

Lakes Region Housing Needs Assessment

Status Report to LRPC Commissioners

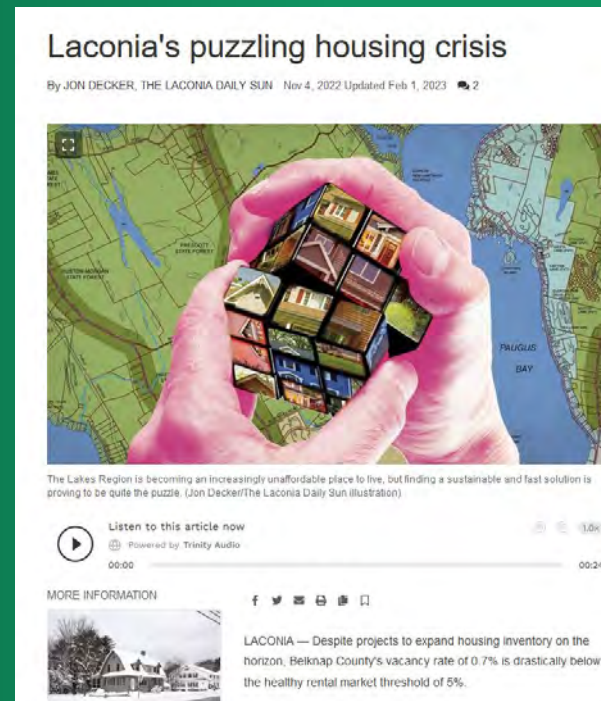
March 27, 2023



Lakes Region Housing Needs Assessment

Introduction

- How Did We Get Here
 - Housing Crisis: Cost, Affordability, and Availability
 - Labor Force Shortage and Equity Issues
 - New Court Cases and State legislation
 - Unprecedented pre-emption of local zoning (ADU legislation may expand, Density Barrier study committee etc...)
 - Creation of HAB to Enforce Workforce Housing Law
 - BEA contracted with 9 RPC's for RHNA's and Provided Template
 - Including Fair Share Housing Model with Allocations by Town
 - Towns SHALL provide reasonable opportunities by law



Lakes Region Housing Needs Assessment

Overview of Presentation

RHNA Summary (Dave Jeffers, Regional Planner)

- Previous Housing Needs Assessment Results
- Housing Data Research Findings
- Fair Share Allocation By Town

RHNA Related Legal Requirements (Christine Marion, Landuse Planner)

Quick RHNA ToolKit Overview

NHBEA Economic Incentives and Housing Subsidies

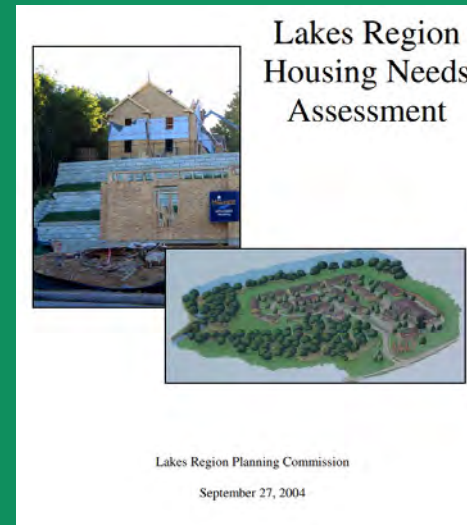
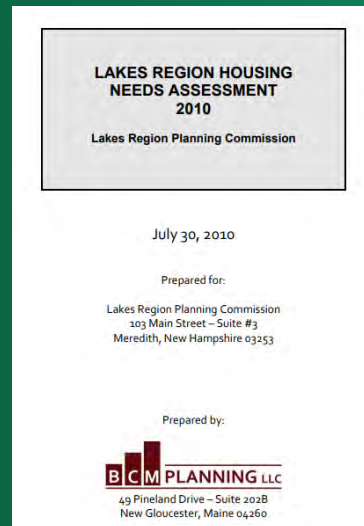
- Steve Fortier, BEA/NBRC
- Andrew Dorsett, Invest NH



Lakes Region Housing Needs Assessment

RHNA - Purpose, Process & Timeline, Products

- History
 - Prior Lakes Region Housing Needs Assessments
 - 2004, 2010, 2015 Housing chapter in *Regional Plan*
 - Found a need for 400-750 more housing units annually.



