



SOUTHWEST NEW HAMPSHIRE REGIONAL HOUSING NEEDS ASSESSMENT 2023



Southwest Region
Planning Commission

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Executive Summary

Southwest NH is facing a housing supply and affordability challenge. Data and information presented in this *Regional Housing Needs Assessment for Southwest NH* (Report) should serve as a call to action. Some encouraging news is that while some issues, such as the inflationary impacts on building materials and the rise in mortgage interest rates are mostly outside the control of local and regional decision-makers, progress can be made with many of our housing challenges through multi-sector collaboration and coordination.

Local and regional actors can make a significant impact by raising awareness about housing needs, identifying priorities, and then following up with multi-sector coordination, cooperation, and strategic actions. The Report, which is part reference document and part resource guide, contains data and analysis to help understand the complexity of the housing situation, while providing readers with case studies, resources, tools, and recommended strategies to address local and regional housing needs.

Why has housing become such a critical issue – what some have termed a crisis or emergency? Housing costs continue to climb to historic highs, increasingly beyond the reach of a workforce that will need to replace a surge in the number of retirees. The median price for a house in 2021 was \$315,000—up from \$150,000 only ten years ago. Households with workers earning wages in sectors such as childcare, construction, healthcare, education, manufacturing, retail, food and hospitality, and others are spending well above 30% of their income on housing—including rental housing. After accounting for inflation, wages in most employment sectors have not kept pace with the rise in housing costs over the past 15 years.

Vacancy rates for owner occupied *and* rental housing are at record lows, well below what is considered a healthy market. At the time of writing, the vacancy rate for rental units is less than 1% and the average amount of time a house is listed on the market before sale (often referred to as a home sale absorption rate) recently decreased to approximately 1 month. A healthy rental market has a 5% vacancy rate, and a sustainable home sale absorption rate of 6 months. Having additional available housing stock helps keep prices stable and makes moving—one of the most stressful events associated with modern living—practical and feasible. In a region where the unemployment rate has fallen to less than 3% and help wanted signs are everywhere, new workers are in high demand, but housing scarcity is impacting employers as well.

Although Southwest NH is not a fast-growing Region—indeed the population essentially remained flat during the 2010s—demographers expect the area to grow slowly into the 2040s placing additional stress on an already constrained housing supply. Unfortunately, housing construction in the Region was sluggish in the 2010s, growing only 1.9% over the entire decade. Meanwhile some forms of affordable workforce housing stock decreased during the same period, including duplexes, 3 to 9-unit apartment buildings and manufactured housing. Survey responses collected for this Report include numerous personal stories depicting struggles to find housing.

Not only is more housing needed, but more modern housing is needed. Our existing housing stock is older here than in any other part of New Hampshire, with more than a quarter of the Region’s housing stock constructed prior to the 1940s. These older homes are generally larger, less accessible, and more expensive to own, especially with respect to wintertime heating costs and maintenance.



While people living in Southwest NH are a varied bunch—representing different ages, abilities, economic means, household size, etc.—housing here is mostly one-size-fits-all. The single-family detached house makes up 70% of the Region’s housing stock. Approximately 40% of all housing units in the Region are 3 bedrooms or larger; yet 64% of households in the Region are comprised of 1 or 2 people. The proportion of the population aged 65 and older grew 43% between 2010 and 2020, resulting in a need for more low-maintenance and accessible housing. More people are renting than before. The ratio of owners to renters is down from 2.77 owner households for every renter household in 1970 to 2.47 in 2020. Yet new rental units are primarily being built in just a few of the Region’s communities.

In addition to these issues is an increasing presence of homelessness and an expressed need for housing for populations with special needs including those with disabilities, those transitioning from substance misuse and incarceration, and others according to survey data compiled from social service agencies operating in the area.

How much and what kind of housing does Southwest NH need to arrive at a stable and affordable housing market? According to projections from the New Hampshire Housing Finance Authority’s housing consultant Root Policy Research (RPR), the Region will need approximately 4,700 new units by 2040 to accommodate anticipated population growth and to ensure there is adequate workforce housing regionwide. Using RPR’s calculations, about 1,700 of those units should be rental units and among those units, roughly 25% (425)

should be affordable. Of the 3,000 target for new owner occupied units, roughly 42% (1,250) of the units should be affordable.¹ Per NH’s workforce housing law, each community in the State has a part to play in creating conditions for affordable housing. As such, RPR’s model offers municipal housing targets that communities can review and consider for themselves. These targets are presented in this Report.

Using tools like the new [NH Housing Toolbox](#), many communities have an opportunity to improve local conditions for housing development without sacrificing their identity and enhancing their vitality. Each municipality has an opportunity to pro-actively plan for what they want their community to look like while simultaneously meeting state housing affordability requirements. They may choose that vision to involve accommodating more accessory dwelling units, cluster development, flexibility in zoning, and other actions.

However, local governments are not the only stakeholder that has an important role to play. Others include regulators, policy makers, developers, employers, and housing interest groups. Working collaboratively and in coordination can move us forward in addressing our shared housing-related objectives and goals. In the Conclusion and Recommendations section of the Report, several sample strategies are offered including those aligned with agencies, municipalities, developers, and housing interest groups that range from basic and rudimentary to innovative and more complex. The future is ours to plan.

¹ RPR’s definition of affordability is based on the affordability guidelines cited in NH’s workforce housing law. See [NH RSA 672:1, III-e](#) or visit the Distribution of Workforce and Affordable Housing Section of the Report on page 46 for additional detail.



Acknowledgments

The Southwest NH Regional Housing Needs Assessment was funded thanks to the NH Department of Business and Economic Affairs (BEA) and the American Rescue Plan Act (ARPA) State & Local Recovery Fund as well as the US Economic Development Administration.

In development of this Plan, SWRPC staff worked in collaboration with the other eight NH Regional Planning Commissions (RPCs), the NH Office of Planning and Development (OPD), the NH Housing Finance Authority (NHHFA), and expert consultants including Root Policy Research, Outwith Studio and RLS Demographics, Inc.

SWRPC would also like to acknowledge all those who call the Monadnock Region and Southwest NH home. It is these individuals, families, business owners, and community leaders who inspire the work necessary to ensure this work is well-informed and true to the desires and aspirations of the people who live here. Thank you to all of those who participated in the surveys, focus groups and interviews. Your stories, experience and insights helped guide this work.

SWRPC thanks the Keene Sentinel for graciously allowing SWRPC to use several of its newspaper article photographs for the Report. SWRPC also thanks Keene Housing, Southwest Community Services, and other groups for the use of their photos.

In addition to the project partners above, this Plan is the result of months of dedicated effort on the part of SWRPC staff including Ben Gradert, Todd Horner, Terry Johnson, J. B. Mack, Lisa Murphy, Tim Murphy, Sean O'Donnell, Andrew Smeltz, and Henry Underwood.

Lastly, SWRPC wishes to thank the SWRPC Board of Directors and Commissioners for their support and commitment to the Planning Commission and its work including the update of this Regional Housing Needs Assessment.



Introduction

NH law defines planning, zoning, and land use regulation powers as the responsibility of municipal government. These powers include the regulation of housing. NH Revised Statutes Annotated (NH RSA) 672:1 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;”

NH law also empowers Regional Planning Commissions (RPCs), under NH RSA 36:47, II, to compile assessments of regional housing needs for persons and families of all levels of income on a periodic basis. Given the complexity of housing, RPCs can play a useful role in informing municipalities about local housing matters. Furthermore, municipal housing policies and regulations are more likely than not to have regional impact. A regional housing needs assessment provides a common frame of reference for municipalities to understand regional housing needs and trends as well as an opportunity to engage with neighboring communities and other housing stakeholders on housing matters in a coordinative and collaborative fashion.

As a follow up to SWRPC’s [Southwest New Hampshire Housing Plan](#), published in 2014,

this revised Southwest NH Regional Housing Needs Assessment aims to continue to serve as a resource to update readers on housing-related trends, understand emerging housing issues, and to inspire improvements to local housing policy and regulation and regional coordination.

Background

The factors that shape and determine where people choose to live are multifaceted and often involve an array of economic and social considerations. For the past several years, adequate affordable housing has been a significant challenge throughout NH and has only been further exacerbated by the impacts of the COVID-19 pandemic and changing demographics. Acknowledging that housing need is a complex issue, this report begins with a detailed study of the Region, its population, housing stock, and economic conditions. It goes on to explore current and future housing needs and examines the opportunities for and barriers to meeting these needs.

Since the completion of the previous housing needs assessment for the Southwest Region, several new housing policies and laws have been enacted and are considered in this update:

- Beginning July 1, 2023, incentives previously established for housing for older persons will be applicable to workforce housing development under RSA 674:17 (IV). For example, if a municipality allows increased housing density, reduced lot size, expedited approval, or other dimensional or procedural incentives under this section for the development of housing for older persons, as defined and regulated pursuant to RSA 354-A:15, VIII, it may allow the same



incentive for the development of workforce housing as defined in RSA 674:58, IV.

- Effective April 1, 2022, a city or town can establish a Housing Opportunity Zone under the Community Revitalization Tax Relief Incentive (RSA 79-E: 4-c). In those zones, at least one-third of the housing units constructed must be designated for households with an income of 80 percent or less of the area median income as measured by the Department of Housing and Urban Development (HUD), or the housing units in a qualifying structure shall be designated for households with incomes as provided in RSA 204-C:57, IV. A qualifying structure under this section can be eligible for tax assessment relief for a period of up to 10 years.
- The NH [Housing Appeals Board \(HAB\)](#) was created by the Legislature in 2020 as a more efficient and affordable means by which to appeal local rulings about housing developments (including mixed-use developments). Previously, the only forum in which these appeals could be adjudicated were through the Superior Court. Under state laws, the purview of the HAB extends to such things as growth management or innovative land-use controls, decisions by historical districts or conservation commissions, and municipal permits and fees applicable to housing. The HAB does not have the authority to rewrite or override local zoning or planning regulations. It merely interprets them in the context of State law.
- In Spring 2022, Governor Sununu announced the development of the \$100 million InvestNH Housing Fund aimed at incentivizing communities to build more housing and address existing barriers to housing production throughout the State.

The Fund was capitalized through the Governor's Office for Emergency Relief and Recovery using the state's allocation of federal Recovery Funds. At the time of writing, the \$100 million was divided between a Capital Grant Program (\$60 million) for developers and/or owners of multifamily housing, as well as municipal grants (\$40 million) to support communities through per unit development grants, demolition grants and planning & zoning grants.

Purpose

As noted above, NH RSA 36:47, II requires that each RPC compile an assessment of the Region's housing needs, also known as a Regional Housing Needs Assessment (RHNA). Specifically, RPCs are required to evaluate current, local, and regional data and project future needs of residents of all income levels and ages. The law suggests that the assessment be updated every 5 years and made available to the Region's municipalities so they can have a true appreciation of the demand while serving as a guiding tool in complying with RSA 674:2, II), which refers to the housing section of a community's local master plan. The housing sections in master plans, in turn, are intended to inform local housing-related planning, zoning and land use policies and regulations. In addition to evaluating current conditions and projecting current and future needs, RHNAs provide a common frame of reference for municipalities and other housing stakeholders to understand emerging housing issues and trends. As such, the RHNA presents an opportunity for various stakeholders to coordinate across local jurisdictions and with non-governmental housing stakeholders on



The InvestNH Program’s Impact on Southwest NH

As of February 2023, the InvestNH Program has awarded several planning and capital grant proposals in Southwest NH.

Planning and zoning grant awards include:

- The establishment of a “Housing Navigator” Program to assist the Towns of Chesterfield, Fitzwilliam, Hinsdale, and Winchester in reviewing, analyzing, and undertaking a combination of housing-related planning activities including public engagement, local needs analyses, regulatory review, and land use regulatory reforms to lift unnecessary barriers to housing development. The project involves the work of a Housing Navigator to serve as a local coordinator, interacting with municipal staff, volunteer planning boards, developers, and others to promote greater levels of housing development.
- Dublin, Keene, Sullivan, and Temple Housing Opportunity Planning (HOP) projects to utilize a housing consultant to conduct local housing needs analyses and regulatory audits of land use regulations. These projects may lead to additional HOP awards to conduct regulatory reforms.

Capital grants awards include:

- \$3 million to help convert a former paintbrush factory originally built in 1947 that will feature 57 new rental units (15 of which will be affordable to individuals and families making 80% or less of the Area Median Income (AMI)) on Marlboro Street in Keene. Plans call for construction of three additional floors over the original building, as well as rooftop space for residents to garden, exercise, and other activities.
- Nearly \$1 million to create 29 new affordable rental units at the former Troy Mill, a factory that originally specialized in the fabrication of horse blankets. The housing units will have an 11-year affordability requirement for individuals and families making 80% or less of the AMI.



This former paintbrush factory in Keene will be three stories higher and will feature 57 new residential units in part due to the InvestNH Program. Photo: SWRPC.

At the time of writing, InvestNH has yet to announce other grant awards that may yet benefit the Region to conduct additional planning and zoning activities, construct affordable housing, demolish substandard buildings, and a program that provides municipalities financial incentives for permitting the development of additional affordable units. For more information about these programs visit <https://www.nheconomy.com/about-us/investnh>.

housing issues. In publishing this document, SWRPC endeavored to provide actionable, realistic solutions for municipalities, businesses, developers, housing-focused entities, and other stakeholders on ways they can help meet the projected needs of communities.

Moreover, the RHNA is intended to help municipalities determine their compliance with NH’s Workforce Housing Statute, RSA 674:58-61, which says that all municipalities must provide reasonable and realistic opportunities for the development, as well as their “fair share”, of workforce housing inventory.

As an enhancement to this year’s update and based on recommendations from the NH Council for Housing Stability’s 2021-2024 Strategic Plan, this RHNA contains strategies for meeting housing needs of specific sub-populations and communities of interest.

Another important component of this document is a Fair Housing Equity Assessment (FHEA). The development of an FHEA, which is required to be consistent with the U.S. Department of Housing and Urban Development’s (HUD) guidance, is a requirement of the American Rescue Plan Act of 2021 (ARPA) funds that are used to develop the

RHNA. The purpose of the FHEA is to understand areas of opportunity to enhance access to affordable or fair housing. The FHEA includes assessments of: segregated areas and areas of increasing diversity; racially or ethnically concentrated areas of poverty; access to existing areas of high opportunity; major public investments (physical infrastructure); and fair housing issues, services, and activities (fair housing infrastructure).

Regional Context

The Southwest Region is geographically defined as the 34 municipalities of NH that comprise all of Cheshire County and parts of Hillsborough and Sullivan Counties. The Region borders the State of Vermont to the west and the State of Massachusetts to the south.

According to the U.S. Census Bureau, there were 100,307 people living in the Region’s 976 square miles in 2020 – roughly 103 persons per square-mile. Municipal populations range from 23,047 in the City of Keene to 262 in the Town of Windsor. Excluding Keene, the average town population size is 2,341. A central and defining



Mount Monadnock. Photo: Keene Sentinel



feature of the Region is Mount Monadnock, which rises 3,165' above sea level. The Mountain and its highlands shape the landscape of rolling hills and valley floors. Forests cover more than 80% of this land with rural and suburban residential development emanating from village centers and small downtown areas. Except for Keene and other small downtown centers, much of this development is dispersed resulting in an average of one house for every ten or more acres.

While a strong sense of local identity defined by municipal boundaries prevails, there is variety where people work and shop, have social connections, and spend leisure time. Mount Monadnock and its highlands bisect the landscape into two sub-regions. One is dominated by the City of Keene as an employment, commercial, and population center and the other is a more linear configuration of the Contoocook River Valley's population centers of Peterborough, Jaffrey, and Rindge. Most of the Region's largest employers are located in these two areas.

Methodology

In preparing this report, SWRPC worked in close partnership with the eight other NH Regional



Figure 1: Map of Southwest New Hampshire

Planning Commissions (RPCs) as well as the NH Department of Business and Economic Affairs (BEA) at the state level. Together, the team of data collectors relied largely on demographic and socioeconomic data from the U.S. Census Bureau's Decennial Census and American Community Survey 5-Year Estimates as well as information collected from the NH Housing Finance Authority (NHHFA) on state and regional housing trends. To better understand the housing needs and preferences of residents in the Region, SWRPC staff conducted both targeted and non-targeted outreach including surveys, community conversations, focus groups, and interviews. More information about these efforts is included in the report's Appendices.



Analysis of Historical and Existing Conditions and Trends

Demographic and Socioeconomic Trends

Population

While there are many factors that shape housing needs and demand, population change is perhaps one of the most fundamental. Examining demographic shifts can help clarify our understanding of current and future housing challenges.

Between 2010 and 2020, the total population of Southwest NH declined from 100,751 to 100,307, a loss of 444 people or just under 0.5%. The decade represented the first decline in the Region’s population since the period between 1910 and 1920. The recent decline is due to both “natural decrease” – the number of deaths outnumbering the number of births within the Region – as well as domestic outmigration (i.e., people moving from the Region to other parts of the state or country).

This modest decrease in regional population occurred against a backdrop of positive yet slowing national growth. From 2010 to 2020, the U.S. population grew by 7.6 percent. Growth over the preceding decade was 9.7 percent. Population trends across Southwest NH communities vary, with about half experiencing growth from 2010 to 2020 and half seeing a decline. Only four communities (Rindge, Stoddard, Surry, and Windsor) within the SWRPC region saw growth rates which exceeded the statewide average of 4.6 percent.

The Region may be starting to see changes to this trend of declining population in the wake of the COVID-19 pandemic. The 2020 Census, which took place in April of that year, failed to capture much of the demographic reshuffling that occurred across the United States during the pandemic. The common narrative offered by demographers is that many city dwellers, liberated by remote work and going stir-crazy in small urban apartments, chose to move to the countryside in search of larger homes, greener backyards, and access to the outdoors.

Recently released figures from the U.S. Census Bureau’s Population Estimates Program, however, now provide us with a window into how the Region’s population has changed over

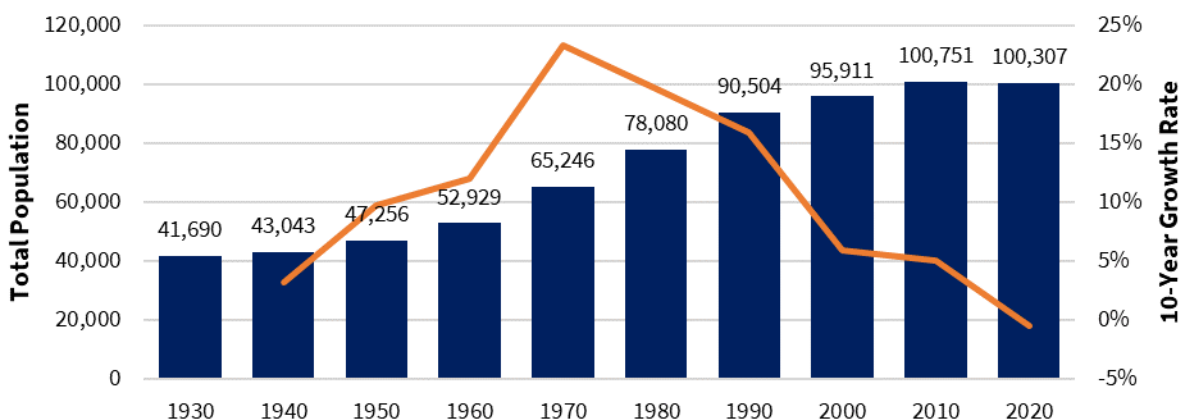


Figure 2: Change in Population and 10-Year Growth Rate, Southwest Region.
Source: US Decennial Census (1930-2020)

the course of 2020 and 2021.² In short, there has been a significant reversal of the population loss experienced over the previous decade.

While Cheshire County lost approximately 1,000 people between 2010 and 2020, it gained over 800 people between April 2020 and July 2021.³ When compared with all other counties in the NH-VT-MA tri-state area, Cheshire County ranked 9th (out of 38) in terms of percentage growth over the 2020-21 period. Most other NH counties also saw relatively strong gains.

Pulling back to examine the whole tri-state area also reveals that the most urbanized portion – the Boston metro area – saw the biggest population drop between 2020 and 2021. Suffolk County, which includes the City of Boston, lost nearly 27,000 residents, or 3.3%.⁴

Based on Census data, it is premature to say whether

recent population gains in Cheshire County is due to people migrating from urban areas. What can be said, however, is that this relatively rural region has seen gains while nearby urban

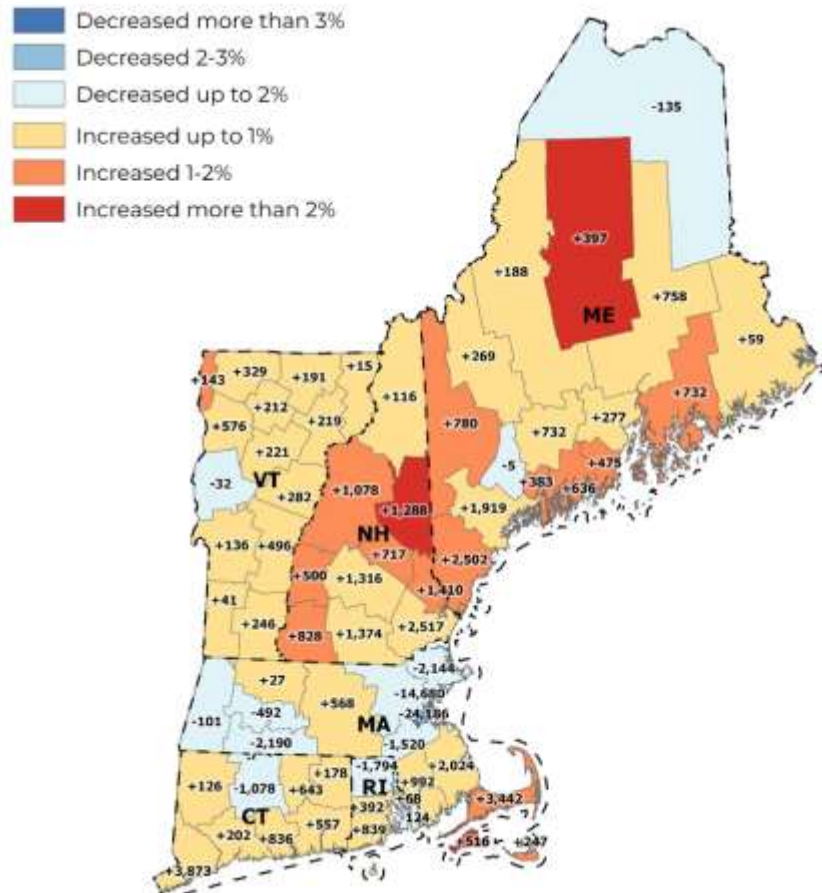


Figure 3: Total Population Change July 1, 2020 to July 1, 2021 by County. Source: U.S. Census Bureau Population Division. Colors represent change compared to July 1, 2020 population estimate. Figures represent total population change for each county.

² US Census Bureau QuickFacts, Cheshire, Hillsborough and Sullivan Counties. Available online: https://www.census.gov/quickfacts/fact/table/sullivancountynewhampshire,hillsboroughcountynewhampshire,_cheshirecountynewhampshire,NH/PST120222. Accessed December 1, 2022.

³ US Census Bureau QuickFacts, Cheshire County, New Hampshire. Available online: [U.S. Census Bureau QuickFacts: Cheshire County, New Hampshire](https://www.census.gov/quickfacts/fact/table/cheshirecountynewhampshire,NH/PST120222). Accessed December 1, 2022.

⁴ US Census Bureau QuickFacts, Suffolk County, Massachusetts. Available online: [U.S. Census Bureau QuickFacts: Suffolk County, Massachusetts](https://www.census.gov/quickfacts/fact/table/suffolkcountymassachusetts,MA/PST120222). Accessed December 1, 2022.



population centers have seen losses. This pattern is quite different than that seen during the preceding decade. It can also be determined that essentially all recent population growth in Cheshire County is due to domestic migration, as opposed to “natural increases” (births – deaths) or international immigration from other countries.

If this recent trend in domestic migration is to continue, increasing the supply and variety of available housing units will be key to ensuring that prices remain attainable for working- and middle-class households. Expanded housing opportunities will be necessary for the Region to continue counteracting previous population loss and welcoming new, much-needed workers and other community members to replace retiring workers.

Net Migration

For years, migration has provided most of the Region’s population gains, as it has in the State as a whole. In NH, 54,500 of the State’s 61,000 new residents (89%) between 2010 and 2020 arrived through migration. While the rate of new residents migrating to the State diminished sharply during the Great Recession and its aftermath, these figures have rebounded in recent years. In a state where deaths have exceeded births in each of the last four years, migration is critical to the State’s demographic future.

In the past 20 years, the Southwest Region witnessed a significant shift in the rate of natural population increase, as measured by

the number of births and deaths that occurred each year. Compared to the period 2000 to 2009, where births exceeded deaths by 1,551, the most recent period of analysis (2010-2019) shows that deaths outnumbered births by 440.

According to the University of NH’s Carsey School of Public Policy, the impact of COVID-19 will likely exacerbate this trend of increased mortality and decreased birth rates in the near term.⁵ Therefore the State can expect to be dependent on migration for future growth in the short-term, meaning that policies that encourage current residents to remain and new migrants to come to NH and the Region will continue to be important.

Between 2010 and 2020, the Southwest Region saw stagnant net migration (a loss of 4 residents), when compared to the previous decade which saw 3,289 new residents migrate to the Region. Looking at the community level, in the past decade, the greatest increases in net migration were observed in Peterborough (638), followed by Keene (401) and Stoddard (122).

State to state flow data from the past decade show that there were more people from other parts of NH, Massachusetts and Connecticut moving to Cheshire County than Cheshire County residents leaving for those areas (See Table 1 on the next page). The largest net losses of Cheshire County population due to out-

⁵ Johnson, K. (2021). New Census Data Reveal Modest Population Growth in New Hampshire over the Past Decade. University of New Hampshire Carsey School of Public Policy. Available online: [New Census Data Reveal Modest Population Growth in New Hampshire Over the Past Decade | Carsey School of Public Policy | UNH](#). Accessed December 1, 2022.



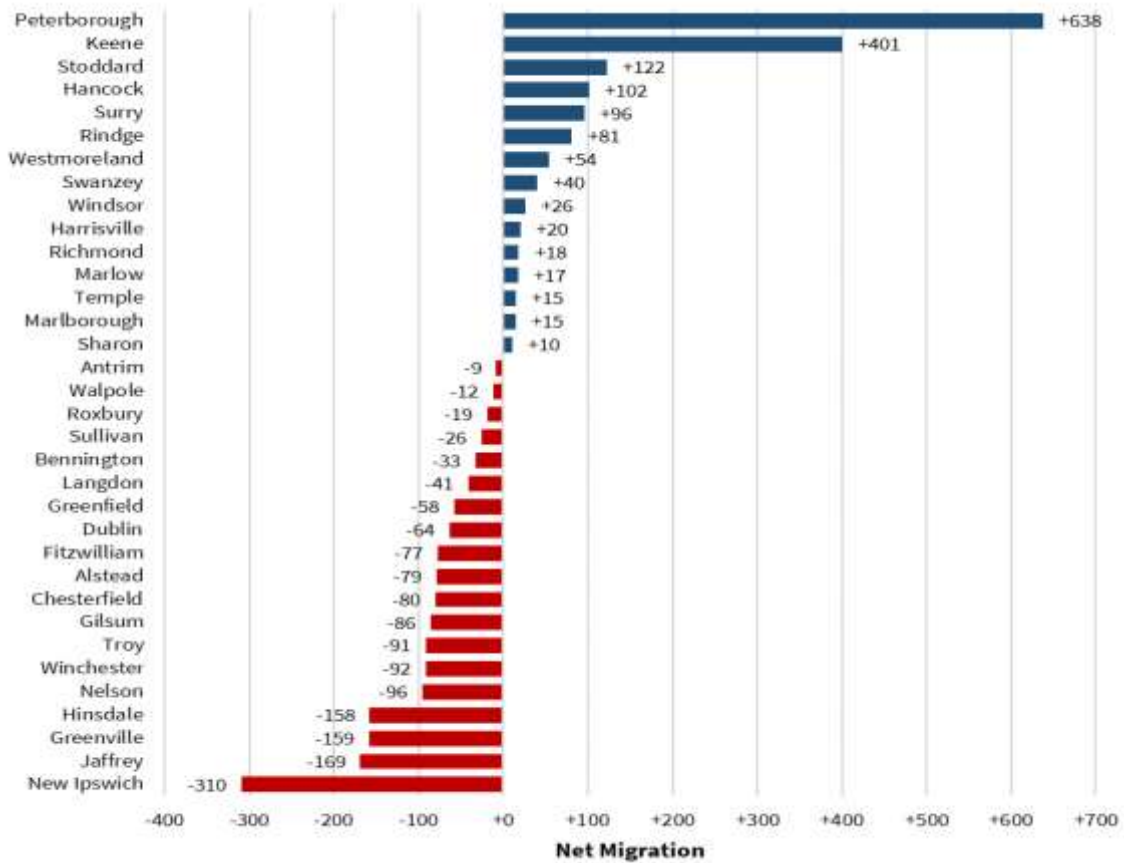


Figure 4: Net Migration by Community 2010-2020.
 Source: US Decennial Census, New Hampshire Department of State

migration have been retirement destinations like Florida, South Carolina, and Arizona.

Migration patterns tend to reflect life-cycle changes. Often, life cycle factors (e.g., going to college, living independently for the first time, retiring, moving to assisted residential care settings) are the most important when deciding to migrate or not. Because of this, age patterns of migration can show stability over time for people living in their middle-ages, even though economic conditions result in a higher or lower overall level of total migration.

Between 2010 and 2020, Cheshire, Hillsborough, and Sullivan Counties all experienced net out-migration of young people between the ages of 15-24 (See Figure 5 on the next page). However, each county began to see the net positive in-

| Net Migration | 2016-2020 | | 2011-2015 | |
|--------------------------|-----------|------|-----------|------|
| | | | | |
| Top 5 State Origins | MA | 599 | Other NH | 863 |
| | CT | 299 | MA | 594 |
| | MO | 102 | VT | 379 |
| | CA | 90 | AK | 240 |
| | Other NH | 80 | CT | 203 |
| Top 5 State Destinations | FL | -167 | FL | -260 |
| | IL | -158 | AZ | -167 |
| | ME | -141 | SC | -149 |
| | SC | -120 | TN | -81 |
| | AZ | -85 | WV | -76 |

Table 1: State to State Net Migration Estimates, Cheshire County (2011-2020). Source: US Census Bureau American Community Survey Estimates



migration of people aged 25 and 39. This age group likely reflects younger adults moving to the area to set down roots and perhaps start new families and new jobs. Net migration levels stabilized towards net zero in Cheshire, Hillsborough and Sullivan Counties for people at around 40 to 44 years old. It is not until old age that migrations tend to change significantly

diversity is the result of the in-migration of people from different ethnic and racial backgrounds moving into the Region. However, some of the changes are associated with the 2020 Census questionnaire which was improved so that people could more accurately self-identify themselves. Some changes may also be a result of how cultural shifts have

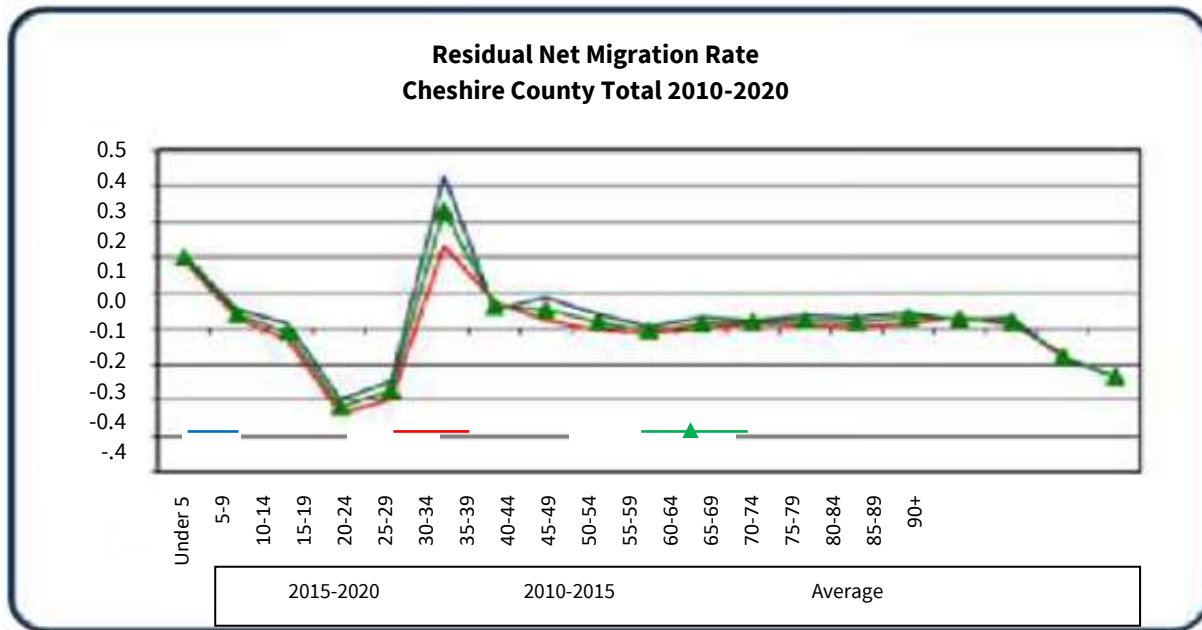


Figure 5: Net Migration Rate by Age Cohort, Cheshire County (2010-2020). Source: State of NH State, County, and Municipal Projections: 2020-2050, RLS Demographics, 2022. To see migration rates for Hillsborough and Sullivan County visit the Appendix.

again. Sullivan County began to see more out-migration than in-migration at around 75-79 years of age during the period. Cheshire and Hillsborough Counties started to experience net negative migration at ages 85-89 and age 90 or more respectively.

Population by Race and Ethnicity

The Southwest Region, much like the rest of NH, has significantly less racial and ethnic diversity than the Nation as a whole. However, Census data from 2020 shows that the Region is becoming more diverse than it was in previous decades (as evidenced by Table 2 and Figure 6). Some of this new

| Race/Ethnicity | 2000 | 2010 | 2020 |
|--|---------------|----------------|----------------|
| White Alone | 93,304 | 96,258 | 91,060 |
| Black or African American Alone | 328 | 456 | 761 |
| American Indian and Alaska Native Alone | 257 | 209 | 173 |
| Asian Alone | 481 | 1,094 | 1,233 |
| Native Hawaiian and Other Pacific Islander Alone | 29 | 29 | 54 |
| Some Other Race | 74 | 74 | 437 |
| Two or More Races | 755 | 1,195 | 4,126 |
| Hispanic | 683 | 1,436 | 2,463 |
| Total Population | 95,911 | 100,751 | 100,307 |

Table 2: Total Change in Race and Ethnicity, Southwest Region (2000, 2010, 2020). Source: U.S. Census Bureau Decennial Census



changed how people self-identify.⁶ For instance, whereas some people may have self-identified as “white alone” in 2000 or 2010, a proportion of those people may now self-identify as “two or more races.” Figure 7 below shows the geography of different races and ethnicities in the Region as of 2020. In general, communities with a greater presence of non-white population are places that tend to have institutes of higher learning, are more urban, and/or have a higher presence of jobs.

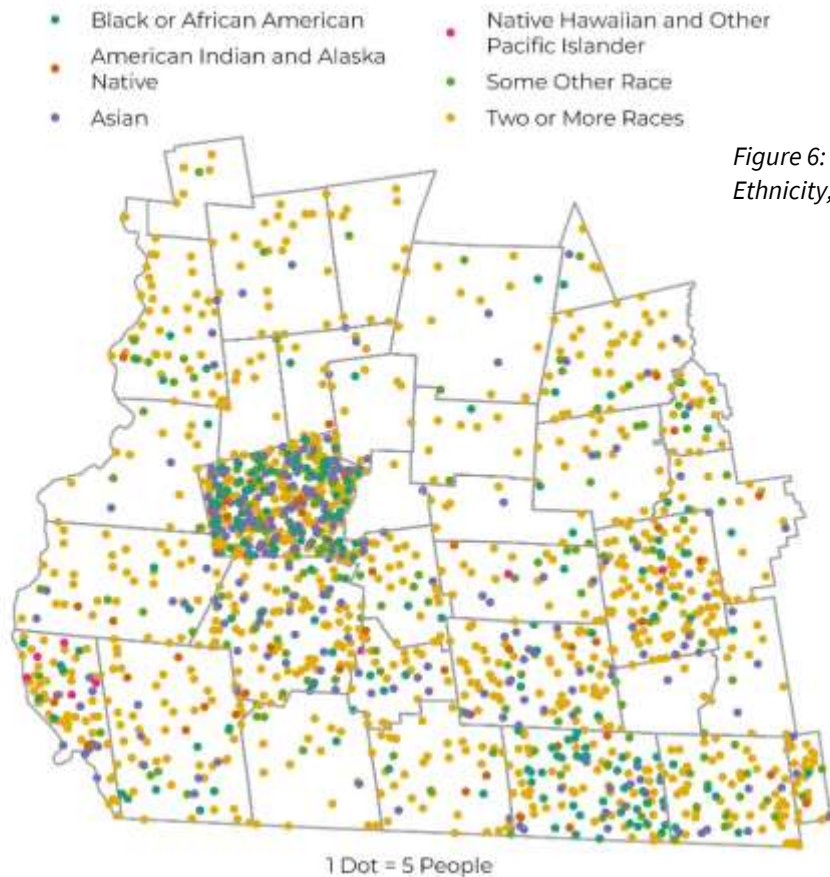


Figure 7: Racial/Ethnic Population, Southwest Region (2020). Source: US Census Bureau Decennial Redistricting Data

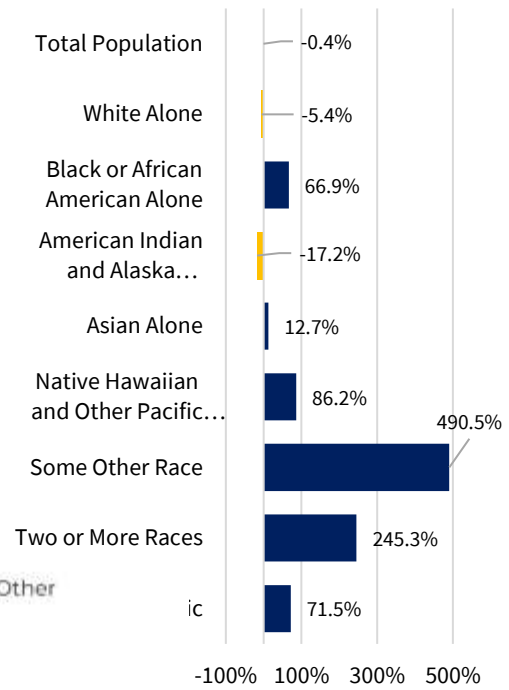


Figure 6: Percent Change in Population by Race and Ethnicity, Southwest Region (2010-2020). Source: US Decennial Census

⁶ <https://www.census.gov/newsroom/press-releases/2021/population-changes-nations-diversity.html>. Accessed on February 18, 2023.



Population by Age

The proportion of the Region’s population aged 65 and older continues to grow more rapidly than any other age group in Southwest NH. Between 2010 and 2020, the number of senior (65+) residents grew 43% from 14,296 to 20,486. In contrast, the number of residents under 18 declined by 15% from 21,555 to 18,406. As indicated in Figure 8, the number of residents aged 55 to 59 represent the largest 5-year age group cohort and will contribute to this trend of an aging population in the coming years.

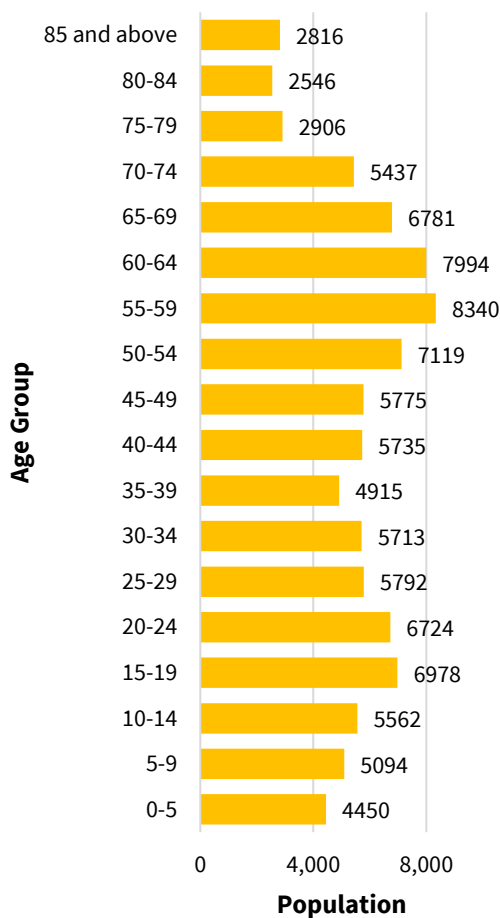


Figure 8: Population by Age Cohort, Southwest Region (2020). Source: US Census Bureau American Community Survey Estimates

As noted earlier, the Region began to experience more deaths than births for the first time in recent history during the 2010s. This is due to the gradual aging of the population. Not only do mortality risks greatly increase after age 70, but the fertility rate of women also greatly decreases between the ages of 30 and 34 until the fertility rate is near zero at ages 45 to 49. At the same time, the entire United States is seeing a noticeable trend that recent generations are also delaying childbearing as well as having less children compared to historic levels. This is apparent in Figure 9 showing fertility rates in Cheshire County (and it is true also for Hillsborough and Sullivan County). Compare the blue trend line from 2010 to the red trend line reflecting 2020.

