

# **The Regional Housing Needs Assessments**

Natalie Gemma, Strafford Regional Planning Commission

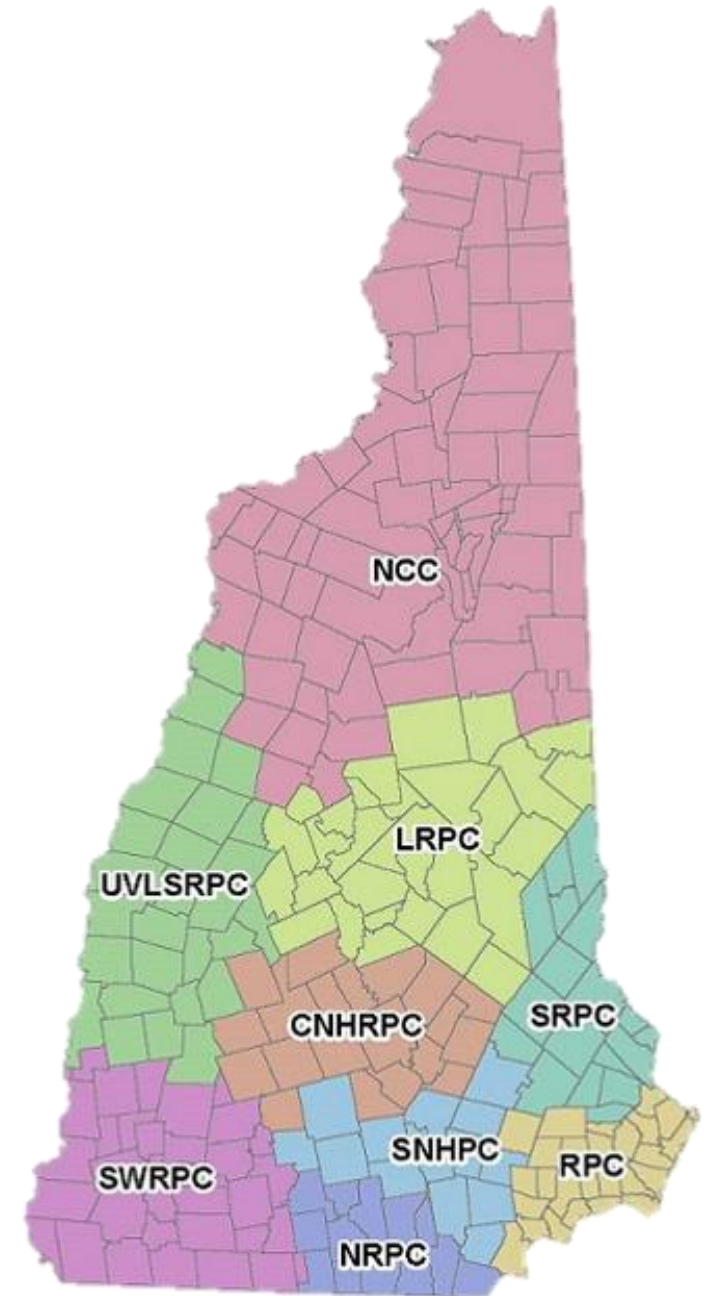
Zack Swick, Southern NH Regional Planning Commission

Kaela Tavares, North Country Council

Olivia Uyizeye, Upper Valley Lake Sunapee Regional Planning Commission

# Regional Planning Commissions

- Established under NH RSA 36:45
- 9 RPCs in NH
- RPCs cover all 234 municipalities in the state
- Plus, all village districts and unincorporated places



# The HNA Framework

- Acknowledgements
- Executive Summary
- Existing Conditions and Trends
- Future Conditions and Trends
- Opportunities and Barriers
- Meeting Local Housing Needs
- Conclusion
- Appendices

# Existing Conditions & Trends

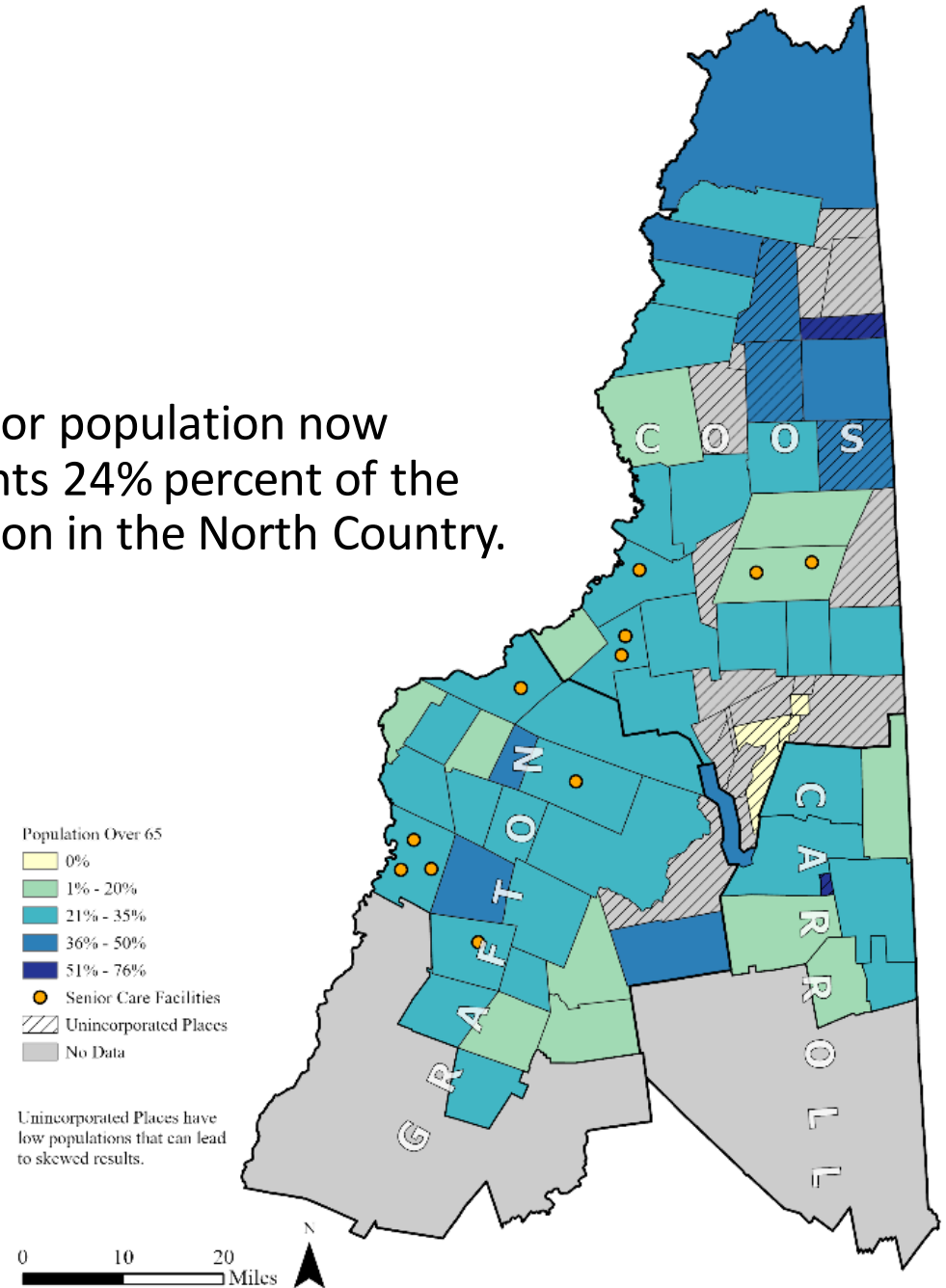
- Demographic and Socio-Economic
- Housing Unit Trends and Characteristics
- Housing Market, Cost and Affordability
- Communities of Interest

# Population

## Fewer Minors & More Seniors

- The share of residents 18 and under has decreased by 4% in the North Country between 2010 and 2020.
- During the same time period, the share of residents 65 and older has increased by 6%.

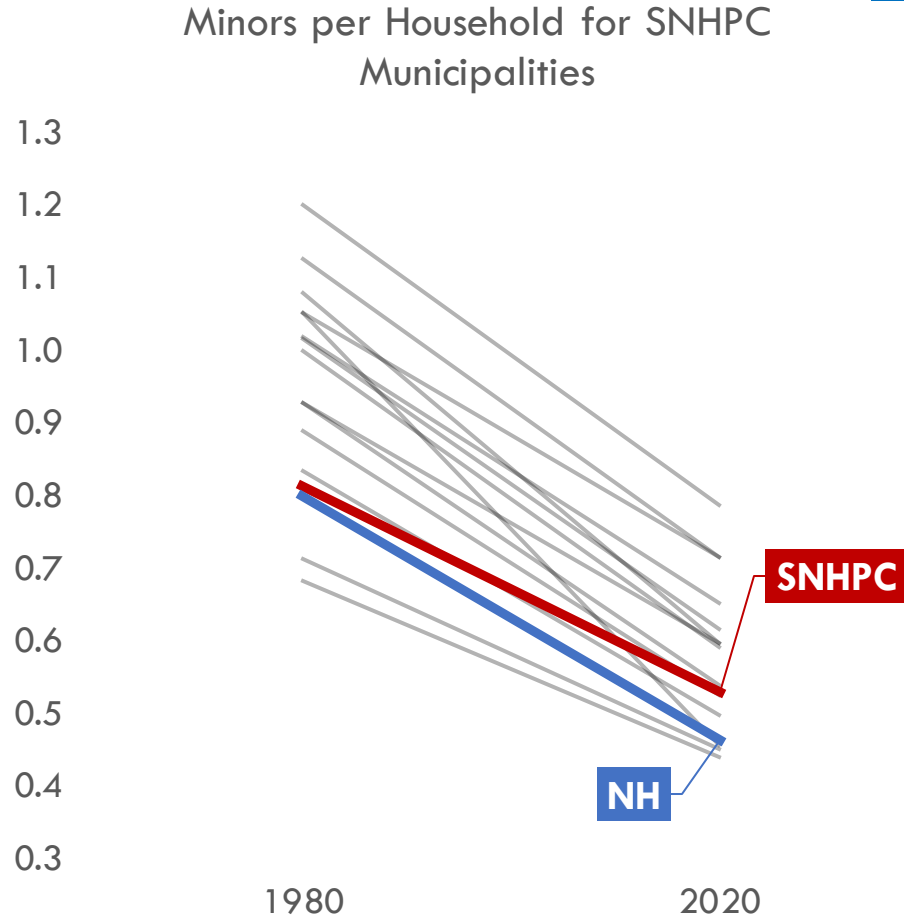
- The senior population now represents 24% percent of the population in the North Country.



