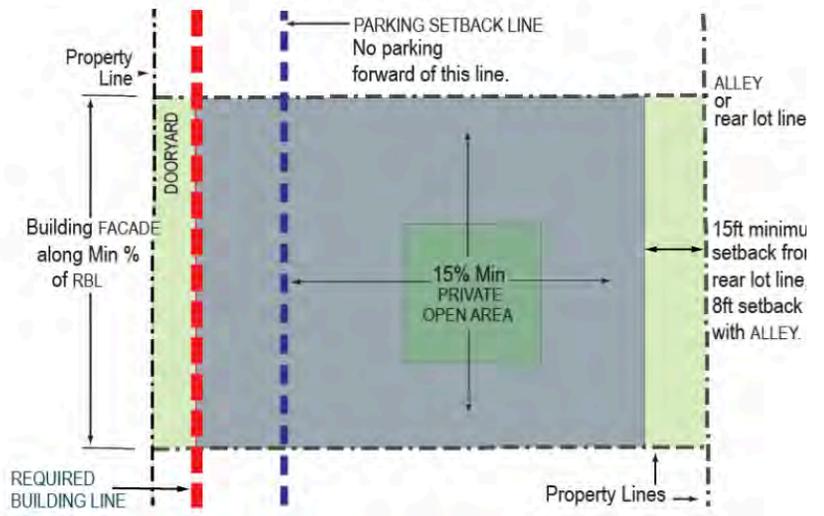
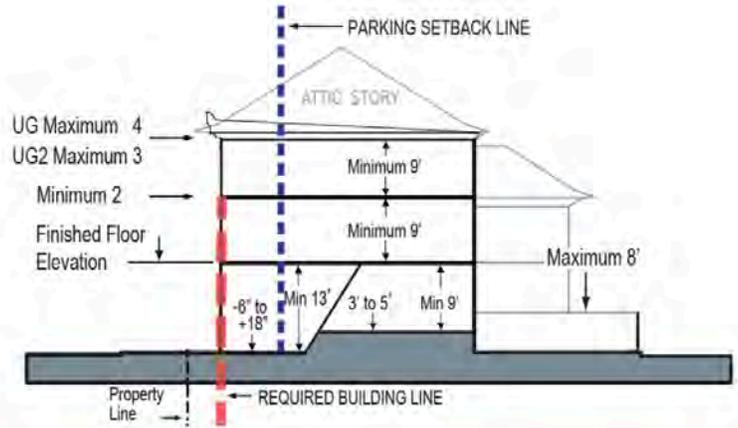
- Brunswick Zoning Code, <https://www.brunswickme.org/DocumentCenter/View/6846/Brunswick-Zoning-Ordinance-as-of-8172022>
- The Zoning Ordinance Rewrite Committee's explanation of their master plan implementation, <https://www.brunswickme.org/DocumentCenter/View/806/Revised-Zoning-Ordinance-Comprehensive-Plan-Correlation-Table-PDF>



Cedar Falls, IA

Cedar Falls, Iowa is a small city that has an active downtown with significant recent residential development. In 2019, the local government initiated a visioning and rezoning effort to update its 30-year zoning code. The result was a new law that codified the historic building standards of the town’s downtown and surrounding areas through right-sized height, bulk, setback, and parking regulations. Right-sizing minimum parking requirements became the most controversial but ultimately significant element of the rezoning. In addition to form-based dimensional changes, the plan reduced parking minimums to 0.75 spaces per bedroom in the downtown core.

- Zoning Code, <https://www.cedarfalls.com/DocumentCenter/View/11878/Adopted-Downtown-Character-District-Code-low-res>
- Waterloo-Cedar Falls Courier. “New downtown zoning code adopted in Cedar Falls after months of contentious debate.” (November 2, 2021)



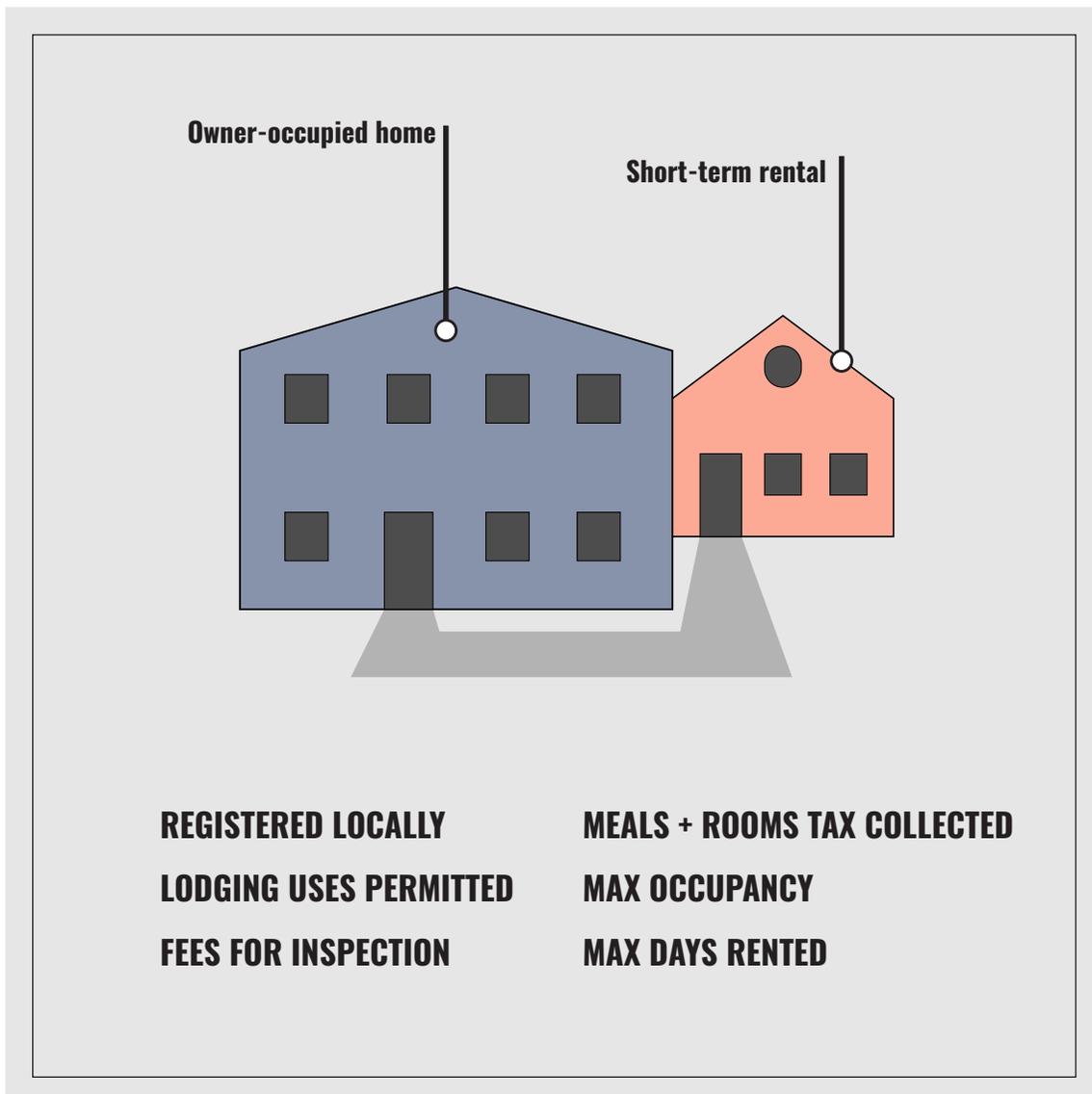
Right-sized building and site plan regulations from the Cedar Falls codes.



An analysis of onerous dimensional regulations on a residential block (top) in New Brunswick, NJ. After accounting for all the zoning rules, only the 20'-deep yellow area (bottom) remained buildable, preventing redevelopment of a vacant lot. (Images via Strong Towns: <https://www.strongtowns.org/journal/2018/7/3/how-zoning-is-holding-your-neighborhood-back>)



Short-Term Rental Regulations





What is it?

Online markets for overnight and short-term homestays (such as AirBNB and VRBO) have grown exponentially over the past decade, particularly in prosperous urban areas, tourist destinations, and near economic anchors that draw in visitors (like universities). As short-term rentals (STRs) have taken up a small but significant share of housing in some areas, the growth in the cost of long-term housing has risen considerably. Although there is no one cause for the rapidly increasing cost of housing, there is a growing body of evidence that suggests that the growth of STRs has fueled some of the price increases in some places. There is a growing concern in these STR-heavy markets that neighborhoods are slowly being turned into hotels, especially as the country faces a housing shortage generally.

Cities and towns can restrict STRs under state law. A growing number of communities, particularly in the mountains and along the seacoast, have done so in recent years. By 2022, over thirty cities and towns in the State had adopted some form of regulations restricting STRs. Many simply amended the Zoning Ordinance and added a definition and a new use category; some communities have required owner occupancy of a building with an STR; a number of municipalities also clarified the process for review. Some municipalities are allowing maximum occupants per room, maximum nights rented per year, fees for registration and inspection, and other restrictions.

STRs can take many forms. For example, they can be owner-occupied (where the owner rents a room or accessory dwelling for extra income). They can also be seasonal rentals by “snowbird” owners. They can also be owned by professional STR operators, who buy homes (sometimes many homes) for the express purpose of converting them to STRs. (The latter was increasingly common in the late 2010s and early 2020s, though that business model is becoming more difficult with increasing regulations, competition from the hotel industry, and higher interest rates.) Homes can operate as STRs sporadically or full-time.

There is not, however, one definition that is mandated and communities are mostly free to define STRs as they choose in their zoning ordinance. Your community may want to regulate all, some, or none of the variants of STRs, but it should consider as many variables as possible in its regulations, in order to prevent bad actors from gaming the regulations.

How can it help?

STR regulations can...

- Limit the conversion of long-term housing stock to hotel uses via STRs.
- Target certain areas over others for STR uses.
- Protect neighborhoods from the negative impacts of STRs and absentee landlords.
- Establish clarity for both homeowners and professional STR operators, including



thresholds for when an accessory STR in a person's home becomes a regulated STR.

- Establish consistent treatment for different types of lodging uses in zoning.
- Increase local Meals and Rooms Tax revenue from STRs that may otherwise fly under the radar.
- Increase demand for traditional hotel developments, which will reduce pressure on the long-term housing market, have a greater local economic impact, and can revitalize underinvested areas in your community.