Likely due to the fertility trends discussed above, the number of residents under the age of 18 has declined nearly 15% between the period of 2010 and 2020 from 21,564 to 18,406 residents under the age of 18 (See Figure 10).

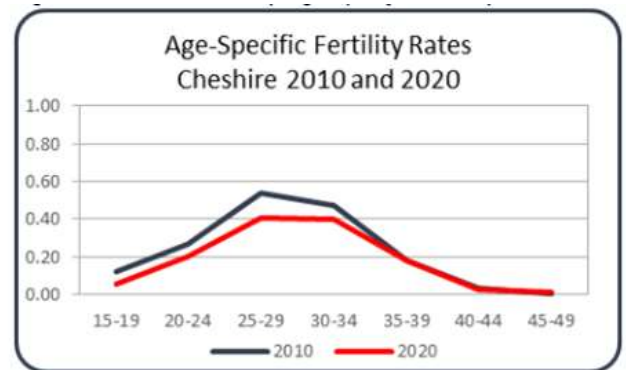


Figure 9: Age Specific Fertility Rates, Cheshire County (2010 and 2020). Source: Source: State of New Hampshire State, County, and Municipal Projections: 2020-2050, RLS Demographics, 2022. To see migration rates for Hillsborough and Sullivan County, go to the Appendix.



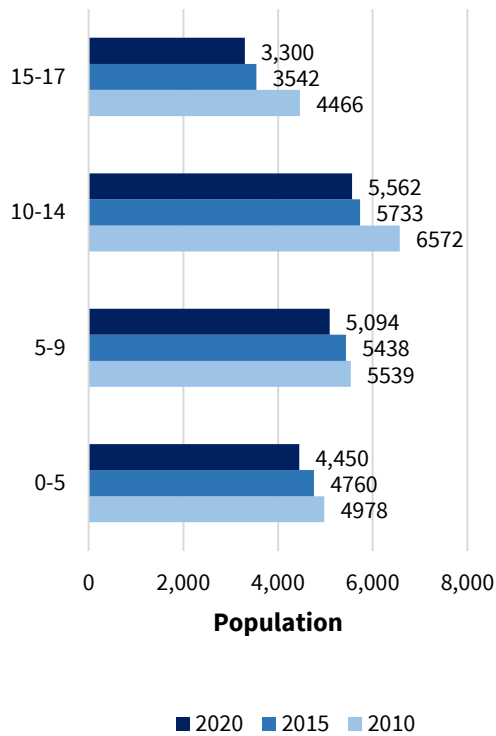


Figure 10: Change in Youth Under 18, Southwest Region (2010-2020). Source: US Census Bureau American Community Survey Estimates

Communities of Interest

Communities of interest are groups of people who have common housing challenges or needs. These communities include demographic and socioeconomic groups that cover race and ethnicity, language, age, disability status, income, poverty, access to vehicles, and more. This section of the Report discusses the specific housing challenges that these communities face.

Racial and Ethnic Minorities

The US Census Bureau measures race and ethnicity following the Federal Office of Management and Budget standards as set in 1997. In addition, the 2020 Census collected data on Hispanic origin and race in two separate questions. Race is broken into five categories of White, Black or African American, American Indian or Alaska Native, Asian, 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.”

Historically, the US has struggled with the issue of neighborhoods segregated by race and ethnicity. The term segregation is mainly used in reference to the legally or socially enforced separation of blacks from whites, but it is also used in reference to the separation of other ethnic minorities from majority and mainstream communities.

As part of this report, Southwest NH was examined for potential instances of segregation. To conduct that analysis, demographers use a tool called the dissimilarity index. The dissimilarity index compares the distribution of any two racial or ethnic groups in a unit of geography (in this case census blocks and block groups) and compares it to the racial or ethnic make-up of the Region as a whole. A score of 0 indicates that every geographic unit has the same racial/ethnic share of the the population as the overall Region. Scores closer to 100 indicate that many



The Monadnock Diversity, Equity, Inclusion and Belonging Coalition hosts a meeting to talk about race and policing in 2023. Photo: Keene Sentinel.

areas deviate from the Region’s overall racial/ethnic composition.

When applied to the Southwest Region, the Dissimilarity index suggests that levels of segregation are higher among American Indian or Alaska Native populations, Native Hawaiian or Pacific Islanders or “Some other race.” However, the scale of any potential segregation is complicated by the fact that there are small numbers of these groups. The American Indian or Alaska Native, Native Hawaiian or Pacific Islanders or “Some other race” represent 182, 31 and 96 individuals, in the Region, respectively. Each racial/ethnic population does not exceed more than 1% of any census tract in the Region.

NH has small minority populations relative to many other states and areas of the country. Nevertheless, many minority residents in the state may face discrimination when applying for a loan, rental or refinancing their property.⁷ NH does not have a Fair Housing Center like some other states in the country, but NH Legal Assistance has for years operated a Fair Housing Project which receives federal funding for testing, including to better understand discrimination in rental properties in communities throughout the state.

In Southwest NH, the top 3 communities with the largest populations of racial and ethnic minorities Keene (2,513), Rindge (665), and Swanzey (692). It is likely that institutions of higher education reflect these higher numbers in part. More information about the minority population in each municipality in Southwest NH is available in the Appendix.

| | Dissimilarity Index | Level of Segregation |
|---|---------------------|----------------------|
| Minority/White alone | 29.5 | Low |
| Hispanic or Latino/White alone | 40 | Low |
| Black or African American alone/White alone | 47.5 | Moderate |
| Asian alone/White alone | 54.3 | Moderate |
| American Indian or Alaska Native alone /White alone | 64.6 | High |
| Native Hawaiian or other Pacific Islander alone/White alone | 86.4 | High |
| Some other race alone/White alone | 79.9 | High |
| Two or more races /White alone | 34.1 | Low |

Table 3: Racial/Ethnic Dissimilarity Index, Southwest Region (2020) by Census Tract. Source US Census Bureau American Community Survey Estimates. Note some Census Tracts include communities outside of the Region.

Limited English Proficiency (LEP)

The measure of the Limited English Proficiency (LEP) population is defined as individuals five years of age or older who self-identify as speaking English less than "very well" according to the US Census American Community Survey 5-Year Estimate data. The total LEP population equals the sum of all individuals who speak a language other than English and speak English less than "very well."

Because English is not a primary language for this population, they may have trouble

⁷ Concord Monitor (2022). <https://www.concordmonitor.com/Discriminatory-home-lending-persists-in-New-Hampshire-45233758>. Accessed March 5, 2022.



communicating in English, and may need an interpreter or document translation to have meaningful access to federally funded programs. Title VI of the Civil Rights Act of 1964 requires recipients of Federal financial assistance to take reasonable steps to make their programs, services, and activities accessible to eligible persons with limited English proficiency.

In 2020, according to American Community Survey estimates, the Southwest Region has fewer residents aged 5 years and older who are LEP than in 2010. LEP residents represent approximately 0.7% of the region’s total population aged 5 years and over in 2020. The top 3 communities with the largest populations of the LEP population were Keene (326), Swanzey (87), and New Ipswich (50).

American Community Survey estimates from 2016 to 2020 suggest that there were about 728 immigrants that moved from abroad to 24 different communities in the Region, many of whom may account for LEP individuals. LEP and immigration data by municipality is available in the Appendix.

Senior Citizens

As the Region’s “Baby Boomer” population grows older, the need for additional appropriate housing, transportation, health care, delivery and supportive services will continue to increase. While seniors generally want to age in their own homes or locale, most of the Region’s communities do not currently support the appropriate housing, social services, and transportation these older adults need to live independently. This population generally tends to prefer, and to some degree require, housing that is smaller in size (one to two bedrooms) and located near goods and services or flexible transportation options.

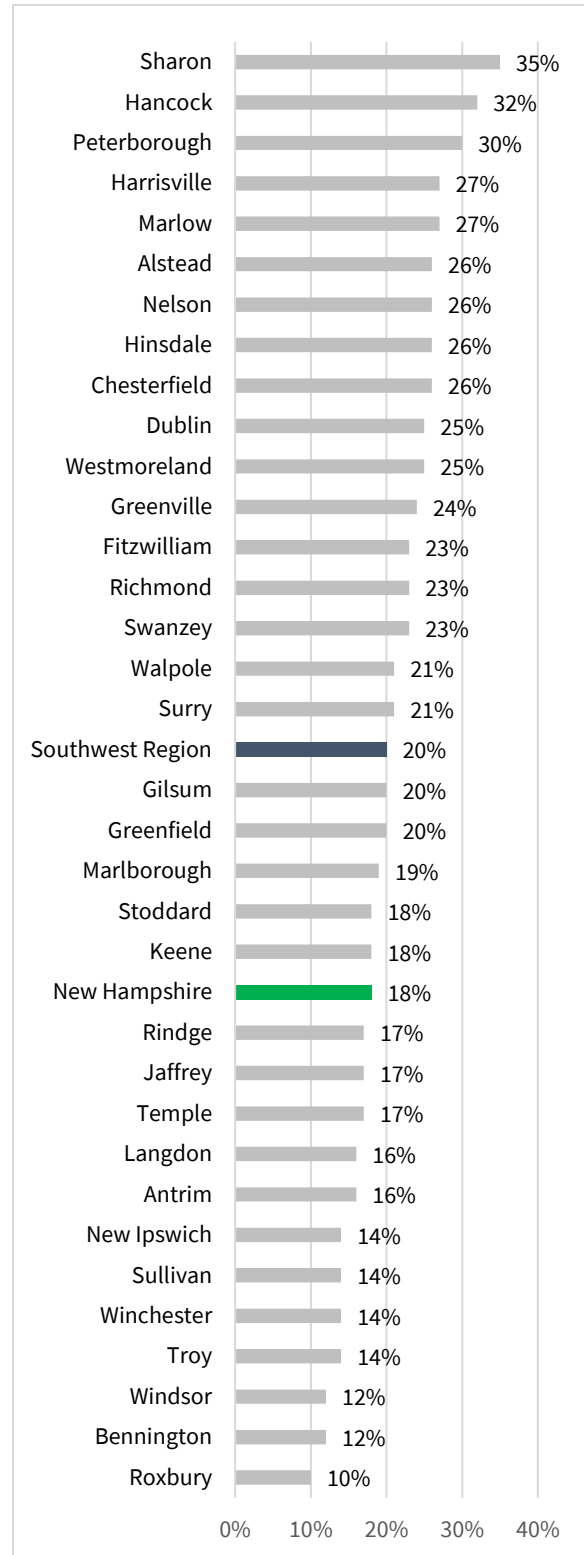


Figure 11: Proportion of Residents Ages 65 and Over, Southwest Region (2020). Source: US Census Bureau American Community Survey Estimates



The need to ensure adequate housing and services for senior residents is particularly pronounced in the Southwest Region when compared to the State as a whole. Twenty-two of the Region’s 34 communities have a higher proportion of senior residents (i.e., those aged 65 and older) than the State as a whole.

Currently, there are 32 assisted housing complexes for seniors in the Region with a total of 1,131 units. Of these units, 1,107 are assisted and 98 are considered accessible. One-third of these complexes are in Keene. The remainder are dispersed throughout the Region in the following towns: Alstead, Antrim, Greenfield, Greenville, Hinsdale, Jaffrey, Marlborough, Peterborough, Rindge, Swanzey, Troy, Walpole, and Winchester. In addition, Cheshire County’s Maplewood Nursing Home has 20 assisted living apartments and 150 nursing home beds in Westmoreland.

Irrespective of supply, many seniors face economic challenges meeting their housing preferences and needs. This population often lives on a limited income after retirement, limiting their housing affordability if they do not already own their home or choose to downsize. Traditionally, the home purchases of first-time buyers would have enabled older homeowners who were selling their homes to downsize or seek alternative housing options. However, high levels of student debt, modest wage growth, rising property taxes and interest rates, and more rigorous lending standards limit home buying options for younger generations, making it more difficult for older homeowners to transition out of their homes.

Persons with Disabilities

Individuals with disabilities can have a difficult time finding housing that is affordable, accessible, and meets their special needs. Within the Southwest Region, over 13% of non-

institutionalized persons have some form of disability, which is slightly higher than the State (12.6%). Although persons with disabilities are dispersed throughout the Region, there is a significant concentration in Greenville, where 21.3% of the population has a disability, followed by Troy (18.6%), Swanzey (18.3%), and Greenfield and Hinsdale (18.1%).

Having a disability can limit what types of housing may be suitable or available. Finding housing for persons with physical disabilities can be especially challenging, as the housing stock that is the most affordable may not be accessible. With an older housing stock than the State, many Southwest Region homes lack characteristics that are conducive to individuals with limited mobility such as bedrooms and bathrooms at the street level, entrances without steps, wide doorways, etc. In

| | 2015 | 2020 |
|-----------------------------|---------|---------|
| Total Population | 100,476 | 100,677 |
| Persons with a Disability | 12,427 | 13,408 |
| Percent of Total Population | 12.4% | 13.3% |

Table 4: Change in Persons with Disabilities, Southwest Region (2015-2020). Source: US Census Bureau American Community Survey



Kerry Magee, a resident of Keene Housing’s Central Square Terrace building in Keene, was instrumental in helping the agency’s architect design apartments for people with disabilities providing valuable insight on design of doorways, countertops, outlets and other features. Photo: Keene Sentinel.



addition, these older homes are generally more expensive to occupy, especially with respect to wintertime heating costs.

Poverty

The US Census Bureau uses a set of income thresholds that vary by household size and composition to determine who lives 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 living in poverty. The official poverty thresholds do not vary geographically and are updated annually for inflation using the Consumer Price Index (CPI-U). The official poverty definition uses income before taxes and does not include capital gains or noncash benefits (such as public housing, Medicaid, and food stamps). The 2022 Federal poverty threshold for a single person under age 65 was \$14,097 and increases for each additional person in the household. The poverty measure is intended to weigh household income against costs to determine the minimum amount necessary to afford basic living expenses.



Hampshire House in Keene, now operated by Keene Housing, offers 48 rental units for people with extremely low incomes.

According to the 2016-2020 5-year American Community Survey Estimates, more than 8,000 (or approximately 8%) of Southwest Region residents are living below the poverty line. This represents a higher proportion of individuals living in poverty statewide (7.4%), according to the same ACS estimates.

Southwest NH also has a greater proportion of low-income and extremely low-income owner-occupied units compared to the State. However, the Region has a lower proportion when comparing the percentages of low-income and extremely low-income renter occupied housing units (See Figure 12).

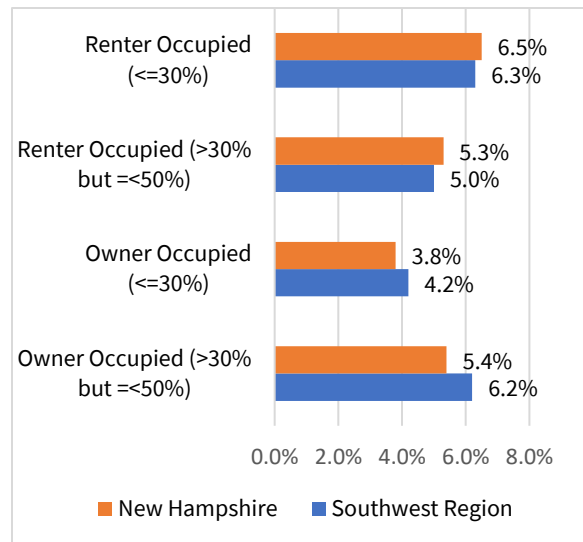


Figure 12: Extremely Low-Income and Low-Income Households by Tenure as a Percentage of Total Occupied Housing Units (2014-2018). Source: HUD Office of Policy Development and Research (PD&R) CHAS (Comprehensive Housing Affordability



The communities of Hinsdale and Winchester stand out as having the highest proportion of families living below the poverty line at 24.8% and 23.1%, respectively. Individual municipal figures on families living in poverty are available in the Appendix.

In a climate of economic uncertainty, rising costs of goods and services, and the challenge of even full-time work being able to pay family-supporting wages, it is important to understand “working poverty” to enact housing policies that help address the needs of those who may be employed but still fall close to or below the poverty level.

Regionwide, there were approximately 14,516 individuals living within 150% of the poverty level in 2020. According to the US Census Bureau’s American Community Survey Estimates, this is a decrease of 9% when compared to just 5 years prior. While this is a positive trend, this still represents 14.5% of our region’s population and many communities have a much greater proportion of those living in “working poverty” such as the towns of Alstead (33.9%), Windsor (29.1%), and Winchester (26.8%). See Table 5 for 2020 estimates of individuals living within 150% of poverty by municipality.



A construction worker at a multifamily housing construction site.
Photo: Keene Sentinel

| Municipality | Estimate | % Living Within 150% of Poverty |
|------------------|----------|---------------------------------|
| Southwest Region | 14,516 | 14.5% |
| Alstead | 561 | 33.9% |
| Antrim | 377 | 14.1% |
| Bennington | 322 | 19.2% |
| Chesterfield | 492 | 13.7% |
| Dublin | 279 | 18.0% |
| Fitzwilliam | 246 | 10.7% |
| Gilsum | 102 | 13.7% |
| Greenfield | 216 | 11.9% |
| Greenville | 331 | 15.1% |
| Hancock | 67 | 3.9% |
| Harrisville | 44 | 5.0% |
| Hinsdale | 533 | 13.6% |
| Jaffrey | 650 | 12.3% |
| Keene | 3,941 | 17.3% |
| Langdon | 85 | 13.5% |
| Marlborough | 357 | 14.3% |
| Marlow | 109 | 13.8% |
| Nelson | 77 | 14.2% |
| New Ipswich | 295 | 5.5% |
| Peterborough | 602 | 9.0% |
| Richmond | 191 | 17.1% |
| Rindge | 670 | 11.0% |
| Roxbury | 11 | 3.4% |
| Sharon | 22 | 4.9% |
| Stoddard | 83 | 7.3% |
| Sullivan | 118 | 17.0% |
| Surry | 211 | 23.4% |
| Swanzy | 1,136 | 15.7% |
| Temple | 197 | 15.7% |
| Troy | 377 | 21.7% |
| Walpole | 403 | 10.1% |
| Westmoreland | 225 | 11.0% |
| Winchester | 1,127 | 26.8% |
| Windsor | 59 | 29.1% |

Table 5: Individuals Living Below 150% of the Poverty Level by Municipality, Southwest Region (2020).
Source: US Census Bureau American Community Survey Estimates



Households with No Vehicles Present

In 2020, it was estimated that 2,048 (5%) of occupied Southwest Region households had no vehicle available. This is significant considering the lack of public transit in most of the Region. The number of households without a vehicle has grown over the past decade by 281 households, an 86% increase. This increase was primarily among renter-occupied households.

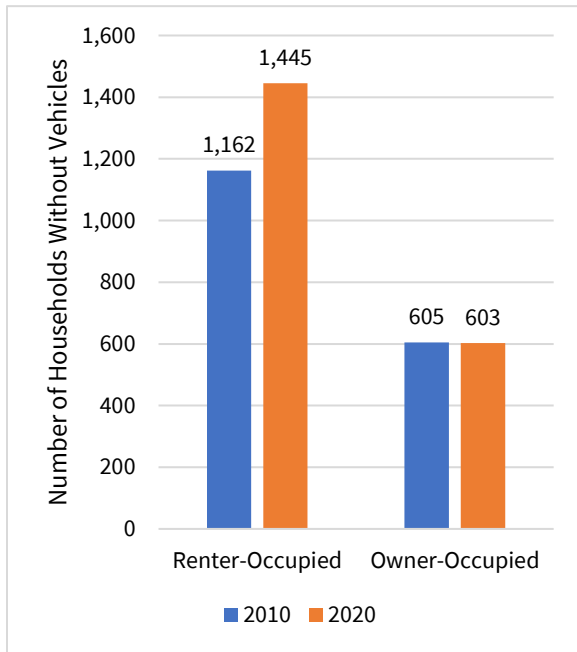


Figure 13: Households with No Vehicles Present, Southwest Region (2010-2020). Source: US Census Bureau American Community Survey Estimates

Alstead is estimated to have the greatest proportion of occupied households with no vehicle present, including nearly 11% of the Town’s renter-occupied households and 3.8% of its owner-occupied households. Municipal figures associated with this data is available in the Appendix.

Veterans

Together, HUD and the Department of Veterans Affairs (VA) offer many programs for former veterans’ housing needs. The VA offers [home loans and grants](#) which help service members,

veterans, and surviving spouses to buy, refinance, or modify their homes. For veterans experiencing homelessness, the [HUD-VASH](#) program combines HUD housing vouchers with VA supportive services to help veterans and their families find permanent housing solutions.

In 2020, there were an estimated 7,525 veterans living in the Southwest Region (7.5% of all residents). Detailed municipal data documenting veterans is available in the Appendix.

Homeless Populations

Homelessness is a complex and multifaceted issue, and one that is difficult to measure. To develop estimates, researchers will conduct a Point in Time count of homeless residents, required annually by HUD, to better understand homelessness trends across multiple years.

According to [State of Homelessness in New Hampshire 2021 Annual Report](#), there were an estimated 4,412 unique individuals and people in families who experience homelessness in the state of NH between July 2020 and June 2021.

While county figures were not included in the state’s most recent report, in its [2019 State of Homelessness in New Hampshire report](#), the NH Coalition to End Homelessness identified 82 individuals living in Cheshire County who were experiencing homelessness, an increase of 13.9% from 2017. The other two counties included in the Southwest Region – Hillsborough and Sullivan counties – reported an estimated 723 and 41 individuals experiencing homelessness, respectively.

In the Southwest Region, [Southwest Community Services](#) offers Housing Stabilization support for individuals and families who are experiencing homeless



throughout the region. Services includes homeless outreach, coordinated entry, shelters, rental assistance and more.

Homelessness in Keene, NH

For decades, Keene has had a homeless population. In an effort to assist people experiencing homelessness, the City actively works with the Greater Keene Homeless Coalition working on promoting housing stability, homeless prevention and cross-agency communication. Recently, Keene has implemented meetings between its Human Services Department and two homeless shelters to discuss and coordinate individual homeless cases.

In large part due to the many social service agencies and homeless shelters that headquarter in Keene, but also because Keene has numerous green spaces for homeless encampments and walkable access to basic needs, it finds itself to be a host to larger regional homeless population. As of March 2022, the City reported that approximately 60-75% of all shelter guests in Keene were from another community. This included former residents of neighboring towns like Fitzwilliam, Jaffrey, Richmond, Rindge, Troy, Winchester, and Richmond as well as people from other parts of NH or out of state. The City hopes to improve relationships with other towns to ensure welfare budgets are meeting the needs of their residents moving temporarily to Keene for services.

Keene has found that much of the population faces challenges qualifying even for subsidized housing. Many are disqualified due to criminal records, poor landlord references or bad credit.



*A homeless individual in Keene.
Photo: Keene Sentinel*

Households

Occupied and Vacant Housing Units

In 2020 there were a total of 46,161 housing units in the Southwest Region, growing by 876 units since 2010. Even though the total number of housing units grew during the 2010s, unit production did not improve vacancy rates and the housing supply became even more constrained. Among all housing units, 11.4% were identified as vacant, resulting in a 1.4% decrease in vacant available units since 2010.

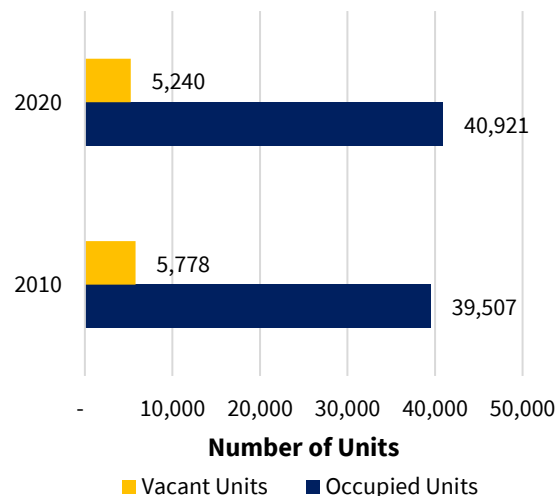


Figure 14: Change in Occupied Housing Units, Southwest Region (2010-2020). Source: US Decennial Census



This is equivalent to 538 units changing from vacant status in 2010 to occupied status in 2020.⁸

Household Size

Why did housing supply become more constrained in the 2010s when the supply of housing units increased, and the population decreased? One reason is that households have been getting smaller in the United States for years, including an increasing trend of single- and two-person households. The Southwest

Region is no exception. Fewer 3- and 4-person households have been observed as a steady trend since 2010, while the number of 1- and 2-person households has grown over the same time.

Family and Non-Family Households

In addition to shrinking household sizes, the proportion and number of family households is decreasing. Family households decreased 2.4% between 2010 and 2020, resulting in a reduction of an estimated 623 households. By comparison, non-family households grew steadily during the same period (15.0%), adding an estimated 2,004 households. In 2020, the greatest proportion of non-family households, sometimes termed *shared housing*, were observed in Keene (50%), with the lowest proportion in Chesterfield (19%). According to the Population Reference Bureau, beginning in the 1960s — and accelerating over the last two decades — changes in marriage, cohabitation, and childbearing have played a key role in transforming household composition in the United States.⁹ More recently, an imbalance between wage growth and housing expenses is likely forcing unrelated people to move in

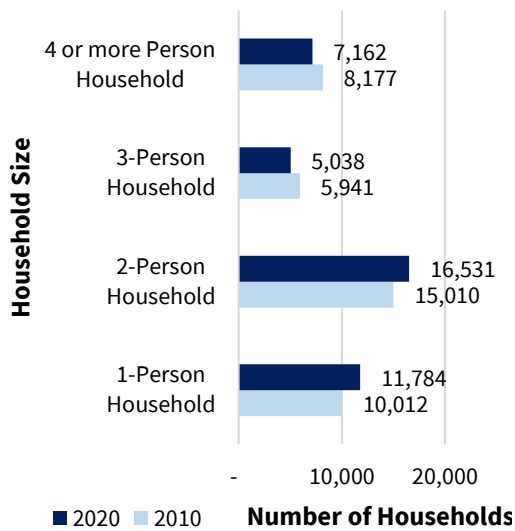


Figure 15: Change in Number of Households by Household Size, Southwest Region (2010-2020). Source: US Census Bureau American Community Survey Estimates

⁸ Units are considered vacant for a whole host of reasons. A housing unit is considered vacant if no one is living in it on Census Day unless its occupants are only temporarily absent. A home can be a vacant if it is not used year-round. Units can be vacant if they are currently being offered for sale or rent or are being held “off the market” for occasional or seasonal use. Some vacant units shouldn’t be considered part of the dependable, available housing supply because some may be second homes, only available for seasonal or short-term use, or are financially out of reach for most buyers and renters.

⁹ Vanorman, A. and L.A. Jacobsen (2020, February 12). U.S. Household Composition Shifts as the Population Grows Older; More Young Adults Live with Parents. *Population Reference Bureau*. Available online: [U.S. Household Composition Shifts as the Population Grows Older \(prb.org\)](https://www.prb.org/household-composition-shifts-as-the-population-grows-older/). Accessed December 1, 2022.



together, particularly those working in low-wage industries.

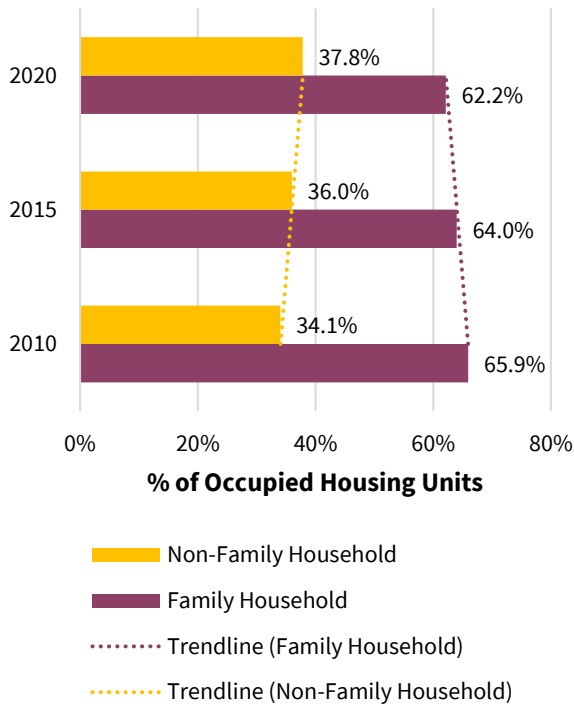


Figure 16: Change in Proportion of Family vs. Nonfamily Households, Southwest Region (2010-2020). Source: US Census Bureau American Community Survey Estimates

Households by Tenure

Like family households, the number and proportion of owner-occupied households is also decreasing. Between 2010 and 2020, the proportion of owner-occupied homes has declined in the Region by 1.8%, resulting in a reduction of 518 owner-occupied households. During the same period, renter-occupied housing grew by 1,899 households. As of 2020, the proportion of owner to renter households was 59.9% owner-occupied owners and 40.1% renter households or 1.49 owner-occupied household for every rental household. This is a substantial change for the Region. Looking back at the owner to renter ratio for every decennial census since 1970, it has never been less than 4.20 owners for every 1 renter.

As of 2020, the highest proportion of owner-occupied units are in the communities of Roxbury (89.6%), Surry (88.1%), and Westmoreland (86.5%). On the other hand, the highest rates of renter-occupied units are within Keene (42.8%) and Swanzey (39.4%), while Peterborough, Winchester and Marlborough all have a rental market sitting at around 34% of all units.

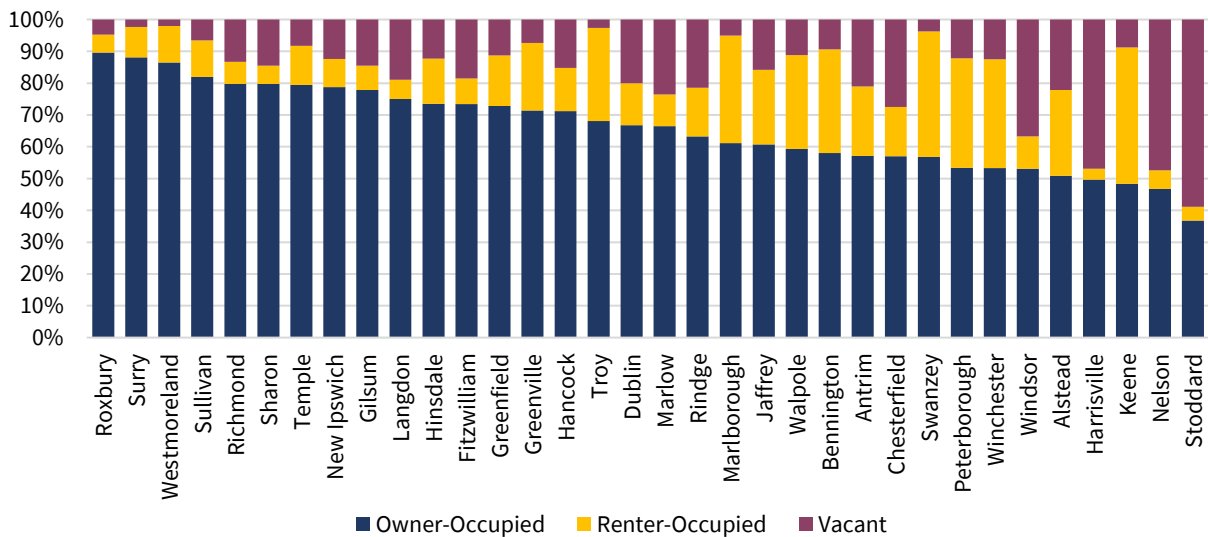


Figure 17: Housing Occupancy Status, Southwest Region (2020). Source: US Census Bureau American Community Survey Estimates.



What Is Shared Housing?

Shared housing is defined by HUD as “a living arrangement in which two or more unrelated people share a house or apartment.” Putting it simply, it is having one or more roommates (or housemates) in a home or apartment. While this was fairly common for many young adults as they first moved away from their parents’ home, it tends to change as we move into our mid-life years.

Shared housing has been around since the infancy of housing. People seeking shelter from the elements as an unrelated group is not unique to the 21st Century, although we have chosen to build our homes to typically include only our immediate family members. This has expanded to extended family members in more recent years as economic situations have changed and the cost of housing has increased. The idea of shared housing began to take shape again in the 1960’s and ‘70’s. More recently, shared housing is gaining attention again as we move toward our senior years after the kids have moved away.



Photo: Sharing Housing, Inc.

How to determine if shared housing is right for you.

Finding the right roommate can be a deterrent for many people looking to share their housing with another individual. Ideally, finding a friend with similar interests is a great way to ease this new way of living and sharing your space. But if that isn’t an option, there are ways to filter potential housemates before you open your door. Doing a background check can ease some worries by getting information such as employment history, criminal activity, social media, and financial status. Another way is to seek the services of a shared housing coordinator.

The benefits of shared housing are many.

- Reduces housing costs. It reduces the monthly cost of housing for individuals. Since housing is typically the largest monthly cost, sharing this expense with one or more other people can ease the burden of meeting the mortgage or rent. Splitting the cost of utilities will further reduce monthly living costs.
- Can improve quality of life. It creates a social connection with another individual. Having another person around helps to build relationships that can add to a person’s quality of life. This will also reduce the number of social isolation cases, especially among the older population.
- Health and wellness checks. Living alone can be risky for individuals with health issues. Bringing in another person to know your daily routines can be a lifesaver in situations such as knowing if you don’t come home from the store, or don’t come down for coffee in the morning.
- Shared household responsibilities. Sharing the daily or weekly chores with someone frees up time to enjoy other activities.
- More efficient use of the housing stock. Much of the housing stock in Southwest NH includes large older homes that have more space than we need as family members move away. Sharing the same home with other individuals makes it easier to stay and age in place. It also helps to reduce the lack of available rentals.

There are a number of resources associated with share housing. Visit these links to learn more:

www.sharinghousing.org, www.nationalsharedhousing.org, www.nesterly.com

The rental market is a critically important component of the Region’s overall housing market, and it is not isolated from the home purchaser’s market. Renters typically have lower incomes than homeowners. Consequently, renters who may otherwise be looking to purchase a home may remain in the rental market for longer periods due to high home purchase prices, meaning fewer rental units are available for lower-income individuals and families who could not otherwise afford a home.

Average Household Size by Tenure

As mentioned previously, the average household size has continued to shrink over the past decade. While both owner-occupied and renter-occupied households have been shrinking, the growth in renter households has played a significant part in driving average household size down. When looking at these household size trends by tenure, the size of renter-occupied units in the Region reduced from 2.16 to 2.08 members per household between 2010 and 2020. Meanwhile, owner-occupied homes in the decreased from 2.55 to 2.49 members during the same period.

| Tenure | 2010 | 2020 |
|-----------------------|------|------|
| Owner-Occupied Units | 2.55 | 2.49 |
| Renter-Occupied Units | 2.16 | 2.08 |

Table 6: Average Household Size by Tenure, Southwest Region, (2010-2020).
Source: US Census Bureau American Community Survey Estimates

Group Quarters

While most people living in the Region live in conventional housing units as “households,” the US Census Bureau classifies all people not living in housing units (e.g., house, apartment, mobile home, rented rooms) as living in group quarters. There are two types of group quarters: (1) institutional, which include prisons, nursing homes, and mental hospitals; and (2) non-institutional such as college dormitories, military barracks, group homes, missions, or shelters.

As of 2020, the Southwest Region had a total of 4,535 individuals living within group quarters,

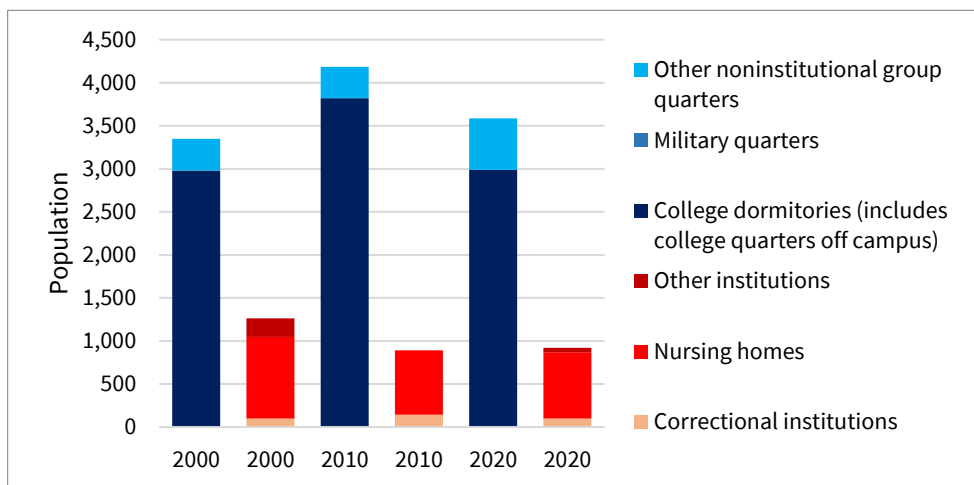


Figure 18: Change in Total Group Quarters Populations, Southwest Region (2000-2020).
Source: US Decennial Census

down from 5,089 in 2010. Of this total, 948 individuals were institutionalized while 3,587 were living in non-institutional facilities. Eighty-three percent of people living in non-institutionalized group quarters were living in college dormitories (including off-campus dorms) while attending area colleges such as Keene State College and Franklin Pierce University. Large institutional group quarters in the Region include the Maplewood Nursing Home facility in Westmoreland and the Cheshire County Correctional Facility in Keene.

Employment

Housing is the backbone of economic development for communities. Without an adequate and affordable supply of housing, businesses are less likely to attract workers, which thereby hinders the economic well-being and ultimate potential of the Region. An employer survey conducted for this Report (see Appendix), indicated that 80% of employer respondents are challenged in attracting and maintaining an adequate workforce to achieve their economic potential and believe the shortage of affordable and diverse housing options to be a major cause.

Labor Force

One of the challenges that employers face is that the regional civilian labor force is decreasing due to the aging and retirement of workers. Since peaking in 2012 at 55,954 workers, Southwest NH has seen a steady decline in residents participating in the labor force. Much like other parts of the country, the COVID-19 pandemic precipitated a steep decline in labor force participation, spurred on by workers that would not likely have retired if the pandemic hadn't occurred.¹⁰ Yet while the labor force has decreased, many former workers continue to reside in their homes.