# Population

Over the past two decades, public school enrollment has fallen by **22%**.

Source: NH Department of Education



## Minors per Household

	1980	2020
Auburn	1.02	0.65
Bedford	1.12	0.71
Candia	1.05	0.46
Chester	1.02	0.61
Deerfield	1.00	0.59
Derry	0.89	0.52
Francestown	0.71	0.45
Goffstown	0.93	0.54
Hooksett	0.83	0.50
Londonderry	1.08	0.59
Manchester	0.68	0.44
New Boston	1.05	0.71
Weare	0.93	0.60
Windham	1.20	0.79
SNHPC	0.81	0.53
NH	0.80	0.46

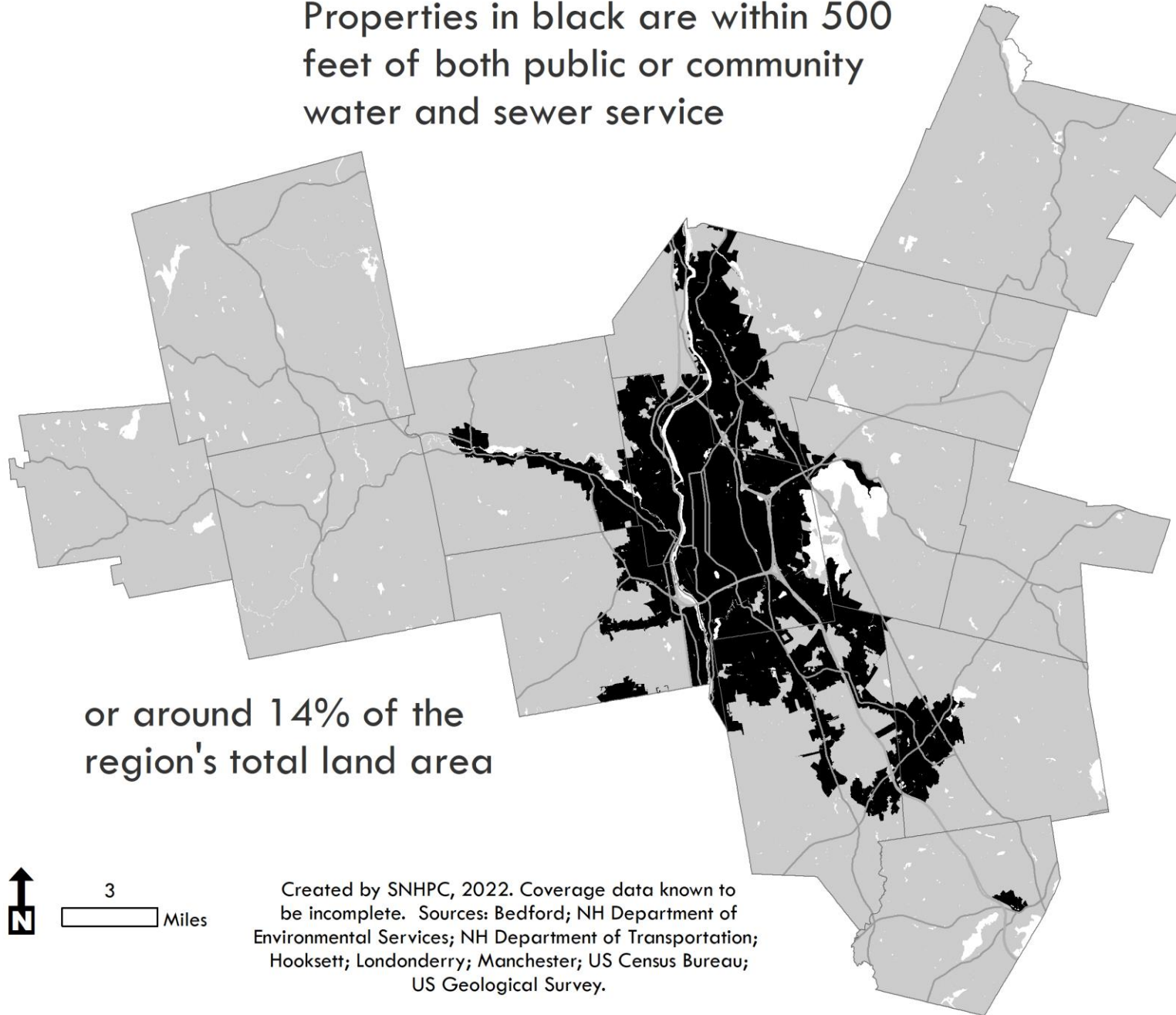
Decennial Census. Minors living in group quarters included in total.

Source: IPUMS National Historical Geographic Information System; US Census Bureau.

In the SNHPC region, the number of persons less than 18 years old per household fell by **35%** between 1980 and 2020. Statewide it decreased by **43%**.

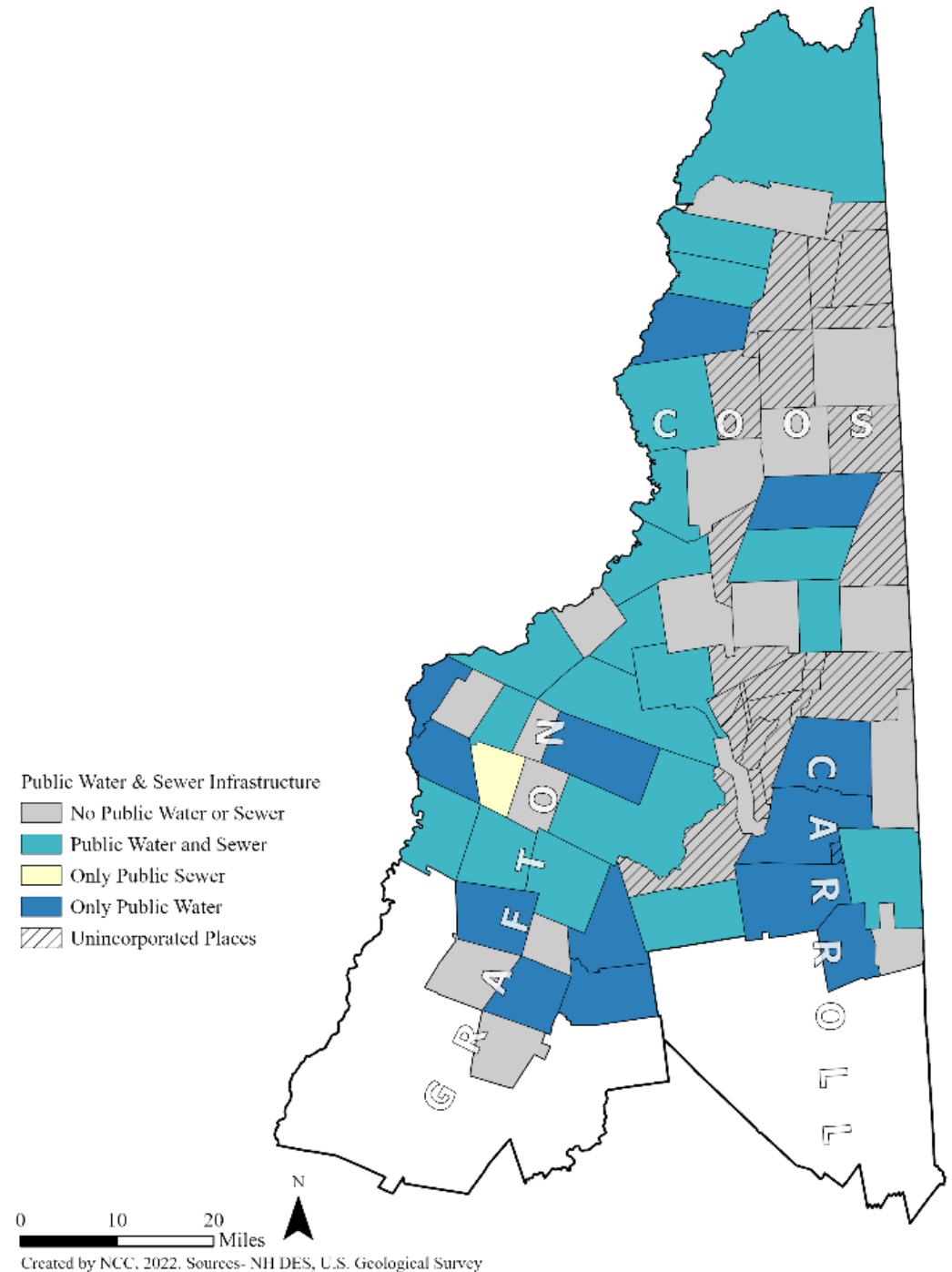
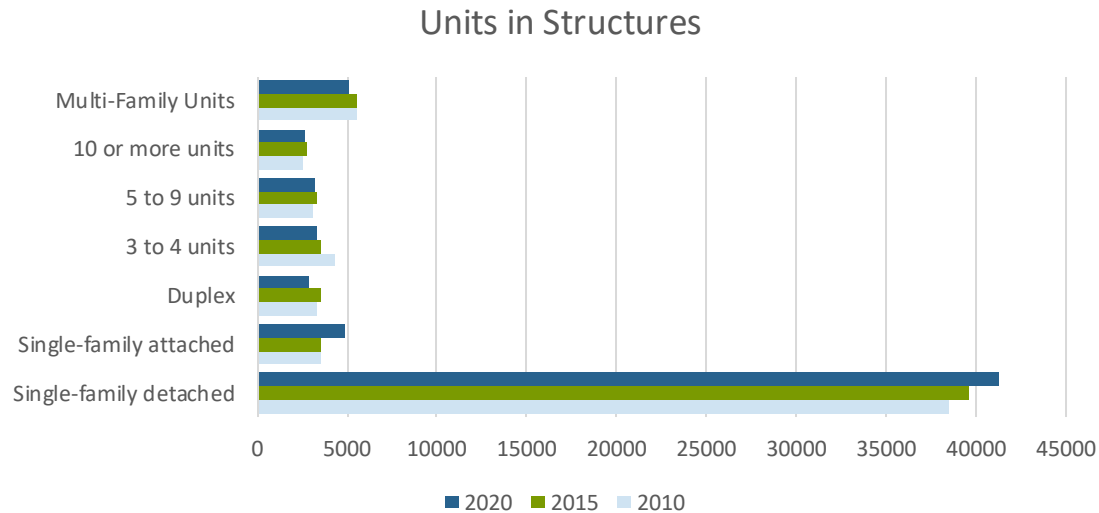
# Supply