Getting Started

1. Evaluate the impact of STRs in your community. Look on major STR provider websites to view active listings, collecting data over several months and removing duplicate listings. Via this data, assess whether STRs have a significant presence in your community, where they are located, and what the potential draws are for STR tenants. Speak with STR providers to learn about the local STR business models and customers. Decide whether regulation is necessary.
2. If undertaking a master plan, include your evaluation in the plan and recommend STR regulations if needed.
3. Conduct an audit of current regulations to determine where STRs are allowed in your city or town, how hotel lodging is defined generally, and whether the current market is complying with these regulations.
4. Hold a public engagement process to gain input on what types of STR operations should be allowed (if any) and what types should be regulated as hotel uses (if any).
5. Draft an ordinance that amends zoning to clearly define an STR, set thresholds for regulation, set a process for permitting and review, and set any additional restrictions on STR operators (e.g., owner-occupancy).
6. Establish a system of registering and monitoring STR operations in your community.

Considerations

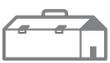
- There are many arguments STR operators make to claim regulation is illegal, though lawmakers and courts have tended to find those arguments unconvincing. Authority to make regulatory distinctions between long-term and short-term lodging are already embedded in state law, which makes the distinction in RSA 48-A and RSA 78-A, which addresses housing standards and lodging taxation, respectively.



- For many communities outside of prosperous urban and tourist markets, STRs are not occupying a significant part of the housing stock. In those cases, STR regulation is unlikely to impact the housing market.
- For NH Meals and Rooms Tax purposes, a room or home is considered an STR if it has tenancies of less than 185 days. This may be a convenient standard to set as the difference between a long-term residence and an STR. Some communities, especially in college towns with many student rentals, may find this definition will not work for them.
- Treat an STR as you would other commercial uses for lodging, similar to a hotel. As such, they would require site plan review, unless exempted, and may require other local approvals depending upon the regulations.
- Owner-occupied STRs are less likely to cause problems for the community.
- Consider adopting additional (non-zoning) STR regulations to minimize impact on abutters (quiet hours, number of vehicles, etc.).
- For communities with many seasonal residents, STR regulation will not likely return seasonally vacant units to the long-term market.
- Consistent enforcement of STR regulations is key to achieving your community's outcomes.

Resources

- NH Municipal Association, “Municipal Regulation of Short-Term Rentals,” https://www.nhmunicipal.org/sites/default/files/uploads/workshop-materials/short-term_rental_municipal_regulations.pdf
- NH Office of Planning and Development, “Controlling Short-Term Rentals: What Can Towns Do?,” <http://nhhousingtoolbox.org/resource-archive/short-term-rentals.pdf>
- Danye Lee, “How Airbnb Short-Term Rentals Exacerbate Los Angeles’s Affordable Housing Crisis: Analysis and Policy Recommendations,” <https://blogs.ubc.ca/canadianliteratureparkinson/files/2016/06/How-Airbnb-Short-term-rentals-disrupted.pdf>
- Boston Magazine, “‘We are at a crisis level on the supply of rental housing.’ Experts discuss the impact of short-term rentals,” <https://www.boston.com/real-estate/spring-house-hunt/2022/06/15/short-term-rentals-impact-housing-crisis/>
- Granicus, “Six Ways That Short-Term Vacation Rentals Are Impacting Communities,” <https://granicus.com/blog/six-ways-that-short-term-vacation-rentals-are-impacting-communities/>
- Granicus “A Practical Guide To Effectively Regulating Short-term Rentals on the Local Government Level,” https://granicus.com/pdfs/Whitepaper_-_A-practical-



[guide-to-effectively-regulating-short-term-rentals-on-the-local-government-level.pdf](#)

- NH Bulletin, “Bill on short-term rentals ratchets up a fundamental debate in N.H. communities,” <https://newhampshirebulletin.com/2022/04/11/bill-on-short-term-rentals-ratchets-up-a-fundamental-debate-in-n-h-communities/>
- New England Real Estate Journal, “New England cities rein in short-term rentals,” <https://nerej.com/new-england-cities-rein-in-short-term-rentals-by-ken-mackenzie-and-chris-vaccaro>

Issues Addressed

Housing Costs, Housing Options

Related Tools

Accessory Dwelling Units, Workforce Housing Ordinance

State Law

- RSA 674:16, <http://www.gencourt.state.nh.us/rsa/html/lxiv/674/674-16.htm>
- RSA 21:6-a, <http://gencourt.state.nh.us/rsa/html/I/21/21-6-a.htm>
- RSA 78-A:3, <http://www.gencourt.state.nh.us/rsa/html/V/78-A/78-A-3.htm>
- RSA 78-A:4-a, <http://www.gencourt.state.nh.us/rsa/html/V/78-A/78-A-4-a.htm>
- RSA 674:43, <http://www.gencourt.state.nh.us/rsa/html/lxiv/674/674-43.htm>

Case Studies

Hanover, NH

In 2020, after considerable study of the STR market and example regulatory mechanisms, the Town of Hanover decided to regulate STRs. The Town distinguishes between hosted STRs, where the owner is present on the premises through the rental, and unhosted STRs, where the owner is not present. STRs may not be operated by investors (the STR must be the owner’s principal residence), and unhosted STRs are



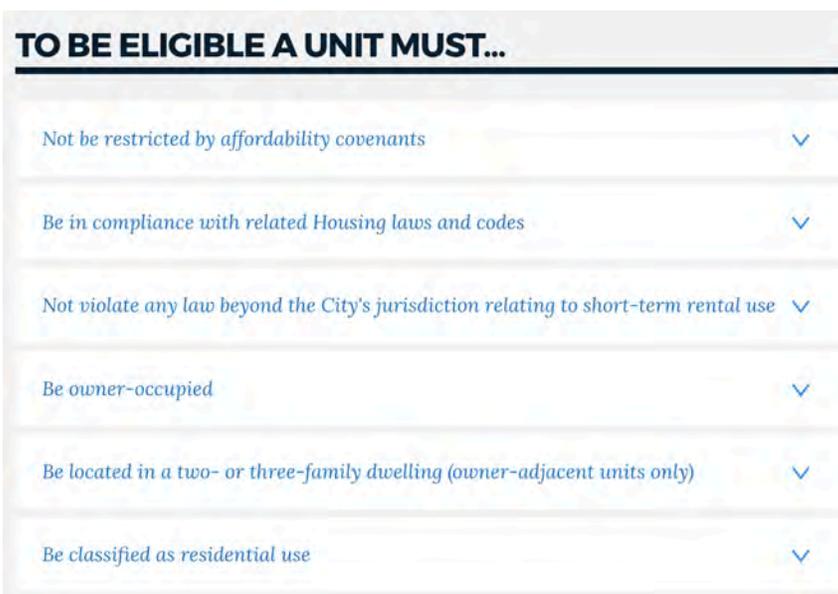
not permitted in ADUs. STRs must be registered with the Town. The STR regulations, though passed in 2020, became active with the adoption of broad rental regulations in 2022.

- NH Municipal Association, “Short-Term Rentals” webinar presentation, https://www.nhmunicipal.org/sites/default/files/uploads/workshop-materials/short-term_rentals_slides.pdf
- Town of Hanover Rental Housing Ordinance FAQ, https://www.hanovernh.org/sites/g/files/vyhlf3226/f/uploads/town_of_hanover_initial_rental_housing_faq_8-12-2022.pdf

Boston, MA

Boston passed STR regulations in 2019, allowing them under certain conditions. It recognizes three classes: limited share rentals (where a spare bedroom in the operator’s home is the STR), home share rentals (where the home the operator occupies is sometimes a STR), or owner-adjacent rentals (where another unit in a duplex or triplex the operator owns and lives in is an STR). All STRs must be in owner-occupied buildings and cannot exist in buildings with more than three units. STRs must register with the city and pay a fee. The estimated number of STRs in Boston decreased from roughly 6,000 before the regulations to 841 in 2021.

- City of Boston, “Short-Term Rentals,” <https://www.boston.gov/departments/inspectional-services/short-term-rentals>



A screenshot from Boston’s online guide to its STR regulations.

San Diego, CA

San Diego recently passed STR regulations with the goal of limiting STRs to 1% of the total housing stock. Similar to Boston, San Diego recognizes multiple classes of STRs based on characteristics of the home and rental practices. San Diego’s tiers are partly based on the number of days rented, with fewer restrictions on owner-occupants who rent their home for less than 20 days, intermediate restrictions for owner-occupants who rent their home for more than 20 days but still live there most of the time, and significant restrictions on full-time STRs. STR operators must apply for a license, and a limited number of licenses are granted on a lottery basis.

- City of San Diego, “Short-Term Residential Occupancy (STRO),” <https://www.sandiego.gov/treasurer/short-term-residential-occupancy>



Portsmouth, NH

In 2019, the New Hampshire Supreme Court upheld the City of Portsmouth’s Zoning Ordinance, which defined STRs as “transient occupancy” and prohibited them in residential zones.

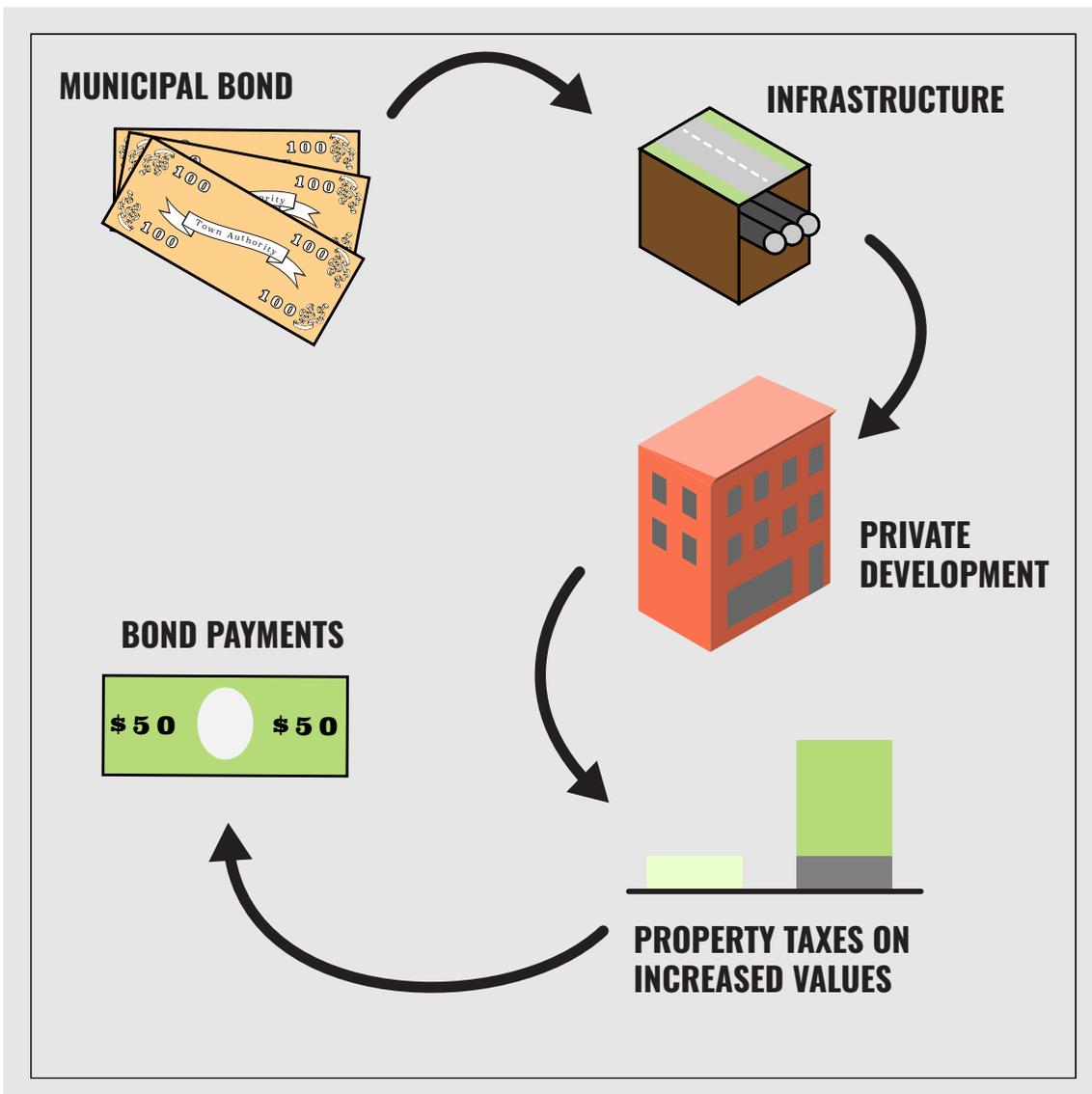
- Portsmouth Herald, “Short-term rentals in Portsmouth: Should city allow it? Mayor says yes, but with limits” (February 3, 2022)
- NH Municipal Association, “Short Term Rental Use of Property Zoned Residential is Prohibited by a Zoning Ordinance Definition that Such Use is a Prohibited Transient Occupancy,” <https://www.nhmunicipal.org/court-updates/short-term-rental-use-property-zoned-residential-prohibited-zoning-ordinance>