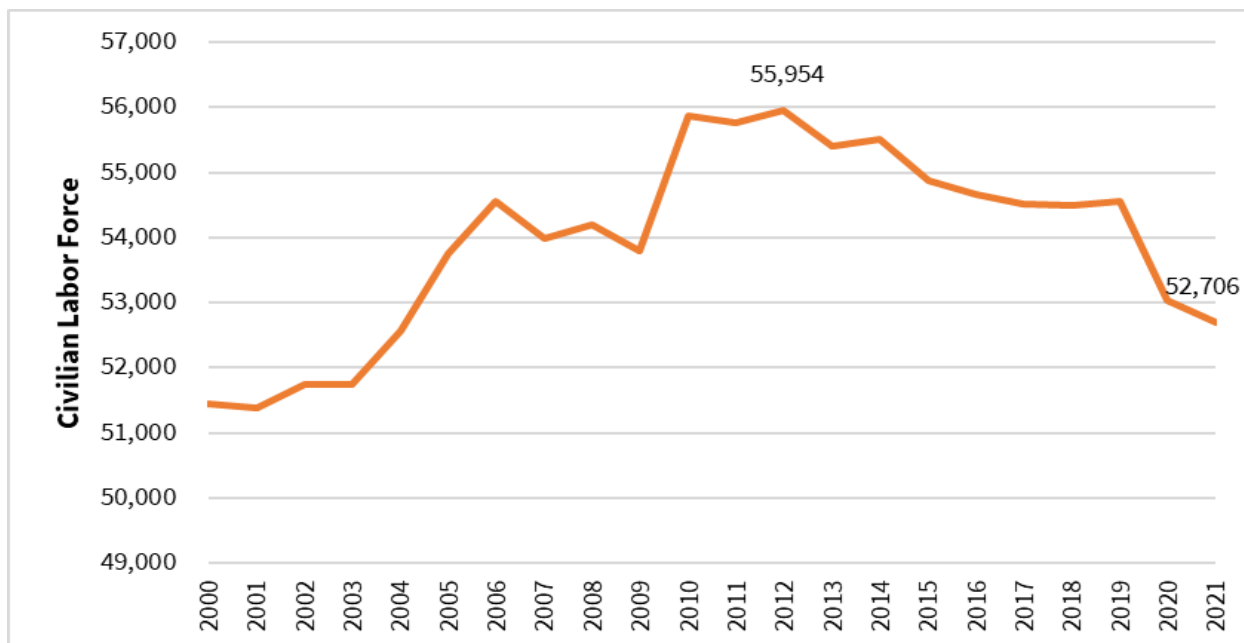


Figure 69: Change in Civilian Labor Force, Southwest Region (2000-2021).
Source: New Hampshire Employment Security

¹⁰ Montes, Joshua, Christopher Smith, and Juliana Dajon (2022). “The Great Retirement Boom”: The Pandemic-Era Surge in Retirements and Implications for Future Labor Force Participation,” Finance and Economics Discussion Series 2022-081. Washington: Board of Governors of the Federal Reserve System, <https://doi.org/10.17016/FEDS.2022.081>



Without creating additional housing supply for replacement workers, workers are competing for a smaller number of available housing or are forced to commute longer distances.

Looking back at local labor force data between 2010 and 2021, most communities' labor force contracted. Communities that saw the highest reduction in labor force during that period include Keene (-1,337), Swanzey (-346), Winchester (-251), Jaffrey (-250) and Hinsdale (-154). The highest rates of reduction were in Winchester (-11.3%), Roxbury (-11.2%), Keene (-10.7%), Gilsum and Sullivan (-10.5%). Six communities bucked the predominant trend and grew their labor force during the same period including Greenfield (+59, +6.2%), New Ipswich (+40, +1.4%), Peterborough (+97, +2.7%), Sharon (+5, +2.4%), Temple (+35, +4.8%) and Walpole (+90, 4.1%). As a whole, 3,161 exited the Region's labor force between 2010 and 2021, resulting in a loss of about 5.7% of the 2010 labor force.

Unemployment

Perhaps unsurprisingly, unemployment rates have dropped in almost every community between 2010 and 2021. In Cheshire, Hillsborough, and Sullivan County the unemployment rate dropped from 5.8% to 3.9%, 6.4% to 3.6%, and 5.4% to 3.3% respectively.¹¹ The one exception is that Westmoreland's unemployment rate rose very slightly from 3.6 to 3.7% during that period. Apart from the year 2020 when the COVID-19 pandemic emerged and unemployment rates climbed briefly (Cheshire, Hillsborough and Sullivan County unemployment rates increased to 6.2%, 7%, and 5.5%, respectively), local and regional unemployment rates self-corrected in 2021 showing a gradual decline over the time period.



Job Fair in the Region. Photo: Keene Sentinel



Local manufacturers meet to discuss recruiting challenges. Photo: Keene Sentinel



Training local workers. Photo: Keene Sentinel

¹¹ New Hampshire Employment Security, Economic and Labor Market Information Bureau.



Employment by Industry

Southwest NH has a diverse number of industries represented in the regional economy. Between 2005 and 2019 there has been a 0.5% decline in jobs, representing a loss of 220 jobs in total. Manufacturing represents the largest industry sector in the Region at 6,421 jobs, however, industry jobs declined about 12% since 2005. Manufacturing is closely followed by the health care and social service (6,230), retail trade (5,245), educational service (4,771), and the accommodation and food services (3,002) sectors, all of which are growing

industries that employ people on a wide-ranging pay scale.

Wage Growth

In the Southwest Region, after accounting for inflation, wages for all private and government jobs in the Region increased from \$964 to \$1,016 respectively, or about 5.4%. During the same period, however, the Consumer Price Index exceeded that figure almost fourfold, jumping 21%. Looking more closely at the five top industries in the Region (manufacturing, health and social service, retail trade, educational service, and accommodation and

| Industry | 2005 | 2019 | Change (#) | Change (%) |
|--|---------------|---------------|-------------|--------------|
| Agriculture, forestry, fishing and hunting | 244 | 279 | 35 | 14.3% |
| Mining, quarrying, and oil and gas extraction | 9 | 2 | -7 | -77.8% |
| Utilities | 40 | 39 | -1 | -2.5% |
| Construction | 2,643 | 2,433 | -210 | -7.9% |
| Manufacturing | 7,280 | 6,421 | -859 | -11.8% |
| Wholesale trade | 1,695 | 1,542 | -153 | -9.0% |
| Retail trade | 5,102 | 5,245 | 143 | 2.8% |
| Transportation and warehousing | 795 | 680 | -115 | -14.5% |
| Information | 892 | 485 | -407 | -45.6% |
| Finance and insurance | 1,801 | 1,058 | -743 | -41.3% |
| Real estate and rental and leasing | 363 | 295 | -68 | -18.7% |
| Professional, scientific, and technical services | 926 | 1,158 | 232 | 25.1% |
| Management of companies and enterprises | 768 | 1,125 | 357 | 46.5% |
| Administration & support, waste management and remediation | 1,239 | 1,186 | -53 | -4.3% |
| Educational services | 4,691 | 4,771 | 80 | 1.7% |
| Health care and social assistance | 5,673 | 6,230 | 557 | 9.8% |
| Arts, entertainment, and recreation | 410 | 503 | 93 | 22.7% |
| Accommodation and food services | 2,784 | 3,002 | 218 | 7.8% |
| Other services (excluding public administration) | 1,515 | 1,699 | 184 | 12.1% |
| Public administration | 1,536 | 2,033 | 497 | 32.4% |
| Total | 40,406 | 40,186 | -220 | -0.5% |

Table 7: Employment by Industry, Southwest Region (2005 and 2019).
Source: Census OnTheMap and Longitudinal Employer Household Dynamics



food services), although accommodations and food services are one of the lowest paying industries to work in, it is the only industry that observed the average weekly wage rate exceed the consumer expenditure index by increasing 22.1% between 2010 and 2020. Following accommodations and food services, average wage growth rates for the other top industries were 20% for retail trade, 18.6% for health care and social assistance, 10.5% for educational services and 2.3% for manufacturing jobs.

Job Locations

The location of jobs is important to consider when considering the optimal location of housing. While every community in the Region has a share of jobs, Keene is in a class of its own hosting 16,014 jobs in 2019. The next tier of communities with large numbers of jobs includes Peterborough (4,801), Jaffrey (2,833), Swanzey (1,900), Rindge (1,395) and Walpole (1,306).

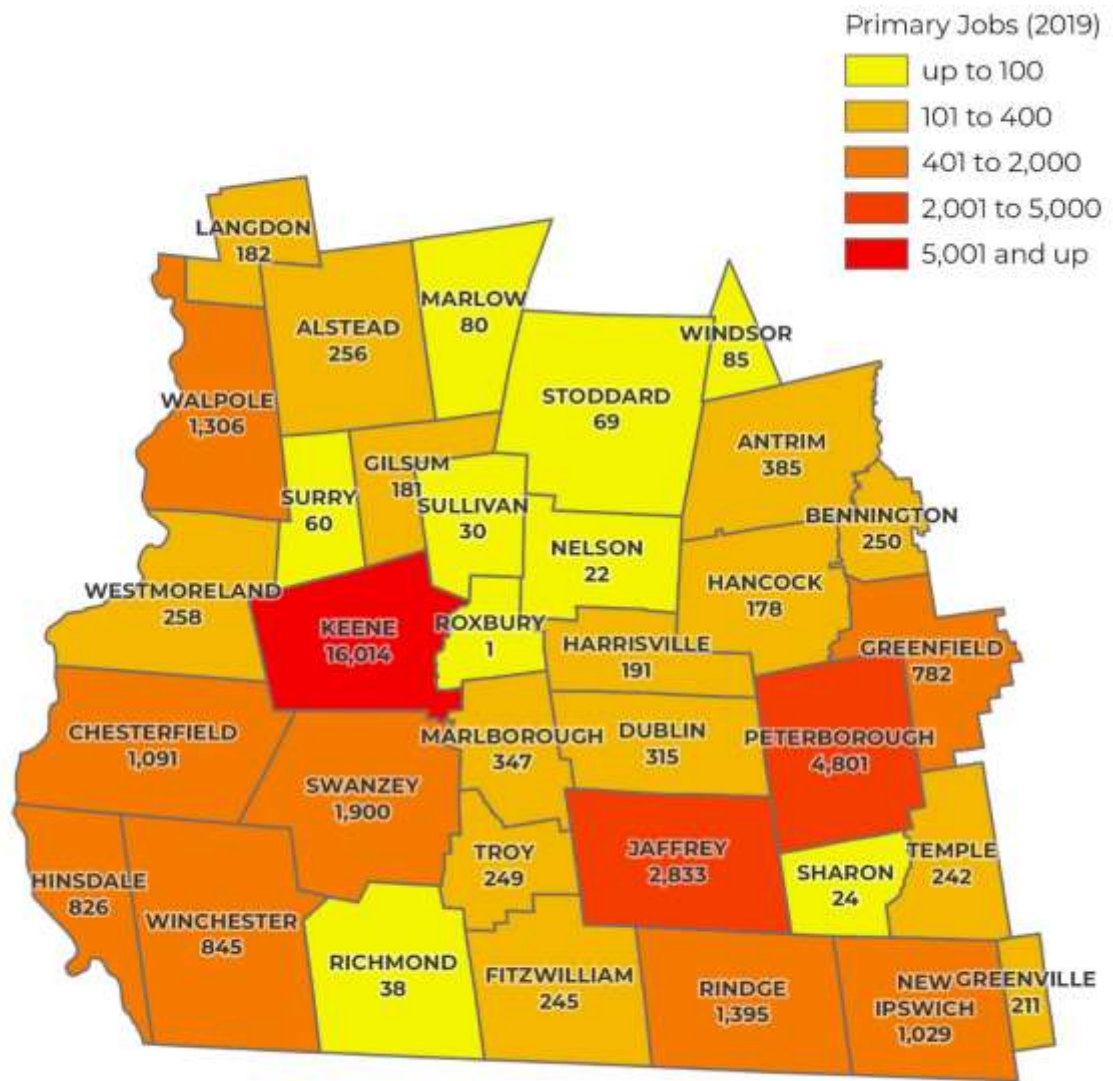


Figure 20: Primary Jobs by Municipality (2019). Source: U.S. Census Bureau.

Most jobs in the Region are located in geographic clusters. Within the Region, clusters appear in the Keene-Swanzey area and the Peterborough-Jaffrey area. Outside of the Region, many people work in clusters in Brattleboro, Vermont, the Charlestown-Springfield, Vermont area, Hillsborough, Manchester, Nashua and Concord.

Commuter Patterns

Some workers may have one job while others may have several. The numbers expressed in Table 8 indicate the number of jobs/job commutes rather than the number of employed people. Approximately 47.2% of job commutes made by Southwest NH residents involve residents leaving the Region for work, while the slight majority (52.8%) of job commutes both start and stop their commute within the Region.

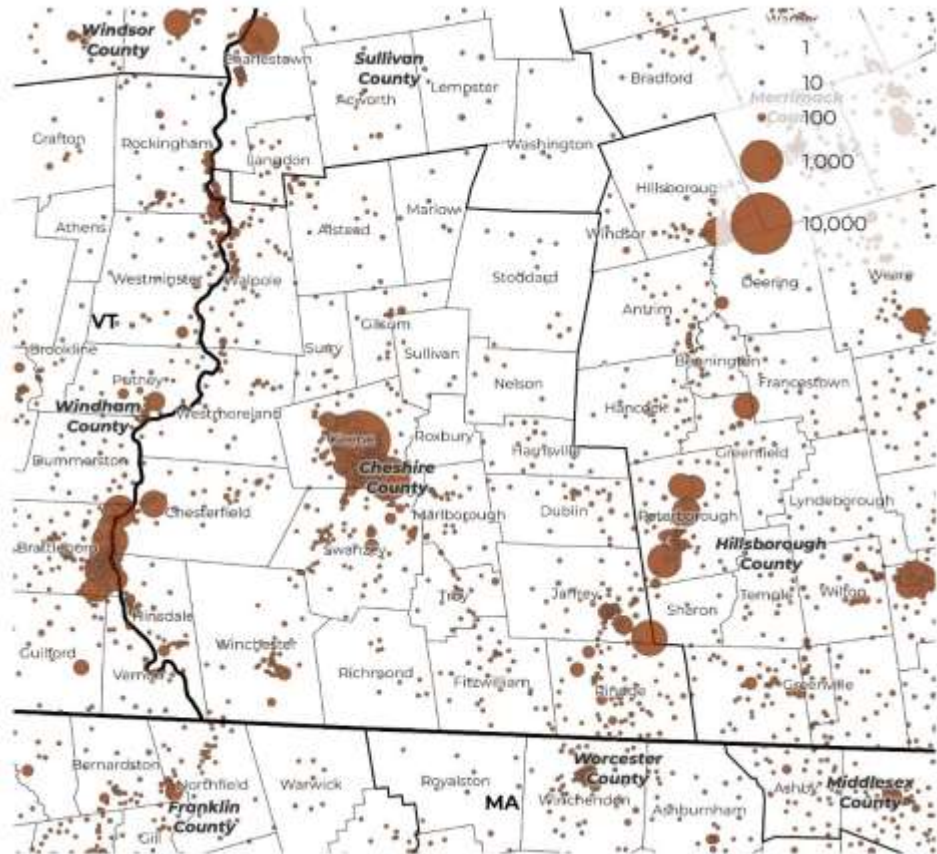


Figure 21: Primary Jobs (2019) by Census Block. Source: U.S. Census Bureau.

| | Total | Percent |
|--|---------------|-------------|
| Jobs in Southwest Region | 40,190 | 100% |
| Job Commutes by Residents Living Outside of Region | 14,180 | 35.3% |
| Job Commutes by Residents Living Within the Region | 26,010 | 64.7% |
| Workers Living in Southwest Region | 49,291 | 100% |
| Job Commutes Outside of Region | 23,281 | 47.2% |
| Job Commutes Within the Region | 26,010 | 52.8% |

Table 8: Inflow/Outflow Job Counts (All Jobs), Southwest Region (2019). Source: US Census Bureau, OnTheMap (2019)



According to the Census, 1.6 times more job commutes leave the Region for work (23,281) than job commutes that enter the Region for work (14,180) (See Figure 22).

While nearly 50% of jobs are within a 10-mile commute, at the municipal level, most communities in the Region are “exporting” more workers than “importing” workers because most jobs are clustered in Keene, Peterborough, and Jaffrey (See Figure 23).

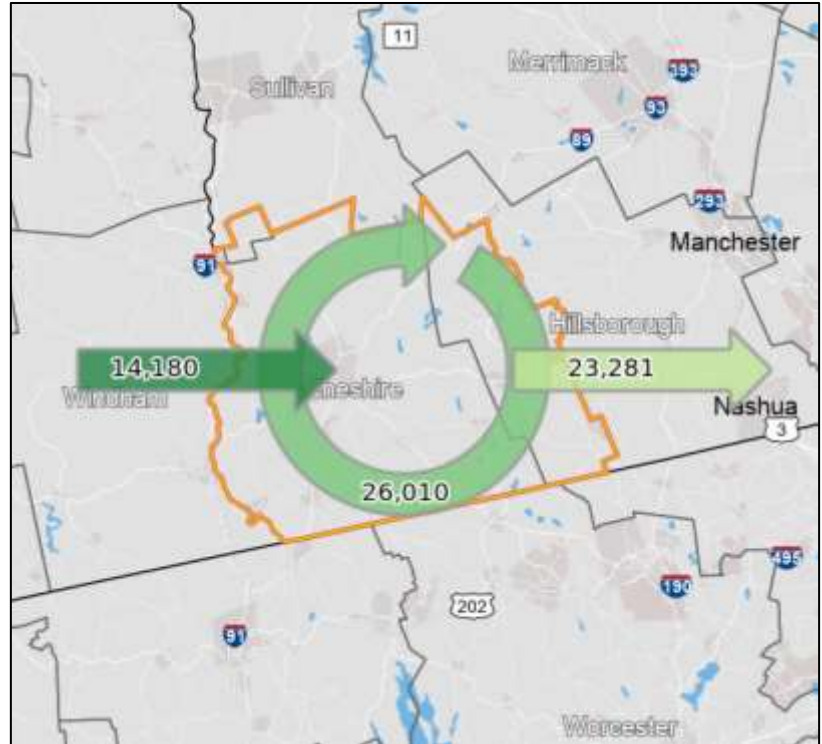


Figure 22: Inflow/Outflow Job Counts (All Jobs), Southwest Region (2019).
Source: US Census Bureau, OnTheMap.

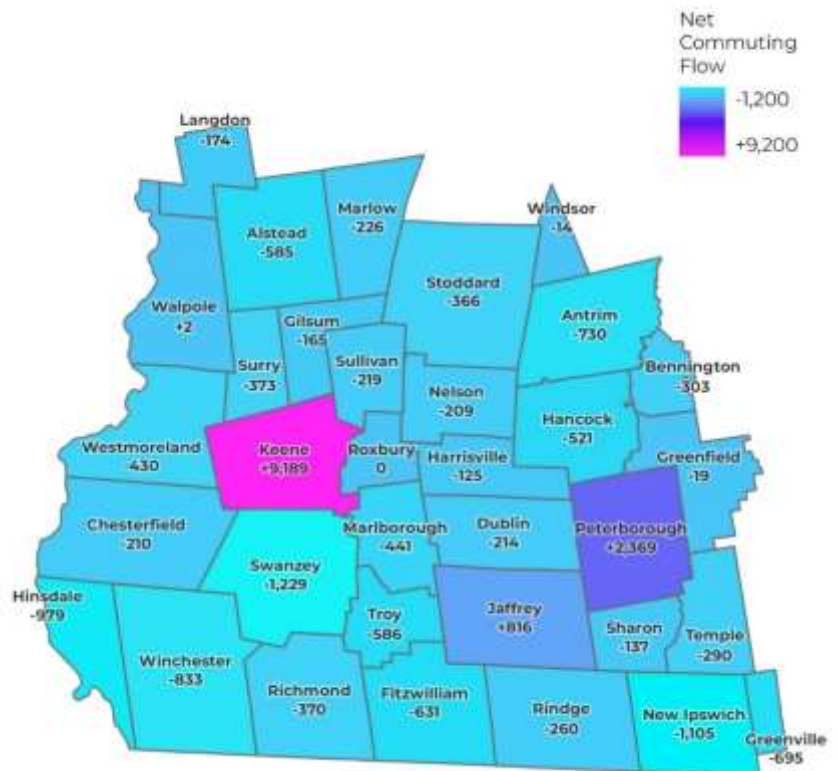


Figure 23: Net Commuting Flow by Community (2019).
Source: US Census Bureau, OnTheMap.



Housing Unit Characteristics and Trends

The availability, affordability, type, and quality of housing are significant factors for maintaining a high quality of life and retaining a qualified workforce. A diversified portfolio of housing, available both for purchase and rent, supports the Region’s economy, and allows communities to welcome a wide range of residents from different backgrounds, income levels, and ages, making communities more resilient and competitive.

Housing Units Characteristics

Total Housing Units

In 2020, the Southwest Region had a total of 46,161 housing units ranging from single-family, multi-unit, attached units like row houses or condominiums, manufactured homes, and other types of housing. Since 1990, the Region has added 7,360 units, an increase of 19%. However, the Southwest Region’s total housing units grew more slowly than NH, which grew by 26.8%. Housing production during the 2010s was particularly slow in the Southwest Region. Housing unit stock grew only 1.9% resulting in an additional 876 units, compared to a 3.9% increase statewide.

In 2020, the City of Keene had more than three times the number of housing units (10,297 total units) as the next largest community, Swanzey (3,360 total units). Among the towns in Southwest NH, Keene also saw the greatest numerical increase in housing units (1,456 new units) between 1990 and 2020, a 16% increase. As a proportion of total housing stock, New Ipswich saw the greatest housing growth (48%), followed by Greenfield (37%), Peterborough (33%) Rindge (33%), and Temple (33%) during the same 1990-2020 period. Meanwhile, some communities in the Region have grown very slowly, adding less than one housing unit per year during the 30-year period or even losing housing units including Greenville (-2), Nelson (16), Roxbury (3), and Windsor (-7).



New Construction in Chesterfield.
Photo: SWRPC

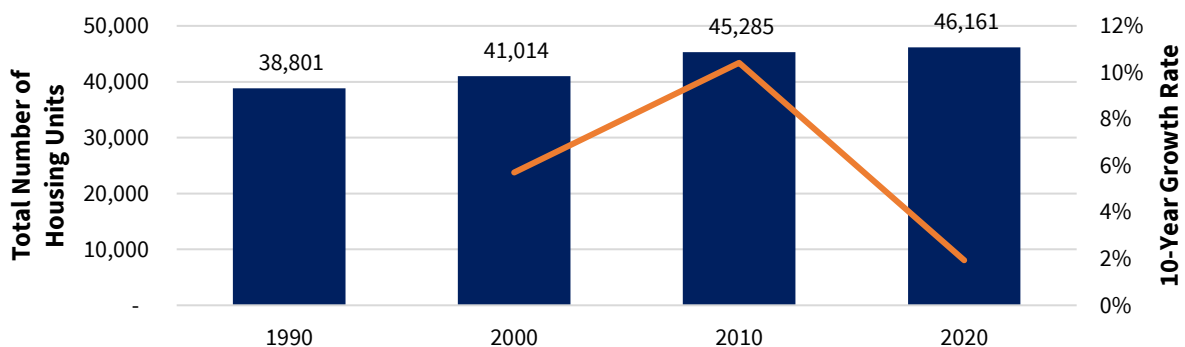


Figure 24: Change in Total Number of Housing Units, Southwest Region (1990-2020). Source: US Decennial Census.



| Geography | 1990 | 2000 | 2010 | 2020 | # Change 1990-2020 | % Change 1990-2020 |
|------------------|-------------|-------------|-------------|-------------|-------------------------------|-------------------------------|
| Southwest Region | 38,801 | 41,014 | 45,285 | 46,161 | 7,360 | 19% |
| Alstead | 843 | 950 | 991 | 975 | 132 | 16% |
| Antrim | 1,162 | 1,160 | 1,329 | 1,265 | 103 | 9% |
| Bennington | 643 | 635 | 666 | 706 | 63 | 10% |
| Chesterfield | 1,527 | 1,632 | 1,802 | 1,787 | 260 | 17% |
| Dublin | 651 | 686 | 785 | 752 | 101 | 16% |
| Fitzwilliam | 1,031 | 1,074 | 1,257 | 1,248 | 217 | 21% |
| Gilsum | 320 | 323 | 378 | 354 | 34 | 11% |
| Greenfield | 517 | 640 | 699 | 708 | 191 | 37% |
| Greenville | 918 | 918 | 933 | 916 | -2 | 0% |
| Hancock | 723 | 814 | 864 | 854 | 131 | 18% |
| Harrisville | 588 | 698 | 695 | 680 | 92 | 16% |
| Hinsdale | 1,655 | 1,714 | 1,827 | 1,814 | 159 | 10% |
| Jaffrey | 2,426 | 2,352 | 2,547 | 2,555 | 129 | 5% |
| Keene | 8,841 | 9,295 | 9,719 | 10,297 | 1,456 | 16% |
| Langdon | 243 | 266 | 306 | 311 | 68 | 28% |
| Marlborough | 856 | 893 | 946 | 993 | 137 | 16% |
| Marlow | 364 | 387 | 408 | 410 | 46 | 13% |
| Nelson | 379 | 404 | 460 | 395 | 16 | 4% |
| New Ipswich | 1,326 | 1,449 | 1,916 | 1,958 | 632 | 48% |
| Peterborough | 2,242 | 2,509 | 2,956 | 2,991 | 749 | 33% |
| Richmond | 398 | 432 | 492 | 502 | 104 | 26% |
| Rindge | 1,781 | 1,863 | 2,224 | 2,361 | 580 | 33% |
| Roxbury | 95 | 91 | 101 | 98 | 3 | 3% |
| Sharon | 128 | 160 | 164 | 158 | 30 | 23% |
| Stoddard | 890 | 939 | 1,044 | 1,056 | 166 | 19% |
| Sullivan | 283 | 294 | 309 | 314 | 31 | 11% |
| Surry | 262 | 302 | 324 | 344 | 82 | 31% |
| Swanzey | 2,582 | 2,818 | 3,205 | 3,360 | 778 | 30% |
| Temple | 429 | 464 | 542 | 569 | 140 | 33% |
| Troy | 867 | 778 | 932 | 911 | 44 | 5% |
| Walpole | 1,465 | 1,592 | 1,715 | 1,746 | 281 | 19% |
| Westmoreland | 573 | 618 | 680 | 691 | 118 | 21% |
| Winchester | 1,673 | 1,741 | 1,932 | 1,969 | 296 | 18% |
| Windsor | 120 | 123 | 137 | 113 | -7 | -6% |

Table 9: Change in Total Housing Units by Municipality (1990-2020). Source: US Decennial Census



Housing Stock

The Region has some diverse housing options, but many of the options are limited in number. In 2020, there were approximately 32,924 single-unit detached homes in the Southwest Region accounting for most of the Region’s housing stock (69.6%). There was a 6% increase in single unit housing stock since 2010, with more than ¾ of this increase occurring since 2015, according to American Community Survey Estimates.

After single-unit detached housing, the next most prevalent type of housing structure is manufactured housing (abbreviated in Table 11 as MFH) representing 5.8% of the housing stock. Some statewide affordable housing advocates have been urging communities to reconsider improving opportunities for manufactured housing development as it is one of the few types of housing that can facilitate home ownership at an attractive price. Interestingly, however, the Region’s manufactured housing units have decreased 4% over the 2010 to 2020 period. According to the NH Community Development Loan Fund, an organization that underwrites owner-occupied manufactured home parks, modern manufactured housing are well-built structures and are no more susceptible to decline than any stick-built home.

After single-unit detached and manufactured housing, the most numerous types of housing in the Region are duplexes and 3–4-unit housing (sometimes called triplexes and

| Structure Type | 2010 | 2015 | 2020 | % Change 2010-2020 |
|-----------------------------|---------------|---------------|---------------|--------------------|
| 1-unit detached | 31,185 | 31,571 | 32,924 | 6% |
| 1-unit attached | 1,032 | 1,068 | 1,492 | 45% |
| 2 units | 2,962 | 2,580 | 2,645 | -11% |
| 3-4 units | 2,501 | 2,892 | 2,084 | -17% |
| 5-9 units | 2,125 | 2,175 | 1,996 | -6% |
| 10-19 units | 1,062 | 981 | 1,242 | 17% |
| 20-49 units | 1,033 | 1,330 | 1,410 | 36% |
| 50 and more units | 277 | 588 | 700 | 153% |
| Units (MFH) | 2,876 | 3,011 | 2,763 | -4% |
| Units (other) ¹² | 0 | 2 | 17 | - |
| Total | 45,053 | 46,198 | 47,273 | 5% |

Table 10: Change in Number of Units in Structure, Southwest Region (2010-2020). Source: US Census Bureau American Community Survey Estimates
MFH = Manufactured Housing

fourplexes), representing 5.6% and 4.4% of the regional housing stock, respectively. Duplexes, triplexes and fourplexes can have an orientation that is vertically stacked, side-by-side or both. There has been a national resurgence of interest in these types of homes because they tend to be more affordable than a single unit detached home but can fit in well with the character of neighborhoods that are predominantly single-unit detached housing. Housing advocates call this type of housing “middle housing”. Like manufactured homes, there has been a decline in duplexes, triplexes and fourplexes in the Region over the last ten years perhaps due to remodeling decisions, replacement of housing with non-residential

¹² The US Census Bureau defines this category as any living quarters occupied as a housing unit that does not fit the previous categories. Examples that fit this category are houseboats, self-propelled recreational vehicles, motor homes, railroad cars, campers, and vans. Recreational vehicles, boats, vans, tents, railroad cars, and the like are included only if they are occupied as someone's current place of residence.

uses, or neglect followed by demolition or disaster. Small apartment buildings ranging from 5-9 units are the next most numerous forms of housing in the Region, representing 4.2% of the housing stock. Like middle housing, this form of housing has also declined over the last ten years. However, larger residential

buildings (10 units or more) have increased significantly in the ten-year period by growing from 5.3% to 7.1% of all housing structures in the Region. Residential structures containing 50 or more units increased by 153% between 2010 and 2020.

What Is Manufactured Housing? Why Is It Important?

Manufactured housing refers to units built on a permanent chassis in a factory setting. Since 1976, manufactured homes must meet Manufactured Home Construction and Safety Standards, a federally established building code that ensures construction quality. Although formerly referred to as “mobile homes,” the installation of manufactured housing is relatively permanent in nature—units are quite difficult and expensive to relocate. Manufactured housing is different from modular housing, which is not built on a permanent chassis and is subject to local building codes rather than federal manufactured housing standards.

With today’s rising home prices and the lack of starter home construction, manufactured housing offers one of the few remaining paths to homeownership for many working and middle-class households. As of the summer of 2022, the median home sold for \$350,000, well beyond the financial reach of many younger families looking to become homeowners. At the same time, the median manufactured home sold for approximately \$125,000.

Under the right conditions, owners of manufactured housing can build equity in their homes just like owners of conventional housing. Their ability to do so depends in significant part on who owns the land beneath their home. In a traditional manufactured housing park, the park owner—often an absentee investor—owns the underlying lot and rents it to residents. The arrangement makes manufactured homeowners vulnerable to sudden lot rent increases or sale of the park for redevelopment. In some cases, manufactured homeowners are forced to walk away from their homes because they can’t afford to relocate them when a park is sold.



Tanglewood Estates meeting voting on whether to become a ROC.

Photo: Keene Sentinel

Fortunately, in NH, state law provides opportunity for manufactured housing park residents to purchase the park in which they live prior to sale to a third party (NH RSA 205-A:21). This statute has made NH a leader in the creation of resident-owned communities (ROCs), manufactured housing parks cooperatively owned and managed by the people who live there. There are at least 14 ROCs in the Monadnock Region, totaling about 1,250 units. Many of these ROCs still contain vacant, shovel-ready lots, although the number of available lots continues to shrink.



What is Missing Middle Housing?

Missing middle housing, a term coined by U.S. architect Daniel Parolek, has recently gained attention although it has been around for decades. It describes a variety of building types that can be made to fit into smaller lots and blend into the existing neighborhoods. The most suitable locations for middle housing are typically near downtown areas and village centers.

Missing middle housing can provide a range of building types including duplexes, cottage homes, fourplexes and multi-unit structures. The inclusion of this type of housing can reduce sprawl and make good use of the infrastructure that is already built to accommodate residential development. Often this type of housing is located with amenities that include walkability, public transportation options, and retail business opportunities.

Missing middle housing has several benefits including: affordability, walkable/bikeable trips to local stores and work, efficient use of land and infrastructure, opportunities for building social connections, and often has a lower perceived density due to the compact design and efficient use of space.

Challenges to allow for middle housing include zoning restrictions for minimum lot size and building setbacks, lack of water and sewer infrastructure, and public misconceptions that this type of housing will encourage mid- or high-rise apartment buildings.

Recent proposed legislation has been in the spotlight as communities are seeking ways to address the shift in changing demographics and make housing more affordable.

To learn more about missing middle housing, consider visiting

www.missingmiddlehousing.com or www.cnu.org/our-projects/missing-middle-housing.



An example of “middle housing” in Winchester. Larger than a single family home, but fits in with the “feel” of single family homes. Photo: SWRPC

Number of Bedrooms

The most common sized housing unit in the Southwest Region is a 3-bedroom home (38% of all housing units), followed by 2-bedroom (28%), 4-bedroom (15%), and 1-bedroom (12%). The relative proportion of bedrooms by housing unit for each municipality in the Region is presented in Figure 25. Recent market trends suggest that 1- and 2-bedroom housing units are the most popular, which is consistent with the trend of increasingly smaller sized households observed in the Region.

Age of Housing Stock

More than a quarter of all homes in the Southwest Region were constructed prior to the 1940s, which represents a much older housing stock when compared to that of NH and of the United States. Older homes are generally more expensive to own, especially with respect to wintertime heating costs. However, many of these homes, especially single-family structures, are valued for their historical and rural character. A comparatively older housing stock will result in

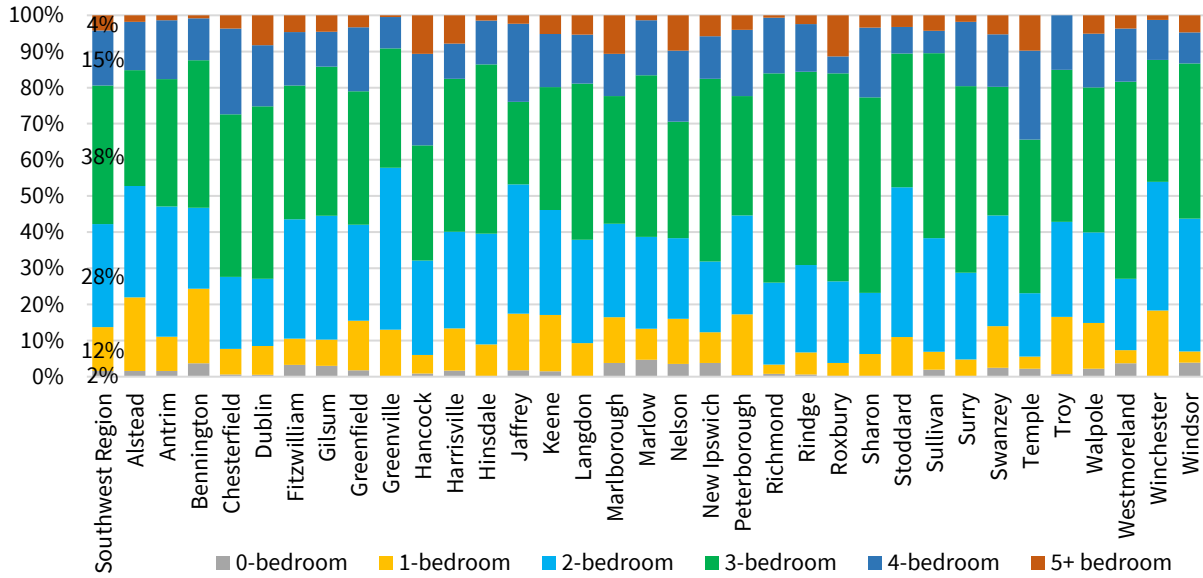


Figure 25: Housing Units by Number of Bedrooms by Municipality (2020).
 Source: US Census Bureau American Community Survey Estimates

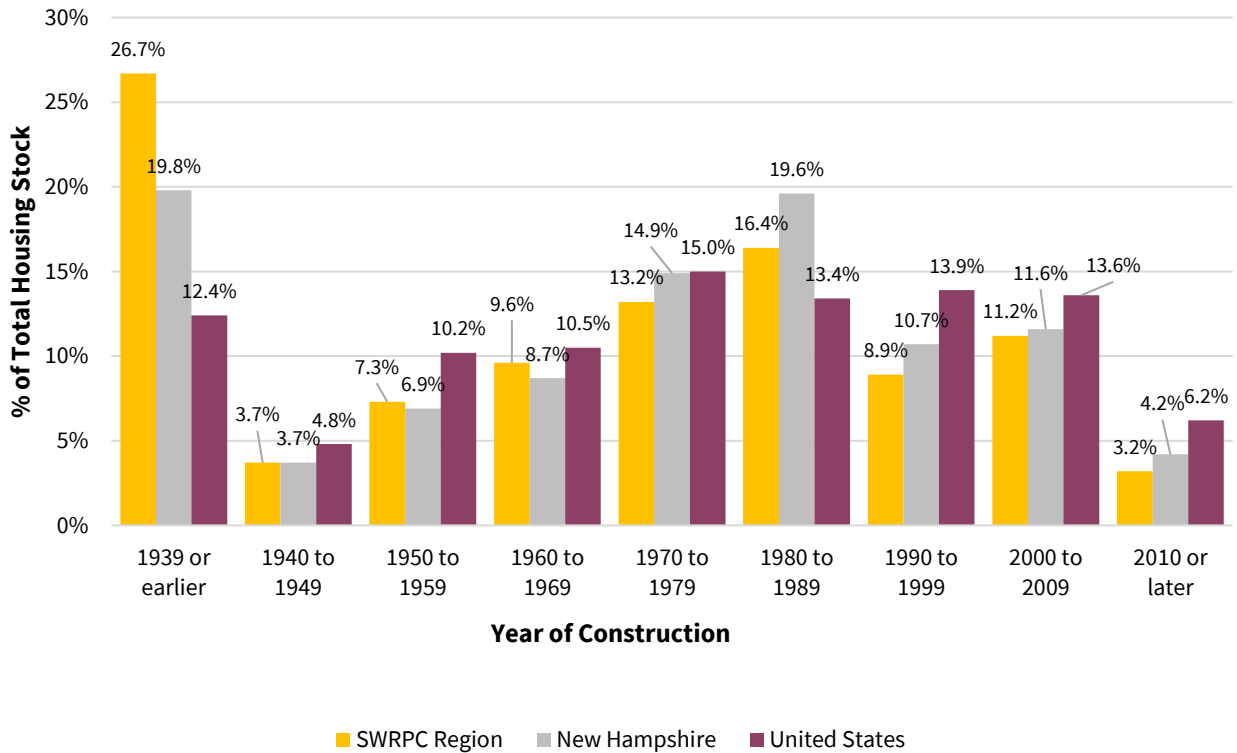


Figure 26: Age of Housing Stock (2020).
 Source: US Census Bureau American Community Survey Estimates

existing units or to make them more energy efficient compared to other parts of NH or the United States.

Housing Unit Trends

Children Per Unit Type

When looking at our region, the number of children per unit type tends to be highest in single-family detached homes, which is the most common housing type. This is likely because single family homes are more likely to offer more bedrooms than other forms of housing. Western Hillsborough County Public Use Microdata Area (PUMA) includes

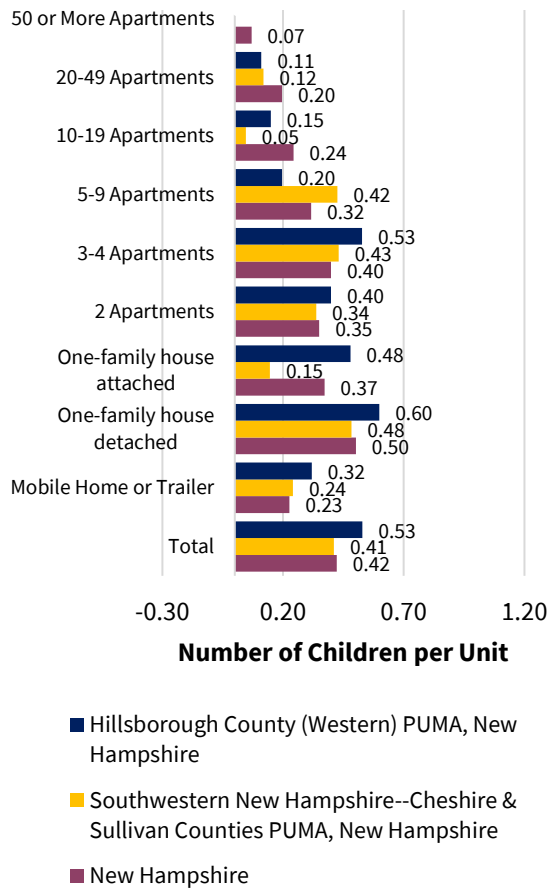


Figure 27: Number of Children per Unit Type (2020).
Source: US Census Bureau American Community Survey 5-Year Estimates Public Microdata Sample

approximately 0.53 children per housing unit, compared to 0.41 for Cheshire & Sullivan Counties PUMA and 0.42 for NH.

Housing Units by Seasonal Status

Given the Region's natural beauty and plentiful outdoor recreational amenities, it's an attractive place to visit particularly during the summer, in the winter and during peak foliage season in the fall. It is no wonder then, that the Region has a number of housing units that are used only on a seasonal basis.