Properties in black are within 500 feet of both public or community water and sewer service



# Supply

- 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 infrastructure restricts multi-family construction which is more cost effective.





# Demand

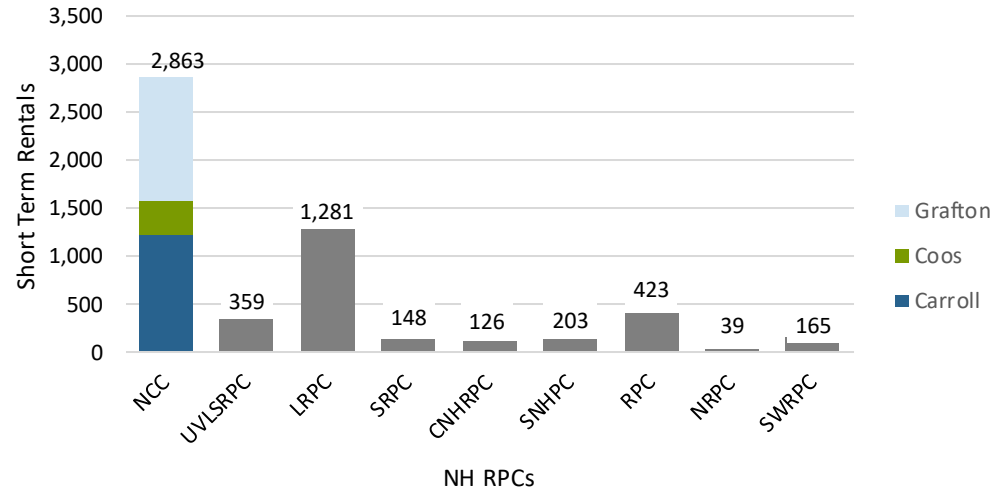
<b>NH Housing Finance Authority</b>	<b>Manchester Housing &amp; Redevelopment Authority</b>
<b>Housing Choice Voucher Program (Section 8) Waiting Household Applicants</b>	
11,270	4,270
<b>Housing Choice Voucher Program (Section 8) Participant Households Accepted but Still Looking for Available Units</b>	
470	130
<b>Housing Choice Voucher Program (Section 8) Participant Housing Units by Municipality</b>	
4,090	2,090

NH Housing data current as of January 2021. Manchester Housing & Redevelopment Authority current as of September-October 2022.

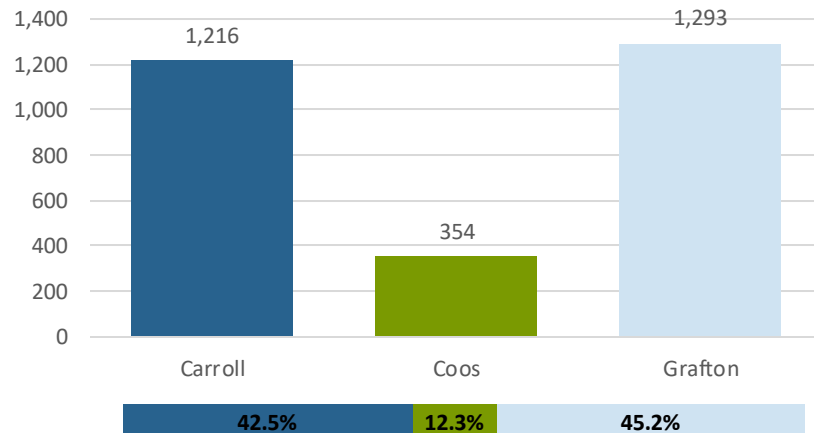
Sources: Manchester Housing & Redevelopment Authority; NH Housing Finance Authority; US Census Bureau.

# Demand

Short Term Rentals by RPC

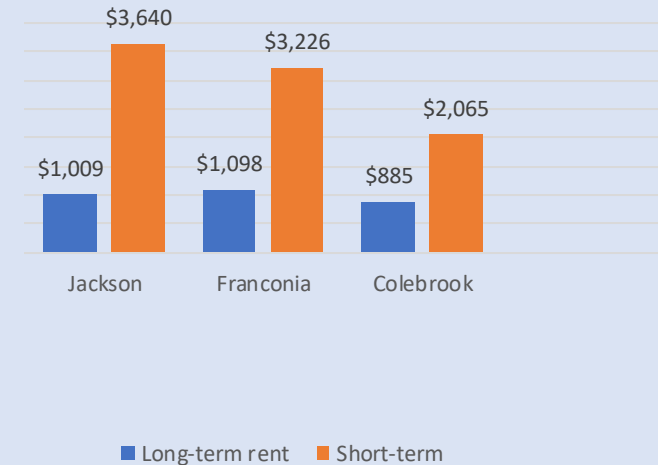


Short Term Rentals by County



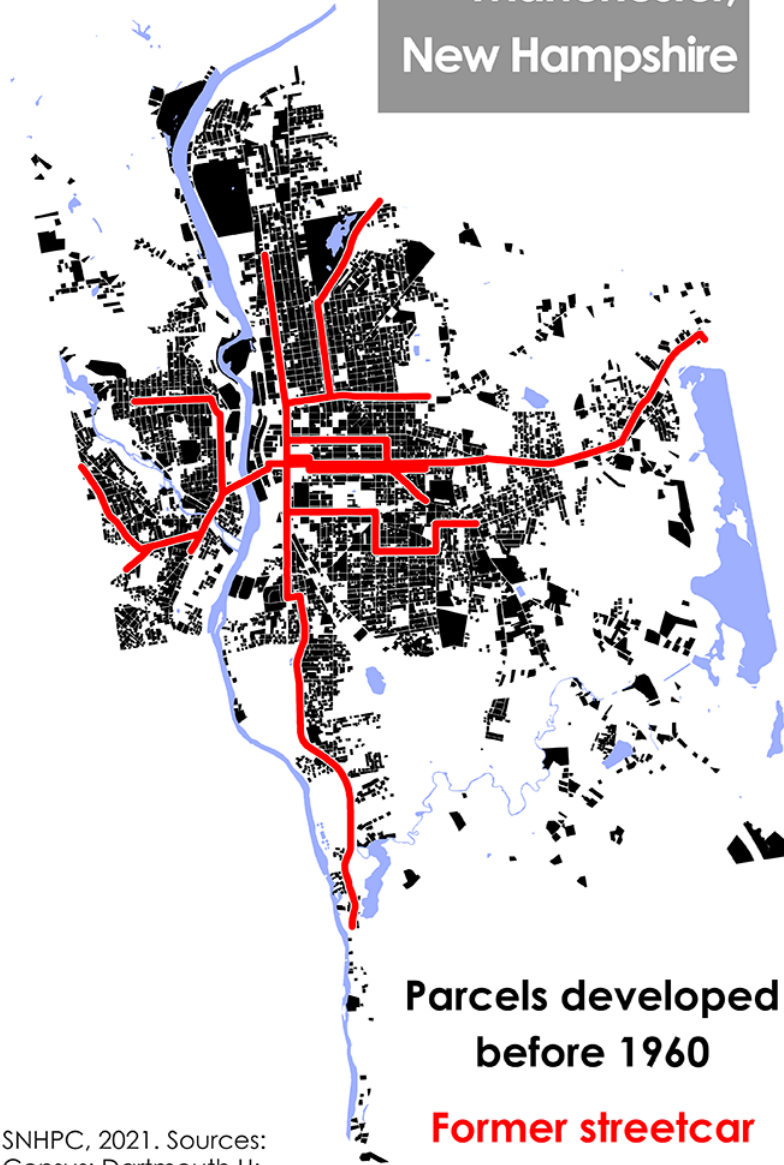
- The North Country has long been a tourism destination. Recent growth in visitor volumes and increased access to the short-term / vacation rental market through online rental platforms has added demand in our already hot purchase markets,
- Further reducing supply in our resident rental markets adding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