Lakes Region Housing Needs Assessment

Data Points

- Population
 - 2020 & Projection
 - Age – Region Growing Older
- Households/Housing
 - Growth Rate
 - Conversions vs. construction
- Incomes Not Keeping Pace
- Housing – Cost & Availability Problematic
- Affordability Declining



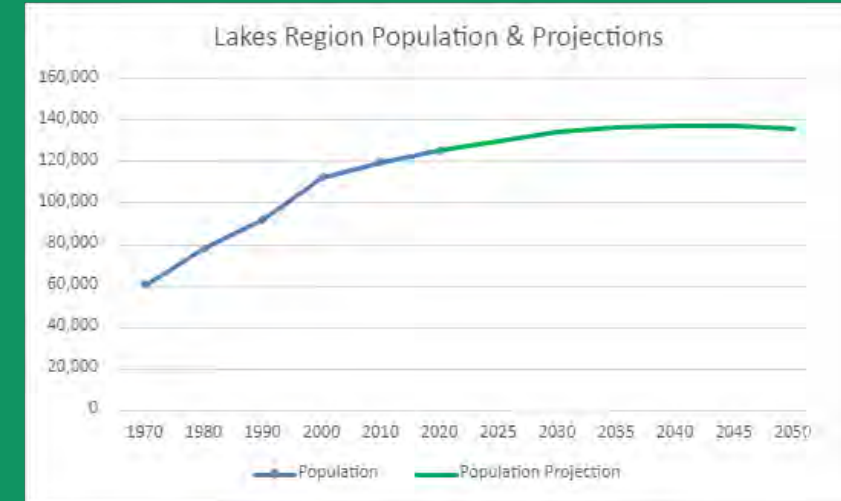
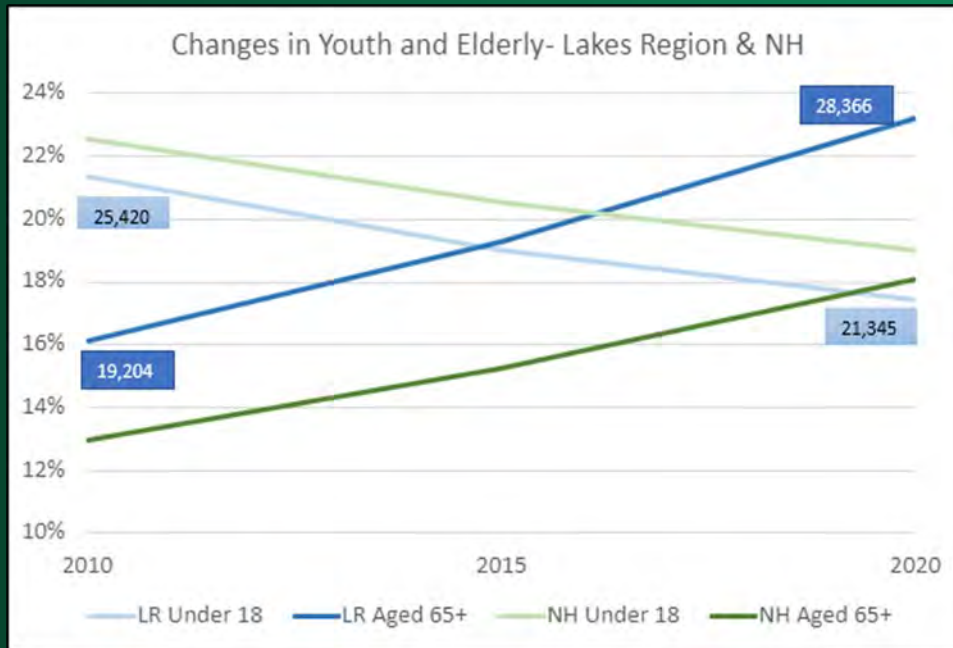
Lakes Region Housing Needs Assessment

Data Points

- Population
 - 2020 & Projection
 - Age – young and old

Lakes Region, NH Population and Projections												
	Census						ODP Projections					
Year	1970	1980	1990	2000	2010	2020	2025	2030	2035	2040	2045	2050
Population	60,461	78,126	91,900	112,320	119,725	125,258						
Population Projection							130,294	134,586	136,939	137,643	137,157	136,148