Between 2010 and 2020, there was a 21% increase in the number of housing units for seasonal, recreational, or occasional use (+706 units) in the Region. The greatest numerical increases were in Rindge (+233), Jaffrey (+219) and Chesterfield (+161) over this period. In terms of percentage growth, the greatest increases were in Sharon (+450%), Richmond (+420%) and Peterborough (+416). Along with decreasing household size, the increase in seasonal housing represents another key reason housing vacancy rates continued to decline between 2010 and 2020 despite a small decrease in the regional population.

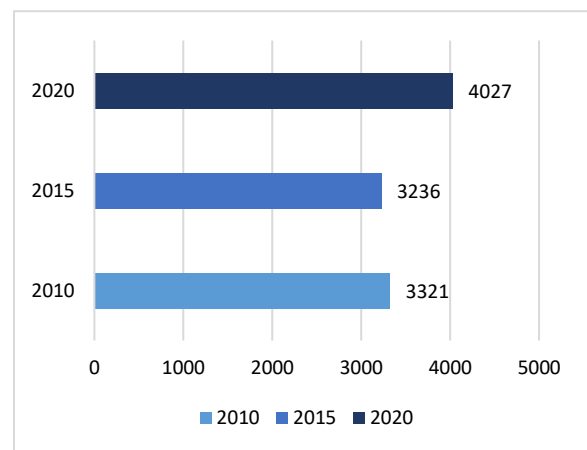


Figure 28: Number of Seasonal, Recreational or Occasional Use Units, Southwest Region (2010-2020).
Source: US Census Bureau American Community Survey Estimates

Vacancy Rates

In addition to housing that is used for seasonal, recreational, or occasional use, the US Census recognizes six other types of “vacant” housing: vacant units for rent, vacant units rented, vacant units for sale, vacant units sold, housing for migrant workers and other vacant housing. An analysis of vacant housing in the Region shows that seasonal, recreational, or occasional use housing far surpasses other categories of vacant housing making up about 59.6% of the vacant housing stock. The second most common form of vacant housing, termed

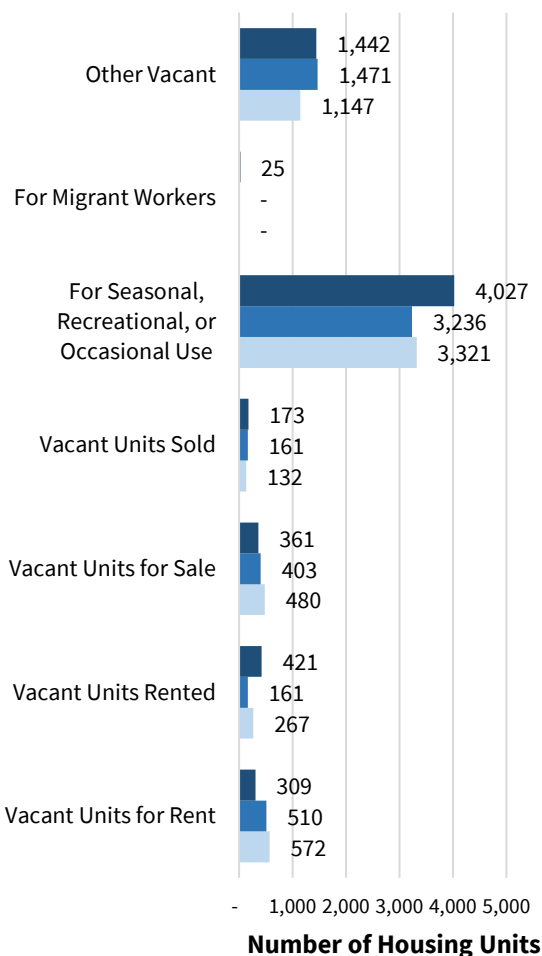


Figure 29: Change in Housing Units by Vacancy Type, Southwest Region (2010-2020). Source: US Census Bureau American Community Survey Estimates
“Other vacant” by the Census, refers to housing

units that are held for legal reasons (e.g. settlement of an estate, divorce, eviction proceedings, foreclosure), held for personal reasons (e.g. preparing to rent or sell, storing furniture, owner is on extended leave) or held for repairs.

It’s important to point out that not all categories of vacant housing shown in Figure 29 mean that they are available for use. “Vacant units rented”, “vacant units sold”, “seasonal” units, “migrant worker” units, and some categories of “other vacant” units are examples of “vacant” housing that is already spoken for by some user, so they are not necessarily available for use by someone else. The only certain number of available vacant units are the vacant units for rent and vacant units for sale, both of which declined between 2010 and 2020, dropping from an estimated 1,052 units to 671 units. That’s a 36.2% estimated decrease in known available vacant units.

Returning to Census’ definition of vacant units (all 7 types), the number of vacant housing units in the Region declined by 9.3% between 2010 and 2020, from 5,778 to 5,240 units.

| | 2010 | | 2020 | |
|----------|-----------------|------------|-----------------|------------|
| | Number of Units | % of Units | Number of Units | % of Units |
| Vacant | 5,778 | 12.8% | 5,240 | 11.4% |
| Occupied | 39,507 | 87.2% | 40,921 | 88.6% |

Table 11: Vacant Housing Units, Southwest Region (2010-2020). Source: US Decennial Census

Rental unit vacancies are very low in the Region. In 2022 the vacancy rate was only 0.7%. Looking at rental units over the past 20 years, the vacancy rate was at its highest in 2010 (7.7%) and has generally declined ever since. While a high rental vacancy rate can indicate other forms of local economic hardships, the Region’s extremely low rental vacancy rate signals a scarcity of affordable housing options.



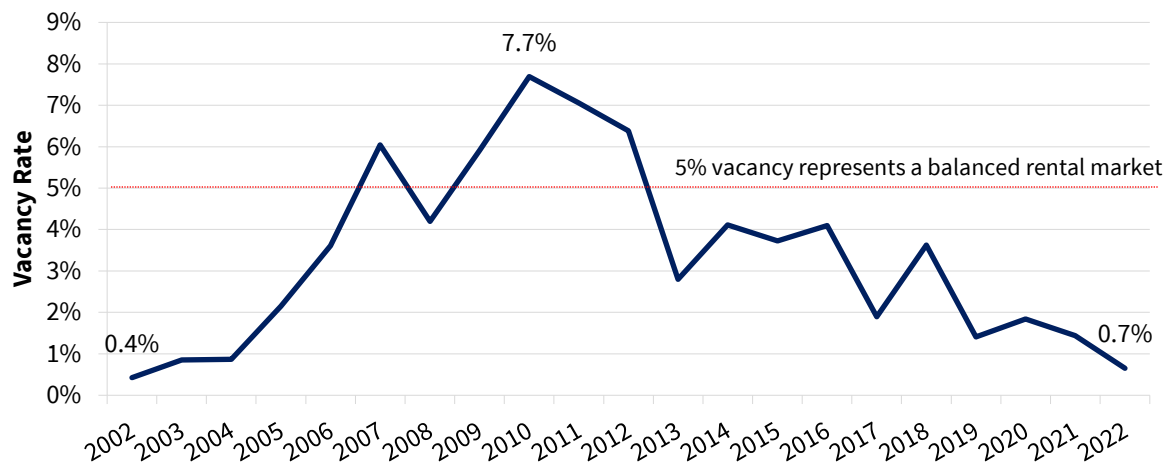


Figure 30: Vacancy Rate of Rental Housing Units (All Units), Southwest Region (2002-2022).
 Source: New Hampshire Housing Finance Authority (updated 8/1/22)

According to NHHFA’s 2022 NH Residential Rental Cost Survey Report, a vacancy rate of 5% is considered a balanced market for both tenants and landlords.¹³ Looking at the last 21 years of data, the Region met or exceeded this 5% target for only five individual years (2007, 2009, 2010, 2011 and 2012).

Housing Density

In the case of residentially zoned land, dwelling unit density is the single most important factor affecting the cost of land.¹⁴ A parcel of land that can be subdivided into single-family home lots having a minimum of 1.5 acres of land area and a minimum of 150 feet of street frontage should be expected to have greater value than if the

same parcel were subject to standards requiring minimum lot area and street frontage dimensions of 2.5 acres and 250 feet, respectively. A parcel of land that can be subdivided into more lots can yield more profit, greater affordability, or both.

While municipalities recognize the impact their land use regulations have on the cost of new housing construction through minimum lot size requirements and other density control measures, communities often use these tools to preserve their rural character – a feature

¹³ New Hampshire Housing Finance Authority (2022) New Hampshire 2022 Residential Rental Cost Survey Report. Available online: <https://www.nhhfa.org/wp-content/uploads/2022/08/NHHousing-2022-Rental-Cost-Report.pdf>. Accessed December 1, 2022.

¹⁴ New Hampshire Housing Finance Authority (2010). Meeting the Workforce Housing Challenge: A Guidebook for New Hampshire Municipalities. Available online: [Municipal Guidance Document of Workforce Housing \(nhhfa.org\)](https://www.nhhfa.org/wp-content/uploads/2010/04/Municipal-Guidance-Documents-Workforce-Housing.pdf). Accessed December 1, 2022.



many residents value with high regard in Southwest NH.

The Region is overwhelmingly rural as is reflected in each community’s housing units per acre. The City of Keene has the highest unit density within the Region (0.43 units per acre), more than twice that of the next most unit-dense community in the Region (Greenville at

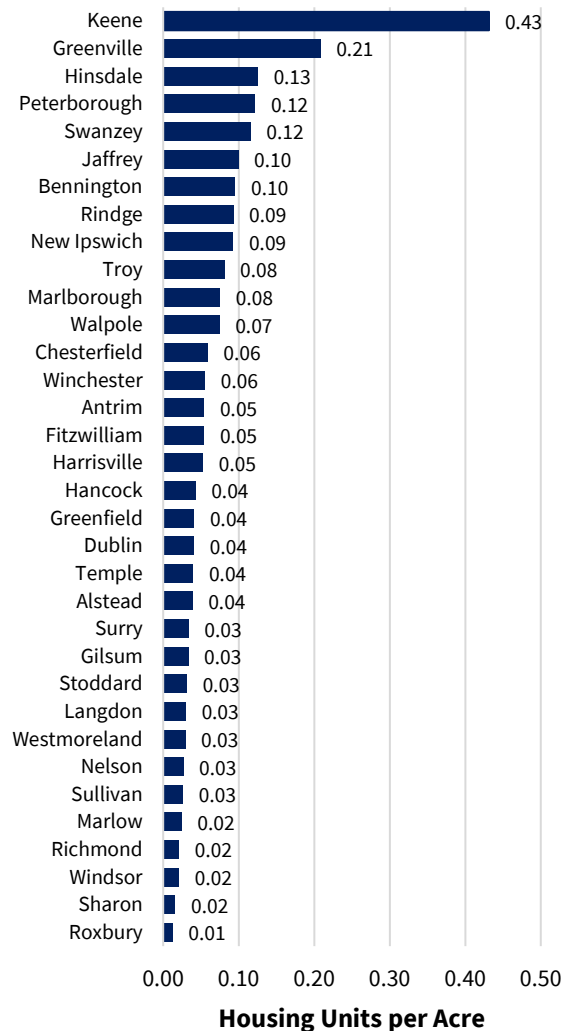


Figure 31: Housing Units Per Acre by Community (2020). Source: US Decennial Census

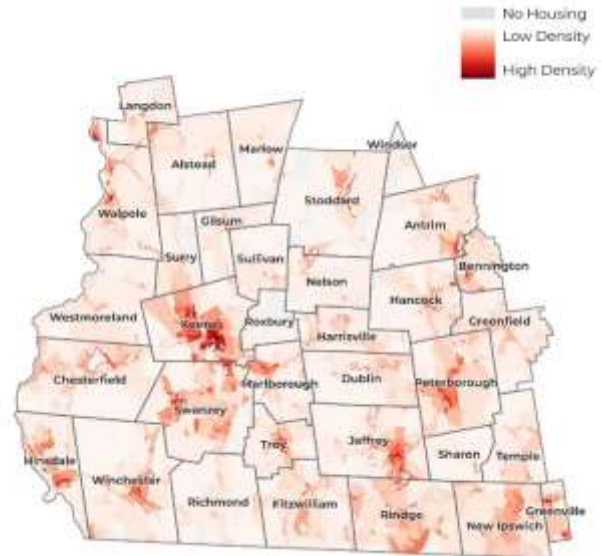


Figure 32: Housing Unit Density, Southwest Region (2020). Source: US Census Bureau 2020 Redistricting Data

0.21 units per acre). The median density among the 34 towns of Southwest NH is .045 units per acre.

However, for some “rural character” doesn’t just mean rolling fields and forestlands. Rural character for some may also include historic village centers with moderately small lots, a walkable environment and mixed uses that include town halls, community libraries, a place of worship, perhaps a general store, and even a restaurant or café or a local historical society building. The closest approximation to village centers tracked by the US Census Bureau is what the Census calls “places.” There are 13 different Census Designated Places identified in the Region.¹⁵ While some of the Census Designated Places are small scale downtowns, several of them are clearly rural village centers such as Antrim Center, Bennington Center,

¹⁵ Unfortunately, some historic village areas in the Region are not specifically tracked as “places” by the Census such as Alstead, Ashuelot, Fitzwilliam, Gilsom, Greenfield, Drewsville, Harrisville, Jaffrey Center, Marlow, New Ipswich Center, Rindge, Spofford, Surry, Temple and several others.



Hancock Village and Walpole Village. Housing unit densities in Census Designated Places range from as low as .2 housing units per acre in Antrim to .87 in North Walpole and can be cited as useful local benchmarks to describe the densities that towns in the area are comfortable with and do not threaten that “small town feel” and rural character that residents prize.

| Census Designated Place | Square Miles | Acres | Housing Units Per Acre |
|-------------------------|--------------|----------|------------------------|
| Antrim | 4.55 | 2,909.01 | 0.20 |
| Bennington | 0.43 | 275.71 | 0.56 |
| Greenville | 3.43 | 2,193.15 | 0.23 |
| Hancock | 0.36 | 227.92 | 0.51 |
| Hinsdale | 2.32 | 1,486.41 | 0.49 |
| Jaffrey | 3.40 | 2,178.56 | 0.69 |
| Marlborough | 1.69 | 1,079.61 | 0.49 |
| North Walpole | 0.69 | 444.25 | 0.87 |
| Peterborough | 4.77 | 3,051.14 | 0.49 |
| Troy | 1.28 | 816.47 | 0.62 |
| Walpole | 1.22 | 778.95 | 0.44 |
| West Swanzey | 2.58 | 1,651.28 | 0.39 |
| Winchester | 2.98 | 1,905.82 | 0.39 |

Table 12: Housing Density in Census Designated Places (2020). Source: US Decennial Census.

Permitted Units

New home construction, which grew significantly from the late 1990s up to 2004, rapidly declined in the years leading up to and following the nationwide collapse of the housing market and the Great Recession (2007-2009). At the peak of construction in 2004, 692 building permits were issued in the Region. Of these permits, 462 were for single-family construction, 179 for multi-family construction, and 51 for manufactured housing. While the Region saw multi-family housing permits represent a larger proportion of new construction in the period from 2009-2018, single-family home construction made up more than 85% of new units in the three most recent years for which data is currently available (2019-2021).

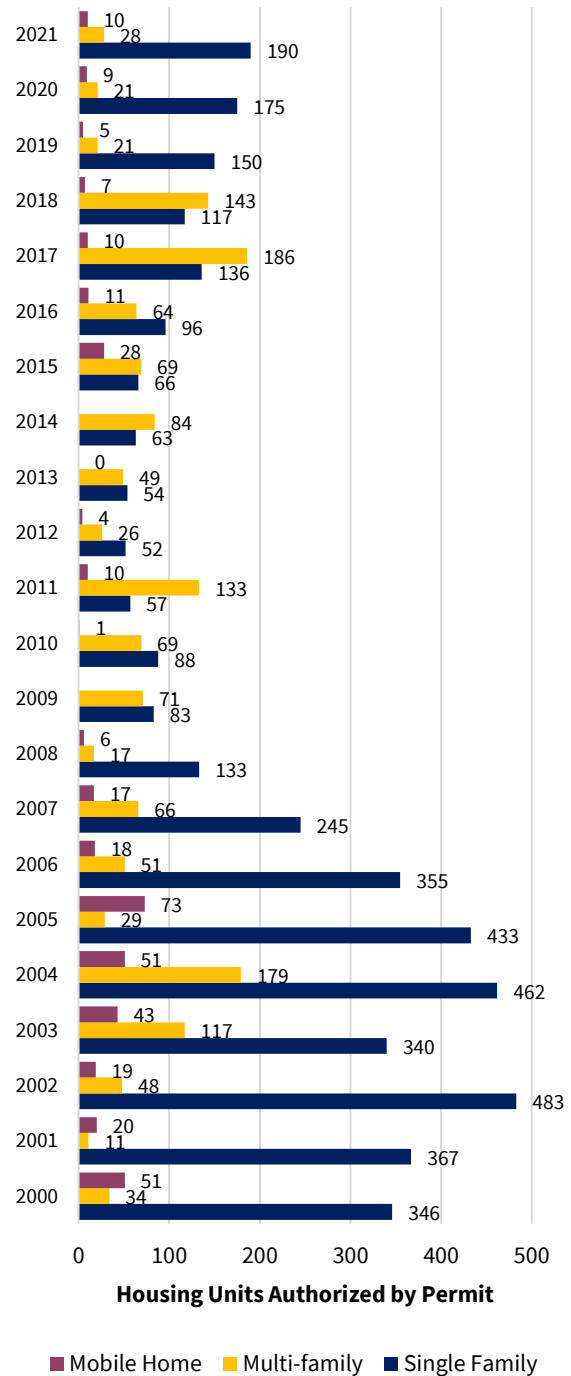


Figure 33: Permitted Housing Units by Housing Type, Southwest Region (2000-2021). Source: New Hampshire Office of Planning and Development



Why Is Housing Important for Small Towns?

Often, new housing development is seen as detrimental to the rural character of small towns and villages. Many rural residents enjoy and are proud of their communities the way they are—and with good reason. Rural communities offer open space, natural beauty, a gentle pace of life, and tight-knit social connections. All these reasons and more make rural towns attractive places to live. Rural communities, however, will change and could lose valuable aspects of their character without a more balanced housing supply. Here are four reasons why additional housing options are critical for protecting the rural character in Southwest NH.

1. More housing options are critical to sustaining rural schools.

The small, village schoolhouse is an iconic part of rural life. Many school districts across the Monadnock Region, however, have seen declining enrollment over the last decade. Overall, there are about 1,800 fewer public-school students in the Monadnock Region compared with a decade ago. Dwindling enrollment has caused some rural schools to close. Our region needs more housing options in order to attract families and a critical mass of students to keep our rural schools open.

2. More housing options are critical to ensuring older adults can continue to live in their communities as they age.

The Monadnock Region's population is growing older. Most older adults want to remain active participants in their community as they age, but they often experience difficulty finding housing that's right sized, is easier to maintain, meets accessibility requirements, and is located near opportunities for social interaction.

3. More housing options are critical to attracting and retaining essential workers.

Nurses, home health care aides, police officers, tradespeople, service industry workers, teachers, and other essential workers all need housing options at a variety of price points. If rural communities can't recruit and retain these essential workers, the whole community suffers. Roads don't get fixed, emergency calls take longer to answer, and medical appointments take longer to schedule.

4. More housing options are critical to preserving local amenities and services.

The village general store is an important landmark in many small towns. It usually serves as both a place to purchase daily goods as well as a hub for social activity. In recent years, some general stores in Southwest NH have struggled, with some closing permanently. Ensuring a balanced housing supply is critical for hiring workers and maintaining a customer base for local businesses such as village general stores.



*Housing off the Fitzwilliam Common.
Photo: SWRPC*

At the community level, the greatest number of units permitted between 2000 and 2020 were within the City of Keene (834 units), followed by the towns of Rindge (585), New Ipswich (559), Swanzey (529) and Peterborough (468). Most permitted units in Keene (63.7%) and Swanzey (51.0%) were multi-family developments over this period.

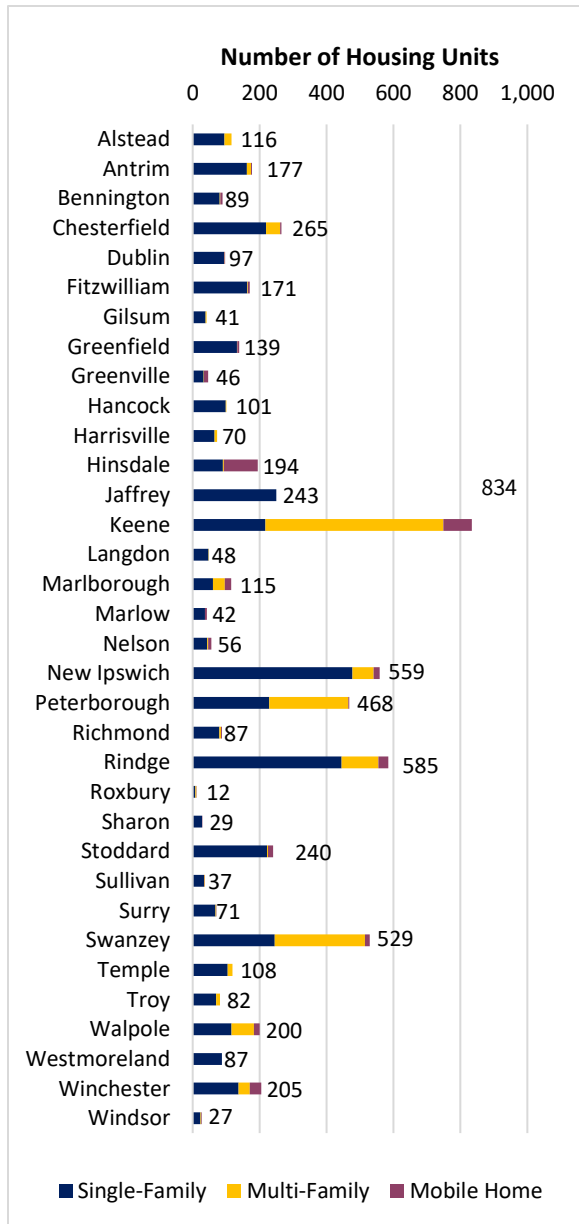


Figure 34: Permitted Housing Units by Housing Type, All Communities, Southwest Region (2000-2021). Source: New Hampshire Office of Planning and Development

By Tenure

Looking more closely at the age of the Region's housing stock by form of occupancy (i.e., owner- or renter-occupied housing units), there is a larger *proportion* of the Region's entire rental unit portfolio constructed prior to 1940 (31.7%) than owner-occupied units (21.6%). However, there is a greater *number* of pre-1940 owner units than rental units built during that era.

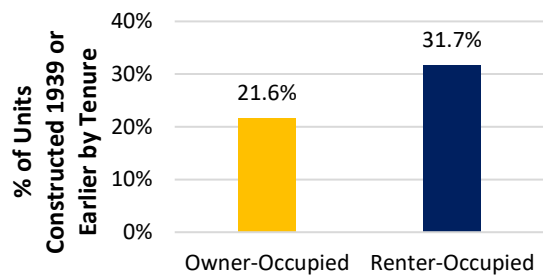


Figure 35: Proportion of All Housing Units Constructed 1939 or Earlier by Tenure Type, Southwest Region (2020). Source: US Census Bureau American Community Survey Estimates

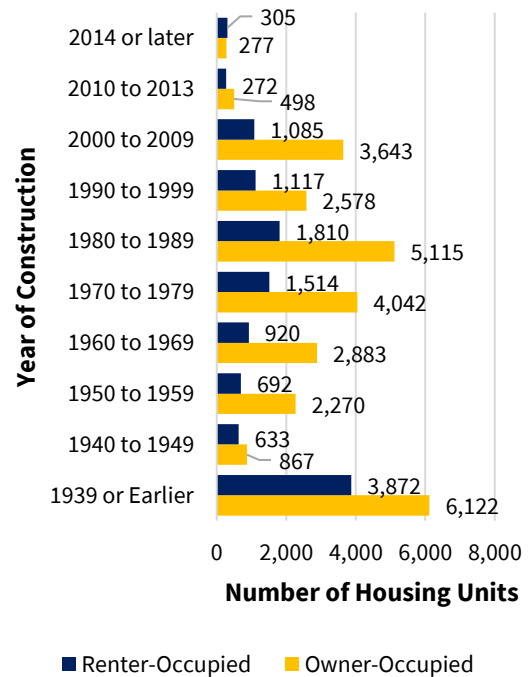


Figure 36: Age of Housing Stock, Southwest Region (2020). Source: US Census Bureau American Community Survey Estimates

Distribution of Workforce and Affordable Housing

Housing terminology like “workforce housing” and “affordable housing,” when not defined up front, can lead to miscommunication and misunderstanding. Some may use the terms interchangeably, others may have a loose sense of what they mean, while still others may have definitions of the terms that are markedly different from each other. Personal perceptions about one or the other can sometimes lead to unfortunate stereotypes, making it difficult to reach consensus on how to manage housing needs in a productive way. In this report, SWRPC uses the statutory or industry-based definitions for workforce and affordable housing.

NH law uses the term “affordable” housing in NH RSA 672:1, III-e, a statute that defines the purpose of municipal planning, zoning, and related regulations. In the statute it affirms that

“[a]ll 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 NH 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.”

While the law above makes a significant policy statement, definitions are needed to understand how the policy is put into practice. NH definitions for affordable housing can be found in the laws determining eligibility for

developers to access the State’s Affordable Housing Fund (NH RSA 204-C:56) and what is known as the State’s “Workforce Housing Statute” (NH 674:58-59). The Affordable Housing Fund definitions are intended only for the use of that program, whereas the workforce housing statute applies to all 34 of the municipalities in the Region and will be the continued focus of this section.

Workforce Housing

NH’s Workforce Housing Statute has different affordability definitions for renter and owner housing. First, housing is considered “affordable” if combined rental and utility costs (in the case of rental housing) or combined mortgage loan debt services, property taxes, and required insurance (in the case of ownership) does not exceed 30 percent of a household’s gross annual income. The Statute then applies Area Median Income thresholds for defining affordability depending on whether it is housing for rent or for sale. For renters, which tend to have smaller income than owners, affordability is based on a household of three earning up to 60% of the Area Median Income (AMI). For people looking to purchase a home, affordability is based on a household of four earning up to 100% of the AMI. Households that are larger or smaller in size than the 3-person standard for renters and the 4-person standard for owners is not relevant under the Law. For instance, a renter household with seven people is still subject to the 3-person 60% AMI standard just like an owner household with two people is subject to the 4-person 100% AMI standard. AMI figures are published annually by the US Department of Housing and Urban Development (HUD).

In addition to setting affordability definitions, the workforce housing statute includes the provision that every municipality “that

Area Median Income in Southwest NH

In SWRPC’s planning district, which includes 34 communities, there are four different County and Metropolitan Areas that are used by the State and HUD to determine AMI levels: all Cheshire County towns are part of the Cheshire County Area; all Hillsborough County towns with the exception of Greenville and New Ipswich are associated with the Hillsborough County Area; Greenville and New Ipswich are part of the Nashua Metropolitan Area; and Langdon is part of the Sullivan County Area.

2022 rental and ownership affordability according to NH’s Workforce Housing Statute is as follows:

| County/ Metropolitan Area | Area Median Income | Renter Affordability Threshold | Owner Affordability Threshold |
|---------------------------------|--------------------------|--------------------------------------|-------------------------------------|
| Cheshire County | \$89,100 | \$51,060 | \$89,100 |
| Hillsborough County | \$109,500 | \$59,160 | \$109,500 |
| Sullivan County | \$87,400 | \$51,060 | \$87,400 |
| Nashua Metropolitan Area | \$122,400 | \$66,120 | \$122,400 |

Table 13: County/Metropolitan Area AMI and Affordability thresholds for Workforce Housing. Source: US Department of Housing and Urban Development

exercises its power to adopt land use ordinances and regulations shall provide reasonable and realistic opportunities for the development of workforce housing, including rental multi-family housing.”¹⁶ Additional guidance in the statute states that lot size and overall density requirements for workforce housing shall be reasonable and that workforce housing shall be allowed in the majority of land that is zoned as residential. The Workforce

Housing Statute recognizes some caveats or limitations associated with a municipality’s ability to provide “reasonable and realistic opportunities” such as a buildability challenges associated with natural features or even economic conditions. However, at the same time it further defines what is “reasonable” such as the provision that “housing developments that exclude minor children from more than 20 percent of the units, or in which more than 50 percent of the dwelling units have fewer than two bedrooms, shall not constitute workforce housing....”

The Workforce Housing Statute also considers housing supply and need from a regional perspective by introducing the term “fair share.” Under NH RSA 674:59, III the statute provides that

“[a] municipality's existing housing stock shall be taken into consideration in determining its compliance with this section. If a municipality's existing housing stock is sufficient to accommodate its fair share of the current and reasonably foreseeable regional need for such housing, the municipality shall be deemed to be in compliance with this subdivision and RSA 672:1, III-e.”

“Fair share” is left open to interpretation and the intent of the statute is that each municipality can customize their efforts to their needs if it is reasonable. However, for municipalities that don’t want to leave their adherence to the Workforce Housing Statute up for question, the statute specifically mentions the adoption of an inclusionary zoning (as defined in NH RSA 674:21, IV (a)) to fulfill the requirements of the law.

¹⁶ The statute defines multi-family housing as a building or structure containing 5 or more dwelling units, each designed for occupancy by an individual household.



Workforce Housing Projects: Past and Present

Even before the NH Workforce Housing Statute was passed in 2008, workforce housing has been recognized as an important issue. Located on Main Street in West Swanzey, Swanzey Township Housing is a site managed by Southwestern Community Services (SCS) containing 18 rental units on an 8.5-acre parcel. All rental units qualify as workforce housing and are affordable to those earning less than 60% AMI. This project in part originated out of demand for employees at the local transfer station. Since its development more than 20 years ago, the site not only provides needed housing, but also acts as a catalyst for other improvements and redevelopment activity in the West Swanzey neighborhood.



*Swanzey Township Housing in West Swanzey.
Photo: Southwestern Community Services*

Another workforce housing project, the Jaffrey Mills Apartments, represents a 30-unit workforce housing development in the Town of Jaffrey, located in what was once a textile mill and remains the only property in Town that is individually listed on the National Register of Historic Places. Construction on the project was completed in 2007. This development represented a \$5.5 million investment into the historic property using funds from NHHFA, federal Low-Income Housing Tax Credits (LIHTC), Affordable Housing Trust (AHT) funds, USDA Rural Development funds, as well as additional financial support from the Town of Jaffrey through the federal CDBG program.

Since the adoption of the Workforce Housing Law in 2008, several communities were quick to respond by developing their own workforce housing ordinances and being proactive in the development of workforce housing. The Town of Rindge, for example, was lauded as a small town success story in NH Housing's [A 10-Year Retrospective on the Law's Impact on Local Zoning and Creating Workforce Housing](#). In the profile, several workforce housing developments were noted including Dale Farm Road which produced 27 units, 6 of which qualify as workforce housing. The Navian Development was also highlighted which provided 66 units (including 40 rental units and 26 single-family units) on a 110-acre tract of land. Of these units, 16 units were set aside as workforce housing.

At the time of writing, several workforce housing developments are under construction. For example, Avanru Development is in the process of constructing 84 new units of workforce housing along Route 10 in West Swanzey. The project is anticipated to represent an estimated \$24 million investment in the property. Uniquely, the construction of the two buildings on the lot – both three-stories – will be constructed modularly in an off-site facility prior to erection on-site. Through this form of construction, the developer contends these affordable units will also have a lower rental cost through energy consumption savings.¹⁷

¹⁷ *The Keene Sentinel*. 2021. Available online: [Developer moving ahead with 84-unit apartment complex in Swanzey | Local News | sentinelsource.com](#). Accessed December 1, 2022.

Other Affordable Housing

Other types of affordable housing are typically related to specific programs designed to provide people with affordable housing and involve the use of a subsidy. One of the most widely used housing subsidy programs is the Housing Choice Voucher, formerly called Section 8 housing. The Housing Choice Voucher program is the federal government's major program for assisting very low-income families, the elderly, and the disabled to afford decent, safe, and sanitary housing in the private market. Since housing assistance is provided on behalf of the family or individual with a voucher, participants can find their own housing, including single-family homes, townhouses, and apartments.

Housing Choice Vouchers are administered locally by public housing agencies (PHAs). The PHAs receive federal funds from HUD to administer the program. A housing subsidy is paid to the landlord directly by the PHA on behalf of the participating family. The family then pays the difference between the actual rent charged by the landlord and the amount subsidized by the program. Under certain circumstances, if authorized by the PHA, a family may use its voucher to purchase a modest home. Eligibility for a housing voucher is determined by the PHA based on the total annual gross income and family size and is limited to US citizens and specified categories of non-citizens who have eligible immigration status. In general, the family's income may not exceed 50% of the median income for the county or metropolitan area in which the family chooses to live. Fifty percent of the Area Median Income for the areas that apply to the Region vary. For a 3-person family the thresholds are \$42,550 for all Cheshire County towns and Langdon, \$49,300 for most Hillsborough County towns, and \$55,100 for Greenville and New Ipswich.



Stone Arch Senior Housing in Keene.

Photo: Keene Housing

Keene Housing is the area's primary PHA operating in the Region and to their knowledge the only agency that administers housing choice vouchers in the Region. According to their records, as of December 2022, they were administering 662 housing choice vouchers for studios, and one to four-bedroom units. Seventy-nine percent of all Keene Housing's housing vouchers are in the zip code 03431. The most popular size unit is a 1 bedroom, representing nearly one half of all vouchers. Keene Housing shared their data by zip code, which is presented in Table 15 on the next page. Over the last several years, Keene Housing has had difficulty finding landlords that will accept Housing Choice Vouchers, resorting to setting up a Landlord Incentive program that provides an economic incentive for landlords to participate.

In addition to housing vouchers there are several income-restricted housing units present in the Region that have been financed by either HUD, the US Department of Agriculture Rural Development, or NHHFA. Some of the housing is specifically for heads of households 62 years old or older or for people with disabilities.

As of May 2022, there were 1,799 assisted housing units in the Southwest Region (Figure 37):

- 1,107 units that are age-restricted or for people with disabilities
- 670 general occupancy units
- 3 special needs units
- 19 single room occupancy units

| Zip Code | Municipalities | Studio | 1 Br | 2 Br | 3 Br | 4 Br | Total |
|--------------------|--|-----------|------------|------------|------------|-----------|------------|
| 03431 | Surry, Keene, Roxbury, Swanzey, Gilsum | 65 | 246 | 110 | 93 | 11 | 525 |
| 03443 | Chesterfield | | | | 1 | | 1 |
| 03445 | Sullivan, Roxbury | | | 1 | | | 1 |
| 03446 | Swanzey | | 7 | 18 | 5 | | 30 |
| 03447 | Fitzwilliam | | 3 | | | | 3 |
| 03448 | Gilsum, Surry | | 1 | | | | 1 |
| 03451 | Hinsdale, Winchester | 1 | 2 | 7 | 2 | | 12 |
| 03452 | Jaffrey | | 2 | 2 | | | 4 |
| 03455 | Marlborough, Roxbury | 2 | 7 | 3 | 4 | | 16 |
| 03458 | Peterborough, Sharon | | | | 2 | | 2 |
| 03461 | Rindge | | 1 | | 1 | | 2 |
| 03462 | Chesterfield, Westmoreland | | | 1 | | | 1 |
| 03464 | Stoddard | | 1 | | | | 1 |
| 03465 | Troy, Marlborough | | 10 | 2 | 1 | 1 | 14 |
| 03466 | Chesterfield | | | 4 | 2 | | 6 |
| 03467 | Westmoreland | | 1 | | | | 1 |
| 03470 | Richmond, Winchester | | 16 | 6 | 4 | 1 | 27 |
| 03602 | Alstead, Langdon, Acworth | | 1 | | | | 1 |
| 03608 | Walpole | | 6 | 4 | | | 10 |
| 03609 | Walpole | | 2 | 2 | | | 4 |
| Total Units | | 68 | 306 | 160 | 115 | 13 | 662 |

Table 14: Housing Vouchers Administered by Keene Housing by Zip Code, Southwest Region (2022). Source: Keene Housing

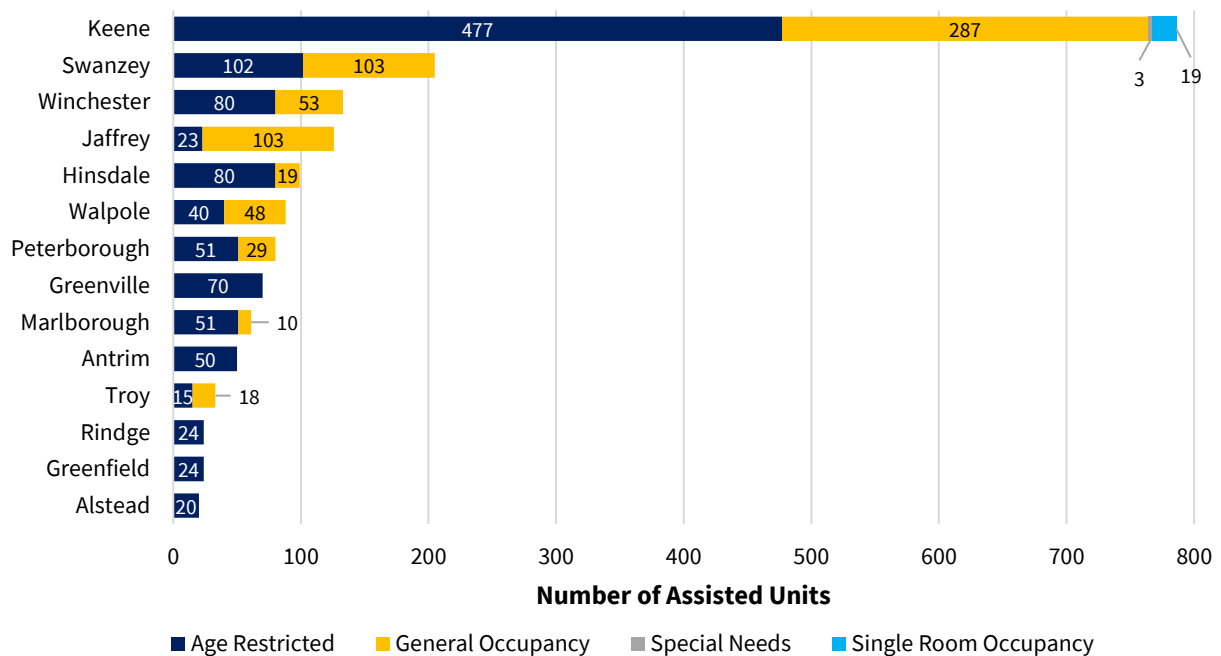


Figure 37: Total Number of Assisted Units by Municipality.

Source: New Hampshire Housing (2022) Directory of Assisted Housing in New Hampshire



Housing Market, Cost and Affordability

Income

Median Household Income

In 2020 the Region’s median household income was well aligned with NH’s median income with half of the Region’s towns falling above and the other half falling below the State’s \$77,923 median income. During that year, the median household income in Peterborough was the highest among Southwest Region communities (\$95,952), followed by Westmoreland (\$93,667) and Langdon (\$91,875). Median household incomes were lowest in Alstead, Troy, and Winchester at \$48,636, \$52,107, and \$52,708 respectively. The average difference in median income between owners and renters among 29 of the 34 towns in the Region was approximately \$37,000.¹⁸

Despite rising costs of living between 2010 and 2020 (the consumer price index rose 19% between January 2010 and January 2020)¹⁹, the median income value in 16 of the 34 towns in the Region did not keep pace with inflation.