# Housing & Other Policy Areas

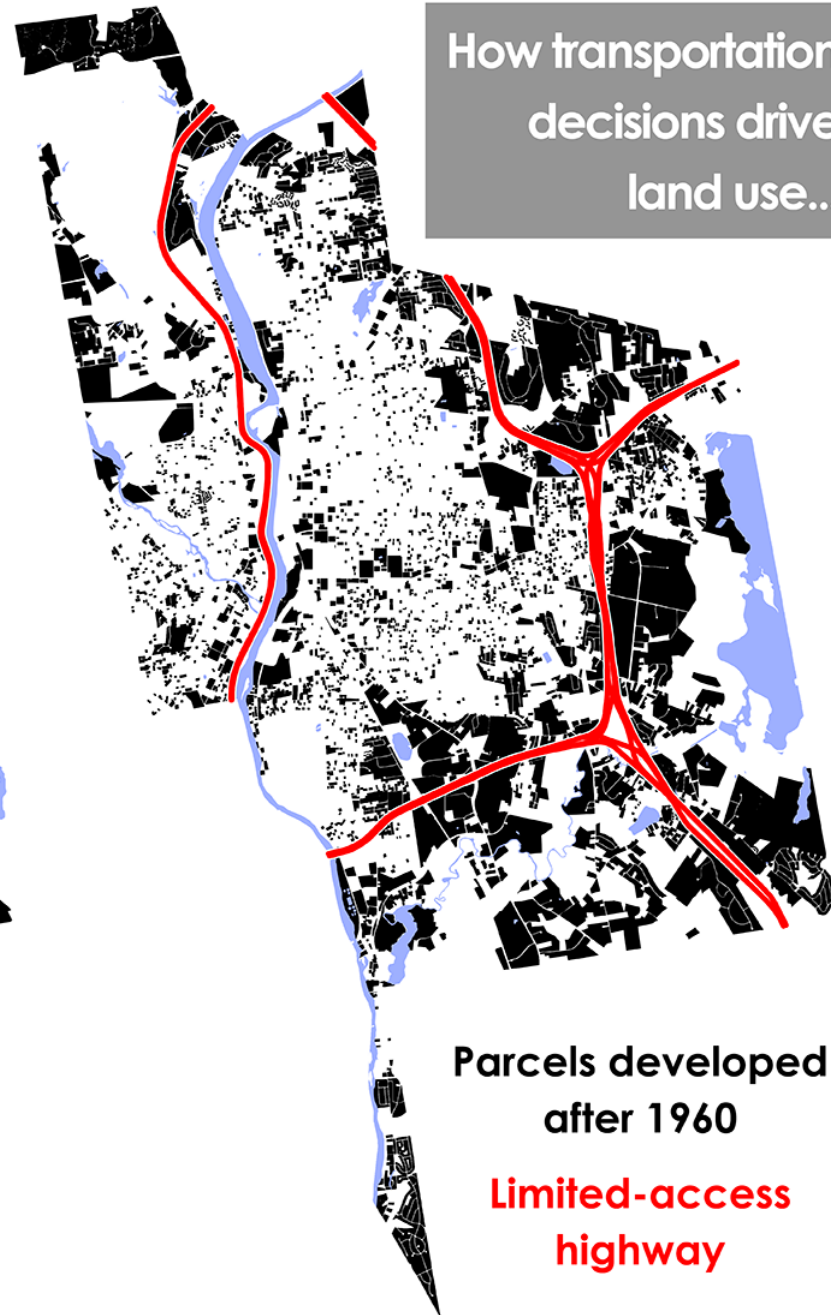
Manchester,  
New Hampshire



Parcels developed  
before 1960

**Former streetcar  
network**

How transportation  
decisions drive  
land use...



Parcels developed  
after 1960

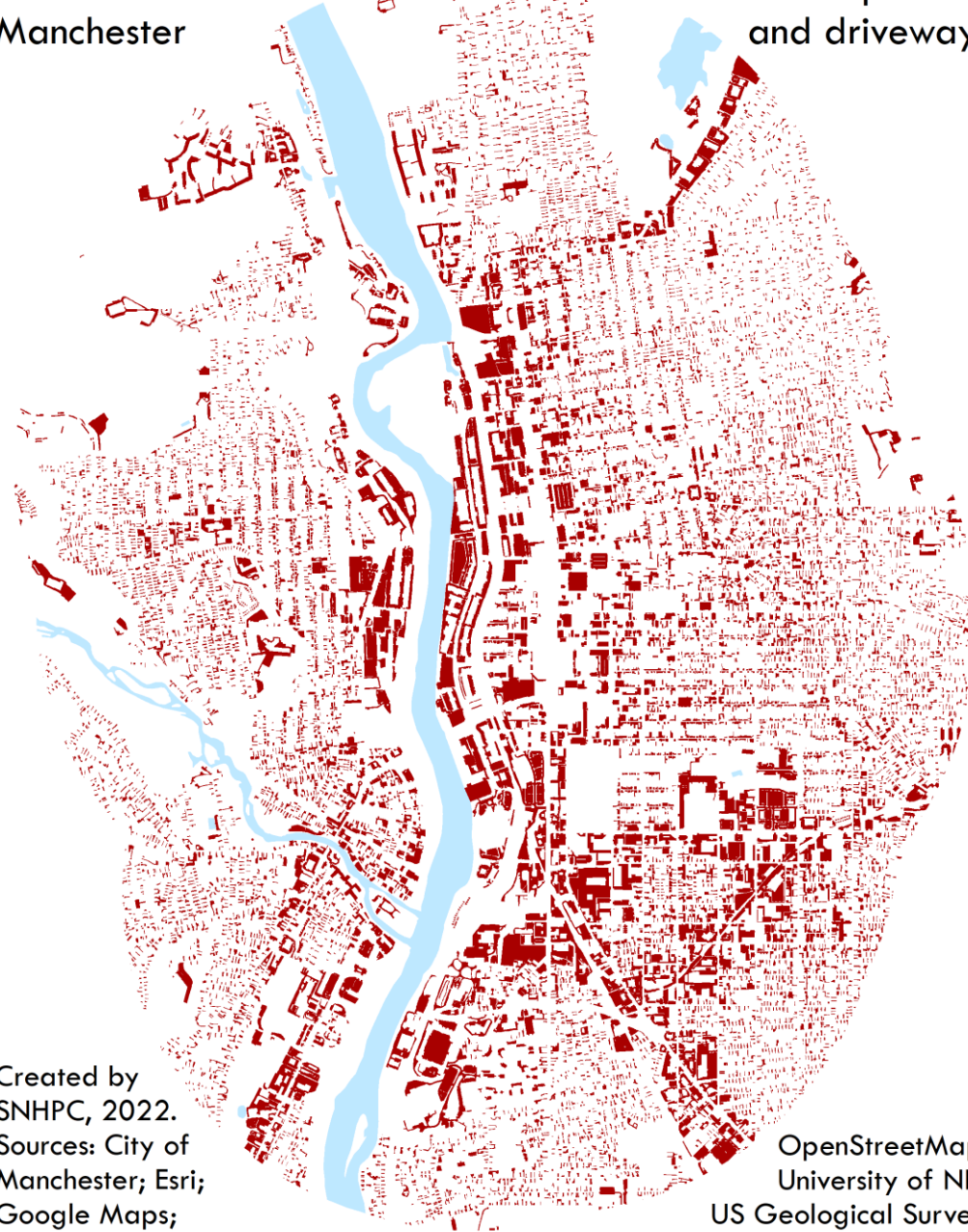
**Limited-access  
highway**

SNHPC, 2021. Sources:  
Census; Dartmouth U;  
Manchester; MHA;  
NHDOT; OR Cummings;  
USGS; Wikimedia.