Conway, NH

A case currently before the NH Supreme Court is a challenge to the Town of Conway’s requirement that STRs must be owner occupied.

- Town of Conway, “Regulations of Short-Term Rentals Proposed by the Committee and Accepted by the Board of Selectmen,” <https://conwaynh.org/wp-content/uploads/2020/12/STR-Regulations-Accepted-by-BOS.pdf>
- WMUR, “Judge denies Conway’s attempt to ban short-term rentals that are not owner-occupied,” <https://www.wmur.com/article/judge-denies-conway-attempt-ban-short-term-rentals/38903866>

Tax Increment Financing (TIF)





What is it?

Tax Increment Financing (TIF) is an economic development tool meant to make private developments feasible at low upfront costs to the community. With TIFs, a municipality issues debt or otherwise agrees to pay to finance infrastructure or other public improvements in a specific area (the “TIF district”). Those improvements enable private development, which increases the value of TIF district properties and associated property tax revenue. Those increases to tax revenue (called the “tax increment”) are set aside to pay off the debt. Once the debt is repaid, all the property tax revenues go into the municipality’s general fund. The law permits municipalities to make investment decisions.

There are a number of misconceptions about TIF districts. A TIF does not increase or reduce taxes for anyone; it simply allocates how some tax revenue is spent. It does not change zoning requirements or affect property rights. Most importantly, it does not create a separate taxing authority. It is completely under the control of the local legislative body, which for towns is made up of voters at the annual town meeting.

TIFs are authorized by New Hampshire RSA 162-K, and a city must legally have adopted that statute in order to proceed with creating a TIF.

How can it help?

Tax Increment Financing can...

- Encourage housing development where it would be otherwise impossible due to expensive brownfield cleanups, lack of infrastructure, or other constraints.
- Provide workforce housing.
- Finance public improvements that will help the whole community.
- Subsidize worthy projects without burdening current taxpayers.
- Spur economic development in targeted areas when private investment is insufficient, such as the case in many downtowns.
- Diversify the tax base.
- Bring local jobs in targeted industries.
- Improve infrastructure leads directly to higher property values.
- Boost local tax revenues in the long-run when debt is repaid and in the short-term if property values exceed what was expected.



Getting Started

TIF adoption must follow specific guidelines set forth in RSA 162-K. These requirements are marked with an asterisk (*) in the list below. There are additional best practices included here that will increase the chances of success.

1. Recognize and promote TIFs' impact on common master plan goals, such as increased housing options, economic development in downtowns and village centers, open space preservation, and historic preservation.
2. If undertaking a master plan, include adoption of TIF housing as a recommendation.
3. Assess your local infrastructure, real estate market, and development constraints that may be resolved by infrastructure development. Use this assessment to identify potential workable TIFs.
4. Talk with property owners and other stakeholders in potential TIF districts. Determine if infrastructure could unlock actual development opportunities with active interest from owners and developers.
5. Hold public engagement events to discuss, reassess, and build support for the idea of TIFs (if not yet authorized in your community) and specific potential TIF districts and TIF plans. It is important for local officials and the general public to understand how a proposed TIF might work. There should be a public outreach campaign to ensure awareness; a local economic development committee many times can be the champion of a TIF plan.
6. (*) Based on your assessments and the public input, develop a TIF plan, which must include the district boundaries, a development program, and a finance plan.
7. (*) If your community has not adopted RSA 162-K "Municipal Economic Development and Revitalization Districts," you must legally do that before adopting. However, the process of holding hearings for the initial adoption of RSA 162-K and establishment of a specific TIF district may be held concurrently.
8. (*) The governing body (City Council, Board of Selectmen, etc.) must hold a hearing.
 - a. If your community has *not* adopted RSA 162-K, the hearing should be both on the adoption of that law enabling TIFs locally, and a specific TIF district.
 - b. If your community has already adopted RSA 162-K, the hearing can be specific to a proposed TIF district.
9. A clear and concise presentation explaining the plan, with examples, should be given at the city council or annual town meeting prior to a vote.
10. (*) Formal District Establishment:
 - a. If your community has already adopted RSA 162-K, the legislative body (City Council, Town Meeting, etc.) can vote on the establishment of a TIF



district and the associated TIF plan.

- b. If your community has not adopted RSA 162-K, the legislative body must first vote to adopt that statute, and can then vote on the establishment of a TIF district and the associated TIF plan.

11. (*) Establish a TIF Advisory Board.

- a. The legislative body, in approving the TIF Plan, should also approve the number of members for a TIF district's Advisory Board. The legislative body can place other restrictions as well, as long as they do not conflict with the statute.
- b. The statute requires the majority of members be property owners or occupants in the community, and at least one member be a property owner or occupant in the TIF district. The law requires a balance between business and community interests on the board.

12. (*) File annual financial reports.

13. Continue to promote the TIF so that it can benefit your town or city. Developers won't know about this incentive unless someone tells them.

Considerations

- Many states require private developments to be financially infeasible “but for” the public’s TIF investment in infrastructure. New Hampshire does not have this requirement, but your community should still think about the “but for” test when assessing TIFs. You do not want to issue public debt if the developer could have paid for the infrastructure improvements themselves.
- The municipality is on the hook for any debt payments if tax revenue generated does cover debt payments.
- Keep the finance plan as flexible as possible. A reimbursement mechanism (where the municipality pays back the developer for infrastructure with the tax increment) may be preferable to issuing a bond. It decreases the risk to the municipality, and ensures the developer has “skin in the game” earlier.
- Only issue debt once development is likely, and issue debt in phases if possible to avoid undue risks. Require development agreements and performance guarantees to minimize the risk for the municipality.
- Make sure the process is transparent and follow the letter of the TIF law.
- Note that tax relief programs, like the Community Revitalization Tax Relief Incentive (79-E) could limit tax increments available for TIF payments.



Resources

- New Hampshire Office of Energy and Planning, “Tax Increment Financing,” <http://nhhousingtoolbox.org/resource-archive/tax-increment-financing.pdf>
- NH Municipal Association, “Field of Dreams: How Tax Increment Financing Can Help Development Dreams Come True,” <https://www.nhmunicipal.org/town-city-article/field-dreams-how-tax-increment-financing-can-help-development-dreams-come-true>
- Government Finance Officers Association, “Tax Increment Financing Primer,” https://gfoaorg.cdn.prismic.io/gfoaorg/23abaf70-6a7b-4491-9b8a-f20055b84d95_CEDCPPrimerTaxIncrementFinancing.pdf
- Government Finance Officers Association, “Best Practices: Creation, Implementation, and Evaluation of Tax Increment Financing,” <https://www.gfoa.org/materials/creation-implementation-and-evaluation-of-tax-increment>
- City of Dover, “Tax Increment Financing Feasibility Study,” <https://www.dover.nh.gov/Assets/government/city-operations/2document/planning/outreach/EcDev/TIF%20Report%20v2.pdf>
- Council of Development Finance Agencies, “Tax Increment Finance Resource Center,” <https://www.cdfa.net/cdfa/cdfaweb.nsf/resourcecenters/tif.html>
- Town of Londonderry, “Tax Increment Finance (TIF) District Page,” <https://www.londonderrynh.org/planning-economic-development/pages/tax-increment-finance-tif-district-page>

Issues Addressed

Housing Costs, Redevelopment, Infrastructure

Related Tools

Age-Friendly Neighborhoods, Mixed-Use Development, Workforce Housing Ordinance, Adaptive Reuse

State Law

- RSA 162-K, <http://www.gencourt.state.nh.us/rsa/html/xii/162-k/162-k-mrg.htm>



Case Studies

Bow, NH

The town adopted the Bow Business Corridor TIF in 2018 to extend the municipal water system and fund road improvements in the northern part of town. The previous year Bow had approved a mixed-use district allowing higher densities with multifamily housing. The town has used the revenue generated so far to fund engineering and design of the waterline extension. This commitment to extend the waterline has attracted several developers including the John Flatley Company, which has proposed a mixed-use development with 260 housing units.

- Town of Bow, “Bow Tax Increment Finance Districts (TIF),” <https://bownh.gov/688/Bow-TIF-Districts>



Concord, NH

Concord has established numerous TIF districts, including the Sears Block TIF District in downtown Concord. The site of a former Sears department store, an incomplete development in the late 1990s left the buildings partially demolished. The City acquired the block and demolished the remaining structures in 2002. The City and a private developer used TIF, private funds, and other revenue sources to redevelop the block into “Capitol Commons.” Across the City, TIFs have funded roadway, utility, and parking improvements, as well as preparation of sites for new development. TIF improvements have enabled millions of dollars in new taxable value.