Projections: 2020-2050, NH Office of Planning & Development, 2022



Lakes Region Housing Needs Assessment

Data Points

- Households/Housing
 - Growth Rate
 - Conversions vs. construction

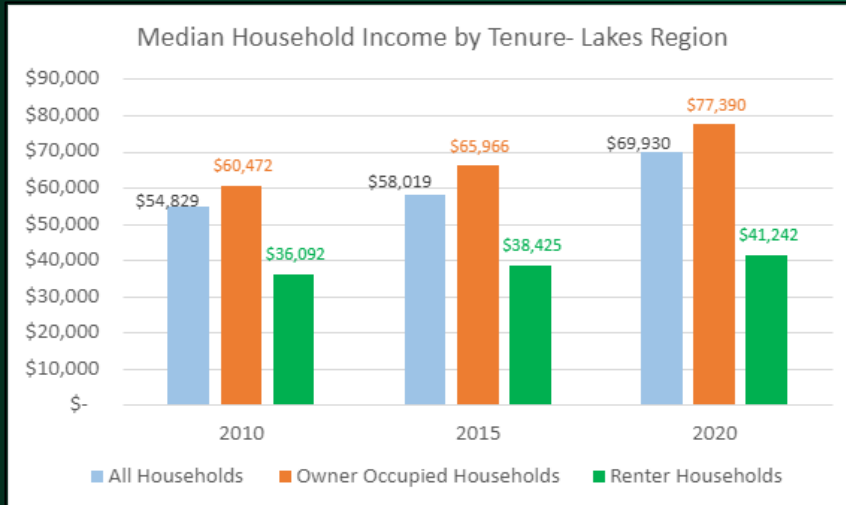
Lakes Region – Population and Housing Units			Change		People per unit	
	2010	2020	2010-2020	% Change '10-'20	2010	2020
Population	119,725	125,258	5,533	4.62%		
Total Housing Units	76,200	77,374	1,174	1.54%	1.57	1.62
Occupied Housing Units	48,922	52,856	3,934	8.04%	2.45	2.37
Vacant Housing Units	27,278	24,518	(2,760)	-10.12%		



Lakes Region Housing Needs Assessment

Data Points

- Incomes



	Number Employed in Region	Annual Median Wage
Engineers	450	\$86,392
Registered Nurses	660	\$81,316
Police and sheriff's patrol officers	250	\$56,002
Electricians	250	\$52,774
Heavy & Tractor-Trailer Truck Drivers	480	\$52,107
Office Clerks, General	870	\$40,942
Construction Laborers	310	\$40,938
Assemblers and fabricators	490	\$36,673
Janitors & cleaners	640	\$32,317
Home Health and Personal Care Aides	740	\$31,777
Retail Salespersons	1,340	\$31,034
Fast Food and Counter Workers	1,190	\$25,454
Cashiers	1,180	\$25,139
Childcare workers	130	\$24,304
Waiters and Waitresses	700	\$21,202