# Housing & Other Policy Areas

Within 1 mile of  
downtown  
Manchester

**820 acres** are reserved  
for off-street parking  
and driveways



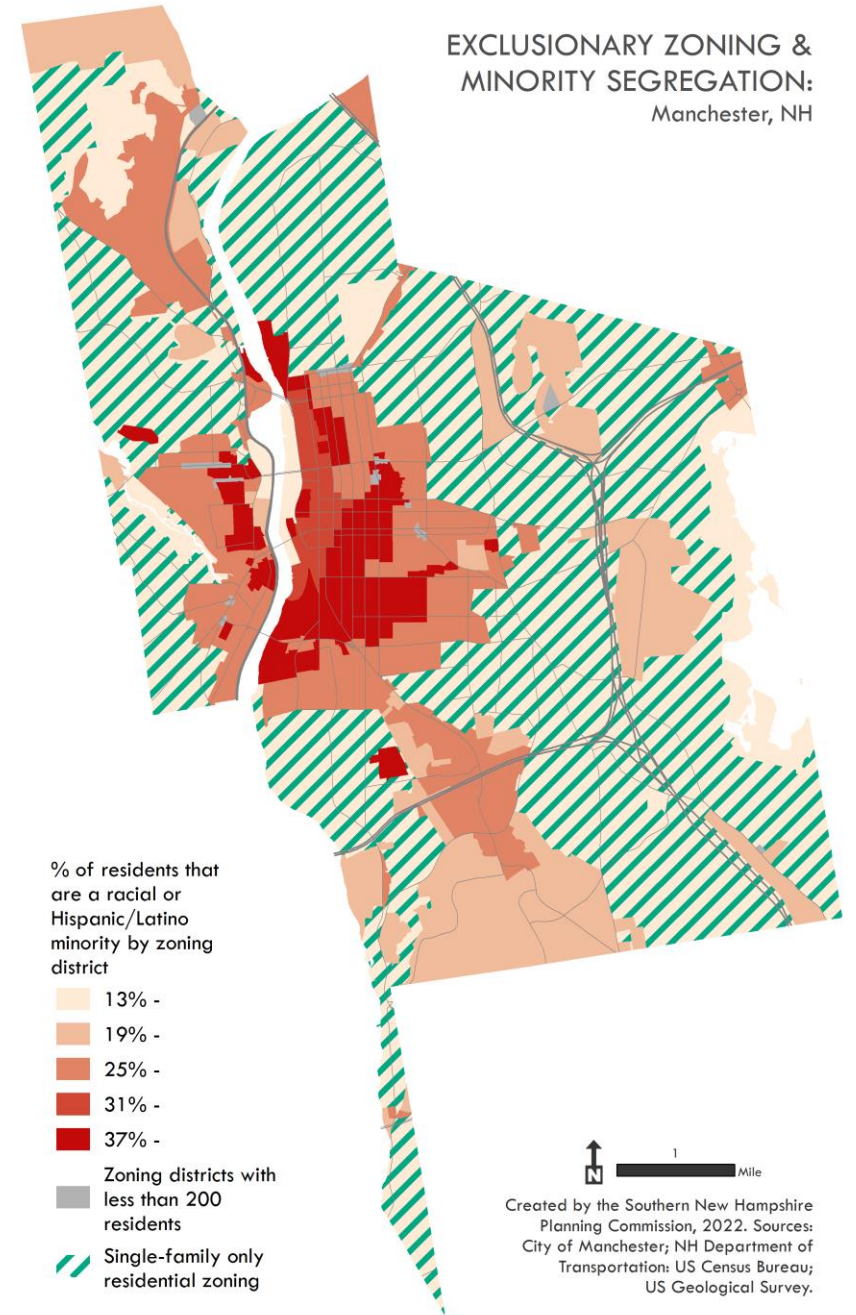
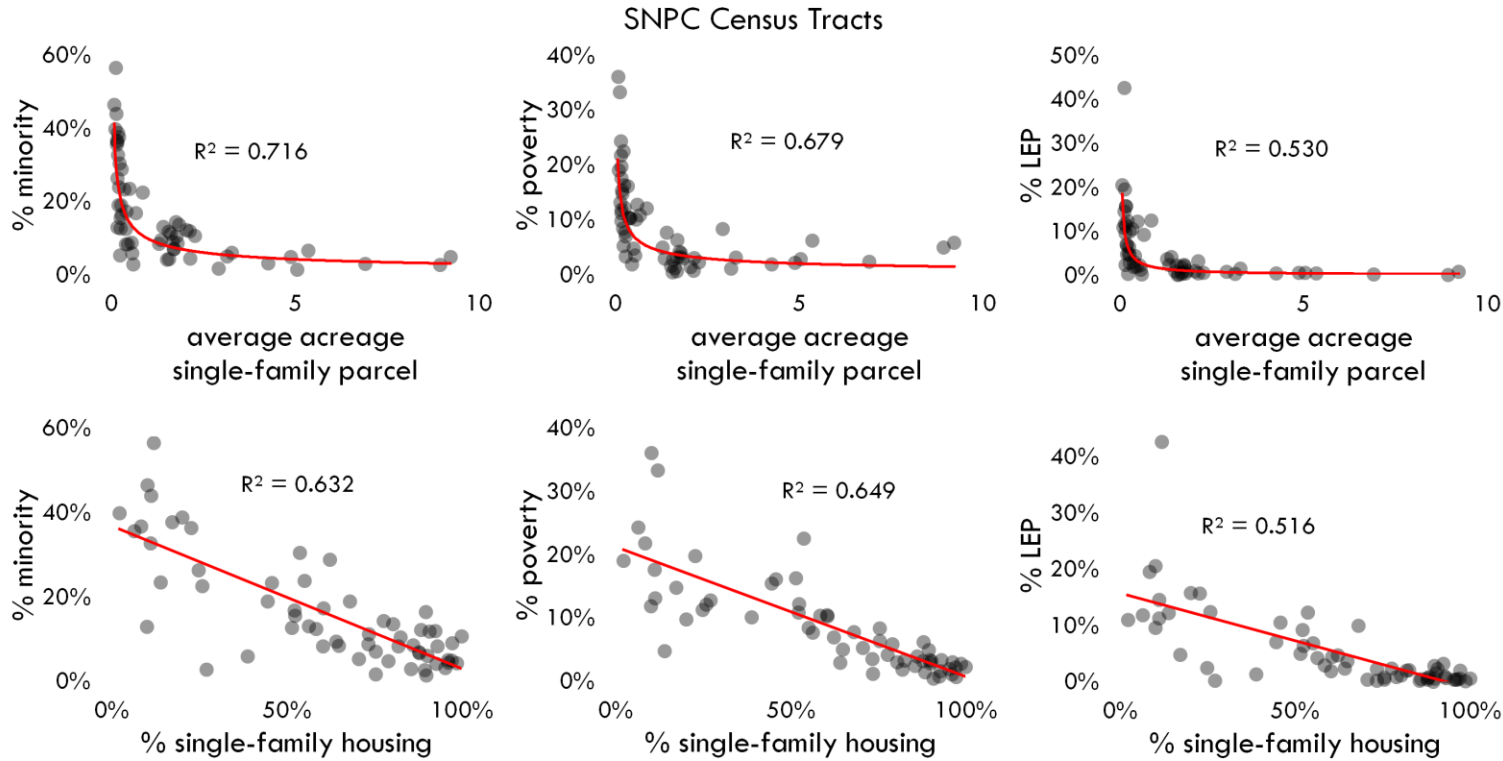
That's land  
valued at  
around  
**\$205 million**  
and **8%** of  
the city's total  
land value

and could  
provide  
**4,400**  
**housing**  
**units**, in line  
with the  
area's current  
density

Created by  
SNHPC, 2022.  
Sources: City of  
Manchester; Esri;  
Google Maps;

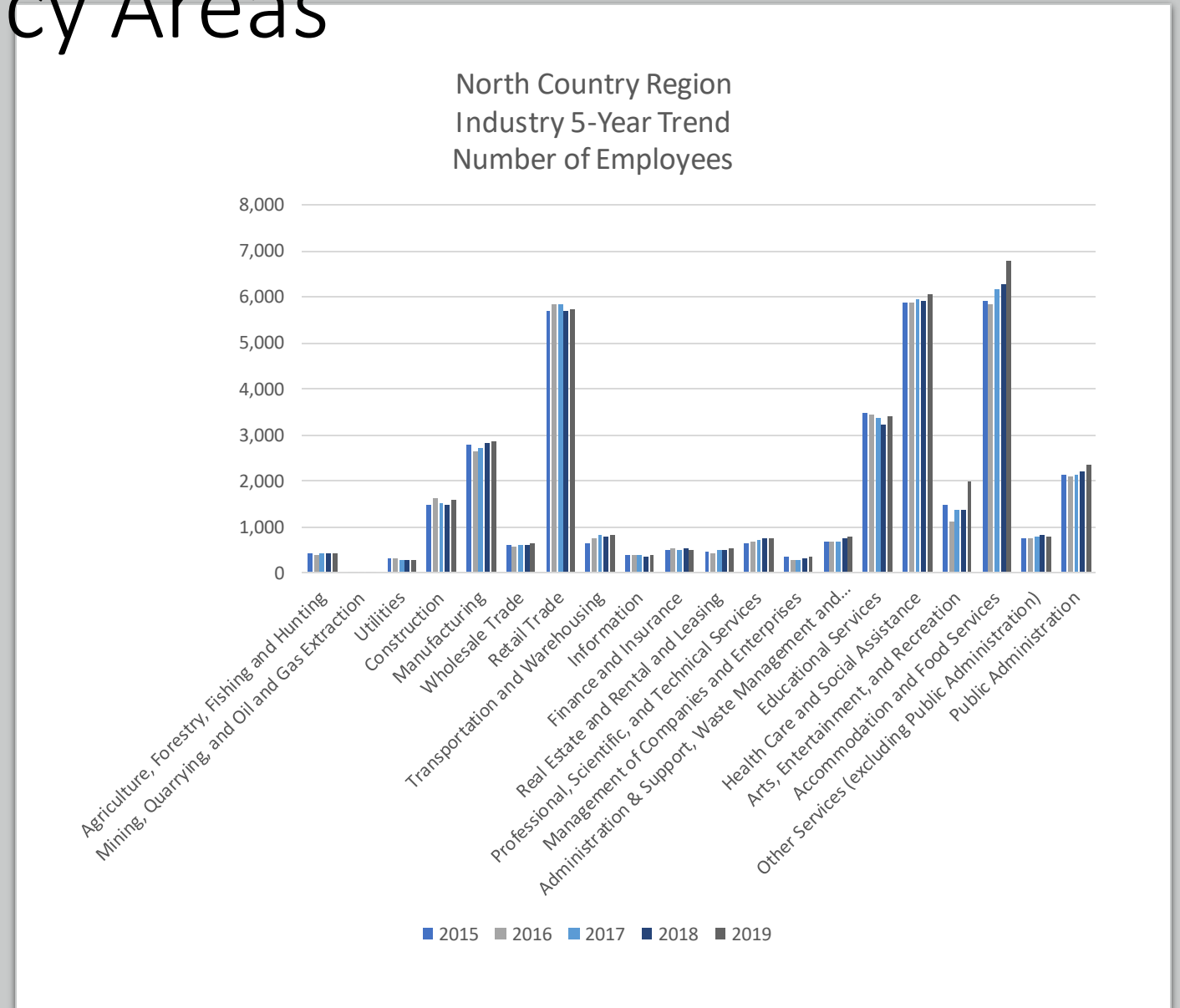
OpenStreetMap;  
University of NH;  
US Geological Survey.