A home in Winchester. Photo: SWRPC

| Geography | All Households | Owner-Occupied Households | Renter-Occupied Households |
|---------------|----------------|---------------------------|----------------------------|
| New Hampshire | \$77,923 | \$94,989 | \$45,468 |
| Alstead | 48,636 | 64,087 | 27,250 |
| Antrim | 65,714 | 88,214 | 36,364 |
| Bennington | 62,326 | 70,320 | 44,904 |
| Chesterfield | 80,385 | 96,313 | 29,574 |
| Dublin | 85,543 | 88,125 | 28,929 |
| Fitzwilliam | 68,611 | 69,432 | 48,173 |
| Gilsum | 71,346 | 73,295 | 45,625 |
| Greenfield | 86,250 | 96,417 | 35,673 |
| Greenville | 74,286 | 88,409 | 37,857 |
| Hancock | 71,167 | 77,969 | 68,398 |
| Harrisville | 83,879 | 83,704 | 90,833 |
| Hinsdale | 59,961 | 63,519 | 32,656 |
| Jaffrey | 62,747 | 73,365 | 41,735 |
| Keene | 57,393 | 78,009 | 41,071 |
| Langdon | 91,875 | 93,750 | 38,750 |
| Marlborough | 64,891 | 99,906 | 32,644 |
| Marlow | 87,000 | 87,375 | No Data |
| Nelson | 78,750 | 96,667 | 26,250 |
| New Ipswich | 82,537 | 85,225 | 70,977 |
| Peterborough | 95,952 | 114,196 | 80,290 |
| Richmond | 76,500 | 76,688 | No Data |
| Rindge | 80,729 | 86,742 | 43,365 |
| Roxbury | 79,375 | 85,625 | No Data |
| Sharon | 84,330 | 84,760 | No Data |
| Stoddard | 78,317 | 79,183 | 70,833 |
| Sullivan | 83,750 | 85,500 | No Data |
| Surry | 86,375 | 90,481 | 75,000 |
| Swanzy | 59,184 | 86,226 | 34,531 |
| Temple | 80,875 | 94,063 | 60,000 |
| Troy | 52,107 | 72,083 | 31,250 |
| Walpole | 76,250 | 91,071 | 60,032 |
| Westmoreland | 93,667 | 95,651 | 59,750 |
| Winchester | 52,708 | 66,429 | 41,693 |
| Windsor | 75,313 | 80,833 | 41,875 |

Table 15: Median Household Income by Tenure, Southwest Region (2020). Source: US Census Bureau American Community Survey Estimates

¹⁸ 2020 Renter data is not available for the remaining towns in the Region including Marlow, Richmond, Roxbury, Sharon and Sullivan.

¹⁹ US Bureau of Labor Statistics. https://www.bls.gov/data/inflation_calculator.htm. Accessed February 1, 2023.



| Geography | Median Household Income (All) | | |
|--------------|-------------------------------|----------|--------------------|
| | 2010 | 2020 | % Change 2010-2020 |
| Alstead | \$53,108 | \$48,636 | -8% |
| Antrim | 61,607 | 65,714 | 7% |
| Bennington | 56,333 | 62,326 | 11% |
| Chesterfield | 79,152 | 80,385 | 2% |
| Fitzwilliam | 67,993 | 68,611 | 1% |
| Hancock | 64,231 | 71,167 | 11% |
| Jaffrey | 56,637 | 62,747 | 11% |
| Marlborough | 60,109 | 64,891 | 8% |
| New Ipswich | 77,000 | 82,537 | 7% |
| Richmond | 67,411 | 76,500 | 13% |
| Rindge | 68,250 | 80,729 | 18% |
| Sullivan | 71,667 | 83,750 | 17% |
| Swanzy | 52,053 | 59,184 | 14% |
| Troy | 51,333 | 52,107 | 2% |
| Westmoreland | 80,262 | 93,667 | 17% |

Table 16: Median Household Income Among Communities Not Keeping Pace with Inflation, Southwest Region (2010-2020). Source: US Census Bureau American Community Survey Estimates. Go to the Appendix to View the Entire Table.

The widening gap between renter median income and rising cost of living during the past decade was especially stark with almost a third of the towns in the Region showing declines in renter household median income.



Snowbrook Meadow Housing in Winchester.
Photo: SWRPC

| Geography | Median Household Income (Renter-Occupied) | | |
|--------------|---|----------|--------------------|
| | 2010 | 2020 | % Change 2010-2020 |
| Alstead | \$27,639 | \$27,250 | -1% |
| Antrim | 36,528 | 36,364 | 0% |
| Bennington | 50,329 | 44,904 | -11% |
| Chesterfield | 61,953 | 29,574 | -52% |
| Dublin | 50,750 | 28,929 | -43% |
| Gilsum | 60,625 | 45,625 | -25% |
| Greenville | 33,594 | 37,857 | 13% |
| Hinsdale | 30,302 | 32,656 | 8% |
| Langdon | 42,813 | 38,750 | -9% |
| Marlborough | 42,930 | 32,644 | -24% |
| Nelson | 33,214 | 26,250 | -21% |
| New Ipswich | 75,364 | 70,977 | -6% |
| Rindge | 41,833 | 43,365 | 4% |
| Swanzy | 32,463 | 34,531 | 6% |
| Troy | 36,023 | 31,250 | -13% |

Table 17: Median Household Income (Renter-Occupied) Among Communities Not Keeping Pace with Inflation, Southwest Region (2010-2020). Source: US Census Bureau American Community Survey Estimates²⁰

Households by Tenure and AMI

Each year, HUD updates its AMI calculations for every geographic region in the country by using income data collected through the US Census Bureau's American Community Survey. The AMI is the midpoint of a region's income distribution, with half of households earning below the median and half earning more than the median. AMI calculations differ depending on household size. For the purposes of the following analyses, household income is calculated based on gross income (i.e., prior to being subject to taxes and other payroll deductions).

Households that earn less than 80% AMI are low-income, households earning less than 50% are very low-income, and households earning

²⁰ Renter income data was not available for Marlow, Richmond, Roxbury, Sharon and Sullivan.



less than 30% AMI are considered extremely low-income.

Applying these AMI definitions to Southwest NH, 66.5% of renter households and 42.2% of owner households are low income (i.e., earning less than 80% AMI), 46.6% and 21.5% are very low income, and 27.2% and 10.0% are extremely low income, respectively. A more detailed breakdown of households by tenure and AMI is presented in Figure 38.

Housing Market

NHHFA Purchase Price Trends

According to NHHFA, which makes data available on median home purchase prices, the median home purchase price was \$271,000 in the Southwest Region in 2021, up more than 30% since prior to the pandemic (see Figure 39). The drop in the curve in 2008 represents a housing market crash that occurred when subprime mortgages, a huge consumer debt load, and crashing home values converged.

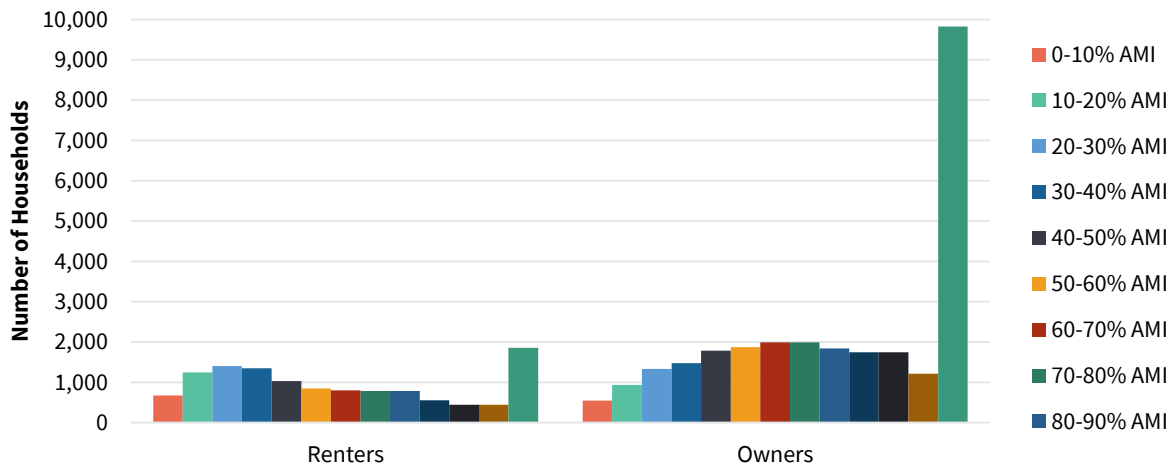


Figure 38: Households by Tenure and AMI, Southwest Region (2022). Source: Root Policy Research

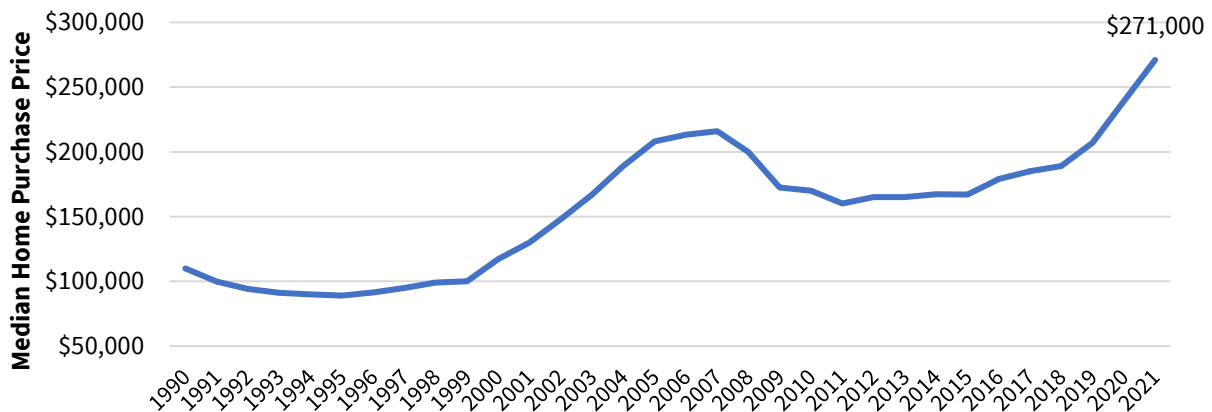


Figure 39: Median Home Purchase Price (All Homes), Southwest Region (1990-2021). Source: New Hampshire Housing Finance Authority (updated 4/29/22)



MLS Purchase Price Trends

According to Multiple Listing Service (MLS) sales data the annual median home sale price reached its highest point in 2022 at \$315,000.

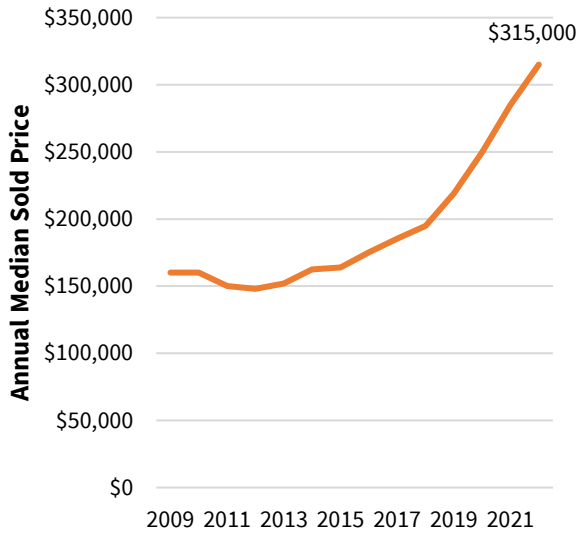


Figure 40: Annual Median Sold Price, Southwest Region (2009-2022). Source: MLS Sales Data

Looking at the MLS data by month, the summer of 2022 saw the highest median home price ever recorded in Southwest NH, reaching its peak in May and June at \$350,000. This represented a 58% increase when compared to just three years prior in May 2019 (\$221,750).

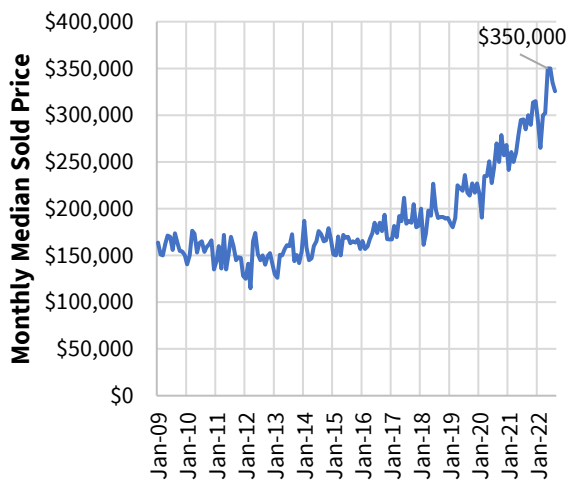


Figure 41: Monthly Median Sold Price, Southwest Region (January 2009 to August 2022). Source: MLS Sales Data

Absorption Rate

One key metric used to understand and gauge an area’s housing market is by calculating its absorption rate. The absorption rate describes how long it would take to sell all the currently available homes on the market if no new properties were listed. As a general rule, 5 to 6 months of inventory is considered to be a normal or balanced market. If it is more than 6 months, the area is likely experiencing a buyer’s market. If it is less than 5 months, it is a seller’s market. If you are looking to buy a home, knowing how many months of inventory there are can help indicate how negotiable a home seller may be. The fewer months of inventory and sellers may be less flexible in their sales price and terms.

As shown in Figure 42 on the next page, the Region has had an exceptionally high absorption rate, both by general standards and by comparison to NH. What this means is that homes are not staying on the market for long, and therefore sellers may be encouraged to raise their prices. Moreover, bidding wars are more likely to occur. In just six out of the 151 months for which data was collected, the Southwest Region had 1-month or more of housing inventory, far less than the 5 to 6 months which would be a fair and balanced market.



House for sale in Fitzwilliam.
Photo: SWRPC



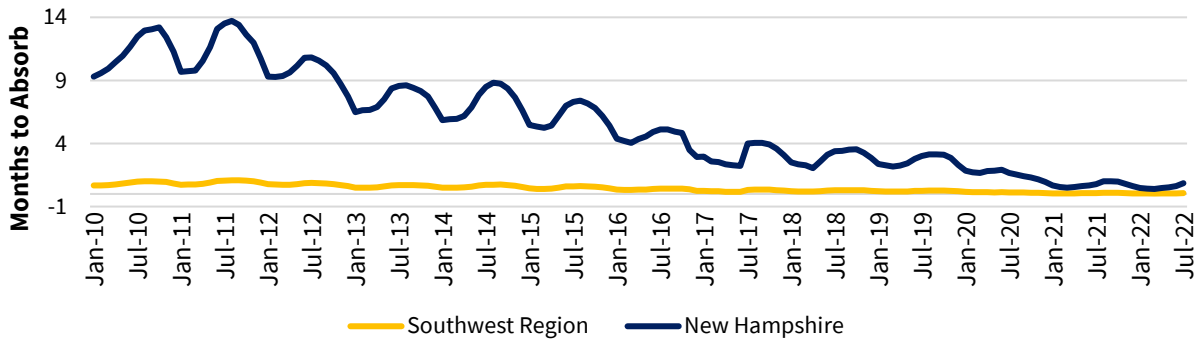


Figure 42: Months to Absorb Active Listings Inventory (January 2010 to July 2022). Source: MLS Sales Data

Median Gross Rents

Beginning in 1980, NHHFA began collecting statewide rental market data to help inform the public, businesses, and organizations that are on the front lines of housing issues and programs throughout the State. The most recent 2022 survey was conducted through the University of NH Survey Center between March and May 2022 as well as through additional outreach to property owners and property managers.²¹

Gross rents are calculated for each property in the survey by adding the rent charged by the landlord with a dollar allowance for those utilities paid by the tenant. By considering

these allowances, it assists the data researchers by effectively standardizing rental costs. The utility allowances are determined at the time of the survey and are based on physical consumption allowances determined by HUD and data made available from state electric, oil, and propane suppliers each year. Median gross rents are presented by geographic areas and for various unit sizes. As of 2022, the median gross rent for all units in Southwest NH was \$1,147, up more than 14% in the past 5 years (compared to +32% statewide). Median gross rent for a 2-bedroom unit increased more than 17% over the same time (compared to +26% statewide), reaching its highest point at \$1,250/month in 2022.

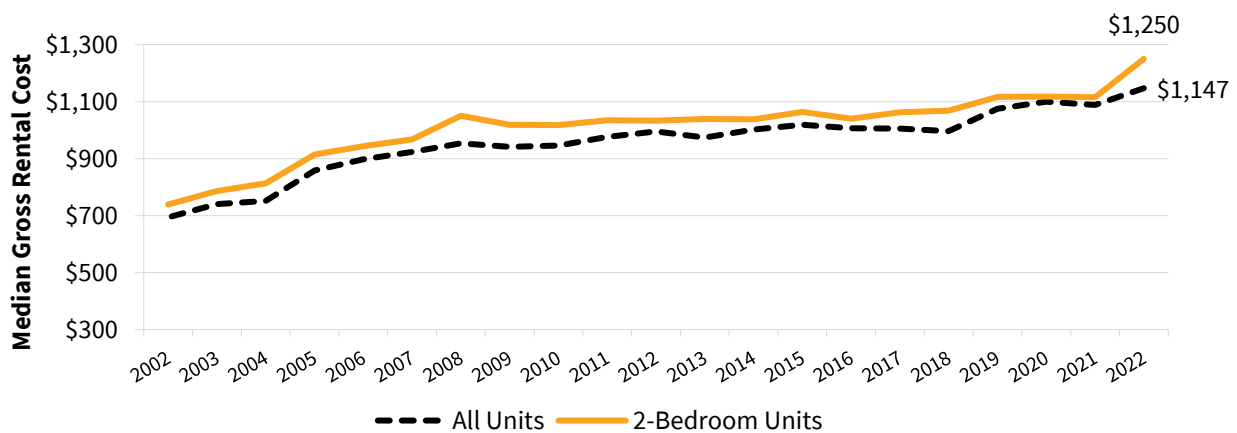


Figure 43: Median Gross Rental Cost, Southwest Region (2002-2022). Source: New Hampshire Housing Finance Authority (updated 8/1/22)

²¹ NH 2022 Residential Cost Survey Report, NH Housing. <https://www.nhhfa.org/wp-content/uploads/2022/08/NHHousing-2022-Rental-Cost-Report.pdf>. Accessed February 1, 2023.



Median rents for larger units (i.e., 3 bedrooms or more) have also trended upwards over the same period. Housing units with 4+ bedrooms increased by the greatest percentage between 2020 and 2021 (14%) to an average rent of \$2,096 per month (see Figure 44).

While less commonly used than the median figures – due to the increased influence by extremes in costs – the mean and standard deviation rents by unit size are presented in Figure 45. The mean rent in the Southwest Region for all units was \$1,140.83. The minimum rent identified in the survey was \$500/month (for a 1-bedroom unit) and the maximum was \$3,845/month for a unit that was four bedrooms or greater. The vertical standard deviation bars indicate how dispersed or wide-ranging the full array of surveyed rents were for each unit size. The smaller the standard deviation, the more clustered the rents were (for 0-bedroom units, for example), while the larger units tended to vary more in terms of their rent in relation to the average.

As mentioned above, NHHFA applies utility allowances to rents when the tenant is responsible for paying utility costs. In the Southwest Region, average utilities peaked at their highest in 2012 and 2013 at \$266 average annual utilities for all units.

In 2021, the average utilities were \$209.98 for all units. When analyzing by unit size, the average annual utility bills were as follows: \$132.18 (0-

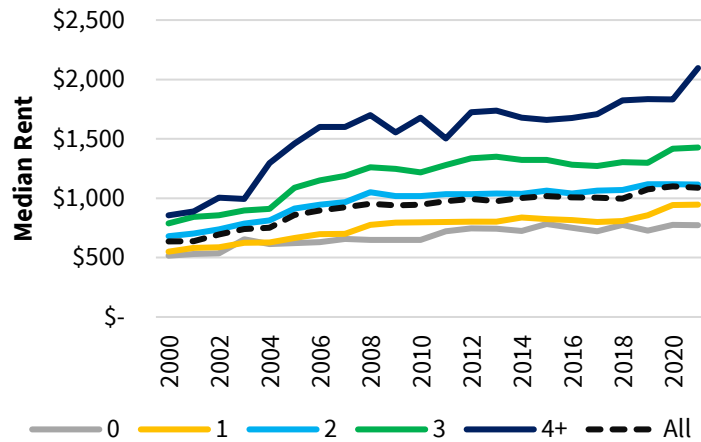


Figure 44: Median Rent by # of Bedrooms, Southwest Region (2000-2021). Source: NHHFA Gross Rent Survey

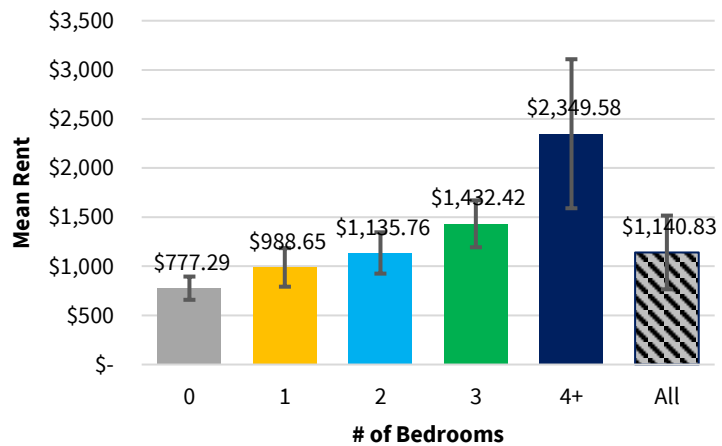


Figure 45: Median Rent by # of Bedrooms, Southwest Region (2000-2021). Source: NHHFA Gross Rent Survey

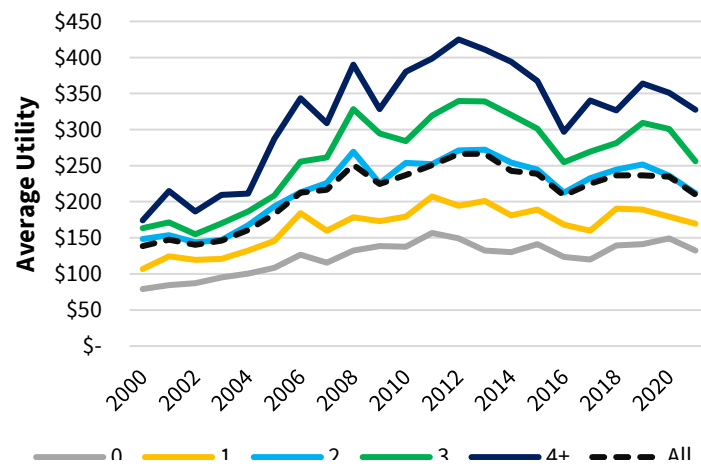


Figure 46: Average Utility by # of Bedrooms, Southwest Region (2000-2021). Source: NHHFA Gross Rent Survey



bedroom), \$169.71 (1-bedroom), \$211.54 (2-bedroom), \$256.00 (3-bedroom), and \$327.47 (4+ bedroom). The Region’s utility costs for all bedroom types exceeded all State averages in 2021.

Measures of Housing Affordability

Ownership Cost Burden by Income

Although the total percentage of Southwest NH homeowners decreased from 61.7% to 59.9% of all households between 2010 and 2020, the total percentage of all homeowners that were cost burdened decreased from 34.6% to 28.7% during the same period. Only the lowest income homeowners—those making \$35,000 or less—increased in number. While the proportion of renter households increased from 38.3% to 40.1% from 2010 to 2020, there was also a slight overall increase in the number of cost burdened renter households. However, Census data showing cost burdened renters by income bracket shows some variation in the



*Small home recently built in Fitzwilliam.
Photo: SWRPC*

| | All Income | Less Than 20K | >20K to 35K | >35K to 50K | >50K to 75K | >75K |
|-------------------|------------|---------------|-------------|-------------|-------------|--------|
| 2010 | 9,969 | 2,100 | 2,304 | 2,092 | 2,211 | 1,273 |
| 2020 | 8,121 | 2,186 | 2,434 | 1,344 | 1,458 | 699 |
| Change in Number | -1,849 | 86 | 129 | -748 | -753 | -574 |
| Percentage Change | -18.5% | 4.1% | 5.6% | -35.8% | -34.1% | -45.1% |

*Table 18: Cost Burdened Homeowners by Household Median Income, Southwest Region (2010-2020).
Source: US Census Bureau American Community Survey Estimates*

| | All Income | Less Than 20K | >20K to 35K | >35K to 50K | >50K to 75K | > 75K |
|------------------|------------|---------------|-------------|-------------|-------------|--------|
| 2010 | 4,459 | 1,972 | 1,712 | 639 | 121 | 15 |
| 2020 | 4,583 | 1,795 | 1,837 | 559 | 350 | 43 |
| Change in Number | 124 | -177 | 125 | -80 | 229 | 28 |
| Percent Change | 2.8% | -9.0% | 7.3% | -12.5% | 189.3% | 186.7% |

*Table 189: Cost Burdened Renters by Household Median Income, Southwest Region (2010-2020).
Source: US Census Bureau American Community Survey Estimates*



growth or decline of cost burdened households. Cost burdened households making less than \$20,000 and households making between \$35,000 and \$50,000 bucked the overall trend, decreasing in number.

Ownership Cost Burden by Age

Between 2010 and 2020, the number of homeowners under the age of 65 has declined while senior (i.e., aged 65+) homeownership has risen. The number of cost-burdened households has followed a similar trend, having declined 64.7% among non-senior households between 2010 and 2020. The number of senior households who are cost-burdened has risen over the same period by 180 households (6.5%).



Sunrise Village Apartments in Winchester.
Photo: SWRPC

Renter Cost Burden by Age

The number of renters of all ages has increased steadily over the past decade in the Southwest Region. While the number of total younger (i.e., under 65) renters has increased, the number who are spending more than 30% of their income toward housing costs has declined from 3,840 to 3,461 (-379). For those renters aged 65 and over, the number who are considered cost burdened has increased by 81% over the same time period, from 618 to 1,120.

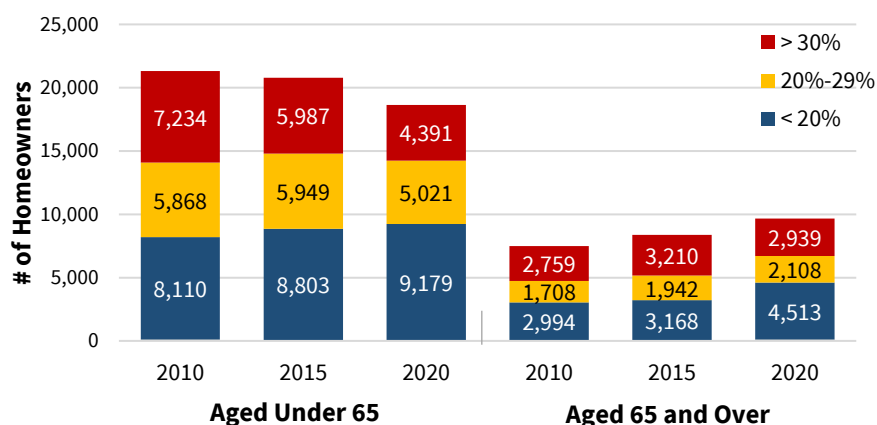


Figure 47: Ownership Cost Burden by Age, Southwest Region (2010-2020).
Source: US Census Bureau American Community Survey Estimates

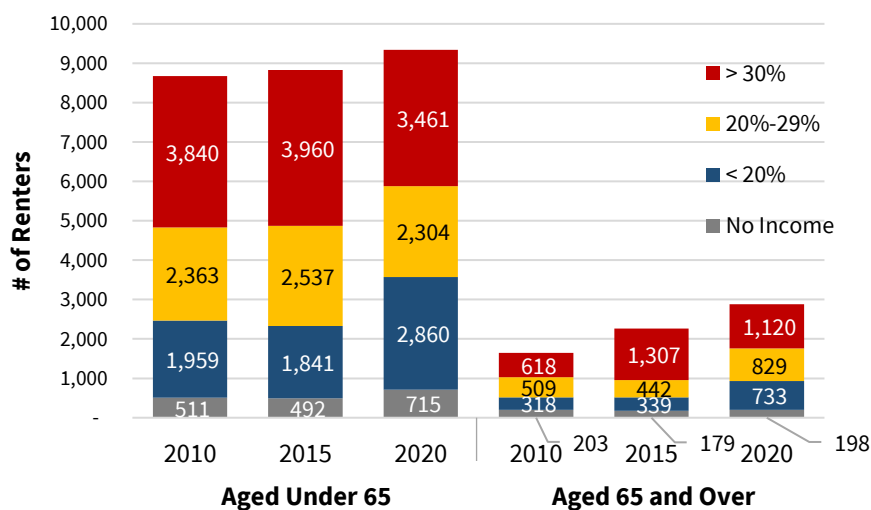


Figure 48: Renter Cost Burden by Age, Southwest Region (2010-2020).
Source: US Census Bureau American Community Survey Estimates

Self-Reported Cost Burden (Household Survey)

When analyzing responses gathered through the SWRPC Household Survey – which included 310 survey respondents from 30 SWRPC region communities – over half of all survey respondents (51%) self-reported as paying more than 30% of their income toward housing costs. Approximately one in eight respondents reported paying more than half of their income toward their housing costs. Young adults were the most cost-burdened when analyzing across the different respondent categories, with more than three-quarters reporting that they pay more than 30% of their income toward their housing costs and almost a quarter stating its greater than 50%.

Additionally, those survey respondents who rent their homes report being significantly more cost-burdened than those who own their homes (95.2% compared to 51.4%, respectively).

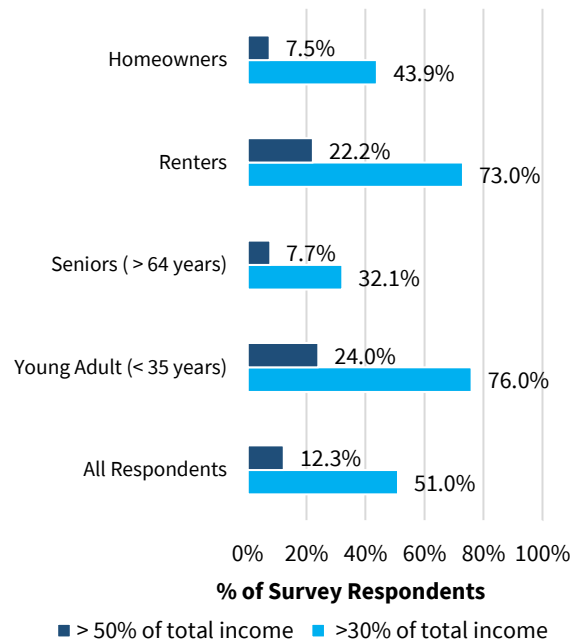


Figure 49: Survey respondents when asked to select the statement that best describes your overall housing costs (mortgage/rent, utilities, insurance, property tax, and maintenance) as a percentage of total household income (n=310)

Affordability by Occupation

A competitive housing market with limited availability and rising costs poses a significant challenge in the ability to meet the Region’s workforce demands. The following analysis examines 15 different occupations and their ability to afford median rentals and homes from median

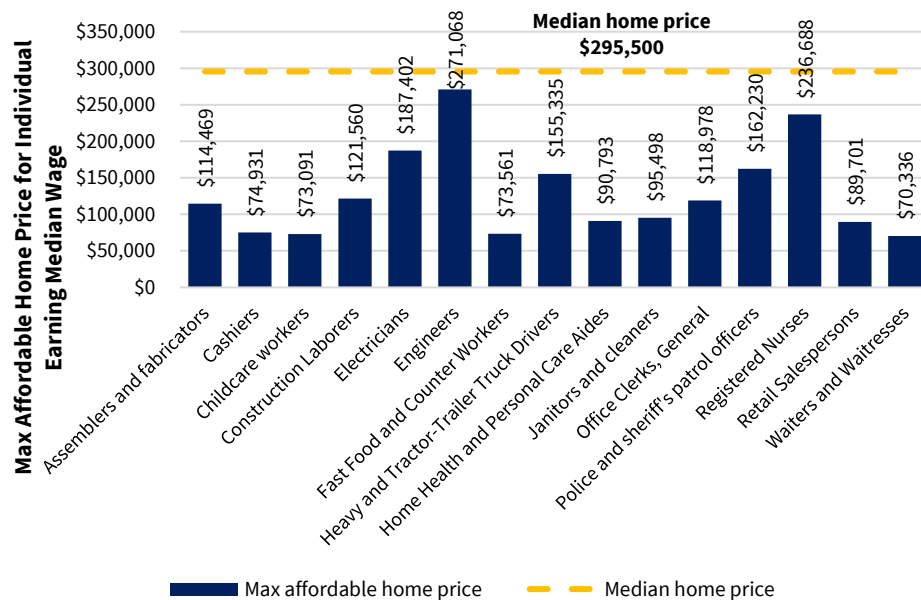


Figure 50: Affordability by Occupation, Southwest Region. Sources: MLS Data (Median Sold Price, Southwest Region 2022) and Economic and Labor Market Information Bureau (Employment and Wages)



wages for each respective occupation using regional data sets for rentals, homes, and wages.

Starting with a median priced home, (\$295,000 in 2022), Figure 50 shows that not one occupation would be able to afford a median-priced home as a single-income household. Looking at the two highest-earning occupations of those selected, engineers and registered nurses, the maximum affordable home price for each is \$271,068 and \$236,688, respectively. Even doubling the purchasing power of 10 of the 15 occupations (in effect, assuming a household consists of two full-time workers making a similar wage) would come up short purchasing a median priced home. While a median home price indicates that half of homes are more expensive and half are less

expensive, the mismatch between median home price and median wage demonstrates that—on balance—homes are mostly unaffordable for a number of these occupations. Many of these occupations are considered “essential workers”, a term that gained more recognition during the COVID-19 pandemic. These are often neighbors, friends and family who conduct a range of services in industries that are essential to ensure the continuity of critical functions in the Region.

As depicted in Figure 51, regional rental prices are more within reach for the 15 occupations making a median wage for their respective occupation. However, ten of the occupations would need to have more than one median wage earner to afford a median priced rental unit.

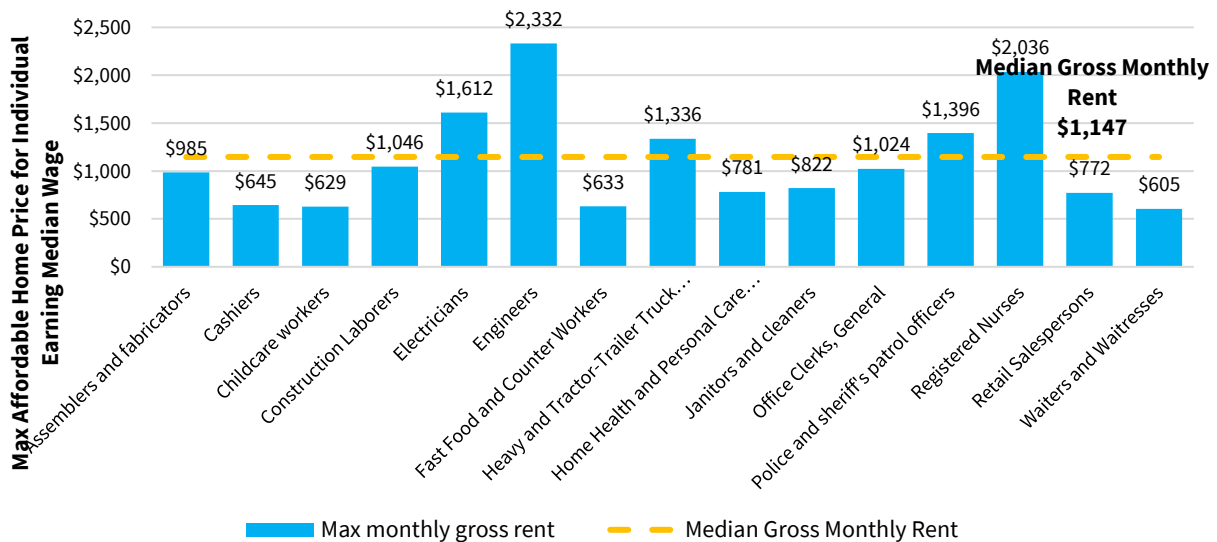


Figure 51: Affordability by Occupation, Southwest Region. Sources: New Hampshire Housing Finance Authority (Median Gross Rent) and Economic and Labor Market Information Bureau (Employment and Wages)



Wages and Housing: Different Perspectives

Wages surfaced as a major theme in many of the surveys conducted for the Regional Housing Needs Assessment. Below are some sample responses from different perspective of individuals representing a low-wage worker, a concerned family member, a landlord and an employer.

“I have always had low paying employment and frequently end up in month-to-month rental situations. I have had to move out of housing with a month's notice four times in my life and once I was given six months notice to vacate. I currently have a lease, but getting all the bills and rent paid in full, on time can be challenging.” – Anonymous Worker

“After her relationship ended, my sister could no longer afford her condo costs on her single income and was forced to Short Sale her condo and move in with our father for 4 years to rebuild her credit and her savings. If my father did not have room for her, she would have been homeless. She is fully employed in a job that requires a Master's Degree (which she is still paying off).” – Anonymous Family Member

“I only have one mobile home rental that has had the same tenant for the full 12 years that I have owned this place - she is a single mother who works a good job full time but struggles to pay her rent with all the ridiculous levels of inflation and her pay not increasing at all - groceries, gas, fuel, electricity etc - she now owes more each month than she makes and this wasn't the case 2 years ago!!!!!! It's not her fault but we are affected by this inflation as well and need the money more than before to continue to financially support this mobile home.” – Anonymous Landlord

“If a worker is paid \$25/hr, they cost me with payroll, workman's comp, SS match, Federal taxes \$33/hr. I would then have to bill the customer \$40/hr. That rate is not supported in this region. No one wants to work for \$15/hr and/or they have no related skills and would cost me 6 months to train only to not make money on their work.” – Anonymous Employer

Property Taxes

High property taxes were a frequent affordability-related complaint among the respondents that took SWRPC's employer and household survey, and for good reason. Historically, NH has been shown to have one of the highest property tax rates among the states, in part because NH does not have a broad-based income tax or sales tax to offset government revenue needs. A recent state-by-state analysis of property taxes found that NH

had the third highest property taxes after New Jersey and Illinois.²²

The US Census' American Community Service data shows this very clearly such that property taxes as a percentage of total housing costs in NH are approximately double what the median American pays (See Table 20). Further, property taxes as a percentage of income in NH is more than double what the median American pays.

²² <https://taxfoundation.org/property-taxes-by-state-county-2022/>, accessed February 26, 2023.



| | United States | New Hampshire | Cheshire County | Hillsborough County | Sullivan County |
|--------------------------------------|---------------|---------------|-----------------|---------------------|-----------------|
| Median Income | \$69,021 | \$83,449 | \$69,360 | \$86,930 | \$64,587 |
| Median Housing Costs | \$12,948 | \$17,244 | \$14,556 | \$18,408 | \$13,608 |
| Median Property Taxes | \$2,375 | \$5,550 | \$5,213 | \$5,909 | \$4,715 |
| Property Taxes as % of Income | 3% | 7% | 8% | 7% | 7% |
| Property Taxes as % of Housing Costs | 17% | 32% | 36% | 32% | 35% |

Table 19: Median Annual Income, Housing Costs and Property Taxes (2021).
Source: American Community Services Estimates

Despite property taxes being characterized as an issue for housing owners, renters are potentially at a higher risk of being cost burdened by the high property taxes than

owners because renter median income tends to be substantially lower. This is especially the case if owners or rental properties pass on all or even most of their property tax costs on to renters.²³

Regional Perspectives on Property Taxes

Out of the 310 households that participated in SWRPC’s household survey, 94% (290) stated that property taxes either significantly (194), somewhat (80) or slightly (17) impacted the cost and supply of housing in the Region. Below are some of the responses that SWRPC received when survey respondents were asked how to address the property tax issue.

“Allow NH to have taxes that don’t lean so heavily on property owners.”

“I believe we must change our school funding structure. People with school-aged children are discriminated against because every child added to the school system costs residents in terms of property taxes.”

“[We need] better/reimagined tiering of property taxes.”



Housing in Hinsdale, NH.
Photo: SWRPC

²³ An exception to this scenario is if owners of rental housing have a low income. New Hampshire wage data from the NH Department of Employment Security shows that people employed in rental and leasing services made an average of \$92,196 in annual wages. Further, the reduced supply of housing around the State suggests that property owners have the upper hand in controlling housing costs.

Does More Housing Mean More Children and Higher Property Taxes?

Given NH’s tax environment, which relies to a large extent on property taxes to fund local schools, it is not unusual that taxpayers are sometimes concerned that the construction of new housing units will bring additional school-age children to their community and that schooling costs and the property tax rate will both increase as a consequence. This concern raises a question: Would more kids in town inevitably raise the local tax rate?

For decades, NH’s student population has been shrinking. In the Southwest Region, recent public school enrollment levels show a continuing decline, contracting 9.5% between 2013 and 2021. This leads to a second question: What does it mean for property taxes, then, when school enrollment is shrinking? Does that inevitably lower the local tax rate?