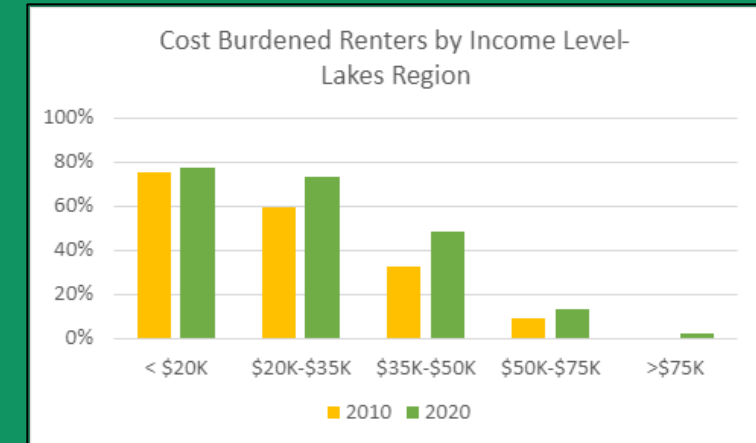
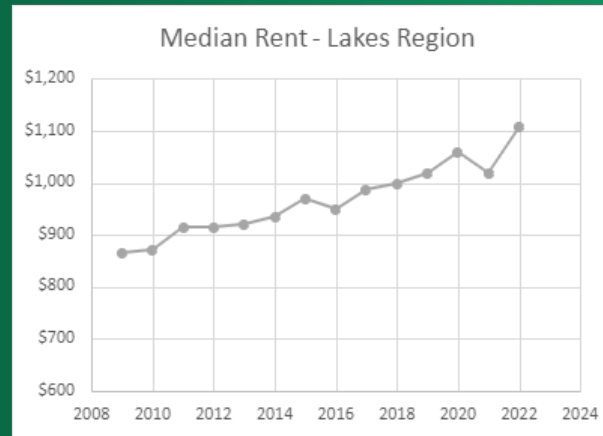
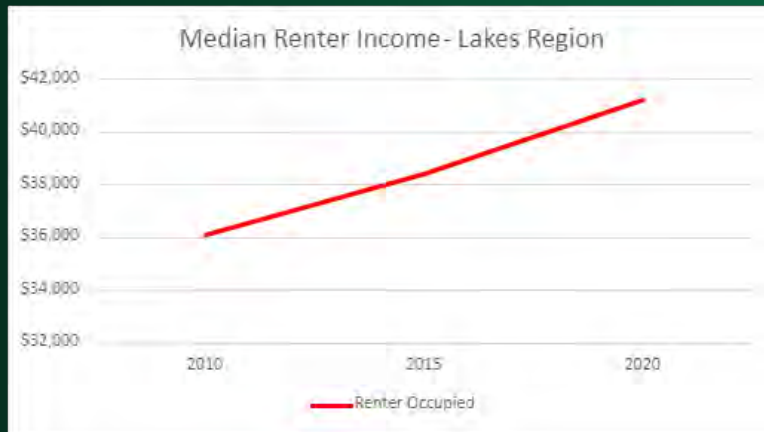
- The number of jobs in the Lakes Region increased by about 10% from 2009-2019.
- More than 60% of the jobs in the Lakes Region are in these five industries:
 - Retail,
 - Health Care & Social Assistance,
 - Education,
 - Accommodations & Food Services, and
 - Manufacturing.
- This general pattern has been consistent for at least the past decade.



Lakes Region Housing Needs Assessment

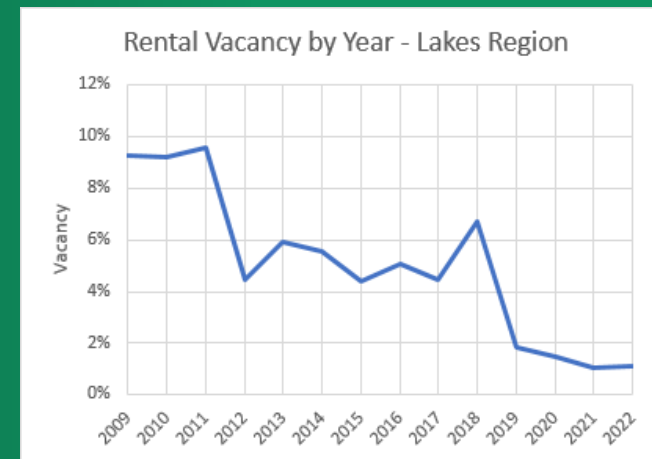
Data Points

- Housing – Cost & Availability Rentals
- Affordability – Cost Burdened – Spending > 30% on housing



Changes 2010 - 2020

- Income for Renters – up 14.3% (\$41,242)
- Rent – up 21.4% (\$1,060/mo.)
- Vacancy – down from 9.2% to 1.5%