# Housing & Other Policy Areas



# Housing & Other Policy Areas

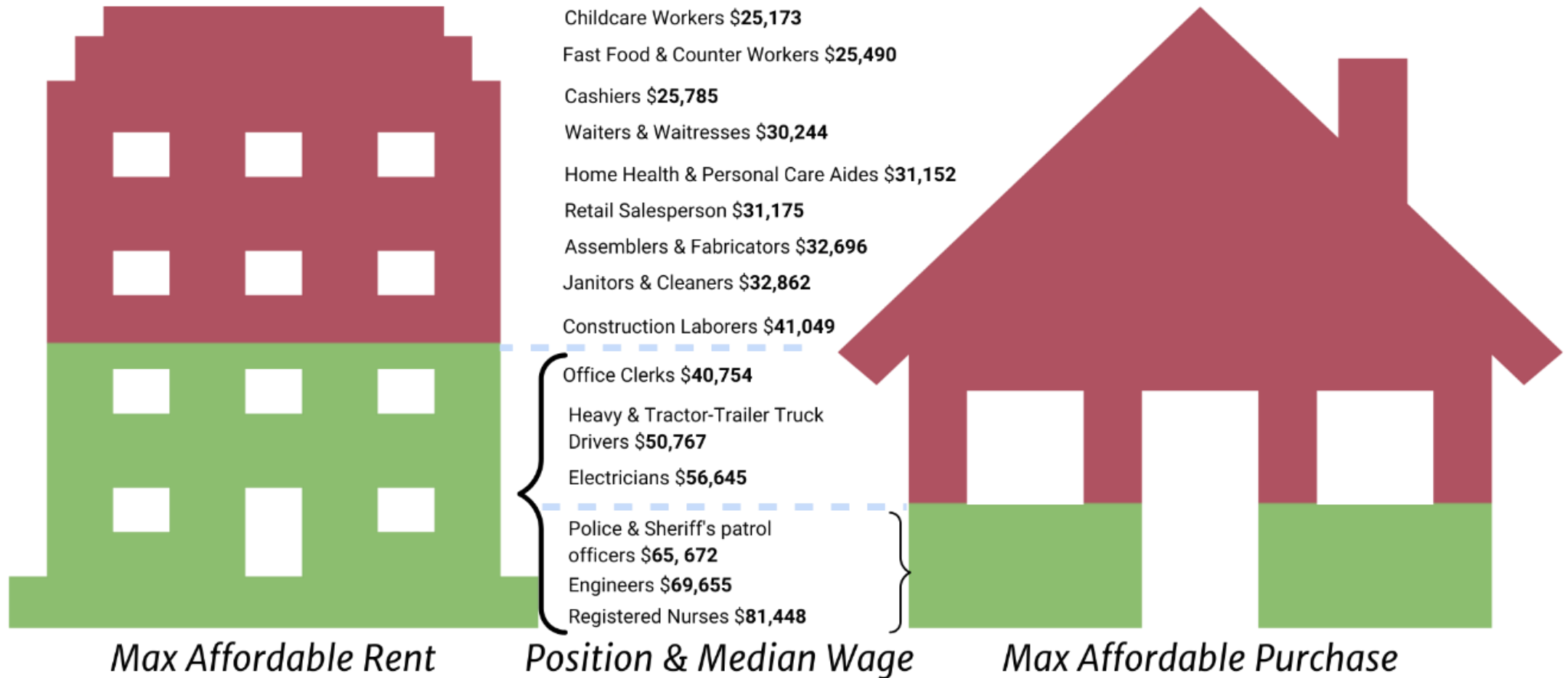
- The share of employees working in Accommodation & Food Service, Health Care and Social Assistance, and Arts, Entertainment & Recreation have increased in the North Country.
- These industries often see lower wages for employees.



# Housing & Other Policy Areas

Of 15 indicator positions:

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

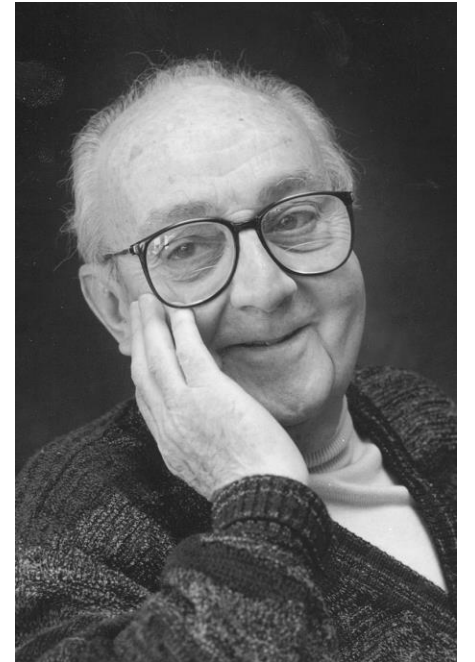


# Housing Production Model

Designed to guide municipalities in evaluating their housing production needs with the understanding that...

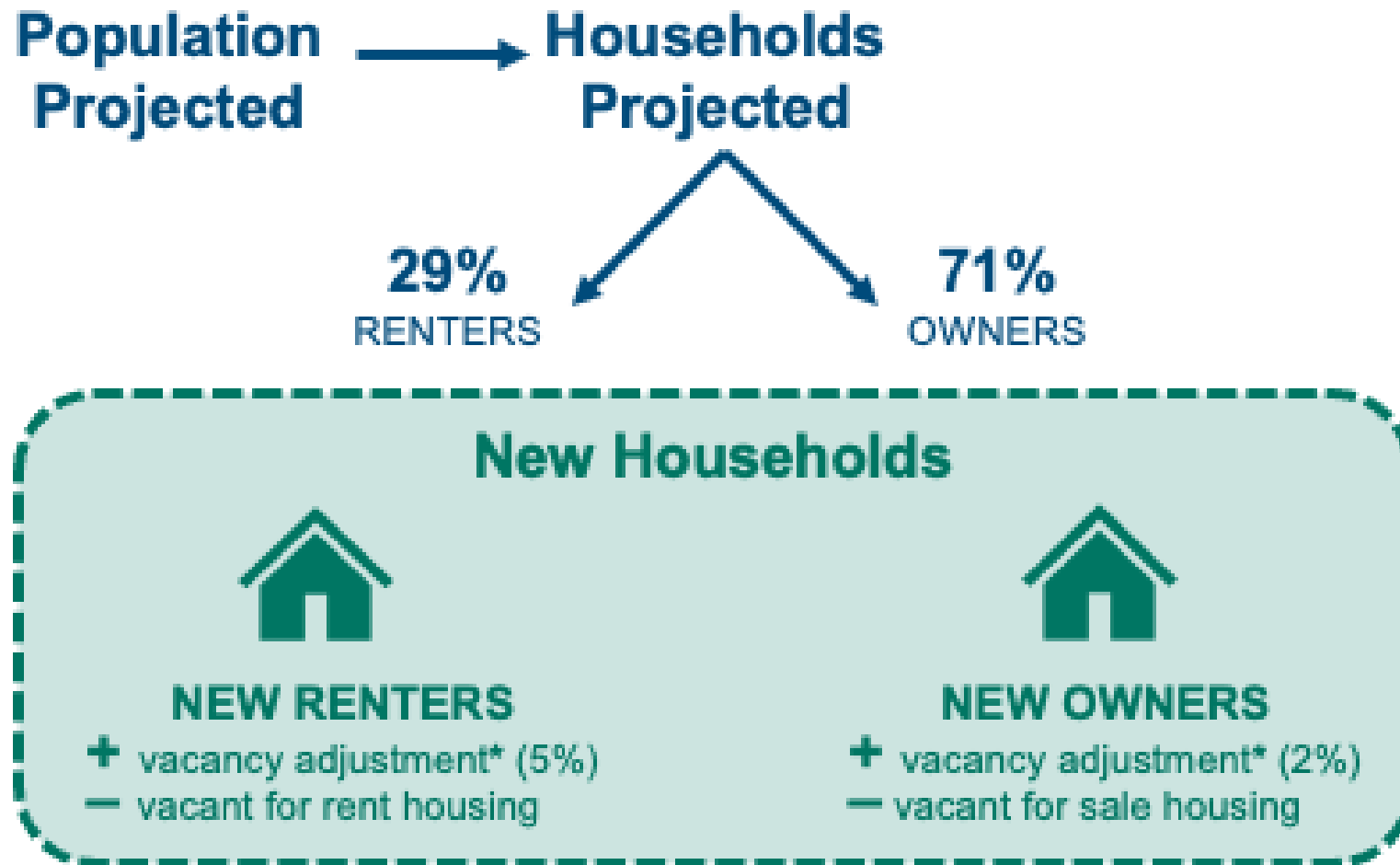
"All models are wrong, but some are useful"