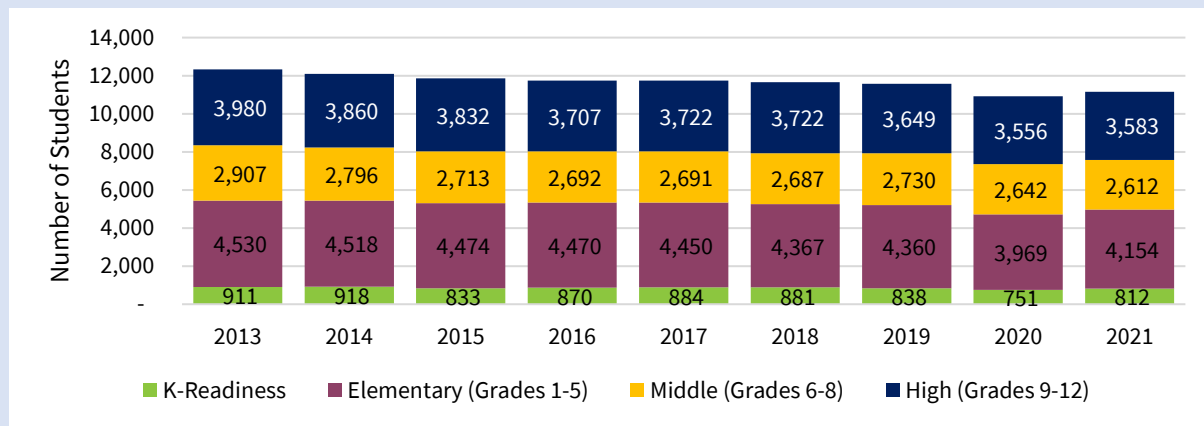


Figure 52: School Enrollment by Age Group, Southwest Region.
Source: NH Department of Education. Year Represents Start of the School Year.

A recent analysis by economist, Richard Englund, from the University of NH looked at the relationship between property tax rates and enrollment trends for all 236 towns and cities in the State for the period 2007 and 2017 and found that there wasn’t causal relationship between the two. Instead, he found that tax rate changes increased and/or decreased irrespective of whether enrollment was growing or contracting. In fact, the analysis showed that only nine communities experienced both a contraction of enrollment and a lower tax rate. Furthermore, most towns and cities (79%) saw an increase in education tax rates during a period of enrollment decline.

Englund argues that when enrollments increase, they almost never increase proportionately to the number of new students enrolling in the school. Instead, it is more likely that the costs per pupil will increase or even decrease by a *marginal* amount. This should hold true unless the enrollment increase is so large that it necessitates the construction of new facilities, an increase in the fleet of school buses, or an increase in administrative and teaching staff. Homing in on instruction costs, he notes that the NH Department of Education requires only one instructor for every 25 pupils in first and second grades and 30 pupils for the other elementary grades. Across the State, average classroom sizes are well below those thresholds. In Southwest NH during the 2021-2022 school year, classroom sizes in first and second grade ranged from an average of 9.5 to 18 pupils per classroom. For the higher elementary grades, average class sizes ranged from 10 to 25.



Measures of Current Housing Need

To better understand current housing need under the lens of affordability, an analysis was conducted in 2022 by a housing and community planning consultant, Root Policy Research, on behalf of NH’s RPCs. The scope of the analysis examined household and housing unit data for all of NH, breaking down results by RPC district and municipality. Looking at both rental and ownership housing, the analysis examined gaps between demand and supply, with demand represented as different ranges of household income and supply represented as different ranges of housing cost. Gaps were determined by comparing the number of households that could afford up to a certain price point (up to but no more than 30% of their household income) to the number of housing units available to that category of households.²⁴ Households and housing costs were grouped together based on seven-tiered AMI scale ranging from 0 to 30% to 120% or more of a regional planning commission’s calculated

Area Median Income. The regional AMI for Southwest NH was \$94,566.²⁵

In the analysis, gaps represent a mismatch between demand and supply. A negative gap indicates that there are not enough housing units at the price point that a household of a certain income range can afford. Conversely, a positive gap indicates that there are more housing units than there are households at a particular income range.

Rental Gaps Analysis

The rental gaps analysis found a serious deficit of rental units for those at both the lower and higher ends of the income scale, while there is a “surplus” of mid-priced housing units affordable for people making from 31% to 80% of the regional AMI (See Figure 53). The use of the term “surplus” is in the context of there being a “perfect” housing market where every household is matched with their ability to pay for housing at an affordable price. However,

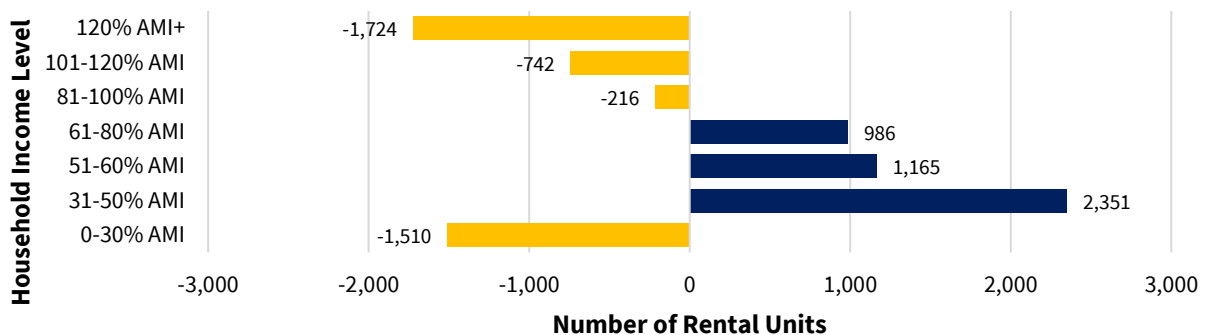


Figure 53: Rental gap analysis by household income level, Southwest Region (2020). Source: Root Policy Research

²⁴ Households were matched to the highest housing price point without being cost burdened. The size of the household was not considered in this analysis.

²⁵ This represents a weighted average of the AMI for Cheshire County towns (\$86,500), eight Hillsborough County towns (\$94,100), Greenville and New Ipswich (\$113,600) and Langdon (\$76,900).

that is never the way a real housing market operates.

Therefore the 2,682 households earning 81% or more of the regional AMI are likely putting pressure on the “surplus” middle priced rental housing since there are not enough higher priced alternatives to meet their needs, resulting in a housing crunch for middle priced rental housing. Meanwhile, households making 30% or less than the regional AMI are faced with a deficit of affordable housing and must pay for housing that is more expensive than they can afford.

The same analysis was conducted at the municipal level as indicated in Table 21. The municipal dataset shows that 26 of the 34 towns in the Region have a deficit of affordable homes for households making 30% or less of the regional AMI. On the other end of the income spectrum, every town in the Region has renter households that could afford more than they are paying and are probably squeezing the middle-cost rental housing.

| Geography | Income Level | | | | | | |
|--------------|--------------|------------|------------|------------|-------------|--------------|-----------|
| | 0-30% AMI | 31-50% AMI | 51-60% AMI | 61-80% AMI | 81-100% AMI | 101-120% AMI | 120% AMI+ |
| Alstead | -26 | 76 | 30 | 5 | -1 | -11 | -36 |
| Antrim | -57 | 84 | 15 | 16 | 5 | -11 | -39 |
| Bennington | -16 | 51 | 41 | 0 | -23 | -29 | -23 |
| Chesterfield | -98 | 101 | 39 | -18 | -6 | 0 | -19 |
| Dublin | -35 | 15 | 21 | 19 | -3 | -11 | -6 |
| Fitzwilliam | -19 | 40 | 9 | 13 | 11 | -5 | -31 |
| Gilsum | -4 | -2 | 5 | 9 | 0 | -2 | 0 |
| Greenfield | 28 | -7 | -3 | 10 | -5 | -10 | -14 |
| Greenville | -26 | 3 | 70 | -1 | -13 | -15 | -18 |
| Hancock | -5 | 58 | 14 | -18 | -32 | -21 | 5 |
| Harrisville | 9 | -5 | 1 | 11 | -2 | -5 | -9 |
| Hinsdale | -71 | 63 | 49 | 15 | 12 | -15 | -51 |
| Jaffrey | 14 | 210 | 23 | -80 | -81 | -25 | -19 |
| Keene | -539 | 627 | 354 | 518 | -61 | -192 | -558 |
| Langdon | 5 | 1 | -5 | -1 | 2 | 0 | -2 |
| Marlborough | -37 | -5 | 36 | 53 | -12 | 4 | -39 |
| Marlow | 1 | 19 | -5 | 4 | 2 | -3 | -19 |
| Nelson | -10 | 15 | -1 | -3 | -1 | 0 | 0 |
| New Ipswich | -24 | 96 | 36 | -9 | -20 | -9 | -25 |
| Peterborough | -92 | 465 | 174 | 71 | -88 | -106 | -425 |
| Richmond | 0 | -11 | 1 | 19 | 6 | -3 | -11 |
| Rindge | -120 | 163 | 1 | -20 | 35 | -24 | -35 |
| Roxbury | 0 | 0 | 6 | -1 | -2 | 0 | -2 |
| Sharon | -5 | 2 | 2 | 3 | -1 | 0 | -1 |
| Stoddard | 0 | -1 | 7 | 8 | 0 | -6 | -8 |
| Sullivan | -5 | 11 | 3 | -1 | 5 | 0 | -14 |
| Surry | -2 | 1 | 1 | 17 | -6 | -5 | -6 |
| Swanzey | -167 | -165 | 109 | 260 | 151 | -119 | -69 |
| Temple | -14 | 11 | 15 | 3 | -5 | -8 | -2 |
| Troy | -55 | 67 | 19 | 26 | -8 | -21 | -28 |
| Walpole | -36 | 143 | 67 | 70 | -35 | -71 | -139 |
| Westmoreland | -2 | 15 | 37 | 3 | -11 | -10 | -32 |
| Winchester | -98 | 205 | -6 | -16 | -29 | -11 | -44 |
| Windsor | -2 | 4 | 0 | -2 | 1 | 0 | -2 |
| Southwest NH | -1,510 | 2,351 | 1,165 | 986 | -216 | -742 | -1,724 |

Table 20: Rental Gaps by Income Level (2020). Source: Root Policy Research



Ownership Gaps Analysis

Like the rental gaps analysis, the ownership gaps analysis compares renters, renter income levels, the maximum monthly housing payment they could afford, and the proportion of units in the market that were affordable to them. Renters are used for the demand side of the ownership gaps analysis to capture renters' ability to purchase a home (as opposed to measuring existing owners' ability to buy and sell).

Maximum affordable home prices used for the analysis assume a 30-year mortgage with a 10% down payment and an interest rate of 5.5% (June 2022 average from: <https://www.freddiemac.com/pmms/pmms30>). The estimates also incorporate property taxes, insurance, HOA payments and utilities which are assumed to collectively account for 40% of the monthly payment.

The ownership gap is calculated as the percent of units that sold at or below the maximum affordable home price for a particular income level minus the percent of renter households at or below the income level. This renter purchase gap shows the difference between the

proportion of renter households and the proportion of homes sold that were affordable to them.

Negative numbers indicate a shortage of units at the specific income level; positive units indicate an excess of units. The figure below shows that there is a significant lack of housing units for sale at a price that is affordable to those earning 60% AMI or below.

This trend remains evident as we look at ownership gaps by income level in each Southwest Region community as shown in Table 22 on the next page.



A Single Family House in Chesterfield.
Photo Credit: SWRPC

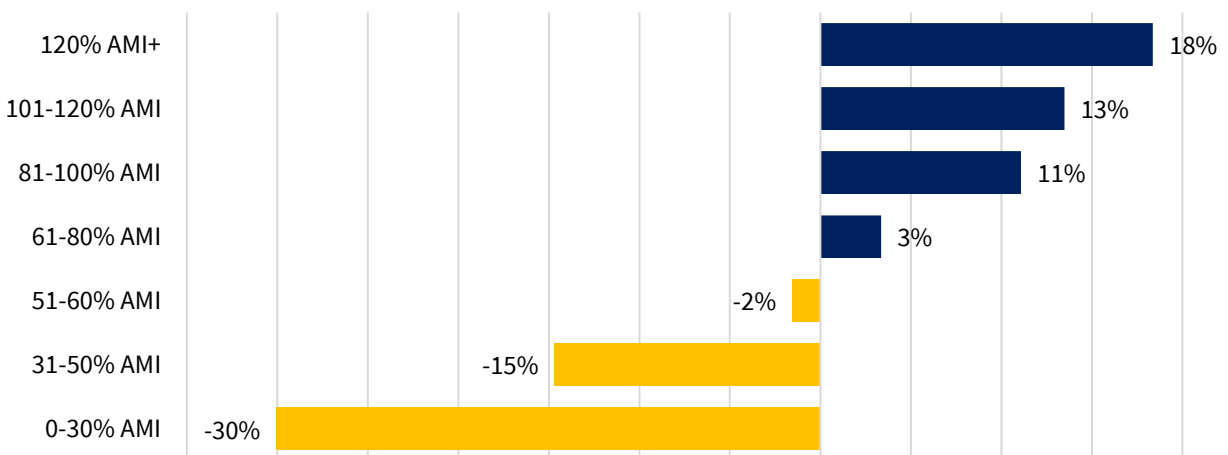


Figure 54: Ownership Gaps by Income Level, Southwest Region (2020). Source: Root Policy Research



| Geography | Income Level | | | | | | |
|--------------|--------------|------------|------------|------------|-------------|--------------|-----------|
| | 0-30% AMI | 31-50% AMI | 51-60% AMI | 61-80% AMI | 81-100% AMI | 101-120% AMI | 120% AMI+ |
| Alstead | -49% | -14% | 2% | 21% | 13% | 14% | 13% |
| Antrim | -45% | -30% | 2% | -6% | 15% | 18% | 47% |
| Bennington | -41% | -16% | -3% | -11% | -2% | 9% | 64% |
| Chesterfield | -21% | -28% | -5% | 9% | 19% | 28% | -3% |
| Dublin | -18% | -8% | -10% | 1% | 24% | 1% | 12% |
| Fitzwilliam | -11% | -22% | -4% | 5% | 3% | 18% | 12% |
| Gilsum | -33% | -12% | 15% | 31% | 5% | 2% | -8% |
| Greenfield | -19% | -27% | -9% | -7% | 19% | 20% | 24% |
| Greenville | -34% | -12% | 1% | 13% | 16% | 11% | 4% |
| Hancock | -36% | -23% | 0% | 23% | 19% | 4% | 13% |
| Harrisville | -19% | 3% | -3% | 23% | 10% | -2% | -13% |
| Hinsdale | -49% | -25% | -10% | 3% | 31% | 0% | 50% |
| Jaffrey | 1% | -39% | -11% | 22% | 30% | 0% | -4% |
| Keene | -38% | -14% | -3% | -13% | 8% | 20% | 40% |
| Langdon | 0% | 0% | -10% | 2% | 41% | 0% | -33% |
| Marlborough | 2% | 0% | -6% | -24% | 5% | 1% | 21% |
| Marlow | -17% | 4% | 2% | 0% | 18% | 30% | -37% |
| Nelson | -6% | -8% | -9% | -22% | 16% | 4% | 26% |
| New Ipswich | -34% | -21% | 0% | 13% | 4% | 19% | 20% |
| Peterborough | -36% | -7% | 5% | 22% | -2% | 21% | -3% |
| Richmond | -26% | -6% | -4% | 2% | -4% | 8% | 31% |
| Rindge | -9% | -11% | -5% | -25% | -5% | 16% | 38% |
| Roxbury | -26% | -9% | 3% | 11% | 9% | 9% | 3% |
| Sharon | -35% | -13% | 4% | 1% | 27% | 15% | 2% |
| Stoddard | -18% | -2% | -7% | -1% | 15% | 8% | 5% |
| Sullivan | -34% | -24% | -8% | 9% | 15% | 17% | 26% |
| Surry | -25% | -18% | 5% | 15% | 0% | 14% | 9% |
| Swanzey | -6% | -13% | -6% | -31% | 6% | 13% | 36% |
| Temple | -28% | 1% | -4% | -21% | -5% | 15% | 41% |
| Troy | -22% | -10% | -1% | 3% | 12% | 10% | 9% |
| Walpole | -42% | 0% | -5% | -11% | -2% | 18% | 42% |
| Westmoreland | -21% | -1% | -9% | -38% | -2% | -2% | 75% |
| Winchester | -15% | -25% | -18% | -22% | 96% | -2% | -13% |
| Windsor | 3% | -54% | -27% | 29% | 10% | 17% | 23% |
| Southwest NH | -30% | -15% | -2% | 3% | 11% | 13% | 18% |

Table 21: Ownership Gaps by Income Level (2020). Source: Root Policy Research

Analysis of Future Conditions & Trends

Impacts to Future Housing Supply and Affordability

COVID-19

The COVID-19 pandemic, not yet in the rear-view mirror at the time of writing, has shown that there can be unpredictable “shocks to the system” that turn housing market predictability on its head. NH’s housing market, like that of many other states, was affected by several pandemic-related factors including, but not limited to, escalating construction costs, increases in mortgage rates, rising home prices and rents, and loss of income. Since 2000, the pandemic has exacerbated existing housing affordability challenges that the Region has experienced for many years, especially for entry-level buyers and renters.

Furthermore, the pandemic resulted in disruption of the labor market and supply chains. While housing is typically the highest expense for most households--pandemic or not--economic disturbances created by the pandemic increased costs for other household items from groceries to home energy to fuel,



*Doing business in Chesterfield during COVID-19.
Photo: Keene Sentinel*

stretching household budgets even further.

Federal government assistance programs and state agencies administering the funds have blunted the negative impact of the pandemic in a variety of ways including challenges associated with housing. Their rapid recovery efforts have had a positive impact all over NH. Two housing financial assistance programs, administered by NH Housing, deserve mention. The NH Emergency Rental Assistance Program, a financial assistance program that helps renters who struggled to pay their rent or utilities during the pandemic had received 30,567 applications, authorizing approximately \$300 million to nearly 27,000 households as of February 2023. The Program average assistance was approximately \$11,000 per household, assisting residents from 220 towns. The federally funded NH Homeowner Assistance Fund Program aids NH homeowners who have been affected by an increase in expenses or a reduction in income because of the COVID-19 public health crisis. The program launched in March 2022 with a \$40 million federal allocation. The fund provides up to \$20,000 for eligible homeowners struggling to pay their mortgage, property taxes, and utilities.

As discussed earlier in the report (see p. 5), NH has also used federal assistance programs to invest in new housing across the State. Called InvestNH, the initiative is a suite of programs that have funneled investments into the creation of new housing units, demolition of unsafe buildings, and the creation of incentive and technical assistance programs to assist municipalities on the front lines permitting new housing.

Although the Region is yet to fully understand the medium- and long-term impact that the

COVID-19 pandemic has had, there are likely to be lessons that can be applied to future crises.

Climate Change

Southwest NH is anticipated to feel the progressive impacts of a changing climate over the next several decades, leading to increased risk of flooding, fire, and heat exposure.

It is estimated that, today, 5,786 properties in Cheshire County would be affected in the event of a storm resulting in severe flooding (i.e., a 1-in-100-year flood event). This type of event has a 26% chance of occurring at least once over the life of a 30-year mortgage. Thirty years from now, an event of this same likelihood would affect 5,949 properties based on risk factors worsening.²⁶ Studies show that 3,678 out of 22,612 homes (16%) in Cheshire County face the risk of moderate flooding in the next 30 years. In addition to the direct damage caused to homes and commercial properties, flooding can disrupt utilities, emergency services, transportation corridors, and other critical infrastructure within the Region.

Communities that adapt to higher risks can limit their flood exposure and lower flood insurance costs. Southwest NH is already investing in flood risk reduction projects, but more may be needed.

Demographics and corresponding housing trends can play a significant role in climate change mitigation and adaptation. For example, smaller households, coupled with trends toward larger houses, increase per



City of Keene installs catch basins to adapt to increased flooding in a neighborhood.

Photo: Keene Sentinel

capita energy and resource consumption, resulting in higher greenhouse gas emissions.²⁷

²⁸ ²⁹ Certain home types may contribute to climate change and conflict with specific housing needs in the Region. Therefore, when making land-use decisions, it is important to understand these tradeoffs and optimize synergies when applicable. Some opportunities to reduce emissions attributable to the housing sector are to increase energy efficiency, incorporate renewable energy, utilize passive design principles, etc. On the adaptation side, there will be a growing need for air conditioning and cooling systems, especially for the elderly and other vulnerable groups.

The [U.S. Climate Resilience Toolkit](#) is a website designed to help people find and use tools, information, and subject matter expertise to build climate resilience in their communities. Part of this tool includes the [Climate Mapping for Resilience and Adaptation Assessment Tool](#)

²⁶ [Cheshire County, New Hampshire Flood Factor® Report | Risk Factor](#). Accessed December 1, 2022.

²⁷ <https://www.nature.com/articles/s41560-019-0512-1>. Accessed December 1, 2022.

²⁸ <https://link.springer.com/article/10.1007/s11111-014-0203-6>. Accessed December 1, 2022.

²⁹ <https://www.nature.com/articles/nature01359>. Accessed December 1, 2022.



which can be used to understand exposure to climate hazards based on location.

Though difficult to predict, the Region is as likely a destination as any for people fleeing their past homes due to a changing climate. According to some reports, climate migration is already happening. In 2022 alone, 3 million people in the United States were displaced by severe climate-related events, while climate is forcing migration to the United States from other parts of the globe, most recently Central America.³⁰ Some researchers studying the current impacts of climate change expect to see an uptick in climate migration when government policy and market mechanisms reduce subsidies for high risk development in fire, drought and flood prone areas.³¹

Federal Monetary Policy

Inflation has been one of the most prominent recent economic trends in our Nation, State, and Region. Some inflationary factors have been caused by monetary policies (i.e., reduced interest rates), fiscal policies (i.e., CARES Act, ARPA, stimulus checks), geopolitical tensions

around the world (Russia-Ukraine war), supply chain disruptions (caused in part by COVID-19 related business closures and growing demand for products and services), and labor shortages (caused by early retirement trends, a reduction in labor force participation, a lack of progress on immigration policy, a shortage of workforce housing and affordable childcare, and the retraining of workers who switched or abandoned certain industries).³²

According to the Bureau of Labor Statistics, the May 2022 all-items Consumer Price Index in the New England Region increased by 7.9% from May 2021³³, with the highest increases seen in gas, shelter, and food³⁴ (for reference, the target inflation rate is 2% per year³⁵). Inflation has had a serious impact on middle- and lower-income households looking to rent or purchase a home. By increasing the costs of gas, food, and housing, it has cut into low- and middle-income ability to pay for other non-discretionary expenses such as utilities, taxes and debt, putting a greater financial burden on these groups.

³⁰ <https://e360.yale.edu/features/as-climate-fears-mount-some-in-u.s.-are-deciding-to-relocate> Accessed December 1, 2022.

³¹ <https://ctcitraining.org/blog/wp-content/uploads/2020/09/HOW-CLIMATE-MIGRATION-WILL-RESHAPE-AMERICA.pdf>. Accessed December 1, 2022.

³² <https://www.remi.com/wp-content/uploads/2022/03/3.2-Transportation-Inflation-and-the-Supply-Chain-PDF.pdf>. Accessed December 1, 2022.

³³ [Table 4. Consumer Price Index for All Urban Consumers \(CPI-U\): Selected areas, all items index - 2022 M10 Results \(bls.gov\)](#). Accessed December 1, 2022.

³⁴ [Consumer Price Index Summary - 2022 M10 Results \(bls.gov\)](#). Accessed December 1, 2022.

³⁵ [The Fed - Why does the Federal Reserve aim for inflation of 2 percent over the longer run?](#). Accessed December 1, 2022.



To combat inflation, the Federal Reserve has implemented 8 interest rate hikes from March 2022 to February 2023 adding up to 4.5 percentage points, all of which have had an impact on credit card loans, auto loans, and mortgage interest rates. At the time of writing, more interest hikes are possible.

These hikes in the federal interest rate have resulted in the mortgage interest rate for a 30-year loan to increase from 3.1% in late 2021 to 7.45% in February 2023, putting an even greater strain on affordability for homebuyers in NH. To put this into perspective, for someone looking to purchase a \$300,000 home with a 5% down payment, at a 3.1% interest rate for a 30-year mortgage, their monthly payment would be \$1,402 (this does not include taxes, homeowner's insurance, private mortgage insurance, or any other fees such as a monthly HOA when applicable). With a 7.45% interest rate for a 30-year mortgage with a 5% down payment, the monthly payment would increase to \$2,168 per month – representing a 55% increase in the monthly payment, before all other taxes and fees.

This hike in interest rates is expected to slow down the hot demand for housing, but it is pricing out homebuyers even more, likely pushing some into the rental market. Despite the effects, the housing supply does not meet current demand, which will likely result in a slowdown in the number of home sales, but the continuation of high home prices.

Furthermore, inflation has caused a drastic increase in the cost of materials and labor across almost every industry, including those related to housing construction and the transportation of construction materials, which may result in a slowdown of housing starts that could further exacerbate the State's housing supply challenge.

Construction Costs

Factors such as geopolitical tensions around the world, skilled labor shortages, high inflation rates, strains on global supply chains exacerbated by the COVID-19 pandemic, limited access to buildable lots, and the increased cost of goods and services have all led to very low real productivity growth in the construction industry.

Consumer behaviors (such as increased spending on renovation and home projects, access to capital because of monetary policies such as the reduced interest rates, increased spending that can be partially attributed to fiscal policies such as the economic stimulus checks or access to disposable income due to vacation cancellations) have all coincided with supply chains and labor shortages. These labor shortages, which have been caused by early retirement trends, a reduction in labor force participation, a shortage of workforce housing and affordable childcare, and the retraining of workers who switched or abandoned certain industries, have left construction companies scrambling to find the help they need to keep up with the demand. Even prior to the pandemic, there were growing concerns about the lack of qualified tradespeople and a decrease in the existing workers available as they reach retirement age.



Construction of the Washington Park Apartments in Keene. Photo: Keene Sentinel



Across the nation, raw materials such as lumber have skyrocketed. NH Housing Finance Authority's Spring 2021 *Housing Market Snapshot* showed a drastic increase in the cost of building materials beginning in 2021. When looking at softwood lumber in particular, NH saw a price increase of 121% from 2020 to 2021. Furthermore, since October 2020, steel, gypsum, insulation, and fuel have all jumped significantly.³⁶ This adds thousands of dollars to the cost of housing development, which is then passed on to the consumer when purchasing a home.

When it comes to supply chains, a severe bottleneck effect was created when the nation was hit by the pandemic. With business closures and stay-at-home orders in place, labor force participation was reduced and demand for goods and services was temporarily diminished. However, when restrictions were lifted and consumer confidence was regained, the demand way outpaced the supply and sectors that affect construction, such as transportation and manufacturing, could not keep up.

Dealing with supply chain disruptions and increasing cost of goods and services presents its own challenges. Supply chain issues result in open-ended delays in the completion of projects and the increase in material costs results in pricing issues due to the volatility in materials costs. If not planned for properly, a contractor may end up having to make up for any price increases that arise after the signing

of the contract. On the other hand, if they incorporate the cost of potential price increases into their contracts at the bidding stage, they run the risk of missing out on a contract due to "over" bidding. Simply put, the construction industry in the Region does not have the capacity to keep up with the demand without impacting the consumer through delays and higher housing costs.

Short-Term Rentals

In recent years, the continued rise of short-term rental platforms including Airbnb and Vrbo has sparked debate among local government, residents, and housing activists about their impact on the availability and affordability of long-term rental housing.

Short-term rentals can reduce affordable housing supply through two interconnected mechanisms.³⁷ The first mechanism is straightforward: a housing unit that was previously occupied by a local resident, but is now listed on Airbnb year-round, is a unit that has been removed from the housing market and has essentially been added to the community's supply of hotel rooms. This can lead to a real, but likely mild, increase in rents. The second mechanism is the incentive these short-term rental platforms create for a

³⁶ New Hampshire Housing Finance Authority (2021). *Housing Market Snapshot*, Spring 2021. Available online: [HMS-Spring-2021.pdf \(nhhfa.org\)](https://www.nhhfa.org/HMS-Spring-2021.pdf). Accessed December 1, 2022.

³⁷ Lee, D. (2016). How Airbnb short-term rentals exacerbate Los Angeles's affordable housing crisis: Analysis and policy recommendations. *Harvard Law and Policy Review* 10, 229–253. Available online: <https://www.attac-italia.org/wp-content/uploads/2019/06/How-Airbnb-Short-term-rentals-disrupted.pdf>. Accessed December 1, 2022.



property owner who can rent out a room on Airbnb for cheaper than the price of a hotel room, while earning a substantial premium over the residential market or rent-controlled rent.

As of May 2022, there were 165 short-term rental units listed in the Southwest Region.

It is unclear how the short-term rental rate will change in the future. However, if the past ten-year increase in seasonal homes is any indication, there is likely to be additional growth.

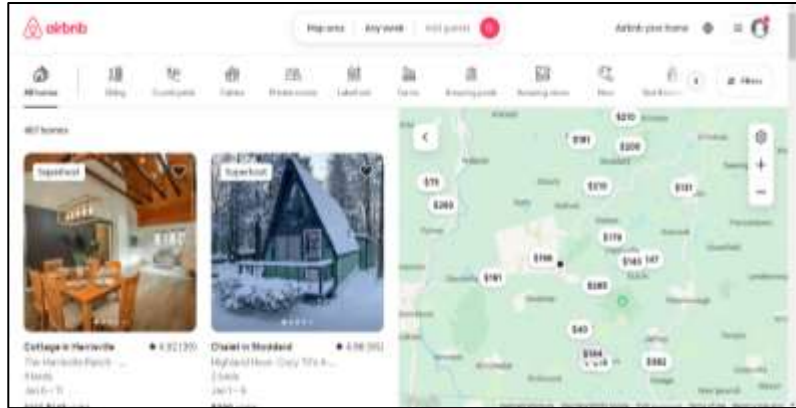


Figure 55: Screenshot of available Airbnb rentals in the Southwest Region and the surrounding area

Projecting Employment Growth in Southwest NH

Generally, projecting future workforce needs and occupations is used as a guideline for estimating need and trends in an area, and are not always precise. They avoid assumptions about any major shocks that may be on the horizon, including a natural disaster or other catastrophic events. Nevertheless, while we try to better understand the impact and possible long-term changes because of the pandemic, it is important that we consider these impacts within the broader context of demographic and economic trends that have been in motion for years.

As noted earlier in the report, the labor force in the Southwest Region peaked in 2012 with 55,954 civilians in the work force. However, since 2012, these figures have been trending downwards.

Based upon long-term industry projections released in August 2020 by the NH Economic and Labor Market Information Bureau, the Southwest Region is projected to gain 872 net new jobs (a 2% increase) by the year 2028 when compared to 2018 figures. While this indicates a positive (albeit modest) trend at first glance,

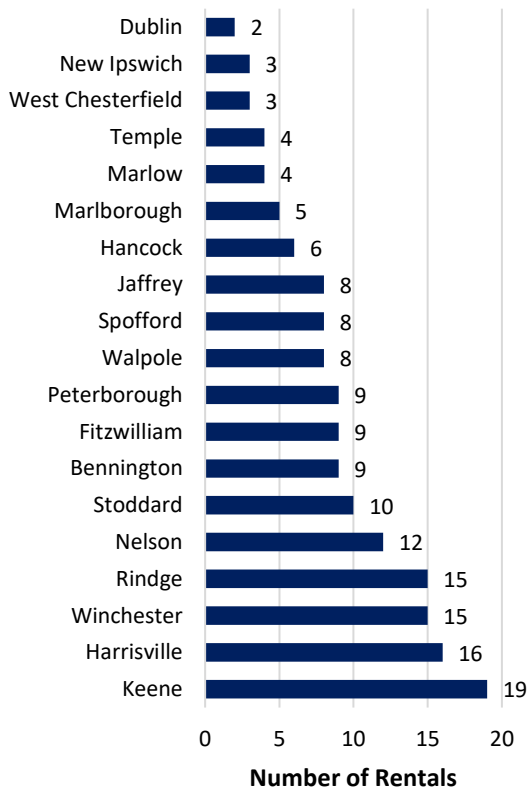


Figure 56: Number of Short-term Rentals by Community, Excluding Private or Shared rooms (May 2022). Source: AirDNA Market Miner



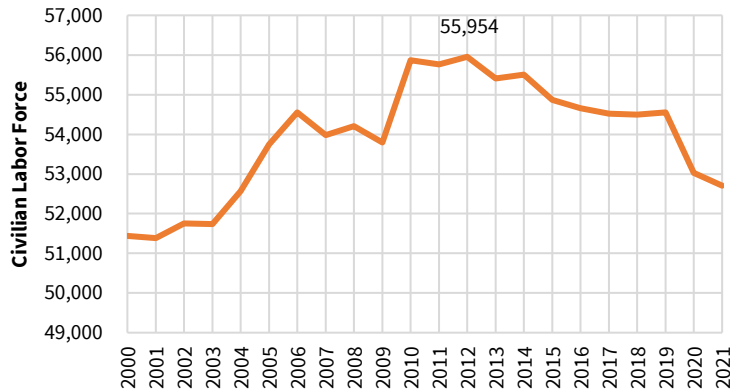


Figure 57: Civilian Labor Force, Southwest Region 2000-2021. Source: New Hampshire Labor and Market Information Bureau

it is more instructive when the analysis looks at changes expected to occur in individual sectors.

As is true in NH, and in many other areas of the country, projected employment growth in the Region is expected to be highest within the Health Care and Social Assistance sector by a substantial margin, with 626 projected new jobs by 2028. This demand for healthcare professionals became especially pronounced

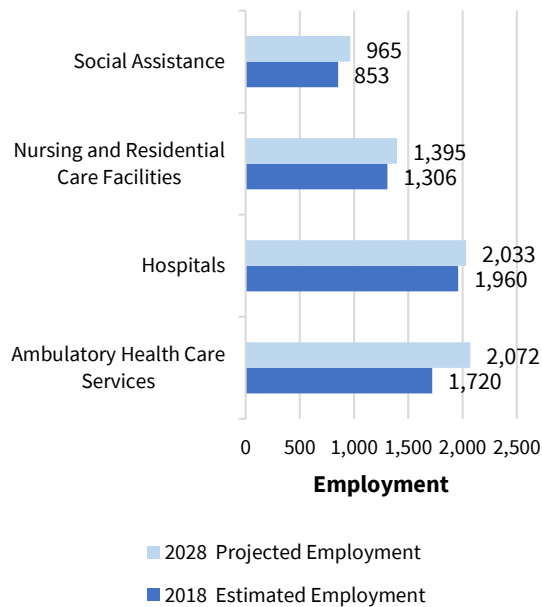


Figure 58: Long-Term Industry Projections 2018-2028, Health Care & Social Assistance, Southwest Region. Source: Labor and Market Information Bureau, NH Employment Security

during peak infection periods during the pandemic. Looking at recent data, employment of nursing assistants alone has surged by an estimated 53% between 2018 and May 2021, which far exceeds the original projected 9% growth that was predicted by 2028.

In the Region, the anticipated increase in personal care aides (174 added jobs) and registered nurses (80 added jobs) represent the two fastest growing occupations by 2028. Nursing assistants follow closely behind at tenth overall, with 34 new jobs anticipated by 2028. More personal care aides and nursing assistants will be needed to care for an aging baby-boom population at home, in hospitals and long-term care facilities.

In contrast to the projected growth in the healthcare sector, manufacturing jobs within the Region appear to continue to trend downward, with a projected net decrease of 453 jobs by the year 2028. The decline in manufacturing employment is especially significant given the sector's relatively high wages even though an advanced degree beyond high school is not needed. Manufacturing workers in NH were paid an average weekly wage of \$1,159 in 2020, compared to the average privately employed worker making \$1,000 per week.

As employment changes and the economy continues to evolve, the Region's housing market has limited affordable housing options for many current and future members of the workforce. Southwest NH is challenged in attracting and maintaining an adequate



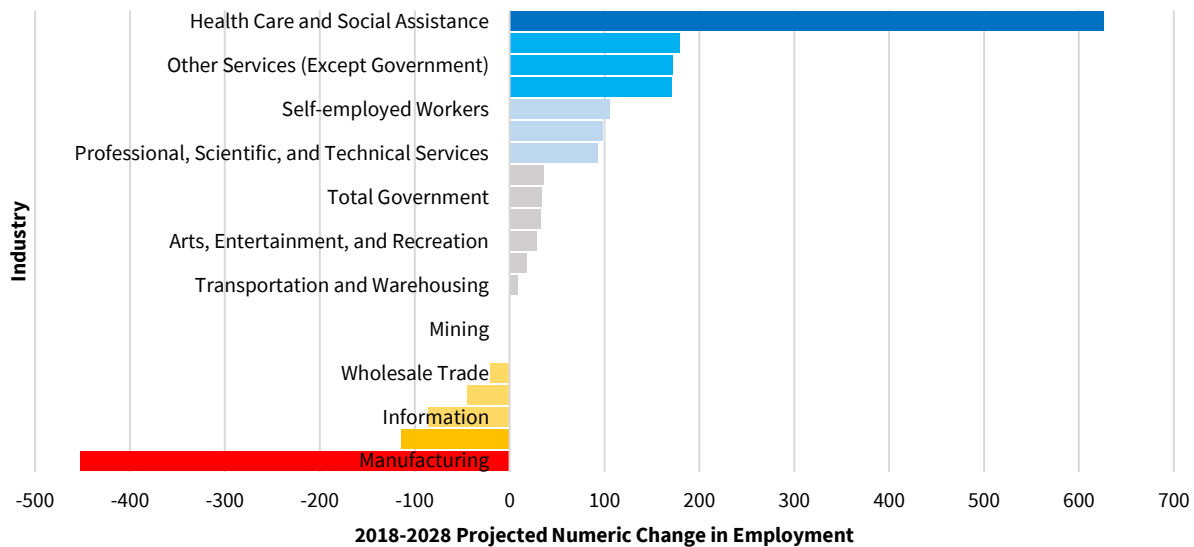


Figure 59: Long-Term Industry Projections 2018-2028, Southwest Region.
 Source: Labor and Market Information Bureau, NH Employment Security

workforce to achieve our economic potential due in part to a shortage of affordable and diverse housing options.

Childcare Availability

While NH is often recognized as one of the best states in the country to raise a family³⁸, the limited access and high cost of childcare poses a significant challenge to many. According to Childcare Aware of America, the average cost of licensed childcare in NH is greater than 12% of household median income, and 2 in 5 children in working families in the state do not have access to licensed childcare while their parents are at work.³⁹

Some experts that have conducted research on childcare conditions in NH note that many childcare centers continue to struggle to attract

and retain employees, which has the effect of legally limiting the number of children they are able to care for. To ensure sufficient staffing, many centers have been forced to increase employee wages. While this is a positive development for childcare workers, these additional costs can have a ripple effect, leading to childcare centers passing on costs to families. When childcare costs are raised even higher, it can lead to one parent staying home to care for the children and reducing a labor

³⁸ <https://www.cnbc.com/2023/01/18/best-states-to-raise-a-family-in-the-united-states.html>. Accessed December 1, 2022.

³⁹ Childcare Aware of America (2017). Mapping the Gap in New Hampshire. Available online: [Mapping the Gap™ in New Hampshire \(arcgis.com\)](https://www.arcgis.com). Accessed December 1, 2022.



force that is already contracting due to the natural aging of the workforce.⁴⁰



Figure 60: Childcare Unmet Slots, Southwest Region (2019). Source: Child Care Aware of New Hampshire, Child Care Aware of America and the New Hampshire Department of Health and Human Services/Division of Economics and Housing Stability/Bureau of Child Development and Head Start Collaboration

To help address these challenges at the time of this report, Keene State College – together with the Monadnock United Way and other community partners – is aiming to expand training and employment pipelines for early childhood education and care in the Monadnock Region through a multi-pronged approach, including (but not limited to) support for credentialing and training as well as support for eligible non-profit childcare centers and providers to expand childcare availability.

Figure 60 illustrates the estimated supply and demand gap for childcare in the Southwest Region by community as presented in the interactive [2019 NH Childcare Desert Map](#). The Town of Swanzey has the largest unmet demand for childcare facilities among the Region’s communities, followed by New Ipswich and Greenville.



Local daycare playground. Photo: Keene Sentinel

⁴⁰ <https://www.nhbr.com/new-hampshire-businesses-need-sustainable-solutions-for-states-childcare-crisis/> Accessed December 1, 2022.



Housing Needs Projections

Projecting housing need can be a useful tool to set goals or targets but should never be considered a precision science. The projection process attempts to identify probable assumptions and extend those assumptions into the future using a mathematical formula. Municipalities in Southwest NH that are considering setting their own municipal housing targets or goals, will want to “look under the hood” of the Fair Share Housing Production Model to make sure it aligns well enough with the community’s assumptions and is taking into consideration other factors and policies that are important to the municipality.

Housing Production Needs Summary

The housing production needs for the Southwest Region presented in the following section were developed by Root Policy Research, an economic and planning consulting firm which specializes in housing needs assessments and housing market analyses.