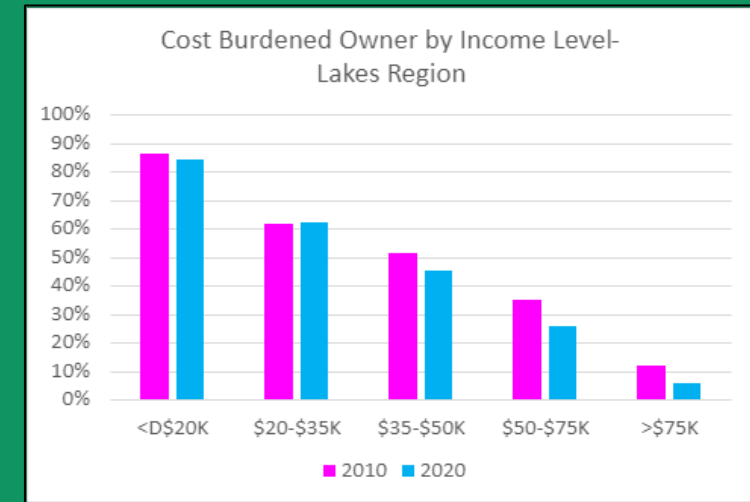
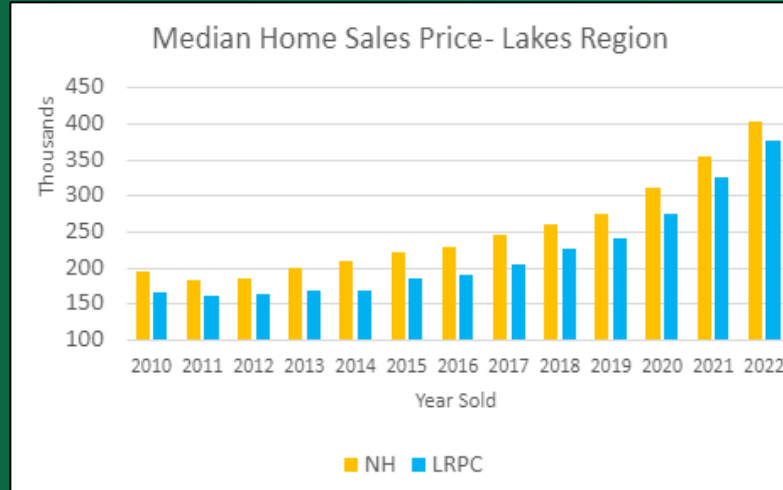


LRPC REGIONAL HOUSING NEEDS ASSESSMENT

Lakes Region Housing Needs Assessment

Data Points

- Housing - Cost
- Affordability Cost Burdened - Spending > 30% on housing



Changes 2010 - 2020

- Income for Owners - up 28% (\$77,390)
- Sales Price - up 66.2% (\$275,000)

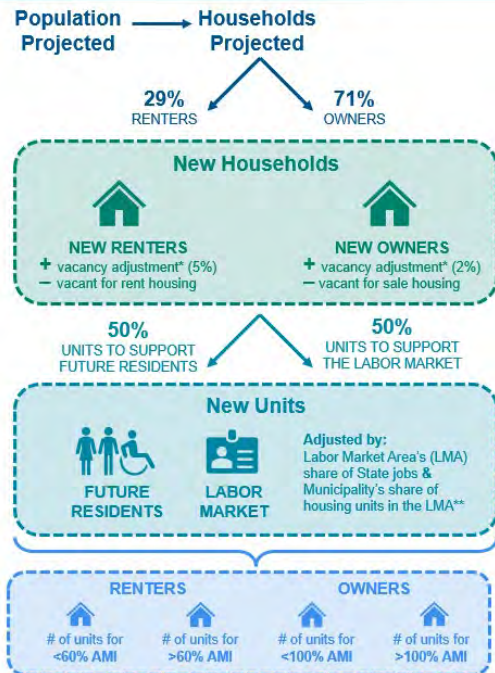


Lakes Region Housing Needs Assessment

Fair Share

- Fair Share – Municipalities & Affordability

HOUSING UNITS NEEDED



* 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 2-person household and owner AMI is based on a 4-person household as defined in RSA 674:5B-6I.

Projected Housing Need for Lakes Region communities including Fair Share Affordable Housing - 2040

Town	Total Occupied Housing Units 2020	Total New Housing 2040	Projected Affordable Housing Need 2040 (Own + Rent)	Percent of New Housing to be Affordable
Alexandria town	714	102	49	48%
Alton town	2,480	317	120	38%
Andover town	962	118	52	44%
Ashland town	938	124	60	48%
Barnstead town	1,923	236	95	40%
Belmont town	3,006	352	160	45%
Bridgewater town	526	80	33	42%
Bristol town	1,452	217	103	48%
Center Harbor town	469	63	18	28%
Danbury town	525	64	30	48%
Effingham town	666	82	35	43%
Franklin city	3,611	505	232	46%
Freedom town	835	136	67	49%
Gilford town	3,332	565	188	33%
Gilmanton town	1,538	195	81	42%
Hebron town	299	47	18	37%
Hill town	433	61	25	41%
Holderness town	845	129	49	38%
Laconia city	7,550	1,180	458	39%
Meredith town	2,903	397	185	47%
Moultonborough town	2,244	319	115	36%
New Hampton town	948	125	59	47%
Northfield town	1,908	268	122	46%
Ossipee town	1,884	226	130	58%
Plymouth town	1,987	334	167	50%
Sanbornton town	1,224	210	79	38%
Sandwich town	709	89	30	33%
Tamworth town	1,282	165	81	49%
Tilton town	1,654	258	123	48%
Tuftsboro town	1,130	148	58	39%
Wolfeboro town	2,879	333	139	42%
LRPC - Total	52,856	7,444	3,163	42%
NH - Total		88,363	32,219	36%