- BondBuyer.com, “Concord, N.H., Selling \$10M Today For Downtown Sears Block Project” (July 20, 2005)
- Matt Walsh, City of Concord,



Concord’s Sears Block was either vacant or underutilized for years after the department store left for a suburban mall (top). It sat partially demolished until the City used TIF to ready the site for private development. Now it is called Capitol Commons (bottom) a hotel, parking garage, movie theater, and more. (Images via City of Concord)



“Tax Increment Financing” Concord case studies presentation, https://www.rochesternh.gov/sites/g/files/vyhlif9211/f/file/file/rochester_tif_presentation_no_jd_slidesm.pdf

- Jack Dugan, Applied Economic Research, “Downtown Lebanon TIF Feasibility Analysis Study Committee Briefing October 12, 2017” with Concord case studies, <https://flyleb.com/DocumentCenter/View/5534/TIF-Meeting-Presentation-10-12-17?bidId=>

Exeter, NH

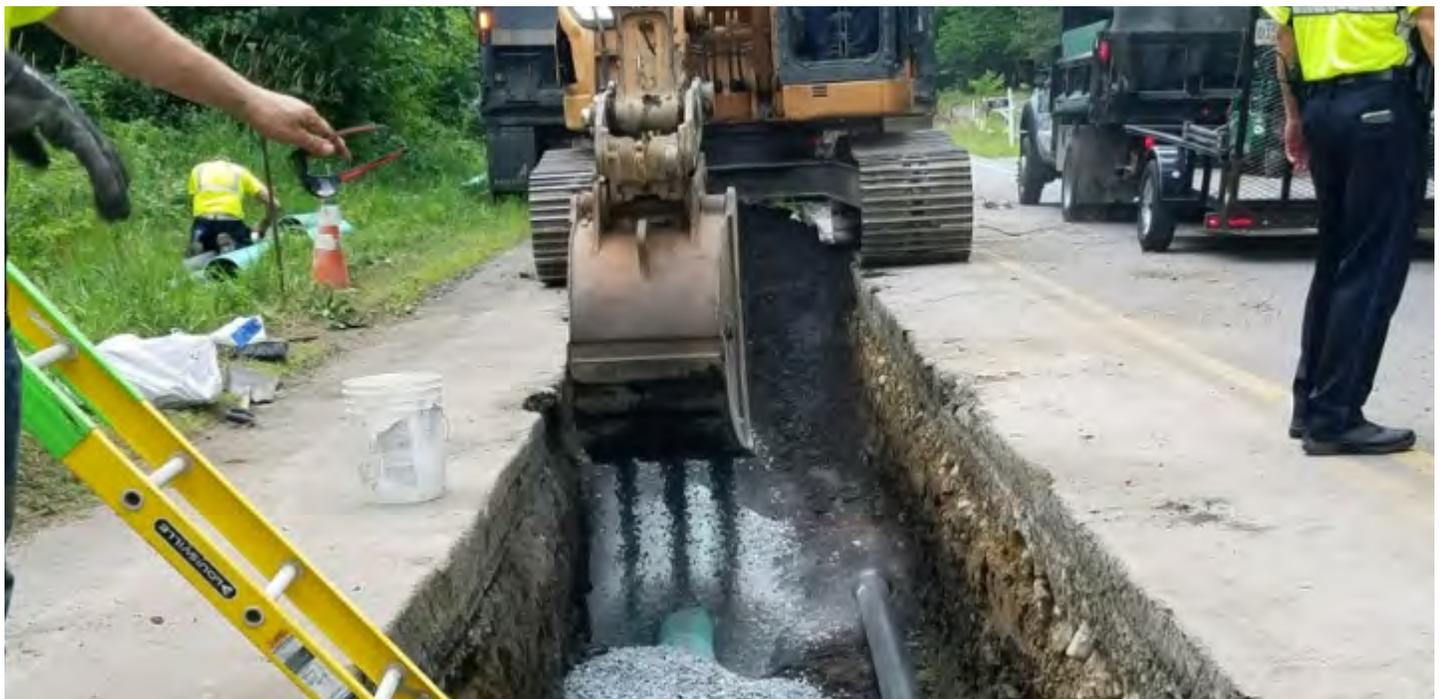
Exeter voters approved a TIF for the Epping Road area in 2015. The TIF funded improvements and extensions to roadways and utilities. The TIF infrastructure has supported businesses, as well as an age-restricted condominium development.

- Town of Exeter, “Epping Road TIF (Tax Increment Financing) District,” <https://www.exeternh.gov/business/epping-road-tif-tax-increment-financing-district>

Easton, MA

Easton is a far suburb of Boston with a population of 20,000. The town’s master plan called for concentrating growth (including residential growth) at its major commercial hub, Five Corners. The town’s voters approved a TIF district (called DIF in Massachusetts), which would add sewer capacity, sidewalks, bike lanes, and traffic improvements to the area, in order to enable mixed-use development.

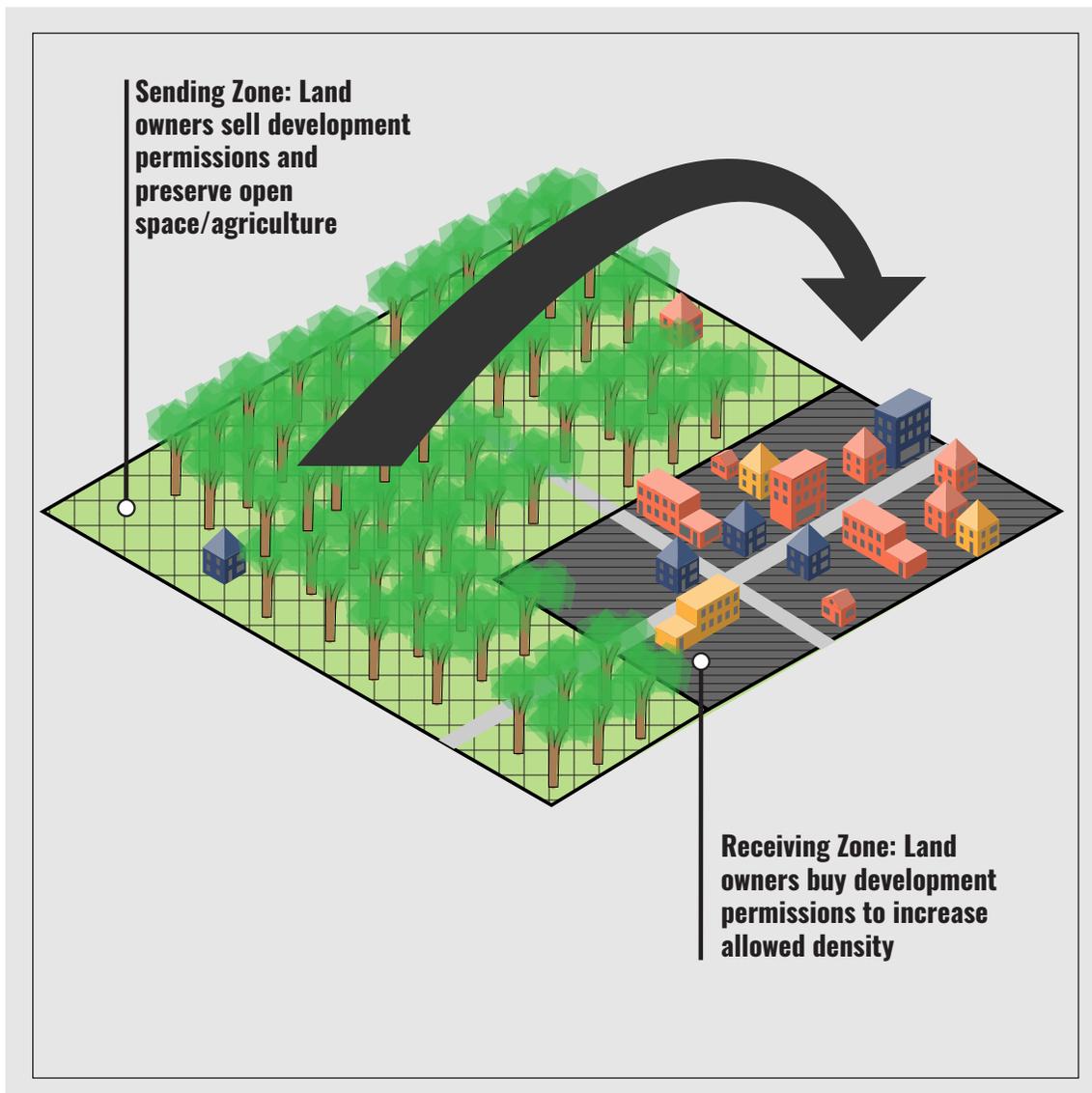
- Town of Easton, “Five Corners District Improvement Financing” home page, <https://www.easton.ma.us/sewer/dif/index.php>
- Town of Easton, MA “Five-Corners District Improvement Financing Master Plan, <https://eastontownma.documents-on-demand.com/document/d3513160-f12e-e911-a2c9-000c29a59557/Five%20Corners%20DIF%20Program%20Master%20Plan>



Sewer construction in the Five Corners growth area in Easton, MA, funded in part through Tax Increment Financing. Once complete, the new sewer capacity will allow more housing development and absorb growth from more rural areas of town. (Image via Town of Easton, MA.)



Transfer of Development Rights (TDR)





What is it?

Transfer of Development Rights (TDR) is a zoning tool used to distribute development in an area to the places best suited for development, while letting all property owners recoup the value of development. Within a TDR framework, the owner of land ill-suited for new housing (e.g., where there is a farm or where there are no utilities) could sell development rights to an owner of land more suitable to new housing (e.g., in a developed area with infrastructure access).

Many TDR frameworks establish a “sending zone,” where property owners can sell development rights, and a “receiving zone,” where property owners can buy development rights. In most frameworks, a local government body (like the Planning Board) must approve the sale, and sale is often conditional on the approval of the development itself. In some cases, municipalities will remove the right to actual development in the sending zone, but use TDR to maintain the sending zone landowners’ financial benefits.

In theory conventional zoning and TDR permit the same number of total housing units, just in different places. In practice, TDR can unlock more housing development by moving development capacity from infeasible parcels and parcels with limited infrastructure access to parcels that are more conducive to housing development.

How can it help?

TDR can...

- Create new housing options in areas with existing infrastructure and amenities.
- Preserve open space, agricultural, and low-density residential areas.
- Unlock housing potential from parcels that would otherwise be infeasible or lower capacity.
- Maintain community character by preventing sprawl development.
- Help transition from high-density to low-density areas.
- More evenly distribute the financial benefits of development to open space, agricultural, and low-density residential areas, while also increasing financial benefits for built-out areas.
- Encourage small and alternative housing types without increasing the overall development in a community.