These projections indicate the number of housing units that are estimated to be needed to accommodate population growth and support employment growth and move the Southwest Region’s housing market toward a more stable and functioning state. Housing unit targets are provided in five-year increments starting in 2025 and extending through 2040. At the end of each five-year period, figures represent *cumulative* housing units needed for that point in time. In other words, the number of housing units shown in 2040 represents the total anticipated number of housing units needed by 2040 including all previous years. It is important to note that the model also strives for a balanced housing market, so that by 2040 the vacancy rate is 5 percent for rental units and 2 percent for owner



*Single Family Home in Fitzwilliam.
Photo: SWRPC*

units. These vacancy targets are distributed over the course of the twenty-year horizon between 2020 and 2040 so there isn’t an unrealistic expectation to achieve 5% renter and 2% owner vacancy rates as soon as 2025.

The Model distributes housing need by focusing 50% of housing production on anticipated needs due to population growth and 50% of housing production to meet workforce housing needs. Explaining this approach, Root Policy Research notes the following:

“The employment component is critical to support economic stabilization and growth, especially in the state’s small towns and rural areas. A model based solely on demographic projections – which are based on historical trends – would drive housing demand into urban areas and away from rural areas that are aging. This would result in rural economies that cannot support the needs of



aging residents, tourism and recreation activity – including second and vacation homeowners—and economic development.”

Aligning with policies in NH’s Workforce Housing Statute, total housing production need is projected by tenure and by area median income (AMI) threshold.⁴¹

Housing Need Projections for the Southwest Region

Based on the Root Policy Research analysis, the Southwest Region is projected to need an additional 4,659 housing units by 2040 to meet future demand and achieve a more balanced housing market. Of these units, approximately 2,987 would be produced as owner-occupied units with 1,244 (41.6%) of the units being affordable to households earning below 100% AMI. A need for an additional 1,672 renter units was also proposed by the model, of which 426 (25.5%) would be affordable to renter households earning below 60% AMI. Figure 61 summarizes total projected housing need by 2040.

Projected Regional Housing Need is 4,659 Additional Housing Units by 2040

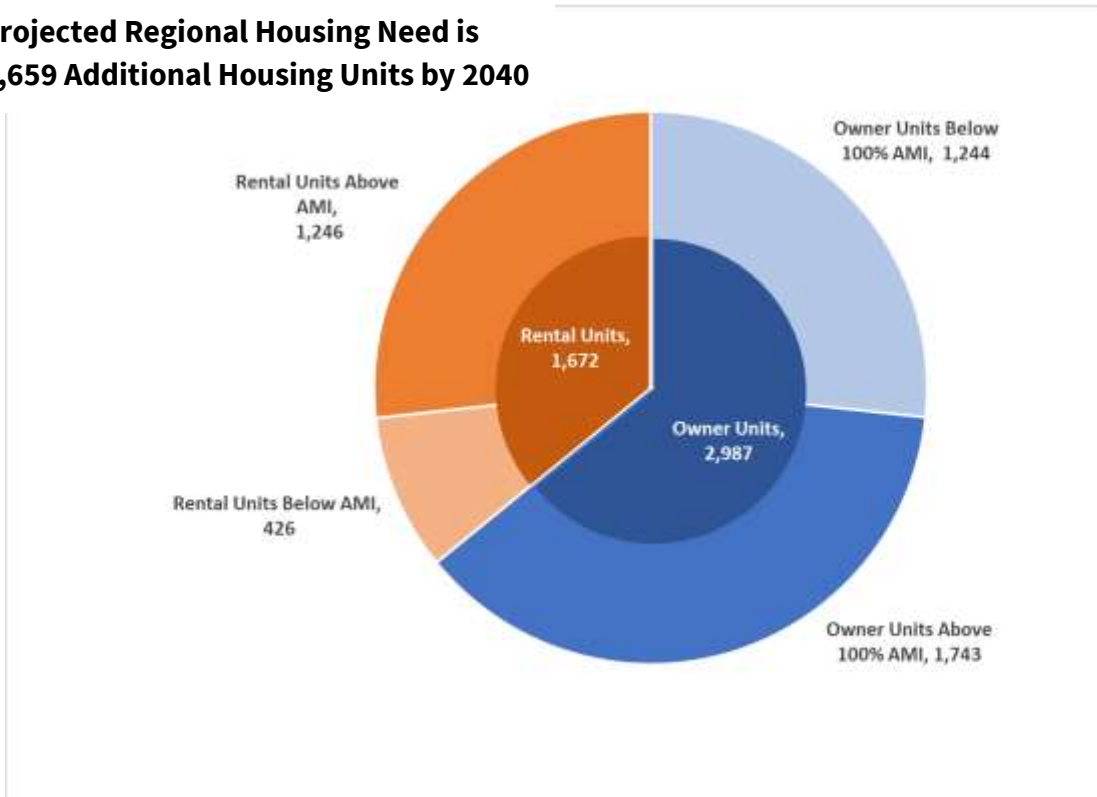


Figure 61: Projected Regional Housing Need (2040). Source: Root Policy Research

⁴¹ A regional Area Median Income was calculated for the SWRPC region using a methodology that can be found in the appendices.



The following chart shows regional housing unit targets for each of the 5- year periods captured in the Model between 2020 and 2040 broken down by rental units above and below 60% AMI and owner units above and below 100% AMI.

Assuming these production targets are met, this rate of housing production would be greater than what was observed in recent years, particularly the period between 2010 and 2020, when the rate of housing production was at

historic lows. However, the rate of growth shown in the Model would be consistent with periods of growth that the Region experienced prior to the 2008 nationwide housing market crash. For example, between 2020 and 2030, the housing projections suggest housing production is needed at a rate of 7.3%, which remains lower than the 10.4% rate of housing production growth that was observed in Southwest NH between 2000 and 2010 and significantly lower than 10-year housing production rates between 1970 and 1990.

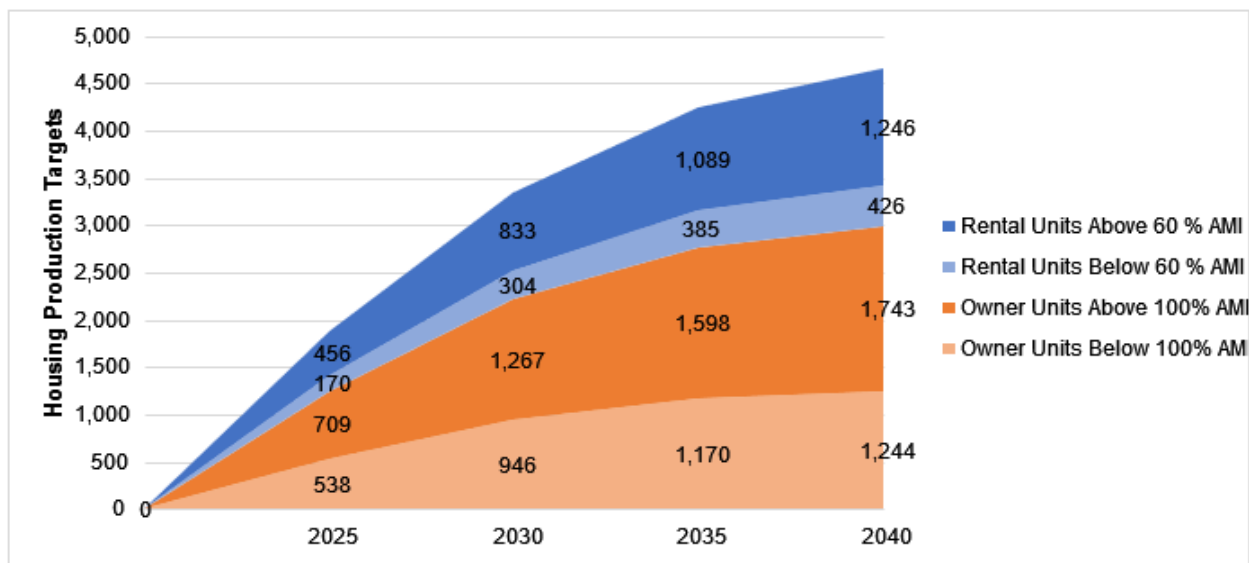


Figure 62: Housing Needs Projections by Tenure and Income Level, Southwest Region (2020-2040).
Source: Root Policy Research

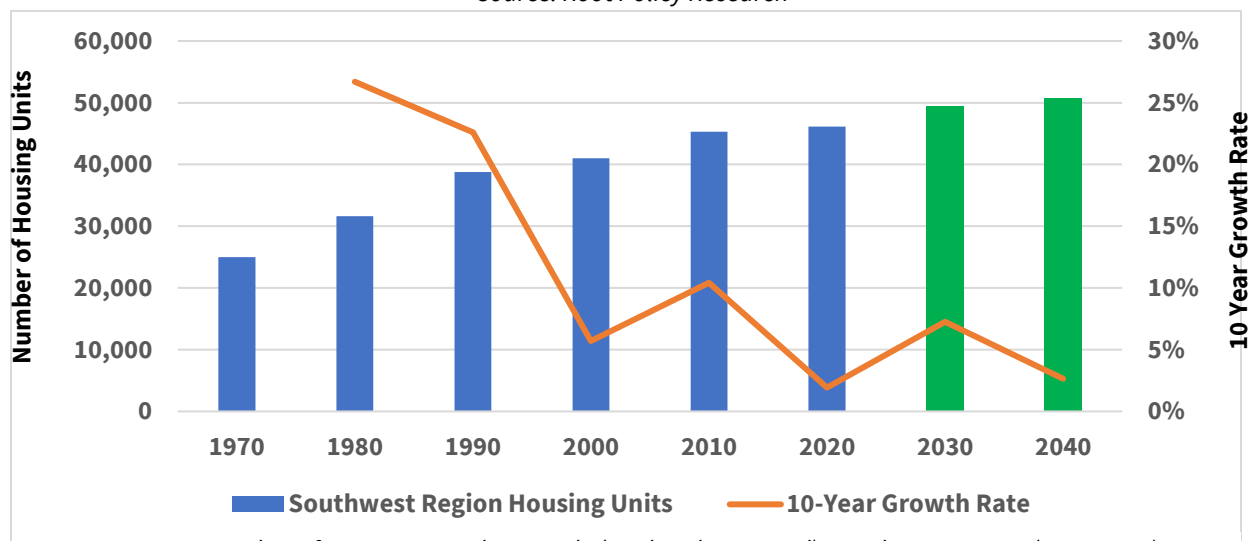


Figure 63: Number of Housing Units by Decade (Real and Projected), Southwest Region (1990-2040).
Source: US Census Bureau and Root Policy Research



Fair Share Distribution

Root Policy Research’s model also extends to municipalities, providing housing targets to consider under the regional framework described below. As discussed earlier in the workforce housing section of the Report, NH’s Workforce Housing Law, RSA 674:58-59 requires that NH communities provide “reasonable and realistic opportunities” for the development of workforce housing. Another important element of the Statute which is discussed in RSA 674:59, III is the introduction of the term “fair share”:

“A municipality’s existing housing stock shall be taken into consideration in determining its compliance with this section. If a municipality’s existing housing stock is sufficient to accommodate its fair share of the current and reasonably foreseeable regional need for such housing, the municipality shall be deemed to be in compliance with this subdivision and RSA 672:1, III-e.”

The Workforce Housing Law does not define “fair share,” and as stated earlier in this report, it recognizes some caveats (e.g., environmental protection, water supply, sanitary disposal, economic conditions, etc.) that towns can take into account when considering their fair share. However, the Statute does provide some guidance, which was utilized in developing the model.

One of the phrases that is often used in the Statute is the term “reasonable.” The Root Policy Research model interprets this to mean that it is reasonable to recognize that nearly all communities need teachers, healthcare workers, firefighters, police officers, municipal employees, retail workers, just to name a few essential workforce roles. However, it is not only a community’s essential service workers

who need attainable housing options. It is also reasonable to recognize that people at all stages of their lives would stand to benefit from expanded housing options and opportunities within our Region’s communities.

As noted earlier, the housing production targets presented in this section project the number of housing units, by tenure and Area Median Income (AMI) threshold, that jurisdictions may choose to strive for to meet projected population and employment demand, as well as to support a balanced housing market in the Southwest Region and the state as whole. These figures are intended to guide communities as they respond to and consider housing development.

Like any model, the Root Policy Research model is based on a set of assumptions. If those assumptions are changed, if the underlying data used by those assumptions change, or other assumptions are considered, the results of the model will change.

It’s important to make a distinction between what the model is intended to represent and what it isn’t intended to represent in this report. The Model represents a high-level planning exercise rather than an NH sanctioned legal test. It represents aspirational housing targets rather than mandated housing production requirements. It is intended to be a starting point for use in addressing local and regional housing issues.

Table 23 and Figure 64 present the cumulative housing production targets by community for the period between 2020 and 2040, tenure (i.e., owner and renter-occupancy) and income levels as a percentage of regional AMI. Additional tables covering the intervening milestone periods (2025, 2030 and 2035) are included in the appendices.



| Geography | Owner-Occupied Units | | Renter-Occupied Units | | Total |
|-------------------------|----------------------|----------------|-----------------------|---------------|--------------|
| | Below 100% AMI | Above 100% AMI | Below 60% AMI | Above 60% AMI | |
| Alstead | - | 23 | 7 | 19 | 72 |
| Antrim | 46 | 62 | 20 | 36 | 164 |
| Bennington | 30 | 31 | 11 | 20 | 92 |
| Chesterfield | 43 | 66 | 19 | 44 | 172 |
| Dublin | 12 | 26 | 6 | 16 | 60 |
| Fitzwilliam | 23 | 39 | 9 | 27 | 98 |
| Gilsum | 10 | 12 | 3 | 10 | 35 |
| Greenfield | 28 | 48 | 14 | 25 | 115 |
| Greenville | 33 | 52 | 15 | 30 | 130 |
| Hancock | 30 | 38 | 6 | 30 | 104 |
| Harrisville | 16 | 23 | 3 | 18 | 60 |
| Hinsdale | 54 | 9 | 14 | 26 | 103 |
| Jaffrey | 49 | 82 | 21 | 56 | 208 |
| Keene | 276 | 370 | 91 | 282 | 1,019 |
| Langdon | 7 | 9 | 3 | 6 | 25 |
| Marlborough | 24 | 38 | 9 | 26 | 97 |
| Marlow | 10 | 15 | 3 | 11 | 39 |
| Nelson | 9 | 14 | 4 | 9 | 36 |
| New Ipswich | 82 | 116 | 21 | 80 | 299 |
| Peterborough | 88 | 172 | 33 | 101 | 394 |
| Richmond | 14 | 18 | 4 | 14 | 50 |
| Rindge | 47 | 86 | 24 | 56 | 213 |
| Roxbury | 3 | 4 | - | 3 | 10 |
| Sharon | 6 | 9 | 2 | 5 | 22 |
| Stoddard | 15 | 18 | 2 | 17 | 52 |
| Sullivan | 8 | 11 | 2 | 9 | 30 |
| Surry | 9 | 13 | 1 | 11 | 34 |
| Swanzey | 87 | 123 | 32 | 89 | 331 |
| Temple | 25 | 37 | 6 | 26 | 94 |
| Troy | 25 | 33 | 9 | 24 | 91 |
| Walpole | 38 | 47 | 9 | 41 | 135 |
| Westmoreland | 18 | 26 | 3 | 23 | 70 |
| Winchester | 54 | 68 | 16 | 54 | 192 |
| Windsor | 5 | 4 | 2 | 3 | 14 |
| Southwest Region | 1,244 | 1,743 | 426 | 1,246 | 4,659 |

Table 22: Cumulative housing production targets by municipality, tenure and income level (2020 to 2040).

Source: Root Policy Research

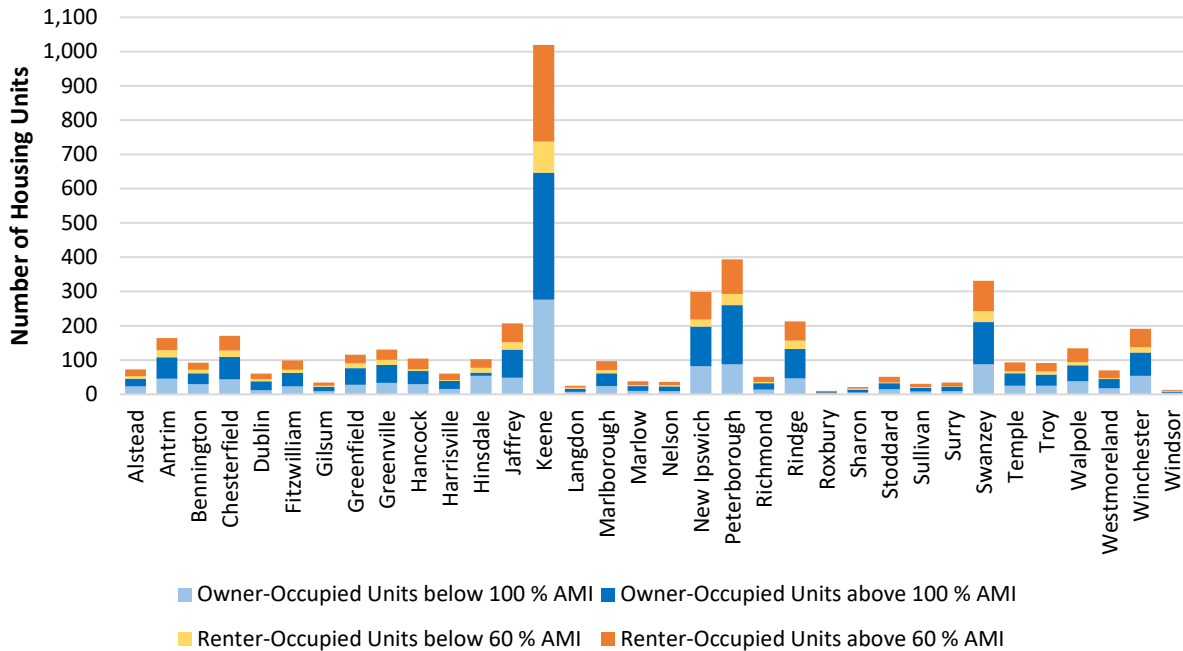


Figure 64: Cumulative housing production targets by municipality, tenure, and income level (2020 to 2040).

Source: Root Policy Research

Additional Housing Production Need

The results from the housing model above do not factor in new units needed to replace those that are in poor condition. Unfortunately, there is no reliable data source identifying housing that is unsuitable for human habitation.⁴² However, units lost to neglect, abandonment, demolition, or disaster can be inferred by using the baseline housing stock numbers in this report (regionally that’s 46,161 units) and then combining that baseline with the model’s estimated additional need for housing at each 5-year interval used in the Model. The Model also does not factor in displacement of year-round homes with rental homes converted to seasonal or short-term rental use. These two categories of housing are types of housing that municipalities in the Region should monitor

over the coming years as new data becomes available. Short term rentals currently represent a relatively small portion of the Region’s housing supply (165 units or less than 1%) and are perhaps less of a concern. However, the number of seasonal housing units has been growing over time and the most recent inventory suggests that there are currently 4,021 seasonal units in the Region, representing 8.7% of all housing units.

⁴² However, the “Housing Characteristics and Trends” section contains information about housing lacking plumbing and kitchen facilities, noting that there are an estimated 442 such housing units in the Region.

Affordable and Equitable Housing Choice Opportunities and Barriers

Land Use Regulations, Policies, and Other Controls

Within Southwest NH, and in the State more broadly, municipal land use regulations – including zoning and subdivision regulations – are a part of the equation in expanding the array of housing types that are affordable and meet the needs and preferences of current and prospective residents. Between 1960 and 1980, as the Region’s population and housing stock boomed, many communities designed their zoning by requiring single-family, free-standing houses on relatively large lots to preserve the community’s rural character. This approach in some instances represented a departure from the successful and equally desirable historical development patterns found in local downtown or village areas – neighborhoods with greater housing density and mixed uses -- that were the result of organic growth patterns over time, even prior to the advent of zoning. This approach to land use regulation has led to an impact on the cost and availability of suitable housing for the Region’s present and future needs limited housing opportunities for low- and moderate-income households and created many downstream effects including restricting local and regional economic activities. In some instances, communities’ local land use regulations have priced out affordable housing options for current and future workforce generations, as well as limited new residential construction near retail, commercial or institutional uses.

A further challenge – yet also an opportunity to consider in the future – is the chain reaction

that can occur among neighboring communities as one community revises its land use regulations. Historically, as towns tighten their regulatory restrictions, nearby communities may be likely to do the same to avoid receiving a disproportionate share of new residential construction. As a result, neighboring communities can end up with less new construction and higher restrictions than they may have intended in the first place.

In most cases, municipalities will not be the developers or providers of affordable housing, but their policies relating to land use allocation, development regulations, and property taxes can influence the creation and preservation of appropriate and affordable housing. Land use related policies and regulations are tools meant to achieve orderly and beneficial development, and like any tool, their design and functionality have an important bearing on the quality of the results. Taking the tool analogy further, often the way in which a tool is used is just as important. For instance, permitting processes can involve redundant or superfluous requirements, inadvertently leading to further delays and costs instead of facilitating development in an orderly, streamlined way.

The term “land use regulations” in this document encompasses local zoning as well as site plan and subdivision review and approval. In NH, zoning is adopted as an ‘ordinance’ and subdivision and site plan review are ‘regulations.’ Municipalities largely regulate the creation and use of lots through subdivision regulations and zoning. Subdivision regulations authorize the creation of lots and associated facilities such as roads, and zoning permits the construction of homes or other development on the lots. NH has a tradition of strong state legislative oversight of municipal governments. As such, all powers of municipal governments are enabled by state law, as opposed to “home rule” states where there are greater levels of local autonomy. In other words, local subdivision and zoning authority is



limited to that which is ‘enabled’ by NH State law.

Local land use regulations are often cited as a barrier to housing and a reason for increased housing costs. SWRPC’s interviews with local developers noted that NIMBYism (Not In My Backyard) attitudes are strong in many parts of the Region.

Historically, the traditional housing model presumed that different housing types, sizes and prices should be keyed to various life stages, with ownership progressing toward larger or more expensive units over time. But a new paradigm has emerged that calls for more efficient floor plans and more affordable and smaller units that can accommodate virtually any occupant regardless of age or disability. This type of flexible approach has advantages in meeting housing requirements like NH RSA 672:1, III-e (Purpose of Planning and Zoning Powers as it relates to Housing) and 674:58-59 (NH’s Workforce Housing Statute).

Many local land use regulations were written decades ago and need modernization. Simultaneously, it is important to remember that most were put in place for a reason, and that lessening regulations can simply shift costs onto municipalities or neighbors. For example, developers may be required to construct roads or sidewalks, and removing that requirement may mean that residents later petition the town to build them. Scrutiny as to how changes to land use regulations will affect the Town is critical.

The following sections cover the most common elements of local land use regulations that affect housing supply and demand. Depending on how they are designed or used can

determine whether they are an opportunity or a barrier to housing production.

Key Land Use Regulations

Allowable Uses

Zoning lists the allowable uses on lots in each zoning district. Zoning in suburban and rural areas has been used at times to exclude lower income individuals and renters by only allowing single-family residences, requiring large minimum lot sizes, and even mandating minimum home size.

Sometimes municipal zoning ordinances contain provisions that permit various forms of multifamily housing, but only in districts that are virtually built out, or which contain very little developable land. This may create the impression that a land use is permitted when in reality there may be little opportunity for its development.

In many cases, zoning ordinances do not account for a variety of housing types that are needed or desired in today’s market. One group of housing types often referenced is the “missing middle” – a concept coined by [Opticos Design](#)⁴³ – which refers to a general lack of homes that are affordable and located within a walkable neighborhood. Middle housing was featured earlier in the report in the “Housing Unit Trends and Characteristics” section. These homes typically include duplexes, triplexes, cottage courts and row houses, that are often not allowed under zoning regulations.

Often, land use regulations limit housing variety through restrictions on the creation of multi-family housing, incentives for age-restricted housing for older persons, and large lot requirements. These types of restrictions can have a distinct impact on marginalized

⁴³ Visit Opticos Design website to learn more about missing middle housing at <https://opticosdesign.com/missing-middle-housing/>



populations such as minority and low-income households.

In fact, many local ordinances only allow single-family dwellings and accessory dwelling units as permitted residential uses. Two-family dwellings, multi-family dwellings, and manufactured home parks are often restricted as to where they can locate, and commonly require additional levels of review. Other, less common, housing types are rarely specifically addressed. In more dense areas, mixed-use structures that are part commercial and part residential may not be allowed or require additional levels of review and applicable standards.

Dimensional Standards

These standards include how tall buildings can be, how far they need to be from others, how much land is needed per housing unit, minimum lot size, and more. These standards, some of which are described further here, can drive up housing costs by limiting the density of buildings and units or requiring people to buy large lots.

In some cases, the required land area per dwelling unit may greatly exceed the land area required to support subsurface wastewater disposal requirements based on soil-based criteria. There also may be instances where permitted density and limitations on units per acre or structures per lot are unduly limited even where public wastewater systems may be available.

Standards that limit the maximum structures per lot can force a development of multiple buildings to be spread out across many individual lots, each with its own curb cut and road frontage even if a single lot could support multiple structures. Further, if each lot is secured by a separate mortgage, the financing of an affordable development may be made more difficult. In the case of multifamily units, or forms of condominium development, these

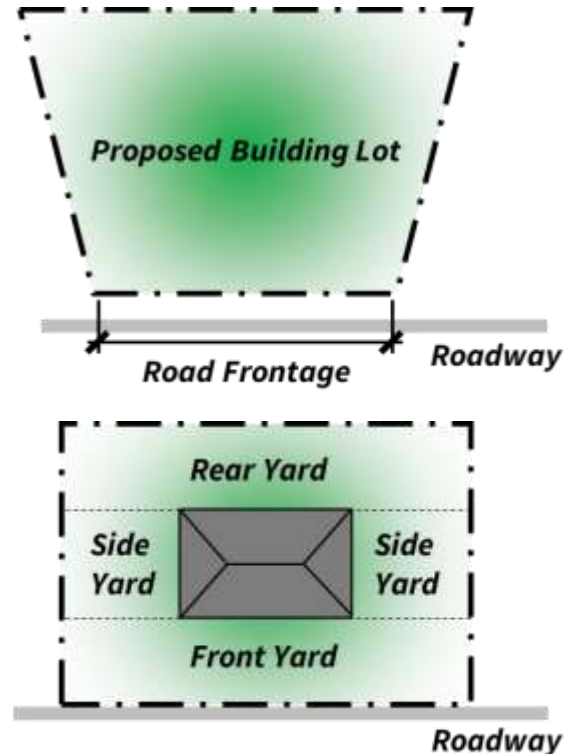


Figure 65. Dimensional Standards Diagrams for Illustrative Purposes. Source: SWRPC

provisions may result in unnecessary inefficiencies onto an otherwise environmentally supportable development.

Required road frontage per unit may prove excessive relative to actual public health and safety protection purposes. When single family frontage standards are applied to multifamily housing on a per unit basis, total public road frontage requirements may become excessive. Minimum road frontage requirements per unit may compound the difficulty of land assembly for both senior and general occupancy multifamily units for purposes that do not appear related to health, safety, or general welfare. In the Southwest Region, depending on if a lot is located within a dense urban core or a suburban or rural area, minimum frontage requirements can range from less than 50 feet to well over 250 feet.

In addition to minimum lot size requirements and minimum road frontage, property setbacks



can also limit housing production. A setback refers to areas of a property where building is prohibited, typically at a specific distance from a property line or other buildings.

One way in which communities could encourage denser, and therefore more affordable development, is to review and revise these minimum requirements.

Procedural Requirements

Communities should strive for equitable procedures that increase the predictability of the approval process if all local standards are met. Many housing projects, whether affordable or market rate, can face obstacles during permit review. Many zoning ordinances allow desired types of housing, but ambiguity in the process can lead to the threat of legal action, difficult appeals processes, unnecessary legal expenses all around and the uncertainty of a dependable outcome.

Parking

Parking requirements for residential developments are meant to ensure that their residents have spaces to park and do not end up creating public hazards by parking along roads in ways that impede traffic or snow removal. However, most parking standards are based on suburban parking examples in other parts of the country that may not suit communities in the Region and limit their ability to adapt to changes in transportation needs and household sizes.

For residential development in densely built core areas near transit, or where walking and bicycling infrastructure is available and maintained year-round, cars are often not needed. Residents may not own cars, and there is often existing public or private parking that is, or could be, available at night when commercial demand is limited, and residential demand is highest. Reducing parking requirements can lessen development costs for

housing projects. A paved parking space costs thousands of dollars to create and more to maintain.

Eliminating the need for additional parking also has other benefits, including creating outdoor public or commercial spaces, lessening storm runoff, reducing summer heating, decreasing flooding, and increasing the viability of walking, biking, and using transit which tend to be much less expensive lifestyles for homeowners. Also, it is in a developer's interest to provide sufficient parking for the intended residents, thus parking requirements in more urban and rural areas often act as an unnecessary requirement to the permitting process.

Streets and Sidewalks

Streets and sidewalks are expensive to build and maintain. Residential subdivisions usually require the developer to build these, with sidewalks more common in urbanized areas. Travel lanes on roads in the subdivision can be unnecessarily wide, which is not only costly but can create stormwater problems, a heat island effect, and lead to increased vehicle speeds. Vehicle travel lanes of 9-10 feet are adequate, but more travel shoulders outside of the 'fog line' may serve as a bike lane. Sidewalks are excellent for walkability but should be customized to the environment taking into consideration the greater sidewalk network, the amount of use it is likely to get, and other considerations.

Municipal Plans

Municipal Plans are not regulations, but they set the tone and scope of regulations and are intended to serve as a clear voice of what a community wants. Plan development is an excellent place to discuss the need for affordable housing, dispel myths, and build support for subsequent regulatory changes.



Wastewater/Water

Providing adequate water and wastewater is an essential part of any project. However, it can add costs. Hookup and service fees can be high in some communities, adding to the cost for housing within a compact community center. Decentralized wastewater systems can enable more dense development or redevelopment in lieu of a municipal sewer system. Where applied, land use regulations should allow these decentralized systems where suitable soil, land use and other requirements are met. At times, the State permitting processes may be slow to accept newer technologies, while in other circumstances an engineer may be reluctant to use newer technologies. To convert an existing single-family home to a duplex or a multi-family dwelling will require wastewater/water approvals. By virtue of increasing the daily flows from the additional kitchen or additional bedrooms, sewer fees would increase, or the septic system may need to be expanded. More information about planning for wastewater and water are provided on pages 96 through 98.

Fire, Safety and Health Code

In NH, all rental units need to meet applicable state fire and safety codes.⁴⁴ Projects such as ADUs, short-term rentals, homeshare, or conversion of a home to 2 or more units would necessitate upgrades/construction techniques to meet the applicable codes. A common comment in communities is that apartments are not in very good condition and do not meet code. Enforcement is difficult given staffing levels. Some communities have opted to enforce the state code locally. There is also the possibility for an iterative approach or staggered tax on improvements that could both help make these more attainable. In NH, the

⁴⁴ Click on the following links for more information about NH's [fire code](#) and [building \(safety\) code](#). Accessed March 7, 2023.

Healthy Homes program

manages the mitigation, prevention and needed enforcement of rules related to environmental hazards, such as lead-based paint.



House fire in Keene.
Photo: Keene Sentinel

Local Housing Codes

Communities are enabled to establish local codes to address substandard or dilapidated housing. Municipalities are enabled to address this in a few different ways: as a nuisance ordinance, dilapidated housing ordinance, or local building code. Municipalities also are enabled to adopt ordinances requiring that rentals register with the town, which can help to provide contact information and/or require proof that the buildings meet state fire and safety codes.

Building Energy Standards

A home's overall operational costs can be lessened if it is built to a high energy standard. In NH, the [Residential Energy Code](#) is based partially on the 2009 International Energy Conservation Code. Energy efficiency investments in homes are very beneficial for improving the energy performance of a structure and saving money with home operating costs. However, it increases the cost of constructing or renovating a home. Appraisers reportedly have a difficult



time valuing homes with energy efficiency improvements, and new buyers often do not want to pay for them. Though given that the average that NH residential customers currently pay per kilowatt hour is the second highest of any State⁴⁵, and as energy prices continue to climb, this may change.

Property and Transfer Tax

Taxes are an effective tool for public policy to incentivize desired actions and disincentivize undesirable ones. If a community’s goal is to provide more affordable housing, it’s helpful to recognize some of the following causes and effects associated with the housing market: properties sold for high prices tend to increase nearby property values, driving up annual tax burdens; properties sold as non-primary residences reduce the supply of homes for ownership and can thus increase prices for those desiring to live in an area; properties held for short-term speculative gain can hurt affordability efforts; and high annual taxation rates raise ownership costs and raise rental costs. Taxes and fees can be charged on both transfers and annual ownership in ways that make long-term ownership of modest homes easier to afford. Making costs lower for needed affordable homes necessarily must be offset by increases on some other tax or fee (assuming government budgets are stable).

Property transfer taxes are paid at the time of sale. In NH the buyer and seller equally split the flat 1.5% transfer tax on the purchase price (assuming fair market value). NH also has tax relief programs for undeveloped lands meant to incentivize long-term use for farming and forestry. The State’s Current Use program applies towards 10 acres or more of undeveloped land and assesses the land at a

lower value. There are penalties for removing land from these tax programs, 10% of the market value in NH. However, in areas where land prices have risen substantially, these penalties are marginal compared to the gains that can be made from land sales and the tax savings over time.

Relatively recent NH legislative activity has passed laws to encourage certain kinds of housing development. The following sections discuss these efforts and how the Region has responded to the legislation.

Workforce Housing

As noted earlier in the report, NH enacted the “Workforce Housing Law” (NH RSA 674: 58-61) in 2008. To date, 10 communities in the Southwest Region have adopted a workforce housing ordinance, and two communities have adopted both a workforce housing ordinance and workforce housing multifamily overlay (Fitzwilliam and Peterborough). Table 24 shows those communities.

| Municipality | Workforce Housing Ordinance | Workforce Housing Multifamily Overlay |
|--------------|-----------------------------|---------------------------------------|
| Dublin | ✓ | |
| Fitzwilliam | ✓ | ✓ |
| Hancock | ✓ | |
| Jaffrey | ✓ | |
| Nelson | ✓ | |
| New Ipswich | ✓ | |
| Peterborough | ✓ | ✓ |
| Rindge | ✓ | |
| Sharon | ✓ | |
| Temple | ✓ | |
| Troy | ✓ | |

Table 23: Workforce Housing Regulations, Southwest Region (2020).
Source: Office of Planning and Development

⁴⁵ According to the Energy Information Administration, in November 2022 the average retail price of electricity to the residential sector was \$30.66 cents per kilowatt hour, the second highest average rate after Hawaii.



Inclusionary Zoning Ordinance

Inclusionary zoning, as defined by NH Law (RSA 674:21, 1,.k and IV.a) was enabled into NH law in 1983 along with a number of other innovative land use controls. Inclusionary zoning means land use control regulations that provide a voluntary incentive or benefit to induce the property owner to produce housing units which are affordable to persons or families of low and moderate income. Inclusionary zoning includes, but is not limited to, density bonuses, growth control exemptions, and a streamlined application process. Under a provision of the Workforce Housing Statute, a municipality that has adopted an inclusionary zoning ordinance, as defined in RSA 674:21, IV(a), shall have met NH law to provide “reasonable and realistic” opportunities for workforce housing. According to data collected by the NH Office of Planning and Development, 5 communities in the Region have adopted such an ordinance.

| Municipality | Inclusionary Zoning Ordinance |
|--------------|-------------------------------|
| Dublin | ✓ |
| Fitzwilliam | ✓ |
| Jaffrey | ✓ |
| Rindge | ✓ |
| Temple | ✓ |

Table 24: Summary of Inclusionary Zoning Ordinances, Southwest Region (2020). Source: Office of Planning and Development Municipal Land Use Regulation Survey

Accessory Dwelling Units (ADUs)

Enacted in 2017, NH passed RSA 674:71-73, a set of statutes that regulate accessory dwelling units (ADUs). Accessory dwelling units are residential living units attached to or associated with a single-family dwelling, providing independent living facilities for one or more persons (e.g., an apartment over a garage, in a basement, in an outbuilding). One

of the main policies relating to the law is that municipalities that allow single-family dwellings must also allow accessory dwelling units either by right, conditional use, or special exception. The law further restricts towns from applying additional controls on ADUs such as requirements for a minimum lot size or frontage. Town houses and manufactured homes are not subject to the law. In the law there is no requirement to provide more than one ADU per single-family dwelling. Also noteworthy is that a municipality is not required to but may permit *detached* ADUs in their community. Municipalities may require that one of the two living spaces associated with an ADU property is owner occupied but cannot specify which unit. A town may not require a familial relationship between the single-family dwelling and ADU. Readers are encouraged to consult the law directly as there are a few other provisions.

Based on data from NH Office of Strategic Initiatives Municipal Land Use Regulation Survey, which consists of self-reported data by communities, 33 of 34 communities in the Region currently regulate ADUs in their municipal zoning ordinances. Detached ADUs are permitted in 23 of the Region’s communities and ADUs are required to be owner-occupied in 27 communities. Communities range considerably as to whether ADUs are allowed as-of-right, by conditional use permit, or by special exception. Fifteen of 34 communities allow ADUs as-of-right, at least under some circumstances and within zoning districts. Table 26 on the following page summarizes ADU regulations for all 34 towns in the Region.



| Municipality | Regulate ADUs in Zoning Ordinance | Detached ADUs Permitted | ADUs Required to Be Owner-Occupied | ADUs Allowed As-of-Right, by Conditional Use Permit, or by Special Exception |
|--------------|-----------------------------------|-------------------------|------------------------------------|--|
| Alstead | Yes | Yes | No | Special exception |
| Antrim | Yes | No | No | As-of-right |
| Bennington | Yes | No | Yes | As-of-right |
| Chesterfield | Yes | No | Yes | Conditional use permit |
| Dublin | Yes | Yes | No | As-of-right |
| Fitzwilliam | Yes | Yes | Yes | Special exception |
| Gilsum | Yes | No | Yes | Special exception |
| Greenfield | Yes | Yes | Yes | Special exception |
| Greenville | Yes | Yes | No | Special exception |
| Hancock | Yes | Yes | Yes | Special exception |
| Harrisville | Yes | Yes | Yes | Attached: As-of-right Detached: Conditional use permit |
| Hinsdale | Yes | No | Yes | As-of-right |
| Jaffrey | Yes | Yes | Yes | Special exception |
| Keene | Yes | Yes | Yes | As-of-right |
| Langdon | Yes | Yes | Yes | As-of-right |
| Marlborough | Yes | No | Yes | Special exception |
| Marlow | Yes | Yes | Yes | Conditional use permit |
| Nelson | Yes | No | Yes | As-of-right |
| New Ipswich | Yes | Yes | No | Special exception |
| Peterborough | Yes | Yes | Yes | As-of-right |
| Richmond | Yes | No | Yes | Special exception |
| Rindge | Yes | Yes | Yes | Special exception |
| Roxbury | No | N/A | N/A | N/A |
| Sharon | Yes | No | Yes | Conditional use permit |
| Stoddard | Yes | Yes | Yes | As-of-right |
| Sullivan | Yes | Yes | No | As-of-right |
| Surry | Yes | Yes | Yes | Varies by zoning district - As-of-right or Special exception |
| Swanzy | Yes | Yes | Yes | Attached: As-of-right Detached: Special exception |
| Temple | Yes | Yes | Yes | As-of-right |
| Troy | Yes | Yes | Yes | Special exception |
| Walpole | Yes | Yes | Yes | Conditional use permit |
| Westmoreland | Yes | Yes | Yes | Special exception |
| Winchester | Yes | Yes | Yes | As-of-right |
| Windsor | Yes | Yes | No | Special exception |

Table 25: Accessory Dwelling Unit Ordinance Status by Community (2020).
Source: NH Office of Strategic Initiatives Municipal Land Regulation Survey

ADUs and Maintaining Multi-Generational Households

Nationally, the number of people living in multi-generational households has quadrupled since 1971.⁴⁶ Several factors are converging to increase the prevalence multi-generational living arrangements. For example:

1. Young adults and families often lack the income and savings to purchase a home on their own, so they choose to pool resources with their parents to buy property. They may also choose to live with their parents because rents in the area are unaffordable.
2. The childcare shortage often requires families to depend on grandparents to play that role. Consequently, living in proximity becomes important or even essential.
3. The baby boomer generation is aging into retirement, with many interested in maintaining their independence while at the same time needing some level of care and assistance around the house. Hiring this type of help can be expensive, or in some cases impossible, given the shortage of nursing aides and other medical professionals. Thus, having adult children nearby can be critical.