Source: Housing Units 2020, US Census

Projected Housing Need, Root Policy Research contracted to NH Office of Planning & Development based on:

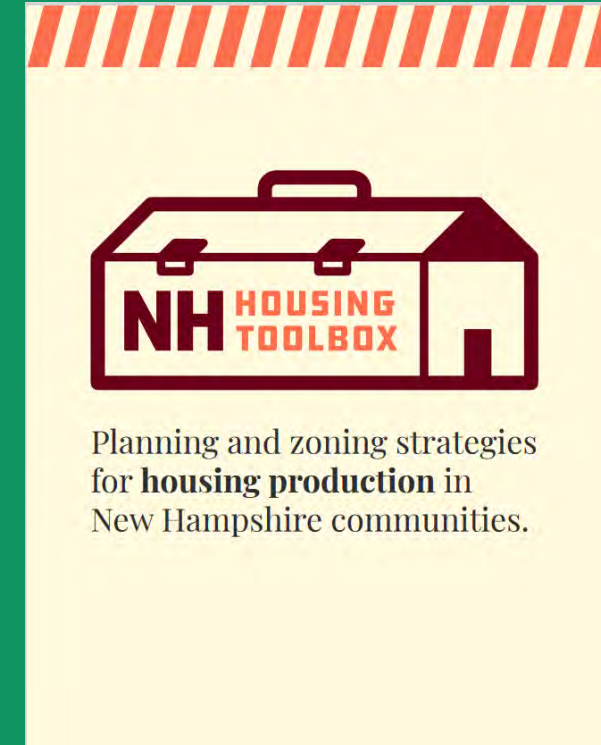
- Population Change - Population Projections OPD (2022)
- Economic Growth - Municipal Share of Labor Market Area
- Mobility-based Housing Vacancy Rate (2% Owner, 5% Renter)



Lakes Region Housing Needs Assessment

Toolbox

- Tools & Examples
 - [New Hampshire Housing Toolbox \(nhhousingtoolbox.org\)](http://nhhousingtoolbox.org)
 - About 20 different tools that might be utilized by municipalities to provide opportunities for more affordable housing.
 - Each tool contains:
 - What is it?
 - How can it help?
 - Getting Started
 - Considerations
 - Resources
 - Issues Addressed
 - Related Tools
 - State Law
 - Case Studies



Lakes Region Housing Needs Assessment

Workforce Housing Law

AN ACT establishing a mechanism for expediting relief from municipal actions which deny, impede, or delay qualified proposals for workforce housing.

CHAPTER 299, LAWS OF 2008 (SB 342)

Effective Date: January 1, 2010



Lakes Region Housing Needs Assessment

672:1 III-e. Planning and Zoning Purpose

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;



Lakes Region Housing Needs Assessment

674:58 Definitions

"Affordable" spend no more than 30% of gross household income on housing costs

"Multi-Family housing" building/structure 5 or more dwelling units

"Reasonable and realistic opportunities for the development of workforce housing" ability to develop economically viable workforce housing within the framework of a municipality's ordinances and regulations.

"Workforce housing" for sale housing affordable to 100% of median income 4-person household or rental housing affordable to 60% of median income 3-person household as defined by HUD for the county.

NOT workforce housing: where minor children excluded from more than 20% of units or more than 50% of units have fewer than 2 bedrooms.



Lakes Region Housing Needs Assessment

674:59 Workforce Housing Opportunities

- A municipality's land use ordinances and regulations **SHALL** provide realistic and reasonable opportunities for the development of workforce housing, including rental multi-family housing.
- A municipality **SHALL** allow workforce housing in a majority of the land area zoned to permit residential uses.
- Does not mean that multi-family must be allowed in the majority of residentially zoned land area.
- Can be satisfied through inclusionary zoning. Requirements must be economically viable.
- Existing housing stock can be taken into consideration for compliance.