Getting Started

1. Recognize and promote TDR's impact on common master plan goals, such as increased housing options, open space preservation, economic development in targeted areas, and more.
2. If undertaking a master plan, include adoption of TDR as a recommendation, as well as recommendations for the locations of sending and receiving zones. Ideally, the sending zone will be an area of high conservation value (e.g., community open space, farmland, forested areas, scenic view sheds, historical landmarks, etc.), while the receiving zone should be suitable for accommodating growth (e.g., areas that have existing or planned public utilities).
3. Conduct a real estate financial analysis of properties and recent developments in and around your community, in an attempt to place a dollar value on development rights on a per-housing-unit basis. This should consider both the value of development in the sending zone and the value in the receiving zone. Publish your findings as guidance for property owners looking to participate in the TDR scheme.
4. Audit your community's existing land use regulations. Identify any changes needed to make TDR-enabled development feasible. For example, allowed housing types, densities, and dimensional rules may need to change to accommodate denser development in the receiving zone.
5. Conduct a public engagement process to educate property owners and the community generally and determine your community's goals for a TDR program. Engagement should help determine whether and where sending and receiving zones are located, what kind of development is desired in the receiving zone, and whether TDR are "bankable."
6. Draft and adopt legislation that implements TDR. This will require amendments to zoning that:
 - a. Allow TDR,
 - b. Set sending and receiving zones (if desired),
 - c. Set a process for TDR approval,
 - d. Set a procedure for severing development rights from the sending parcel (typically through a deed of transferable development rights) and a procedure for protecting lands with severed development rights (typically through a covenant placed on the deed),
 - e. Make any other changes (zoning, subdivision, etc.) that are necessary for TDR-enabled development.
7. Publicize the TDR option to property owners and developers in the sending and receiving zones.
8. If TDR are bankable, consider using local funds to purchase development rights to sell later when developments are on the table.



Considerations

- Adding TDR to zoning will not ensure it is used. There must be demand for TDR-enabled development in the receiving zone, there must be interest in selling development rights in the sending zone, and the value of development rights need to be understood similarly by all parties involved.
- TDR works best when the value of development rights are predictable. An overly discretionary development approval system can make development rights *unpredictable*. If implementing TDR, your community should try to add predictability to the system through zoning rules, and if possible, by-right approvals.
- Bankable TDRs can be a great way to give property owners financial liquidity, make transactions smoother, and add predictability to the system. However, opening up bankable TDRs to the private market could risk making development rights speculative assets, could encourage predatory transactions, and/or title transactions more difficult. If your community wants to make TDRs bankable, you should consider making the municipality or other trusted actor the sole “TDR bank.”
- In order for this tool to be used, TDR should be more attractive to landowners than conventional practices, such as subdivision of lots. Municipalities should incorporate this tool in a way that ensures the developer can achieve the highest possible benefits in a receiving area. For example, if a developer is able to achieve the same density by obtaining a zoning change, they are less likely to use the TDR tool.
- TDR frameworks can face opposition from neighbors of the receiving area who might argue that a TDR will increase noise, traffic, or lead to increased property taxes as a result of added development (whether factual or not). A public engagement process needs to thoroughly discuss TDR’s trade-offs, and engagement should include the community at large.
- For TDR to be successful, there must be adequate staff capacity to promote, administer, and monitor the program.

Resources

- NH DES, NH Association of RPCs, NH OEP, and NHMA, "Innovative Land Use Planning Techniques: A Handbook for Sustainable Development," Chapter 1.1: Density Transfer Credit, <http://nhhousingtoolbox.org/resource-archive/ilupt-chpt-1.1.pdf>
- WeConserve PA, “Conservation Tools: Transfer of Development Rights,” <https://conservationtools.org/guides/12-transfer-of-development-rights>



- Local Housing Solutions, “Transfers of development rights,” <https://localhousingsolutions.org/housing-policy-library/transfers-of-development-rights/>
- Jennifer McStotts, “A Preservationist’s Guide to Urban Transferable Development Rights,” <https://www.laconservancy.org/sites/default/files/files/documents/A%20Preservationist%27s%20Guide%20to%20Urban%20Transferable%20Development%20Rights%20%28NTHP%202007%29.pdf>

Issues Addressed

Housing Costs, Housing Options, Sustainable Housing, Infrastructure

Related Tools

Age-Friendly Neighborhoods, Mixed-Use Development, Workforce Housing Ordinance, Adaptive Reuse

State Law

- RSA 674:21(d), <https://www.gencourt.state.nh.us/rsa/html/LXIV/674/674-21.htm>

Case Studies

Dover, NH

The City of Dover recently enabled a workforce housing project called the Cottages at Back River Road through its Transfer of Development Rights program. The development consists of 44-detached “cottage style” units that are 385 square feet each located on a 7.16 acre site. These residences, which will all be rental units, will be capped at HUD’s Fair Market Rates and are meant to support the local workforce by giving employees affordable homes near their work.

- Dover TDR Fact-Sheet, <https://www.dover.nh.gov/Assets/government/city-operations/2document/planning/outreach/TDRr.pdf>
- Fosters Daily Democrat “Affordable cottage homes: Project in Dover aims to set 'example' for workforce housing” (March 9, 2021)



The Cottages at Back River Road project features small detached single-family around a central green area. It was enabled by TDR in Dover. (Image via Foster’s Daily Democrat.)

Stowe, VT

This Vermont resort town implemented zoning changes to protect farm and meadowlands from large-scale commercial development, drastically reducing potential development in some areas of town. The town implemented TDR to both soften the financial blow to those landowners and to improve development quality in identified growth nodes.

- Vermont Natural Resources Council, “Transfer of Development Rights – Stowe,” <https://vnrc.org/community-planning-toolbox/case-studies/transfer-of-development-rights-stowe/>



Montgomery County, MD

This Maryland county is often regarded as the best example of TDR in the US. The county's landscape ranges from dense inner DC suburbs like Bethesda and Silver Spring to contemporary suburban and exurban development to farmland and forests. These varied conditions enabled the county to launch its TDR program in the 1980s. Along with a building boom and Maryland's mostly county-level governance, the program took off. More than 50,000 acres of farmland were preserved. However, only 4% of subdivisions used during its most active decades, and exurban development continues to alter the rural part of the county. This TDR program has been criticized for not aligning the economics of TDR credits with the zoning capacity in the receiving zone.



A map of Montgomery County, MD showing the Agricultural Preserve (sending area) and growth nodes (around which are the receiving areas). (Image via Wikimedia.)

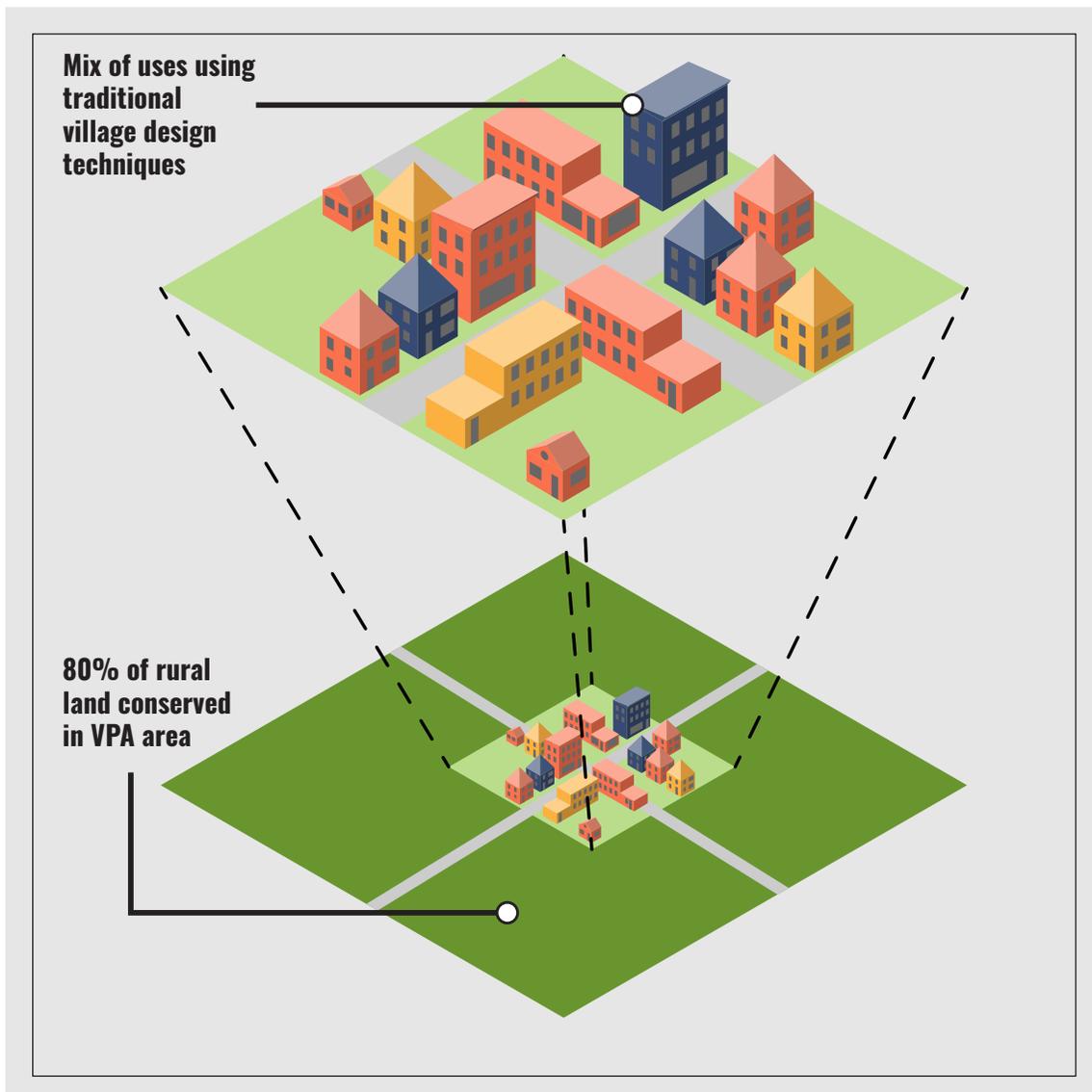
- Smart Preservation, “Montgomery County, Maryland,” <https://smartpreservation.net/montgomery-county-maryland/>
- Li Fang, “Land Preservation Under the Transfer of Development Rights Program,” <https://www.tandfonline.com/doi/abs/10.1080/01944363.2020.1841670?journalCode=rjpa20>

King County, WA

King County, Washington, where Seattle is located, has a TDR program that has protected 225 square miles of rural and open space lands. The program redirects development pressure from outer suburbs, exurbs, and farmlands to urbanized areas of the county. King's County runs a TDR bank to facilitate transactions, and it operates an exchange where private actors can participate in the TDR market. The county also facilitates interlocal agreements between participating municipalities and manages transfer of obligations between communities.

- King County, “Transfer of Development Rights: Program Overview,” <https://kingcounty.gov/services/environment/stewardship/sustainable-building/transfer-development-rights/overview.aspx>

Village Plan Alternative





What is it

The Village Plan Alternative (VPA) is a zoning tool designed to encourage the development of new villages in rural areas. The tool promotes compact development and a mix of land uses using traditional neighborhood design techniques, paired with open space conservation. The tool is similar to cluster zoning (also called “conservation development”), but it is focused on traditional mixed-use villages. The tool is also not an infill development ordinance, as it is focused on developing *new* villages in land that might otherwise go to conventional greenfield development. VPAs must conserve at least 80% of the total land in the VPA area.