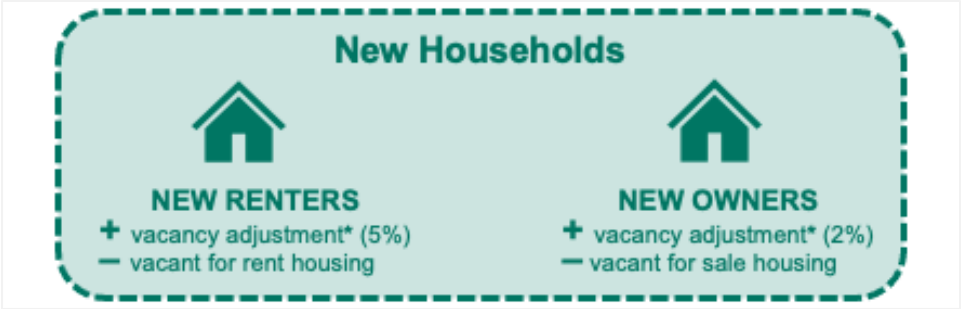
- George Box, world renowned statistician



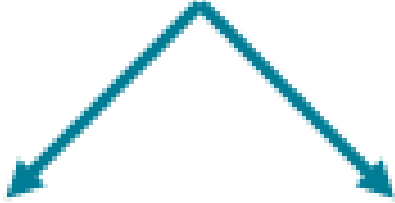


# Housing Production Model

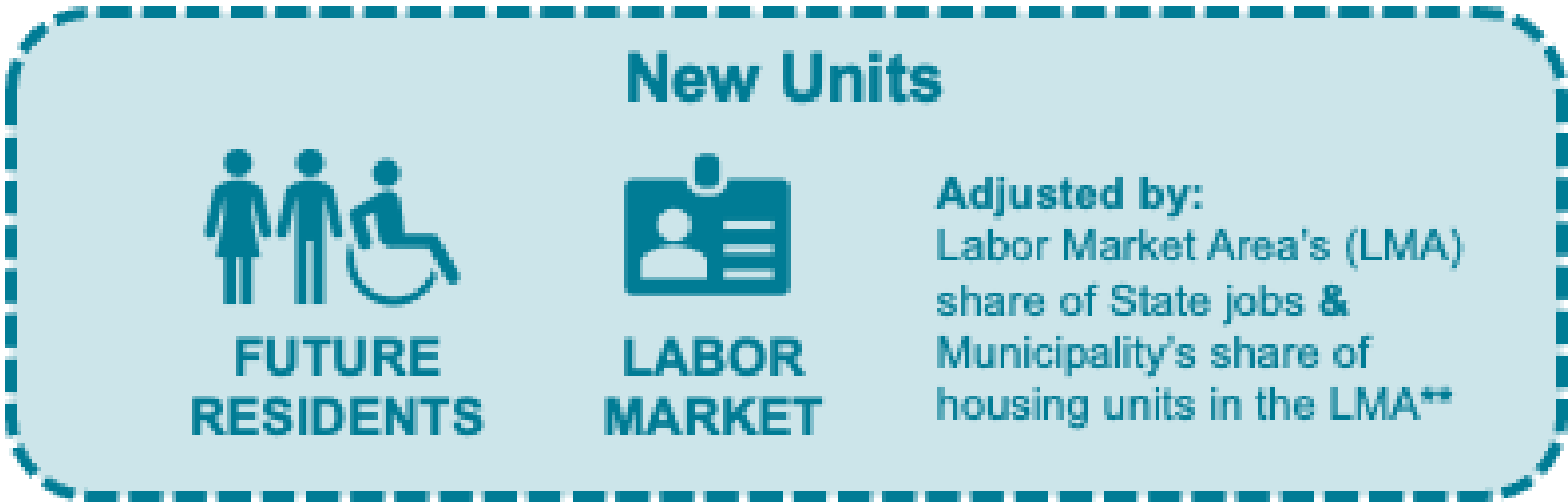


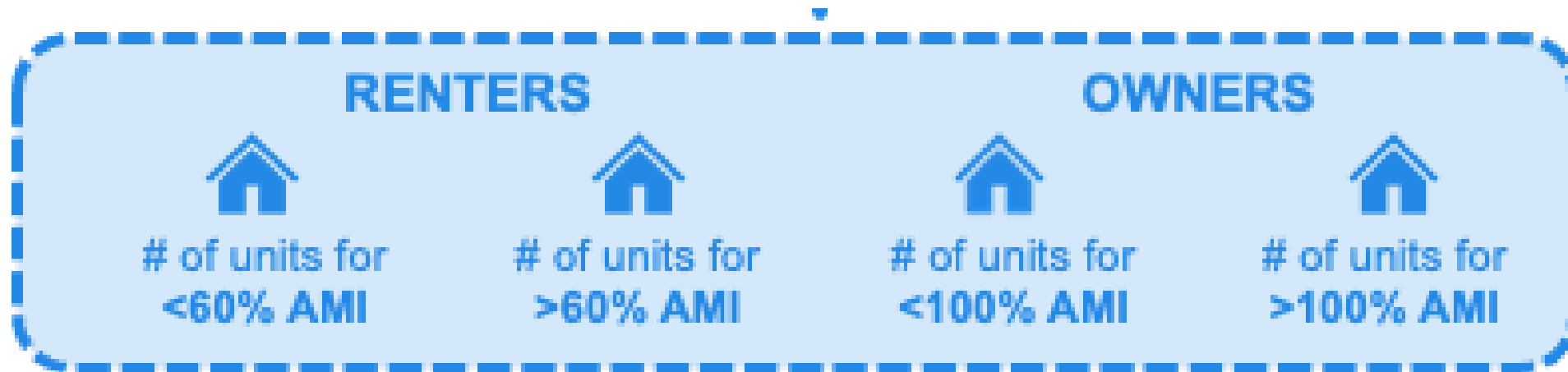
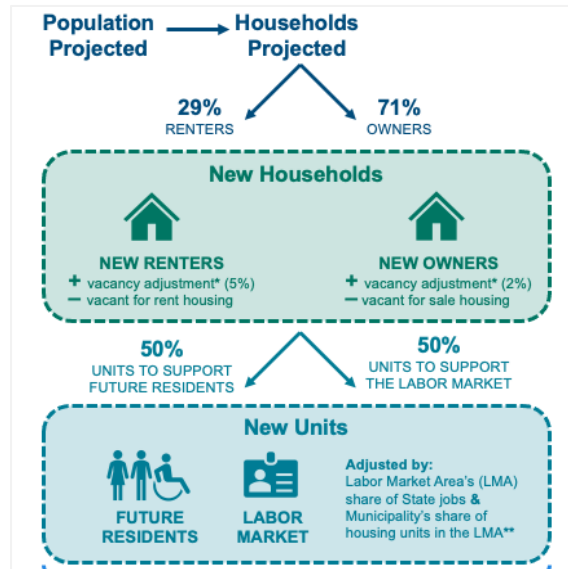