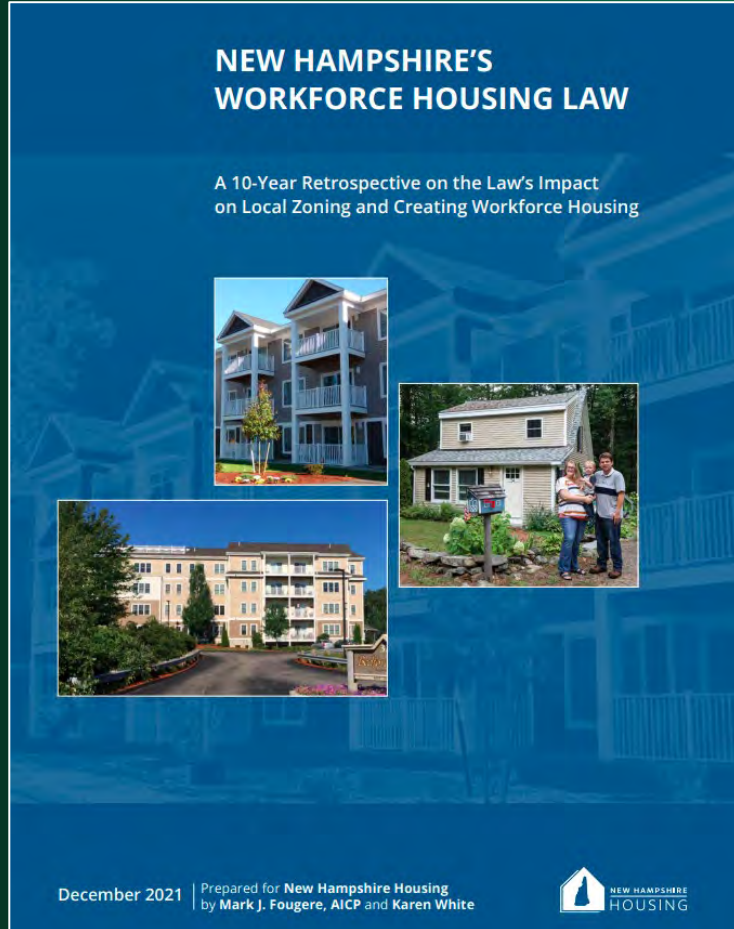
Lakes Region Housing Needs Assessment

674:60 Procedure

- Applicant must file a written statement of intent for the development of workforce housing as part of the land use application
- If land use board approves application subject to conditions or restrictions, applicant has opportunity to provide evidence that such conditions or restrictions affect costs and economic viability.
- A municipality may require restrictive covenants that the workforce housing may not be sold or rented to a non-workforce income eligible household for a term specified in the land use regulations.



Lakes Region Housing Needs Assessment



- 10-year review released in December 2021 by New Hampshire Housing
- Examined 33 municipalities and their responses to the Workforce Housing Law
- Three municipalities in the Lakes Region were assessed: Alton, Meredith and Wolfeboro



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Alton

- Has Workforce Housing Ordinance
- Has Inclusionary zoning in Planning Board regulations
- Workforce housing allowed by conditional use permit in the Rural and Rural Residential Zones. Applicant must demonstrate that there is a need for this housing. Zoning requires 2 acres per unit.
- No applications or development of Workforce Housing to date.