Communities can allow the use of VPAs by incorporating a VPA ordinance into zoning. The VPA ordinance should specify applicable locations for establishing a VPA, allowed uses, dimensional rules, design standards for buildings and the public realm, and processes for permitting a VPA. All rules and standards should be specified for both the developable and conserved areas.

How It Can Help

VPAs can...

- Provide more diverse housing options with better access to everyday needs and community gathering spaces.
- Reduce infrastructure costs for new development, reducing housing costs overall.
- Create communities more accessible to seniors, young people, and new families.
- Create economic development opportunities by providing more supply of commercial space and concentrating residents’ demand for goods and services.
- Protect open spaces from sprawl style development.
- Protect agricultural economies and traditions.
- Create more local tax revenue, since housing near amenities tends to be valued more and successful mixed-use development can add more net revenue than housing alone.

Getting Started

1. Recognize and promote VPA’s impact on common master plan goals, such as more diverse housing options, increased affordability, open space and agricultural preservation, efficient use of infrastructure, etc.
2. If undertaking a master plan, include adopting VPA as a recommendation.



3. Conduct a public engagement process to gather public input on how to use the tool, including where new villages could be located, and which open spaces should be protected. Ensure the public understands how the tool works before moving forward with any legislation.
4. Assess whether identified village areas can support greater housing development (i.e., access to utilities, traffic constraints, etc.).
5. Draft zoning amendments that would adopt VPA into your existing zoning ordinance, specifying where VPAs are an available tool for development, where villages can be located, allowed uses, densities, parking requirements, etc. These amendments should account for any other zoning rules that may impact VPA implementation, as well as any non-zoning elements (e.g., Site Plan and Subdivision regulations) that must be adapted.
6. Work with your Planning Board, Zoning Board, or any other relevant body to bring draft VPA legislation to the public and the Legislative Body.
7. Once adopted, promote the VPA option to existing landowners and developers active in your town.

Considerations

- VPA adoption and VPA development have been limited. While there is a model VPA ordinance, your community will need to commit resources to studying how best to implement VPA locally and how to educate the public on the tool.
- Long-term phased VPA development can aid more organic community development. That said, the developer and any businesses located in the VPA may need a critical mass of residents to flourish.
- Where possible, the village area and preserved open spaces should feel connected and should support one another (e.g., residents directly purchasing produce from preserved farmland or by providing trails in preserved woodlands).
- The relative density of VPA's village areas means there may be more physical constraints on VPAs than similar tools like cluster housing. Tools like Tax Increment Financing (TIF) could be used to fund utility access or other infrastructure needs.
- Mixed-use development requires a different skill-set than residential-only development. Your community should seek out mixed-use developers working in the region and connect them with local agricultural or open space landowners.
- Businesses in totally new communities face significant economic risks, and commercial spaces risk sitting vacant. Tailor commercial space design to meet local business needs, and connect developers to local businesses and entrepreneurs. Partnerships between developers and commercial tenants can improve a project's viability.



Resources

- NH DES, NH Association of RPCs, NH OEP, and NHMA, "Innovative Land Use Planning Techniques: A Handbook for Sustainable Development," Chapter 1.5: Village Plan Alternative, <http://nhhousingtoolbox.org/resource-archive/ilupt-chpt-1.5.pdf>

Issues Addressed

Housing Costs, Housing Options, Sustainable Housing, Infrastructure, Multigenerational

Related Tools

Cluster Housing, Age-Friendly Neighborhoods, Missing Middle Housing Types, Housing Opportunity Zones, Workforce Housing Ordinance, Planned Unit Development, Wastewater System Alternatives

State Law

- NH RSA 674:21.VI, <http://www.gencourt.state.nh.us/rsa/html/LXIV/674/674-21.htm>

Case Studies

Five communities have adopted the Village Plan Alternative rules as of 2020, but use of the tool has been limited. The Planning Board in Enfield, one of the communities that adopted VPA, put forward a Town Meeting warrant to repeal the VPA in 2022, citing its redundancy with other tools.

Nonetheless, mixed-use conservation or cluster developments have proven successful elsewhere.

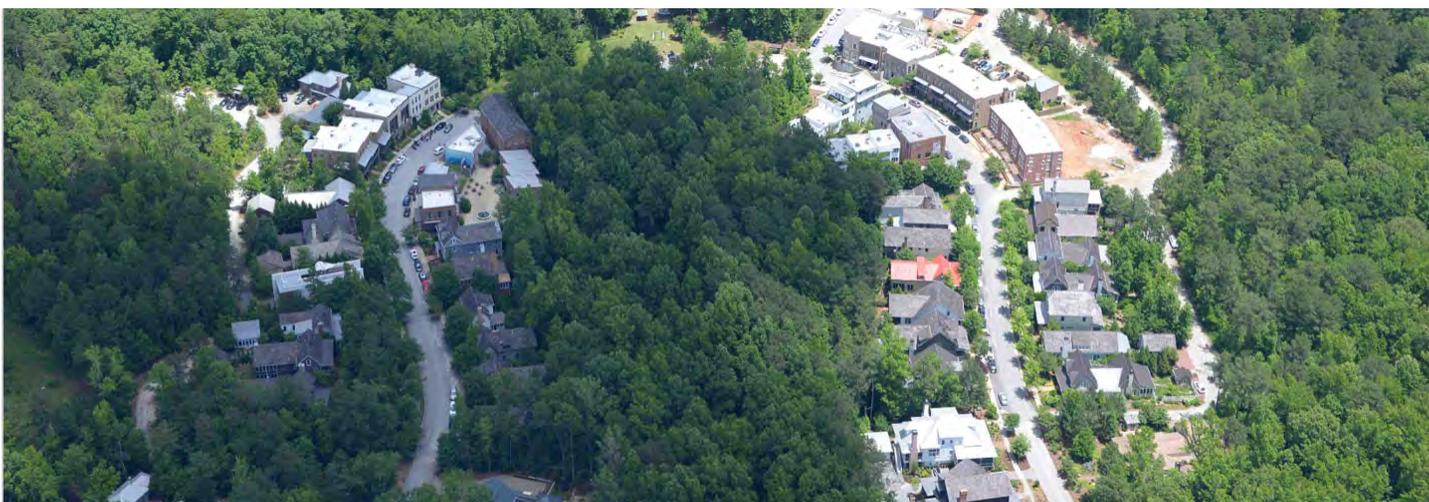
Serenbe, Chattahoochee Hills, GA

Serenbe is a mixed-use conservation development located on the rural outskirts of Atlanta, GA. The 1,200 acre parcel currently houses 650 people and commercial uses while preserving 70% of the land for open space, forest, and agriculture. Homes are



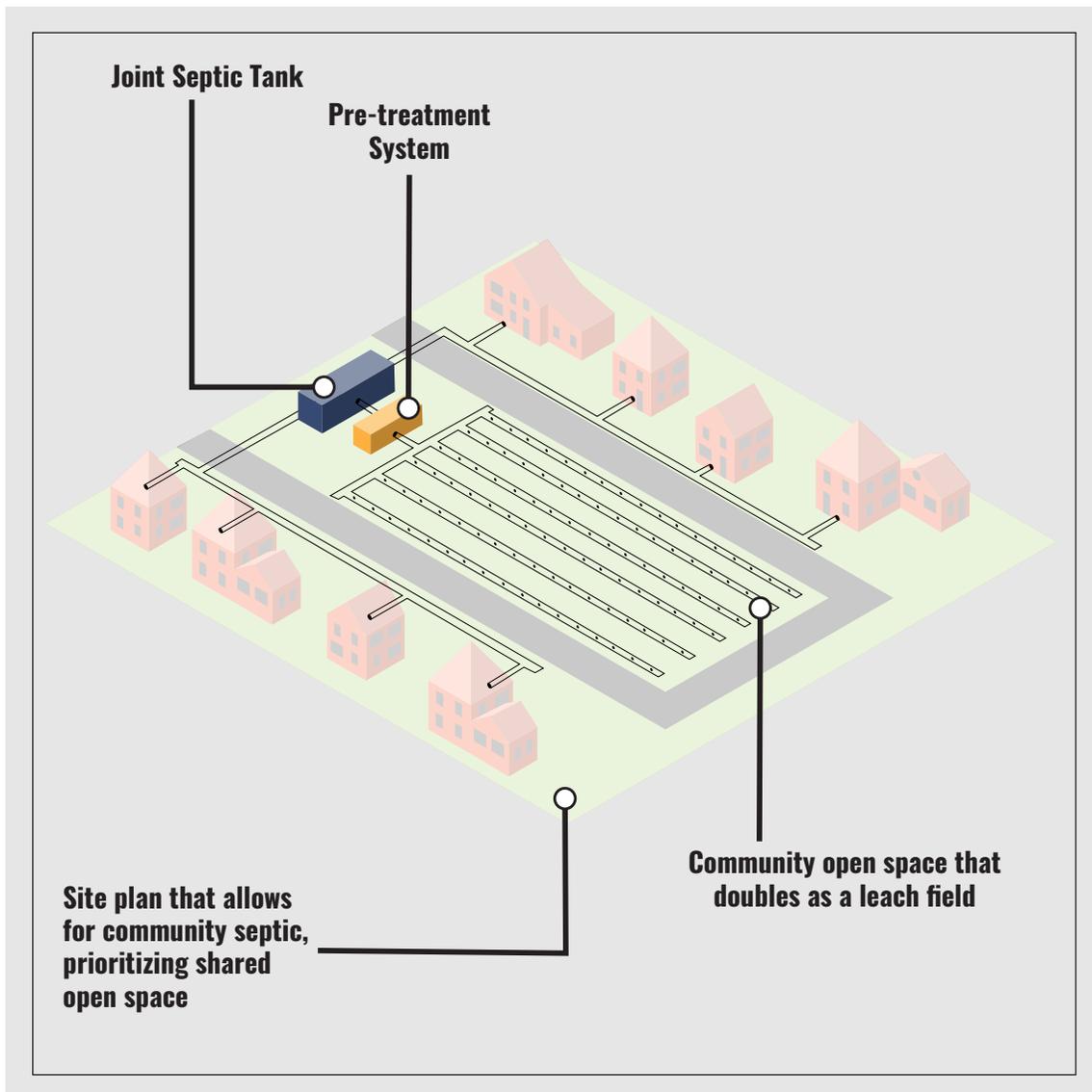
offered for sale or rent, and include single-family homes, cottage housing, townhomes, and live/work units. The development is divided into four “hamlets,” each of which is meant to have walkable access to shops and amenities. An organic farm operates on-site, and Serenbe residents can access weekly farmers markets and the farm’s CSA.