**50%**  
UNITS TO SUPPORT  
FUTURE RESIDENTS



**50%**  
UNITS TO SUPPORT  
THE LABOR MARKET

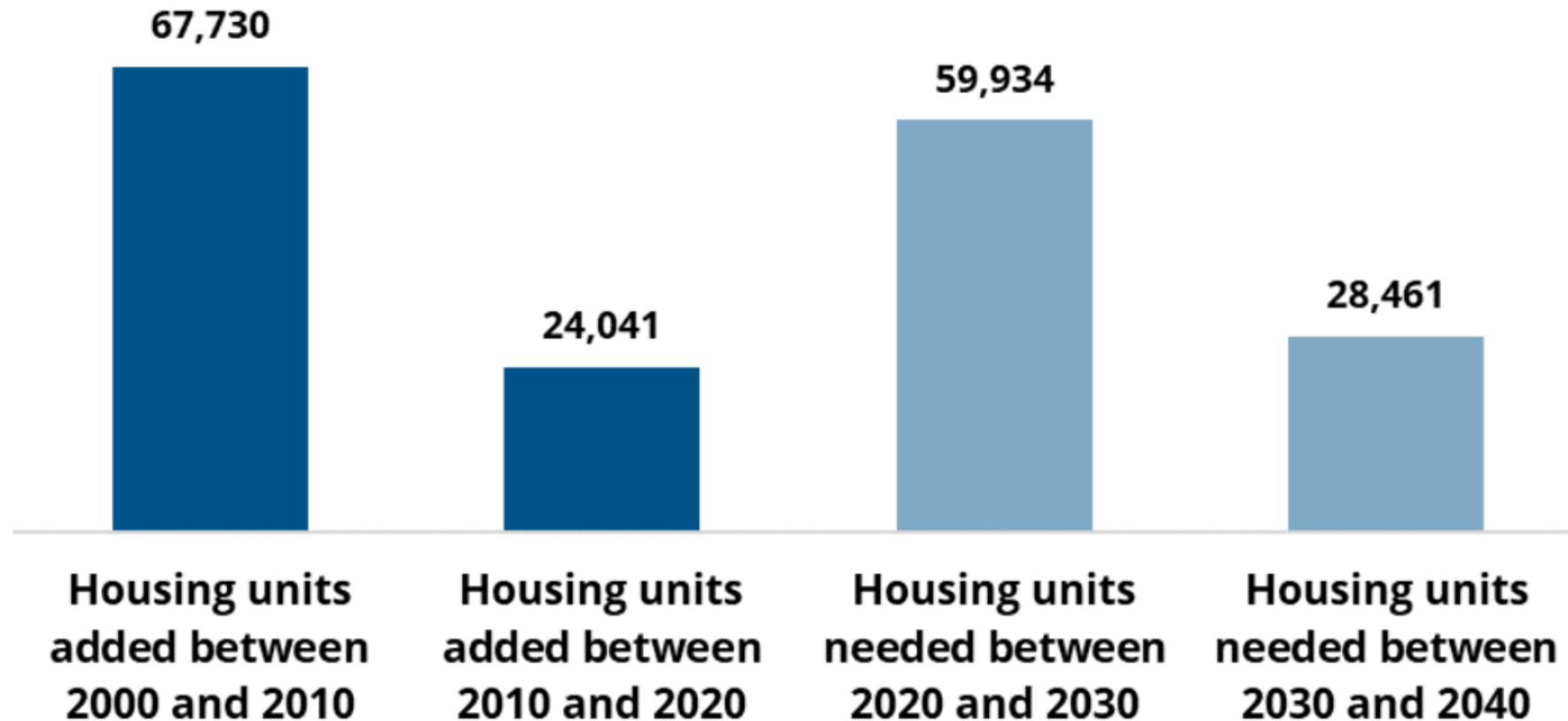




# Model Outputs

Region	2025	2030	2035	2040
CNHRPC	3,028	5,558	7,261	8,218
LRPC	2,815	5,183	6,683	7,444
NCC	1,782	3,209	4,000	4,272
NRPC	5,143	9,383	12,347	14,217
RPC	5,352	9,834	12,875	14,563
SNHPC	7,212	13,197	17,327	19,800
SRPC	3,289	6,169	8,108	9,520
SWRPC	1,873	3,349	4,242	4,659
UVLSRPC	2,210	4,037	5,126	5,671
<b>State of NH</b>	<b>32,704</b>	<b>59,919</b>	<b>77,969</b>	<b>88,364</b>

# Historical Production v. Projected Need



Source: RLS Demographics, 2000, 2010, and 2020 Decennial Census, 2010 and 2020 5-year ACS estimates, New Hampshire Rental Cost Survey, and Root Policy Research.

# Regional Adjustments

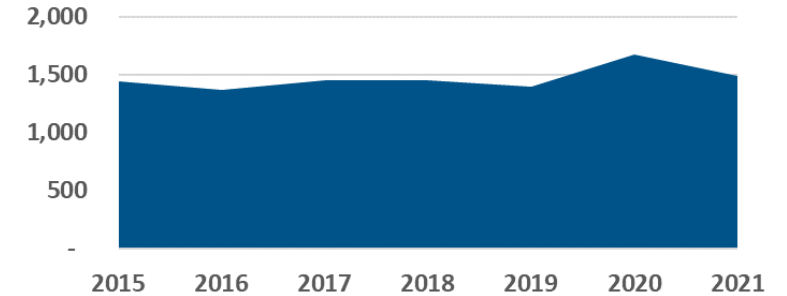
- Buildable land considerations
- Uninhabitable or poor condition units
- Opportunity areas

# Additional Considerations

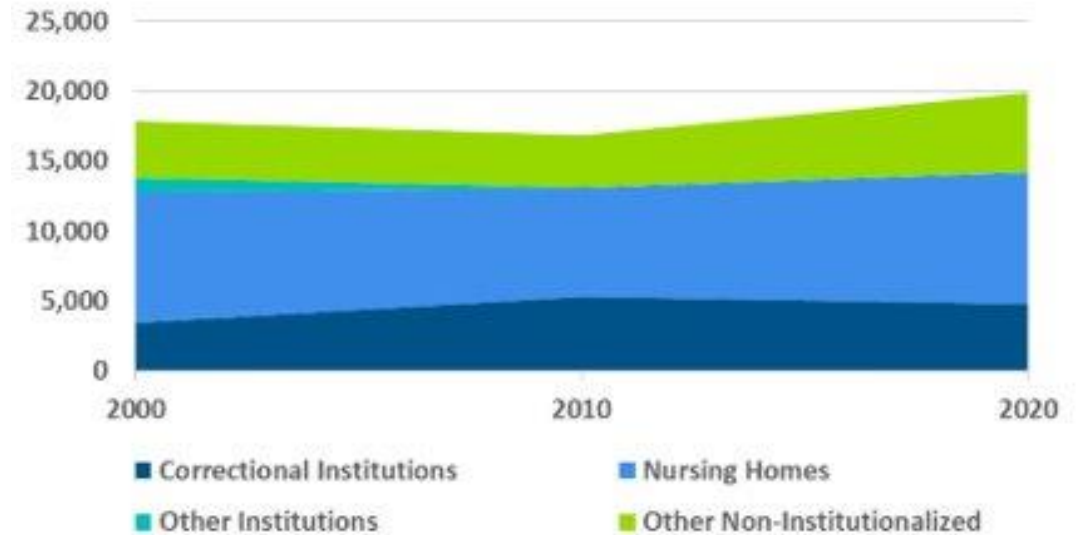
## Impacts to Housing Supply and Affordability

- Covid-19
- Climate Change
- Monetary Policy
- Construction Costs
- Short-Term Rentals
- Fluctuating College/University Enrollment
- Non-Traditional Housing

NH Overall Homelessness, 2015-2021



NH Group Quarters Populations, 2000, 2010, 2020



# Meeting Housing Needs: The NH Housing Toolbox

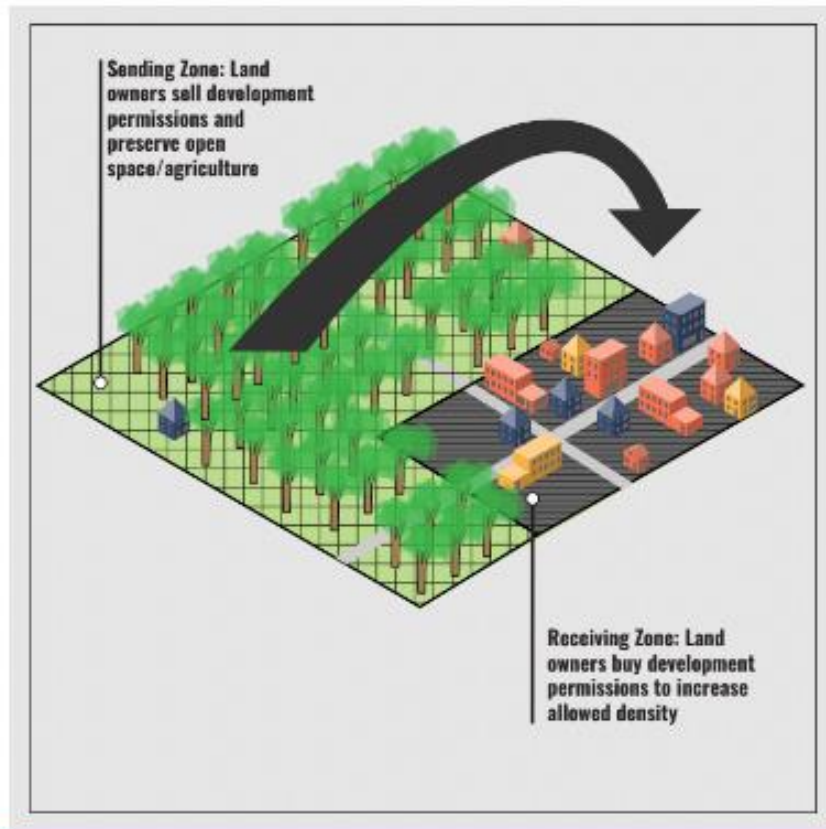
**...will include the following for each of the tools:**

- What is it? (definition)
- How It Can Help?
- Getting Started
- Things to Keep in Mind (Considerations)
- Case Studies
- Relevant State Laws
- Other Resources





# 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.

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.

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, whether TDR are "bankable"

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.

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## 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 ordinance provisions should be more attractive to landowners than other conventional practices, such as subdivision of lots or land development. 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 result in increased 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.

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## Resources

- <https://www.nh.gov/osi/planning/resources/documents/ilupt-chpt-1.1.pdf>
- <https://conservationtools.org/guides/12-transfer-of-development-rights>

- <https://localhousingsolutions.org/housing-policy-library/transfers-of-development-rights/>
- <https://www.jaconservancy.org/sites/default/files/files/documents/A%20Preservationist%27s%20Guide%20to%20Urban%20Transferable%20Development%20Rights%20%28NTHP%202007%29.pdf>

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## Issues Addressed

Housing Costs, Housing Options

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## Related Tools

Age-friendly neighborhoods, Mixed-Use Development, Workforce Housing, Adaptive Reuse

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## State Law

- <https://www.gencourt.state.nh.us/rsa/html/LXIV/674/674-21.htm>

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## 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.

# Tools To Meet Housing Needs

- Accessory Dwelling Units (ADUs)
- Adaptive Reuse
- Age-Friendly Neighborhoods
- Alternative Small Housing Types
- Cluster Housing
- Community Revitalization Tax Incentive
- Community/Alternative Wastewater Systems
- Form-Based Codes
- Housing Opportunity Zones
- Inclusionary Zoning
- Infill Development
- Mixed-Use Development
- Planned Unit Developments (PUDs)
- Right-Sized Housing Regulations
- Short-Term Rental Regulations
- Tax Increment Financing (TIF)
- Transfer of Development Rights (TDR)
- Village Plan Alternative
- Workforce Housing Ordinance

# Contact Information

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**Questions?**