Lakes Region Housing Needs Assessment

Meredith

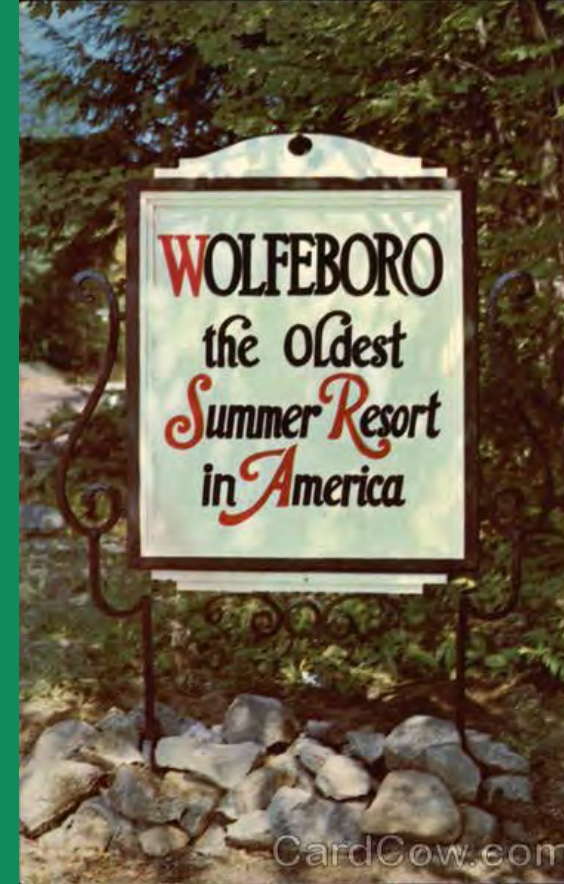
1. No Workforce Housing Ordinance
2. Has 4 affordable housing rental communities with 139 units supported by federal subsidies
3. 3 were constructed in 1970's; one was constructed in 2009 by Lakes Region Community Developers
4. Cost of land is major impediment
5. No interest by developers
6. Examining STR and impact on workforce housing
7. Considering Housing Trust Fund



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Wolfeboro

1. Has Workforce Housing Ordinance
2. Has Inclusionary zoning in Planning Board regulations
3. Has approved Workforce Housing development: Harriman Hill – first 2 phases constructed totaling 48 units, developed by Lakes Region Community Developers. Phase II used federal financing and traditional financing. Phase III 20 single family for sale units.
4. 15% density bonus not enough incentive for private developers.



Lakes Region Housing Needs Assessment

Lessons Learned and Recommended Actions

- No “one size fits all” solution
 - Community outreach, advocacy and support is critical
 - Find partnerships and experts in housing
1. Assess current housing market
 2. Audit Land Use Regulations
 3. Evaluate Zoning Options
 4. Consider Housing Affordability Controls
 5. Review Planning Board procedures for conformance with Workforce Housing Law



Lakes Region Housing Needs Assessment

Housing Needs Assessment

36:47 II. Each Regional Planning Commission SHALL compile a regional housing needs assessment.

- SHALL include assessment of the regional need for housing for persons and families of all levels of income.
- SHALL be updated every 5 years and made available to all municipalities in the planning region.

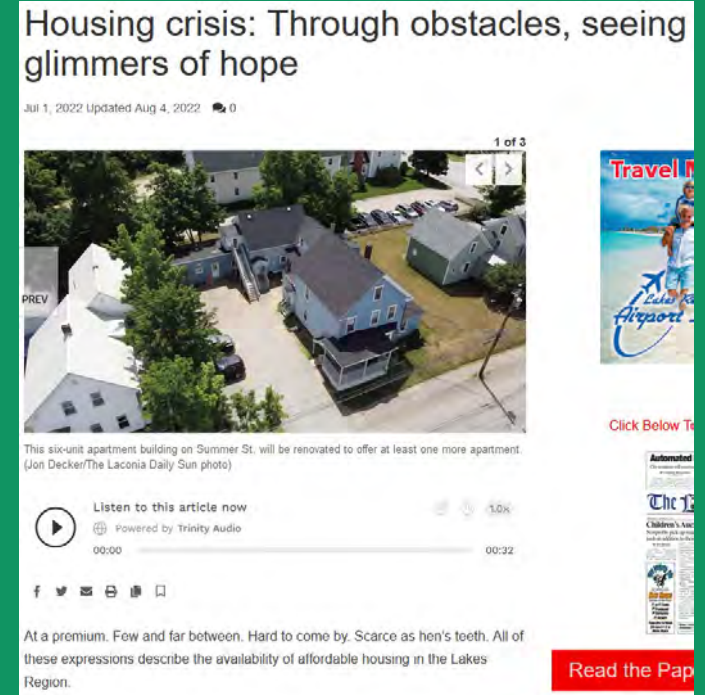
674.2 III The master plan may include (I) A housing section which assesses local housing conditions and projects future housing needs as identified in the regional housing needs assessment ...



Lakes Region Housing Needs Assessment

What's Next

- Master Plan and Zoning Ordinance Review by Communities
 - Identify appropriate locations for high density housing, including affordable housing
 - What needs to be protected from higher density land use
- The Cost Issue: Economic Incentives and Subsidies



LRPC Housing webpage: <https://www.lakesrpc.org/serviceshousing.asp>
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