- Urban Land Institute, “Lessons from the Field: Serenbe,” <http://uli.org/wp-content/uploads/ULI-Documents/Serenbe.pdf>
- Serenbe Real Estate development map, <https://www.serenberealestate.com/map>



Mixed-use cluster development surrounded by preserved landscape in Georgia, photo and excerpted site plan. (Image via Serenbe.)

Wastewater System Alternatives





What is it

Wastewater system alternatives are used to overcome limited wastewater discharge capacity, in order to build the appropriate housing types for a community. Dealing with wastewater is a major constraint on housing development in many communities. There are two conventional wastewater options for housing developments, and choosing one typically just comes down to location: (1) connect houses to (public) sewer systems, which usually treat and discharge wastewater into surface water; or (2) build an individual septic system for each home, which separates wastewater into liquids and solids, and discharges the liquids onto the land.

Sewer-connected homes are realistically only built within or sometimes directly adjacent to existing sewer systems, since laying new sewer is very expensive. Therefore, most septic-connected homes are much more common in many suburban and rural communities. In the case of septic systems, the density of housing depends on how much land there is for each home to safely discharge wastewater. Factors such as the type of soil, number of bedrooms, proximity to wells and aquifers, etc. must be factored in to determine the minimum lot size for a home, based on its wastewater needs.

Relatively dense housing that minimizes land costs per unit is often impossible to build with conventional septic systems. Therefore, some developers turn to alternative wastewater systems. Various technologies have been successfully employed to safely discharge effluent onto land, rather than into surface water, even for larger developments with multiple sources. There are three basic strategies new developments might employ:

- **Unconventional site planning and subdivision design**
Unconventional designs can allow individual septic discharge fields to fit into relatively small spaces, decreasing land costs of development. Unconventional designs may require zoning variances or waivers from subdivision regulations.
- **Community septic systems**
These systems collect wastewater from several households into one septic system. This decreases the amount of land needed overall and lowers construction and maintenance costs. Community septic systems vary in scale, but they are sometimes referred to as decentralized wastewater treatment systems.
- **“Innovative/Alternative” (I/A) septic technologies**
I/A septic systems rely on pretreatment of wastewater before it is discharged into soil. Typically this is through the addition of a denitrification system, though I/A technologies can treat other hazards as well. The state maintains a list of I/A technologies that are approved in New Hampshire.

These strategies can be used on their own or combined to produce more and better designed housing. Ultimately wastewater systems, their design, and available technologies are regulated by the New Hampshire Department of Environmental Services. In some cases, communities can require local approval of septic systems.



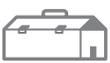
How can it help?

Wastewater system alternatives can...

- Cut costs of land, development and maintenance, lowering housing costs overall.
- Preserve open space that would otherwise be used for private leach fields.
- Permit traditional patterns of small-lot development in villages without public sewer systems.
- Enable mixed-use and multifamily development possible in areas without public sewer.
- Increase the supply of affordable housing.
- Provides design flexibility.
- Fix failing wastewater systems.
- Significantly improve water quality with better treatment.
- Provide groundwater recharge.
- Spur economic development in small rural communities.

Getting Started

1. Make sure wastewater system alternatives are part of your community's comprehensive plan. Recognize their impact on other planning goals, and include them as a recommendation if undertaking a plan.
2. Audit your community's zoning, site plan, and subdivision regulations. Identify any barriers to implementing these systems, such as explicit rules for conventional septic and dimensional regulations that do not accommodate such systems.
3. If needed, amend zoning, site plan, subdivision, and/or other regulations to remove barriers to implementing these tools. This can be done by removing all barriers directly, or by using other land use regulatory tools (like cluster zoning) that will explicitly accommodate these systems.
4. Work with property owners and developers to promote these tools. Incorporate discussions of potential alternative wastewater systems into early meetings with developers before development proposals are submitted.



Considerations

- Consultation with engineers will be required throughout pre-design and design processes due to the site-specificity and complexity of wastewater management. Engineers with less experience in wastewater system alternatives may need help looking at a specific site from all angles.
- As with any septic system, big or small, regularly scheduled maintenance is critical, and a mechanism to fund maintenance, repairs, and replacement reserves is essential.
- Some local governments (such as Newbury, NH, see case study below) operate their own decentralized wastewater systems where they want to provide utilities but sewer is unavailable. These systems are typically larger than the community septic systems for particular developments. Setting up a public decentralized septic system is a large undertaking, but communities with significant resources could look into this option more.
- Communities can require local approval of septic systems by the health officer of a town under RSA 147:1, prior to DES approval (RSA 485-A:32, I & II).

Resources

- NH DES, “Innovative Technology Approvals,” <https://www.des.nh.gov/sites/g/files/ehbemt341/files/documents/innovative-tech-approvals.pdf>
- NH DES, “Communities that require prior approval,” <https://www.des.nh.gov/sites/g/files/ehbemt341/files/documents/town-prior-approval.pdf>
- Civil and Structural Engineer Magazine, “Passive Decentralized Wastewater Treatment Systems Offer High Performance and Low Operation and Maintenance Costs for Large Projects,” <https://cseengineermag.com/passive-decentralized-wastewater-treatment-systems-offer-high-performance-and-low-operation-and-maintenance-costs-for-large-projects/>
- Don Jones, Jacqui Bauer, Richard Wise, and Alan Dunn, “Small Community Wastewater Cluster Systems,” <https://www.extension.purdue.edu/extmedia/id/id-265.pdf>
- Civil and Structural Engineer Magazine, “Decentralized Wastewater Treatment Approaches Meet Community Treatment and Large Commercial System Demands,” <https://cseengineermag.com/decentralized-wastewater-treatment-approaches-meet-community-treatment-and-large-commercial-system-demands/>
- US EPA, “Handbook for Managing Onsite and Clustered (Decentralized) Wastewater Treatment Systems,” https://www.epa.gov/sites/default/files/2015-06/documents/onsite_handbook.pdf



- Frank C. Shephard, “Managing Wastewater: Prospects in Massachusetts for a Decentralized Approach,” <https://www.mass.gov/doc/managing-wastewater-prospects-in-massachusetts-for-a-decentralized-approach-1/download>
- US EPA, “Financing Decentralized Wastewater Treatment Systems,” <https://www.epa.gov/system/files/documents/2022-02/financing-dwts.pdf>
- Booth Bay Register, “Community septic systems a strategy for economic development” (November 20, 2012), <https://www.boothbayregister.com/article/community-septic-systems-strategy-economic-development/6004>

Issues Addressed

Housing Options, Sustainable Housing, Infrastructure

Related Tools

Cluster Housing, Village Plan Alternative, Mixed-Use Development, Missing Middle Housing Types

State Law

- RSA 485-A, <http://www.gencourt.state.nh.us/rsa/html/L/485-A/485-A-mrg.htm>

Case Studies

Blodgett Landing, Newbury, NH

Blodgett Landing is on the shores of Lake Sunapee in Newbury, New Hampshire. It is a census-designated community with a population of 152 in 2020. It has many older camps, which have gradually been converted to year-round use. By 2009, the community’s fifty-year-old wastewater treatment facility had begun to fail, and the Town of Newbury voted to construct a large enviro-septic system to replace it. The new system was completed in 2011 and serves 145 separate connections; it has a maximum design capacity of 50,000 gallons per day (gpd).



Installation of the municipally owned Blodgett Landing community septic system in Newbury. (Images via NextGen Septics)

Note that the designs and specifications of wastewater system alternatives outside of New Hampshire may not meet NH DES standards. While the exact systems below may not be allowed, they are directionally in line with what is possible beyond conventional sewer or septic.

Brownville, ME

The Town of Brownville is in northern Maine near Moosehead Lake and Baxter State



Park. In 1985, the Town voted to construct a subsurface wastewater treatment facility to help clean up the Pleasant River. The system serves the villages of Brownsville and Brownsville Junction; it consists of three miles of gravity sewer lines that lead to infiltration beds. A separate, septage disposal facility is adjacent to the treatment area. The maximum design capacity of the system is 330,000 gpd and it serves approximately 870 residents. This system's exact specifications may not meet NH DES requirements.

- Grow Washington, “Clustered Septic Systems: Brownville, Maine,” <http://gro-wa.org/clustered-septic-systems-brownville-maine.htm#Yy4X6HbMLIU>
- Brownville Wastewater Treatment Facility homepage, <http://www.katahdingateway.com/brownville-maine/>



Noquochoke Village, Westport, MA

The affordable housing crisis is perhaps most acute in New England along the coast of Massachusetts, with very high land costs, and mostly large homes on large lots. One project helping to address this problem in Westport, Massachusetts is the newly constructed Noquochoke Village on a river of the same name. The project consists of 50 apartments varying in size, that were sited on the front 8 acres of the property. The remaining 23 acres abutting the river has been preserved as open space. The project is served by a community septic system with a maximum capacity of 9,900 gpd. Testing has shown that effluent quality exceeds the stringent standards set by the Westport Planning Board for the project. This system's exact specifications may not meet NH DES requirements.

Noquochoke Village, an Affordable Housing development enabled by community septic in Westport, MA. (Images via CEDAC (top) and Noquochoke Village (bottom)).

- Wastewater Digest, “Noquochoke Village Affordable Housing With Stringent Water Requirements,” <https://www.wwdmag.com/wastewater-treatment/decentralized-wastewater/article/10940291/noquochoke-village-affordable-housing-with-stringent-water-requirements>



Brewster Landing, Brewster, MA

Brewster Landing is a mixed-income cottage development on Cape Cod, Massachusetts. The project consists of 28 homes on nine acres. Each home has two- to three-bedrooms and ranges from 1,350 to 1,600 square feet. Most homes are single-family residences, and some are duplexes. Homes are sited close together and arranged around a shared green. This amenity open space doubles as the leech field for a community septic system that includes I/A pretreatment. This combined approach to wastewater enables relatively dense development far from public sewer. This system's exact specifications may not meet NH DES requirements.

- Boston Magazine, “Home of the week: A Cape on the Cape captures the allure of sand and sea” (August 5, 2015), <https://www.boston.com/real-estate/home-of-the-week/2016/08/05/home-of-the-week-brewster-landing/>
- Coastal Engineering, “Brewster Landing” <https://coastalengineeringcompany.com/portfolio/brewster-landing>
- Union Studio Architecture, “Brewster Cottages,” <http://unionstudioarch.com/projects/brewster-cottages/>

An Affordable Housing development in Brewster, MA, was enabled by I/A tech and community septic. (Images via Coastal Engineering.)





Workforce Housing Ordinance



Regulations cannot mandate unaffordable housing everywhere



Workforce housing must be allowed in a majority of residential areas





What is it?

Workforce Housing ordinances are local laws designed to allow for the development of housing that is affordable to a typical working household. These ordinances respond to a RSA 674:-61, which was adopted in 2008, and which codifies a New Hampshire Supreme Court ruling that banned exclusionary zoning practices (see *Britton v. Town of Chester*, 134 N.H. 434 (1991)). That law requires each municipality to provide a “reasonable and realistic” opportunity for housing to be developed that will be affordable to a household making the median income.

This “Workforce Housing” mandate includes a number of technical components:

- Workforce Housing must be *affordable* to a renter household of three making up to 60% of *Area Median Income* or a homeowner household of four making up to 100% of *Area Median Income*.
- “Area Median Income” (AMI) is the average income for a household in the region. Each municipality in New Hampshire falls into one of 14 regions, which are based on county borders. AMIs are calculated by the federal government.
- “Affordable” here means that no more than 30% of total household income should be spent on housing (rent and utilities for renter households; or mortgage principal and interest, taxes, and insurance for homeowner households)
- Workforce Housing does not include age-restricted housing.
- Workforce Housing does not include developments in which more than 50% of units have fewer than 2 bedrooms.
- Workforce Housing can be of any housing type (single-family, duplexes, accessory dwelling units, manufactured housing, apartments, etc.).
- Workforce Housing does not include voucher-subsidized housing (e.g., homes rented with Section 8 vouchers).
- Workforce Housing can be unrestricted homes that are affordable at their market price, or deed-restricted affordable homes provided by nonprofit developers or as part of inclusionary zoning programs.

Practically speaking, for a community to comply with the law, Workforce Housing must be possible to build in more than half of residentially zoned land, and multi-family developments of at least 5 units per structure must be allowed somewhere in town. Not meeting the laws’ requirements opens up a municipality to increased litigation, expedited appeals from builders, and courts’ overruling local permitting decisions.

Many zoning rules could help facilitate Workforce Housing, including allowing small alternative housing types, encouraging ADU development, right-sizing zoning rules, inclusionary zoning provisions, and more. The local laws called “Workforce Housing Ordinances” that explicitly respond to the State’s mandate are typically similar to cluster housing or inclusionary zoning laws—with relaxed zoning rules in exchange for deed-restricted affordable units. A Workforce Housing Ordinance *could* include any zoning tools, as long as they enable Workforce Housing development.



How can it help?

Workforce Housing Ordinances can help...

- Address the rising costs of housing.
- Provide more diversity of housing options.
- Aid young people and new families housing opportunities.
- Aid seniors looking to stay in their community.
- Allow families to live near each other.
- Aid economic growth and limit stagnation by providing housing for workers.
- Compliance with the requirements of state law (RSA 674:58-61 and Britton v. Chester).

Getting Started

1. Recognize and promote a Workforce Housing law's impact on common master plan goals, such as increased housing options, increased affordability, economic development, aging in place, community wellbeing, and more.
2. If undertaking a master plan, include adoption of a Workforce Housing Ordinance as a recommendation.
3. Identify leaders on the Planning Board who can spearhead the effort. Identify other stakeholders, including members of the governing body, housing advocacy groups, developers (nonprofit and for-profit).
4. Assess recent development trends. This will help determine if Workforce Housing is already economically viable in the majority of residentially zoned land.
5. If the development trend assessment suggests that there have been challenges to the actual development of Workforce Housing, audit local laws and regulations to identify development barriers.
6. Conduct a public engagement process to provide clarity about what the tool is, why it is needed, and how it is used, and to receive input on how to shape the ordinance.
7. If challenges are identified in the regulatory audit, a Workforce Housing Ordinance could be a beneficial amendment to the local zoning ordinance.
8. Draft and adopt a Workforce Housing ordinance to address barriers to development and meet the needs and desires of the community. If the law intends to operate as a modified cluster ordinance (as is common), the ordinance should specify the location where the law is applicable, a simple



density calculation, dimensional rules for both the parent parcel and any subdivisions, process for keeping the homes affordable.

9. Promote workforce housing development options to local property owners and developers.

Considerations

- Communities do not need to pass a Workforce Housing Ordinance per se to be compliant with the law. As long as local laws do not impede development of workforce housing, the municipality is compliant. That said, if a community is not already compliant, framing any zoning or regulatory changes as a “Workforce Housing Ordinance” can help community members understand the purpose of the law and build support for housing opportunities.
- A community cannot be compliant with the Workforce Housing mandate if it only nominally allows smaller, more affordable homes, without allowing them in practice. If dimensional and parking rules, subdivision rules, historic preservation rules, procedural rules, or other land use controls make Workforce Housing infeasible, the community is not compliant.
- Public engagement is vital to the adoption of a Workforce Housing Ordinance. Public outreach sessions should occur before the ordinance is developed. Main areas should focus on: 1) why such an ordinance is necessary; 2) who will be living there; 3) what the tool is and what it is not; and, 4) discuss the specific



A rendering of the Depot & Main Apartments, infill workforce housing in Salem, which was under construction in 2022. (Image via BusinessNH.)



elements that can be included in the tool (i.e. where it should be located, if some of the units should be market rate and some affordable, open space considerations and dimensions)

- Management of the deed restrictions is a second concern. A common approach is to work with NH Housing to manage going forward. This can be a helpful approach for smaller communities.

Resources

- NH Municipal Association, “Legal Q&A: What Municipalities Need to Know About “Workforce Housing”, <https://www.nhmunicipal.org/town-city-article/legal-qa-what-municipalities-need-know-about-%E2%80%9Cworkforce-housing%E2%80%9D>
- NH Housing, “Workforce Housing Law Summary,” https://www.nhhfa.org/wp-content/uploads/2019/06/NH_Workforce_Housing_Law_Summary.pdf
- NH Housing, “Meeting the Workforce Housing Challenge: A Guidebook for New Hampshire Municipalities,” https://www.nhhfa.org/wp-content/uploads/2019/06/Workforce_Housing_Guidebook.pdf
- NH Housing, “New Hampshire’s Workforce Housing Law: A 10-Year Retrospective on the Law’s Impact on Local Zoning and Creating Workforce Housing,” <https://www.nhhfa.org/wp-content/uploads/2021/12/Workforce-Housing-Law-Report-12.2021.pdf>
- NH Housing, “Housing Solutions for NH,” https://www.nhhfa.org/wp-content/uploads/2019/06/Housing_Solutions_for_NH.pdf

Issues Addressed

Affordable Housing, Housing Costs, Housing Options, Multigenerational

Related Tools

Cluster Housing, Accessory Dwelling Units, Missing Middle Housing Types



State Law

- RSA 674:58-61, <https://www.gencourt.state.nh.us/rsa/html/LXIV/674/674-mrg.htm>

Case Studies

Wakefield, NH

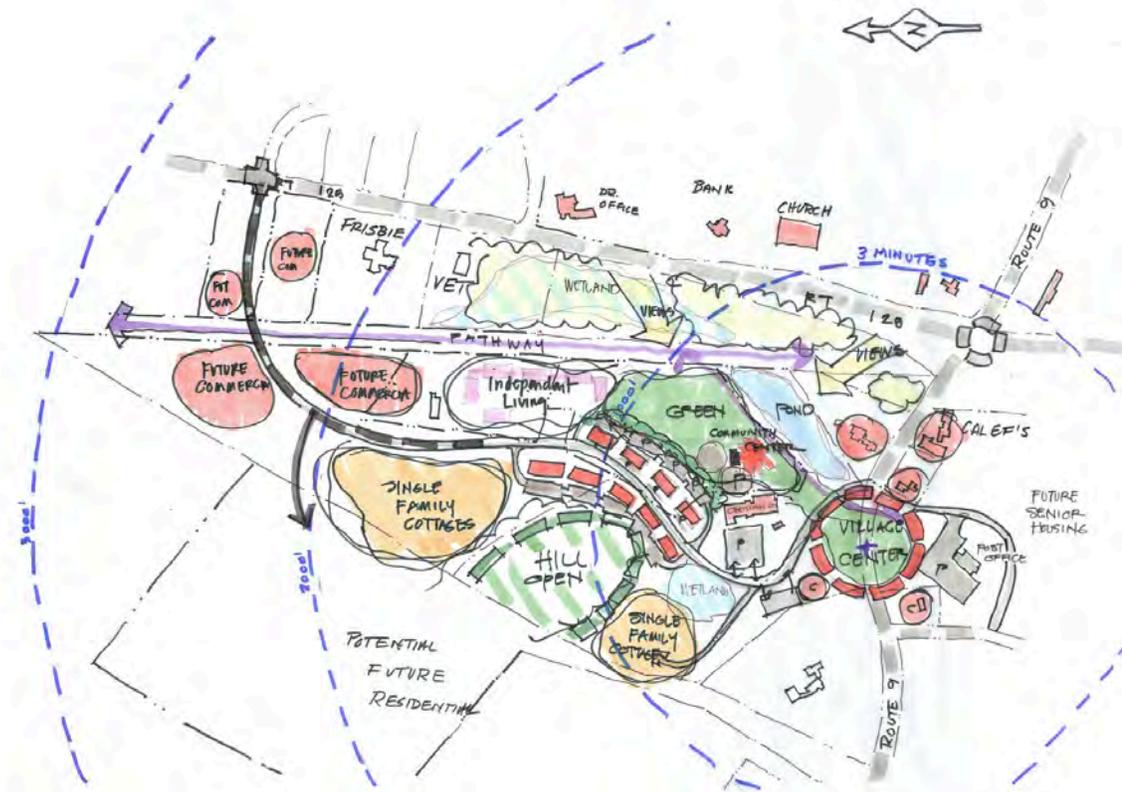
Wakefield responded to the Workforce Housing mandate by passing a so-called Workforce Housing Ordinance that explicitly invokes the Inclusionary Housing zoning tool authorized by the State. Under Wakefield's ordinance, residential Workforce Housing developments are allowed by Conditional Use Permit in most of the land zoned for residential and agriculture uses. Single-family, duplex, and multifamily housing (up to eight units per structure) are allowed. Base density and dimensional requirements carry over from base districts, with density bonuses of 15% offered to developments with at least 30% of units qualifying as Workforce Housing.

- Wakefield Zoning Ordinance, https://www.wakefieldnh.com/sites/g/files/vyhlif1366/f/uploads/2020_wakefield_zoning_ordinance_with_amendments_through_march_2020_002_2.pdf

Barrington, NH

Barrington passed a Workforce Housing ordinance in response to the mandate. Barrington's law does not specifically invoke Inclusionary Housing, though it functions similarly. Workforce Housing developments are allowed in most residential areas by Conditional Use Permit, and developments keeping at least 20% of units affordable receive density bonuses and dimensional relief, at the discretion of the Planning Board.

- Barrington Zoning Ordinance, https://www.barrington.nh.gov/sites/g/files/vyhlif2766/f/uploads/zo_2022_v1_7_as_amended_3-8-2022_withmap2_1.pdf



A Barrington charrette in 2015 arrived at two options for mixed-use residential development: the village center and village green. (Images via Town of Barrington.)