Enter accessory dwelling units (ADUs), which offer a low-impact approach for converting a single-family property into one that can accommodate an extended family, typically grandchildren, parents, and grandparents. ADUs allow extended families to live together while keeping separate living spaces, which can be helpful for nurturing close relationships while maintaining healthy boundaries. Several developers working in the Region who specialize in ADU development report that extended families are by far their most frequent type of client.

One key advantage that ADUs offer multi-generational households is accessibility. As family members age, they can experience increased mobility-related challenges. Retrofitting older housing stock to meet accessibility requirements can be difficult and expensive. Whether attached or detached, ADUs can help older adults age within a multi-generational household. The Vermont-based company WheelPad specializes in the development of accessible ADUs, which include features such as single-floor living, a universally accessible bathroom, and a hoist track for assisting with transfers between a wheelchair, bed, or bathroom.

The heightened interest in multi-generational living can be seen as a return to a historic form of cohabitation. Around World War II, about a quarter of the U.S. population lived in multi-generational households.⁴⁷ By 1980, that figure had fallen by more than half. ADUs offer an opportunity to realize the benefits of multi-generational living that our predecessors enjoyed while also maintaining some independence between different family units.

⁴⁶ Pew Research Center. <https://www.pewresearch.org/social-trends/2022/03/24/the-demographics-of-multigenerational-households/>. Accessed February 23, 2023.

⁴⁷ Pew Research Center. <https://www.pewresearch.org/social-trends/2010/03/18/the-return-of-the-multi-generational-family-household/#:~:text=Starting%20right%20after%20World%20War,1980%2C%20just%2012%25%20did.> Accessed February 23, 2023.



Manufactured Housing

NH law prohibits municipalities from completely excluding manufactured homes from areas zoned for residential housing, though unlike ADUs, it is not required wherever single-family dwellings are allowed. The law enables but does not require municipalities to allow manufactured home communities (NH RSA 674:32). A municipality can establish minimum construction requirements on manufactured homes such as a permanent foundation, but cannot extend the permanent foundation requirement to manufactured homes in manufactured home parks (NH RSA 47:22 a and b). NH's manufactured housing policies are often recognized as a model for other states, especially regarding manufactured housing parks.⁴⁸

In Southwest NH, manufactured housing, as an allowed use, is typically regulated by municipalities in two ways: as a type of housing unit or as a manufactured housing park.

SWRPC's scan of local zoning ordinances in 2022 found that 22 of the 34 towns allow manufactured housing (as a type of housing unit) by right in at least one zoning district. Among the additional 12 towns, 9 of them are either silent or ambiguous as to whether they are an allowed use, 1 only allows them in manufactured housing parks, and 2 appear to expressly prohibit them anywhere within the community. In cases where they are prohibited, there are/may be existing manufactured homes that were erected prior to restrictions being placed on them.



*Participants of a resident-owned community bus tour organized by SWRPC and the Community Loan Fund in September 2022 gathered outside a manufactured home in Forest Park, Jaffrey.
Photo Credit: SWRPC*

Eight of the 34 towns allow manufactured housing parks by right or special exception in at least one zone in the town, while 4 expressly prohibit any new parks in any part of town. Several towns use the term “manufactured housing park” in the “definitions” or “floodplain requirements” section of their zoning ordinance, however, there is no other additional information provided about parks anywhere else in the ordinance.

It is common in NH to allow for manufactured housing in rural or agricultural zoning districts. In municipalities that do allow manufactured housing parks, they typically permit them in districts on the periphery of the community, outside of downtown or the village center. This approach should be considered thoughtfully, as it can have a couple of effects. First, it can disconnect parks from local amenities and essential services. This can add to the transportation costs of those living in manufactured housing communities. Second,

⁴⁸ Prosperity Now (2017).

[https://prosperitynow.org/sites/default/files/resources/Affordable%20Homeownership/Snapshots/New%20Hampshire Metro%20Opportunity%20Policy%20Snapshot.pdf](https://prosperitynow.org/sites/default/files/resources/Affordable%20Homeownership/Snapshots/New%20Hampshire%20Metro%20Opportunity%20Policy%20Snapshot.pdf). Accessed December 1, 2022.

the literal marginalization of manufactured housing parks can reinforce the stigma typically

associated with them and render them invisible to the wider community.

| Municipality | New MHs Permitted, Not Permitted, by Conditional Use Permit, by Special Exception, or Ambiguous | New MH Parks Permitted, Not Permitted, by Conditional Use Permit, by Special Exception, or Ambiguous |
|---------------------|--|---|
| Alstead | Permitted | Special Exception |
| Antrim | Permitted | Ambiguous |
| Bennington | Ambiguous | Ambiguous |
| Chesterfield | Not Permitted | Permitted |
| Dublin | Permitted | Ambiguous |
| Fitzwilliam | Permitted | Conditional Use |
| Gilsum | Permitted | Ambiguous |
| Greenfield | Ambiguous | Ambiguous |
| Greenville | Permitted | Not Permitted |
| Hancock | Permitted | Ambiguous |
| Harrisville | Permitted | Ambiguous |
| Hinsdale | Permitted | Not Permitted |
| Jaffrey | Ambiguous | Permitted |
| Keene | Permitted | Ambiguous |
| Langdon | Permitted | Permitted |
| Marlborough | Permitted (with permanent foundation) | Ambiguous |
| Marlow | Ambiguous | Ambiguous |
| Nelson | Ambiguous | Ambiguous |
| New Ipswich | Permitted | Ambiguous |
| Peterborough | Permitted | Ambiguous |
| Richmond | Ambiguous | Ambiguous |
| Rindge | Not Permitted in One District; Ambiguous in Other District | Permitted in One District |
| Roxbury | Permitted | Not Permitted |
| Sharon | Ambiguous | Ambiguous |
| Stoddard | Permitted | Not Permitted |
| Sullivan | Permitted | Ambiguous |
| Surry | Permitted | Ambiguous |
| Swanzy | Permitted | Permitted in One District |
| Temple | Ambiguous | Ambiguous |
| Troy | Not Permitted | Permitted |
| Walpole | Permitted | Not Permitted |
| Westmoreland | Permitted | Permitted in One District |
| Winchester | Not Permitted | Conditional Use |
| Windsor | Permitted | Ambiguous |

Table 26: Summary of Manufactured Housing Ordinances, Southwest Region (2022). Source: SWRPC



Physical Infrastructure and Services

The presence of adequate infrastructure or services can make all the difference in ensuring that housing is affordable, practical, and healthy. The following section discusses some key infrastructure and services often discussed alongside housing.

Water & Sewer

While generally thought of as less developed and more rural, the Region is home to a surprising number of water systems that serve over 55,000 people (55% of the Region’s total population), according to the NH Department of Environmental Services. However, several systems have significant needs for rehabilitation and replacement that limit the potential for expansion. In NH, the State defines “public water systems” as those that serve municipalities, residential communities, workplaces, hotels, and other such places and

have either a minimum of 15 service connections or 25 people served that operate at least 60 days out of the year. The Region is home to 49 such systems across 21 communities. Publicly owned water and/or wastewater infrastructure is primarily limited to the most densely settled locations in the Region.

The following communities in the Region operate wastewater treatment plants: Antrim, Greenville, Hinsdale, Jaffrey, Keene, Swanzey, Peterborough, Troy, and Winchester. In addition, the Town of Greenfield is responsible for a septic system utilized by multiple properties. Towns that maintain collection systems but do not host a treatment plant include Bennington, Marlborough, and

| | Public Water Systems | Service Connections | Total Housing Units | Service Connections as a Percent of Total Housing Units | People Served |
|--------------------|----------------------|---------------------|---------------------|---|---------------|
| Alstead | 2 | 37 | 975 | 3.8% | 67 |
| Antrim | 2 | 378 | 1,265 | 29.9% | 944 |
| Bennington | 4 | 338 | 706 | 47.9% | 1,067 |
| Fitzwilliam | 4 | 68 | 1,248 | 5.4% | 193 |
| Greenfield | 2 | 46 | 708 | 6.5% | 348 |
| Greenville | 3 | 659 | 916 | 71.9% | 1,645 |
| Hancock | 1 | 197 | 854 | 23.1% | 413 |
| Hinsdale | 1 | 500 | 1,814 | 27.6% | 1,800 |
| Jaffrey | 1 | 1,525 | 2,555 | 59.7% | 3,800 |
| Keene | 1 | 6,900 | 10,297 | 67.0% | 30,000 |
| Marlborough | 2 | 340 | 993 | 34.2% | 850 |
| New Ipswich | 3 | 91 | 1,958 | 4.6% | 206 |
| Peterborough | 1 | 1,700 | 2,991 | 56.8% | 4,350 |
| Rindge | 5 | 165 | 2,361 | 7.0% | 387 |
| Surry | 1 | 16 | 344 | 4.7% | 50 |
| Swanzey | 7 | 893 | 3,360 | 26.6% | 2,549 |
| Troy | 1 | 461 | 911 | 50.6% | 1,200 |
| Walpole | 3 | 723 | 1,746 | 41.4% | 1,807 |
| Westmoreland | 1 | 6 | 691 | 0.9% | 380 |
| Winchester | 3 | 1,235 | 1,969 | 62.7% | 3,067 |
| Windsor | 1 | 20 | 113 | 17.7% | 280 |
| Grand Total | 49 | 16,298 | 38,775 | 42.0% | 55,403 |

Table 27: Summary of Southwest NH Public Water Systems (2022).

Source: NH Department of Environmental Services

Walpole. Other wastewater treatment plants in the Region include the Cheshire County Maplewood Nursing Home and Franklin Pierce University. Bennington, Marlborough, and Walpole rely on wastewater treatment facilities located in Antrim, Swanzey (operated by the City of Keene) and Rockingham, Vermont, respectively.

Every housing unit needs access to adequate clean drinking water and a way to dispose of wastewater. Where public water and wastewater infrastructure is not available, each housing unit typically has its own private or community well and septic system, which require space near the house, and must be set back from other buildings and water resources. For many NH communities,

insufficient public water or wastewater systems often constrain housing development, although in many cases opportunities exist for residential development even where it is necessary to rely on onsite systems.

Where municipal sewer and water infrastructure is available, systems can function for many households, allowing homes to be built close together. This denser development pattern can help to keep costs lower for homes, as well as encourage efficient and compact land use development. This strategy may coincide with community goals for village revitalization, livability such as walkable neighborhoods and public transit, and natural resource conservation.

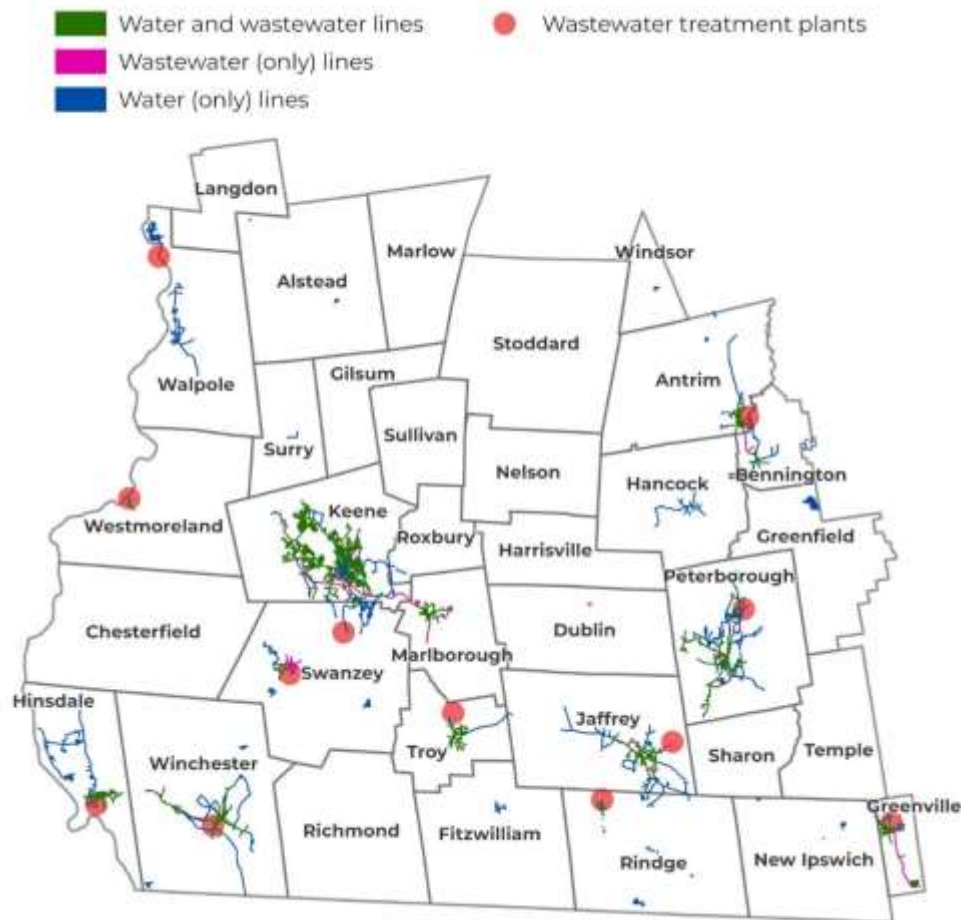


Figure 66: Map of Public Water and Wastewater Lines and Treatment Plants Serving Southwest NH Communities





*MilliporeSigma's Newly Constructed Wastewater Treatment Plant (2020).
Photo: Keene Sentinel*

Planning for Development in Areas Served by Public Water and Sewer Systems

Focusing new residential development in areas served by public water and sewer can offer several benefits. It removes the need to install an onsite well or septic system, thereby eliminating costs and reducing the amount of land necessary to support new development. Clustering development in areas served by public water and sewer, which, under most circumstances, already host some level of residential or commercial activity, helps protect natural resources elsewhere in the community. Development in

areas with public water and sewer produces new system connections and more ratepayers to help support the cost of system maintenance and operations. Also, it helps avoid the need to extend public water and sewer service into new areas, thus helping to avoid costly public investment.

Planning for development in areas served by public water and sewer is best informed by a thorough understanding of a system's existing conditions. Can drinking water sources accommodate additional demand? Can the wastewater treatment plant process an increase in effluent flow? Is there adequate water pressure to meet fire suppression needs in buildings with sprinklers? Are water and sewer mains wide enough in every part of the system to serve new development?

In many cases, there is a communication gap between local decision makers that make land use policy and municipal staff who are most familiar with the capacity and existing conditions of the public water and sewer systems. For example, if public works staff are unaware that the planning board is interested in facilitating infill development through zoning changes, then they may not be able to proactively plan for the capital improvements necessary to accommodate that growth.

A good first step that any community can take to better understand the existing conditions of its public water and sewer system is to develop an asset management plan. Development of an asset management plan can help a municipality: inventory existing water and wastewater infrastructure, document the condition of that infrastructure; evaluate whether it's undersized for current or future needs; estimate what costs may be associated with necessary capital improvements; and schedule when upgrades should occur to maintain a certain level of service.

Communities can apply for funding through the NH Department of Environmental Services (NH DES) to hire a consultant to assist with development of an asset management plan for either a drinking water or wastewater system. More information is available through the NH DES Website: <https://www.des.nh.gov/business-and-community/asset-management>.

Expensive upgrades and repairs are often minimally patched together or ignored completely. Until the American Rescue Plan Act of 2021, there had been no significant investment in these facilities since the 1970s. Small-town water and sewer infrastructure has a variety of needs, with some places needing small adjustments and others needing major upgrades to stay in compliance with water standards, including standards for emerging contaminants such as per- and polyfluoroalkyl substances (PFAS) for which upgrades can be costly to implement. For some contaminants, processed sewage must be trucked to another location, significantly increasing costs further.

This pattern of minor repairs is unsustainable and needs intervention from outside sources of funding to ensure communities' long-term health and well-being. Significant funding sources available are the US Department of Agriculture, state aid, and the NH Clean Water State Revolving Fund (CWSRF). The CWSRF provides planning, assessment, and construction loans for communities to improve their wastewater, stormwater, and water pollution control projects.

Many households in Southwest NH use private wells and septic systems for their household needs. A smaller number of households use community systems, which function for a group of residences. In rural areas, well and septic systems are the standard and work well. They are typically more economical, can reduce the loading of effluent on the soil, and help conserve water locally. The biggest hurdle, once installed, is performing maintenance and water quality testing to protect household and public health.

State permitting is required for public and private water and wastewater systems to ensure basic requirements are met for public safety. Administration of these regulations is performed by three bureaus within the NH Department of Environmental Services (NHDES):

1. The Wastewater Engineering Bureau regulates wastewater treatment facilities to ensure that wastewater attains a sufficient level of treatment so that it can be released into ground and surface waters by regulating discharges.
2. The Drinking Water and Groundwater Bureau regulates and monitors drinking water systems (public, community, and private). Private wells are not monitored once installed by a licensed professional.
3. The Subsurface Systems Bureau (SSB) regulates septic systems and subdivision approvals through the review of design plans and specifications for proposed systems to ensure proper siting, construction, and operation.

There are several factors that can threaten the functionality of public and private systems. A lack of funds for needed maintenance and upgrades can result in unsafe system conditions. Current and emerging threats to water quality in public and private drinking water include human influence, deteriorating infrastructure, harmful organisms, and stormwater. Some human-derived water pollution concerns include PFAS, road salt, agriculture, mining and industry, and recreational activities. Infrastructure affects water quality through situations such as presence of lead pipes, aging septic systems, and high road runoff. These can directly or indirectly introduce pollutants into the water supply if not fully addressed, with costs for treatment shouldered by the public.

New development, while potentially helping to meet housing needs, can also be a threat to water quality. By increasing impervious cover such as pavement and structures, new development can exacerbate stormwater issues. Increased stormwater runoff carrying



high levels of nutrients can cause toxic algal blooms, of particular concern to systems that rely on surface waters. Drainage infrastructure and design, including green and grey techniques, helps to minimize these issues by encouraging water infiltration and filtering pollutants.

Private and public wells can face water quantity issues during periods of drought which is an increasing concern due to climate change. Most

recently, in 2020 close to 20% of the state experienced severe drought causing well failures and water use restrictions. A relatively new challenge, for a water rich state, might require increased attention to monitoring, water conservation and water reuse. Monitoring for public and a sample of private well systems might better inform the siting of new development to minimize risk of well failure and household insecurity.

State Regulation of Septic Systems

The NH Department of Environmental Service's Subsurface System Bureau's (SSB) regulations consider well and septic system presence and are required when any lot in a proposed subdivision is less than 5 acres and not served by a public wastewater (RSA 485-A:29). Lot sizes are determined by individual characteristics, including soils, wetlands, slopes, ledge, water supply, and the ability to support/manage the sewage load. The sewage load required is standardized at 600 gallons per day for all residential units with up to four bedrooms. This permitting requirement of minimum sewage load can be a barrier to the building of small, affordable residential units. However, the requirement ensures that residential lots can support a property owner's decision to add bedrooms to a small home.

Municipal land use regulations sometimes require a larger minimum lot size than that required by the SSB. At times this is enacted to ensure proper wastewater treatment, however given the State's requirements, these rules can further restrict the subdivision of land than is deemed necessary to receive State permits. Under the best conditions, the absolute minimum lot size currently approved for lots with on-site wastewater and a well is 30,000 square feet or two-thirds of an acre; for lots with on-site wastewater and off-site well is 20,000 sq. ft. or 0.46 acres; and for lots with off-site wastewater and well is set by the municipality, not requiring SSB approval. Approvals can be made for smaller lots if they are part of a conservation subdivision, however, these must include the conservation of land to account for the sewage load not supported by the smaller lots. Alternative thresholds exist in other states. For example, in the State of Maine the minimum lot size for a single-family home with on-site septic is 20,000 square feet.

Innovative treatment technologies allow for smaller septic systems that can function under more restrictive conditions or as community septic systems. These technologies can receive approval from the SSB, however, that approval does not extend to permissions to create smaller lots.



A Septic System. Photo: NH Department of Environmental Services



Transportation

After housing, transportation is usually the second biggest household expense, averaging over \$10,000 per year. This relatively high expense is based on an average American household's costs of owning and maintaining private vehicles, and includes not only fuel, car payments, maintenance, and repair needs, but the user taxes, tolls and fees that are paid to the state and federal government to maintain highway and bridge infrastructure. Households can save on transportation expenses when they have access to alternative affordable transportation services (public transit) or infrastructure (sidewalks, bike lanes, trails, etc.). Unfortunately, there has been a minimal investment in alternative transportation in the Region. As a result, nearly everyone drives. For example, nearly 80% of workers in the Region continue to drive alone according to the 2019 U. S. Census Bureau American Community Survey. Aside from carpooling, there are few affordable travel options for commuters.⁴⁹

While existing regional public transit systems provide a vital service to some of the most vulnerable populations in the Region, less than 1% of the Region's public roadways are served by fixed public bus routes. These same bus services offer limited schedules, often starting or stopping service after or before most workday schedules. The largest public bus system, the City Express, is operated by Home Healthcare, Hospice and Community Services (HCA), a regional non-profit which operates primarily as a health sector organization. The

City Express operates within the City of Keene along with limited service in Swanzey. The Moover, a larger bus system, operated by the nonprofit Southeast Vermont Transit, operates some fixed routes that serve portions of Hinsdale and Walpole with connections to neighboring Vermont communities, Brattleboro, and Bellows Falls.



A recent [transit feasibility study](#) completed by SWRPC recommended improvements to local transit using a fleet of smaller on-demand response vehicles.

Photo Credit: Via

Residents living in locations outside of the public transit service areas and seeking affordable transportation options typically need to rely on family members and friends for rides or book a ride with one of the handful of demand-response transit service that are offered in the Region. Demand-response transit services involve booking rides ahead of time by completing an initial application and then reserving rides by phone. A number of demand-response services are managed by HCS including its Friendly Bus (a service offered to Keene-area seniors and people with disabilities on weekdays), its shopping shuttles

⁴⁹ Infrastructure supports for ridesharing are limited in the Region as well. The only official park and ride doubles as the parking lot for the Chesterfield Gorge Natural Area. The lot's location—far away from any dense population of worker residences—is of limited value for ridesharing purposes.



(buses that transport Keene, Marlborough, Swanzey and Winchester residents to the Swanzey Market Basket on certain days of the month) or its medical shuttle service (a bus that transports people from Keene to the White River Junction, Vermont’s Veteran’s Administration Hospital and to Dartmouth-Hitchcock Medical Center in Lebanon on a weekly basis). The Community Volunteer Transportation Company (CVTC) is the only other low-cost transportation service in the Region that is open to the public. CVTC provides rides throughout the Region supported by a group of volunteer drivers that use their own vehicles.

Depending on where one lives and where they need to go, walking or biking options may be limited. There are just over 100 miles of sidewalks mostly concentrated in downtown areas and village centers around the Region, and there is only one designated bike lane in the entire Region (in Keene on Washington Street). Several municipalities in the Region are looking to improve walking and bicycling conditions, however. Nine communities have adopted “complete streets” policies⁵⁰ – a policy that seeks to improve conditions for people that prefer to walk, bike, or use transit, and several have followed up their policies by improving their walking and bicycling infrastructure. Additionally, several towns have made efforts to improve the extensive regional rail trail system in part to improve alternative transportation options.

Broadband

The availability of high-speed internet, also known as broadband, has become an important selling point for housing. The availability of affordable broadband at the residential level allows people the opportunity to access employment, education, health care, goods, and services from home. A spotlight was put on this critical need throughout the COVID-19 pandemic. It also has had a significant impact on the Region’s long-term economic growth. Adequate and reliable broadband has become a critical utility for nearly every sector of the Region, whether it be education, health care, public safety, local government, or economic development.

Over the period 2019 to 2021, spurred by enabling legislation and the success of the Town of Chesterfield in bonding for improvements to broadband, 19 other municipalities followed in seeking approval from Town voters to fund broadband expansion to unserved areas in partnership with private internet service providers. The projects involved replacing older and slower Digital Subscriber Line technologies in favor of fiber optic-based systems, resulting in buildouts across communities, instead of only the most densely settled areas. Communities frequently cited studies that found a positive relationship between internet speeds available and home sale prices in their justification of bonding for the funds needed to construct the projects.

Despite much success in efforts to expand reliable broadband, availability across the

⁵⁰ These municipalities include Harrisville, Hinsdale, Jaffrey, Keene, Peterborough, Swanzey, Troy, Walpole and Winchester. At the time of writing two additional towns, Greenville and Marlborough, are considering complete streets policies.



Region still varies significantly. There exist areas without any broadband access, not having raised funds locally. Deploying broadband infrastructure in many of these rural areas remains difficult without financial incentives.

Through the passage of the Infrastructure Investment and Jobs Act and other legislation following the COVID-19 pandemic, the federal and State government are in a better position to understand and address broadband gaps in the Region including through updated address-level maps published by the Federal Communications Commission, unprecedented investment in broadband infrastructure through the National Telecommunication and Information Administration’s Broadband Equity, Access, and Deployment Program, and

the launch of the State’s Broadband Matching Grant Initiative.

Lead Paint, Asbestos and Radon

In the 20th century, technologies that were once thought as essential to housing, and were integrated into housing at a massive scale, have turned out to be unsafe and unhealthy. Widespread use of lead paint and asbestos, for example, are commonly found in older housing stock and will require eventual remediation.

Lead is highly toxic and can impact children’s physiology and development in many ways including anemia, kidney-damage, decreased intelligence, behavior problems, among other health impacts. The most common source of lead exposure for children today is found in lead paint in older homes. Here in the Southwest Region, approximately 3 in 5 housing units were

constructed prior to 1978, the year that lead paint was banned.

In 2020, the NH Department of Health and Human Services conducted a comprehensive statewide assessment looking at lead poisoning trends. The study found that four Southwest Region communities were among the 23 select high-risk communities recognized by the State: Greenville, Hinsdale, Keene, and Peterborough.⁵¹

Once commonly believed to be a safe and valuable natural mineral resource, asbestos was

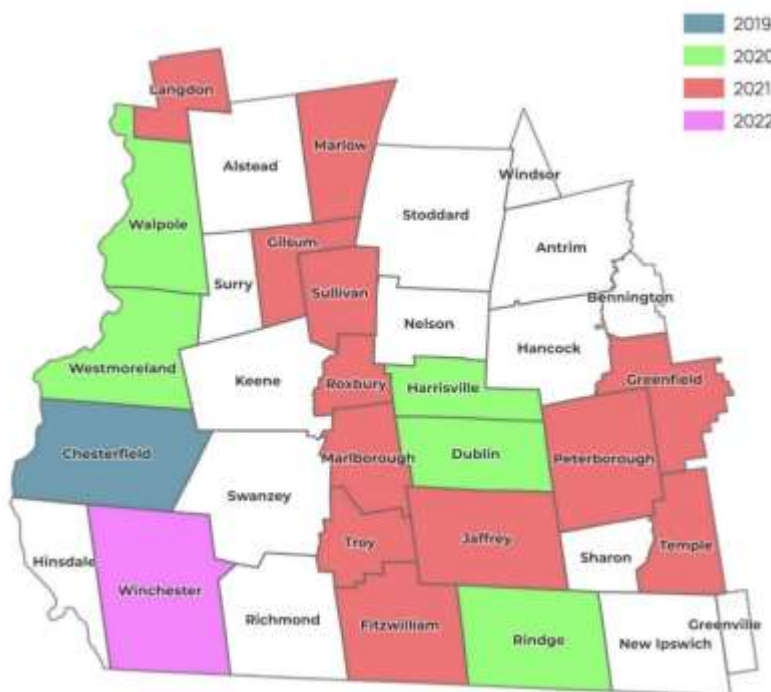


Figure 67: Municipally Funded Town-wide Broadband Projects by Year (2019-2022). Source: Southwest Region Planning Commission

⁵¹ NH Department of Health & Human Services (2020). Lead Exposure in New Hampshire Data Brief. Available online: [NH-Report-2020.pdf](https://www.nh.gov/Assets/Departments/HealthandHumanServices/LeadExposureDataBrief.pdf). Accessed December 1, 2022.





An asbestos disposal site in NH. Photo: NH Department of Environmental Services

widely used in home construction materials throughout the mid-20th century (primarily from the early 1940s to 1970s). Prior to fully understanding the health risks – which include asbestosis, mesothelioma, and lung cancer – asbestos was considered a highly effective and inexpensive fire-retardant material and insulator. Asbestos can still be found in older homes’ attic and wall insulation, flooring, roofing and siding shingles, and a variety of paint and patching compounds, just to name a few.

The renovation or demolition of a home can pose a substantial risk of disturbing asbestos-containing building materials, which can pose a health risk to homeowners, contractors, and other nearby residents while this work is being performed.⁵²

Living within the Granite State, potential exposure to radon in NH is greater than the

national average.⁵³ Radon is a naturally occurring radioactive gas which can enter homes from the soil and bedrock below through cracks and seams in a home’s foundation and walls. The amount of radon in a home depends on several factors including the geology of the land where the home is built, construction type and mechanical systems in the home. Due to the risk radon poses to individual health, particularly as it represents the second leading cause of lung cancer (behind smoking), testing is recommended prior to purchasing a new home.⁵⁴

⁵² For more information on asbestos risk and mitigation, visit

<https://www.des.nh.gov/sites/g/files/ehbemt341/files/documents/2020-01/ard-59.pdf>. Accessed March 6, 2023.

⁵³ NH Department of Health & Human Services. Tracking Radon. Available online: [Tracking Radon | New Hampshire Department of Health and Human Services \(nh.gov\)](https://www.nh.gov/health/human-services/radon). Accessed December 1, 2022.

⁵⁴ US Environmental Protection Agency (2016, July). Basic Radon Facts. Available online: [july 2016 radon factsheet.pdf \(epa.gov\)](https://www.epa.gov/radon/july-2016-radon-factsheet.pdf). Accessed December 1, 2022.



Fair Housing Successes & Challenges

Fair Housing Cases and Legislation

Fair housing was first legislated by the US Congress in 1968 in the weeks immediately following the assassination of Dr. Martin Luther King, Jr. and in the wake of the Civil Rights movement. The Fair Housing Act (FHA) was intended to address pervasive housing discrimination throughout the country based on race, religion, nation of origin, and was later amended and broadened to also prohibit discrimination on the basis of sex, disability and familial status. HUD is the primary agency charged with implementing and enforcing the FHA.

Through the state's Law Against Discrimination, NH enacted its own housing discrimination law which serves to ensure equal access to and use of housing among protected class groups, which include and go beyond the seven classes at the federal level. Despite the several decades that have passed since these laws were enacted, housing discrimination continues to exist throughout NH and in other areas of the nation. Over the years, forms of discrimination have become

less overt; yet there are continued barriers to access and opportunity for many members of our society. Patterns of segregation persist in the country and in the state of NH. States and particularly the federal government continue to devote resources to root out and eliminate discrimination.⁵⁵

New Hampshire Constitution

NH's Constitution plays a key role in protecting its citizens from discrimination. For instance, the NH Bill of Rights include the following provisions:⁵⁶

- All men have certain natural, essential, and inherent rights among which are, the enjoying and defending of life and liberty; acquiring, possessing, and protection property; and, in a word, of seeking and obtaining happiness. Equality of rights shall not be abridged by this state on account of race, creed, color, sex, or national origin. (Article 2)
- Every member of the community has a right to be protected by it, in the enjoyment of his life, liberty, and prosperity. (Article 12)
- No subject shall be...deprived of his life, liberty, or estate, but by the judgment of his peers, or the law of the land [due process of law]. (Article 15)

⁵⁵ Readers interested in learning more about fair housing in New Hampshire are encouraged to review two reports, which were used to summarize the rest of this section: [Fair Housing for Regional and Municipal Planning: A Guidebook for New Hampshire Planners](#), prepared for NH Housing Finance Authority by NH Legal Assistance and [Analysis of Impediments to Fair Housing Choice in New Hampshire](#), prepared for NH Housing Finance Authority and NH Community Development Finance Authority by NH Legal Assistance.

⁵⁶ Visit <https://www.nh.gov/glance/bill-of-rights.htm> for the full NH Bill of Rights.



Fair Housing Related NH Case Law and NH Legislative Actions

Britton v. Town of Chester (1991) is the landmark affordable housing case in NH. The case examined the constitutionality of the Town of Chester’s exclusionary zoning ordinances which appellant argued made construction of affordable housing impossible.⁵⁷ The State’s Supreme Court ruled that every municipality must provide a reasonable and realistic opportunity for the development of affordable housing when exercising its zoning authority as enabled by NH’s Legislature and granted the appellant a “builders remedy” allowing the multi-family units to be built. The decision referenced the famous federal Supreme Court’s *Southern Burlington County N.A.A.C.P. v. Mount Laurel Township* case which found that a common requirement to promote the general welfare translates to that community considering regional housing needs and providing a proportionate “fair share” of affordable housing.

Great Bridge Properties v. Town of Ossipee (2004-2005) in many ways was similar to and enforced the Chester case.⁵⁸ Great Bridge Properties was planning a multi-family housing project in Ossipee and found the zoning ordinance to be overly restrictive and discriminatory based on familial status. Again,

the Court found that the Town did not provide opportunity for its “fair share” of affordable housing and that the zoning ordinances effectively precluded the construction of housing affordable to low- and moderate-income households.

As noted previously in this report, NH’s Workforce Housing Law (RSA 674:58-61) was established in 2008 by the State Legislature in an attempt to codify and clarify the findings of *Britton v. Chester*. The law requires communities to provide a reasonable and realistic opportunity for the provision of workforce housing, which is defined as owner occupied homes affordable at the median area income or rental homes affordable at 60% of the median area income.

Not all fair housing case law deals exclusively with affordability. In *Trovato v. City of Manchester* (1997), the plaintiff and her daughter filed a lawsuit against the City of Manchester when they were refused a request to construct a paved parking space in front of their home.⁵⁹ Both plaintiffs were disabled, and a paved space was necessary for them to be able to navigate up to their front door safely. The City’s Zoning Board had denied the request based on their belief that they did not have statutory authority to grant the variance. The Court ruled against the City and clarified that the injunction would terminate if and when the

⁵⁷ Visit <https://casetext.com/case/britton-v-town-of-chester> to review the full decision. Accessed March 7, 2023.

⁵⁸ Visit <https://cases.justia.com/new-hampshire/superior-court/04-e-110-4.pdf?ts=1462391377> to review the full decision. Accessed on March 7, 2023.

⁵⁹ Visit <https://law.justia.com/cases/federal/district-courts/FSupp/992/493/1456798/#:~:text=Trovato%20v.%20City%20of%20Manchester%2C%20NH%2C%20992%20F.,Plaintiffs%2C%20v.%20CITY%20OF%20MANCHESTER%2C%20NEW%20HAMPSHIRE%2C%20Defendant> to review the full decision. Accessed on March 7, 2023.



plaintiffs moved from their residence. The case highlighted that local ordinances are obligated to accommodate disabled persons under the Fair Housing Act and under such instances.

As a result of the *Trovato* decision, the State's statutes relative to variances (RSA 674:33, V) were amended in 1998 to authorize zoning boards to grant variances for persons(s) with a recognized disability without a finding of hardship as would otherwise be required. Codifying the findings of *Trovato v. Manchester*, the variance could be granted when reasonable accommodation was necessary for a person to reside in or use a property. Such variances were to be granted only if in harmony with the zoning ordinance and were only valid if the person(s) continued to reside at or use the premises.

In another effort to address housing for people with disabilities, the NH Legislature established the *Code for (Architectural) Barrier Free Design* in 2008. The Code was intended to ensure architectural barriers do not prevent persons with disabilities access to publicly funded buildings and facilities. The Committee on Architectural Barrier Free Design, a permanent committee of the Governor's Commission on Disability, is responsible for enforcement of the Code, which names the 2010 Americans with

Disabilities Act Standards for Accessible Design as its source.⁶⁰

Another noteworthy case that deserves mention was *Community Resources for Justice (CRJ) v. Manchester* (2008), a case filed by a non-profit that sought to construct a halfway house for federal prisoners in the City.⁶¹ The City of Manchester denied the application citing the prohibition of "correctional facilities" under the local zoning. In CRJ's appeal, the Court found that the City's zoning ordinance violated the Zoning Enabling Act (RSA 674:26-23) and did not "promote or provide for the general welfare of the community." Additionally, the Court stated that there was no evidence that such a ban furthered an important government interest and thus violated CRJ's equal protection rights under the State Constitution.

To assist municipalities in meeting their fair housing obligations, the NH Legislature enabled the adoption of Inclusionary Zoning Ordinances under NH RSA 674:21's Innovate Land Use Controls. This set of land use controls are meant to provide flexibilities to municipalities to manage their land use challenges.⁶² The NH Legislature also made the requirement that NH's Regional Planning Commissions update a Regional Housing Needs

⁶⁰ To learn more about the Committee, visit https://www.nh.gov/disability/about/documents/abfdc_rsa.pdf. Accessed on March 7, 2023.

⁶¹ Visit <https://caselaw.findlaw.com/nh-supreme-court/1268585.html> to review the full decision. Accessed on March 7, 2023.

⁶² In a follow up to the law, the New Hampshire Department of Environmental Services with the assistance of New Hampshire's Regional Planning Commissions and the New Hampshire Office of Planning and Development published *Innovative Land Use Planning Techniques: A Handbook for Sustainable Development* in 2008. To view the handbook, visit <https://www.nh.gov/osi/planning/resources/innovative-land-use-guide.htm>. Accessed March 7, 2023.



Assessment (NH RSA 36:47, II) to assist municipalities in their planning for housing needs. Since this provision was put in place, NH's RPCs have, for the most part, been left on their own with respect to conducting these updates. This very report represents the first time that noteworthy funding has been made available to RPCs for this activity.

In 2007, NH RSA 479, Mortgages of Realty, was amended to protect homeowners from predatory foreclosure "prevention" schemes. The new statutory language required a foreclosure contract to be provided that discloses and describes the terms, costs and services to be provided and is accompanied by a notice of the right to cancel the contract. The intent was to eliminate the chance for a person to unknowingly lose home ownership and provide specific protection to persons with limited English proficiency. The importance of updating this law was corroborated in 2010 when NHHFA's Analysis of Impediments to Fair Housing Choice in NH noted that many members of protected classes, particularly low income, and less informed borrowers, were targeted by schemes that included high fees, transference of ownership to another party, and lease or buyback deals with impossible terms.

In 2010, the NH Legislature included additional provisions in NH RSA 540, Actions Against Tenants, to protect victims of domestic violence from eviction. Under the law, landlords may not terminate tenancy solely based on a household member having been a

victim of domestic violence, sexual assault, or stalking, under the condition that the victim is required to provide the landlord with written verification that they have obtained a valid protective order against the perpetrator. In the law, there are exceptions for lessors or owners of single-family homes if the owner possesses three or fewer homes, rental units in owner-occupied buildings with four or fewer dwelling units, and single-family homes acquired by banks or other mortgagees through foreclosure. The statute also provides support for sole eviction of the tenant or household member accused of domestic violence, sexual assault, or stalking through a court process. The statute does not protect against eviction due to nonpayment of rent.⁶³

In 2014 the *Amanda D. et al, v. Margaret Hassan, Governor, et al. Class Action Settlement Agreement* decision was issued by the US District Court in NH.⁶⁴ The Agreement that resulted from the case aims to provide adequate mental health services and housing in the State through the expansion of opportunities aimed to help thousands of persons with serious mental illness. Part of the Agreement includes the establishment of 450 new supported housing units intended to serve 1,500 persons. These new supported housing units are to be integrated across scattered sites as permanent housing with mental health and tenancy support services. This is coupled with additional programs to expand employment opportunities and greater access to health care

⁶³ NHHFA's 2010 Fair Housing Survey found that tenants experiencing domestic violence reported being denied rental housing, a mortgage or being evicted in higher numbers than those who did not report domestic violence.

⁶⁴ Visit <https://www.dhhs.nh.gov/sites/g/files/ehbemt476/files/documents/2021-11/bpq-hsa-amandadsettlementagreement.pdf> to review the full decision. Accessed on March 7, 2023.



support designed to reduce the need for emergency room visits and impatient beds.

In 2017, an Administrative Law Judge (ALJ) issued an order holding that a Keene landlord had violated the FHA by discriminating on the basis of familial status against a married couple and their minor children seeking housing. HUD brought the case after issuing a charge of discrimination against the respondent finding that he refused to negotiate the rental of a dwelling and stated he would not rent to the couple because they had children. The ALJ ordered the respondent to pay the complainants \$12,320 in damages, consisting of out-of-pocket expenses and emotional distress of the two adults and their oldest child, as well as to pay the Secretary of HUD \$4,000 in civil penalties. The ALJ also ordered the respondent to undergo fair housing training.

As noted in the introduction, the NH Legislature has passed some relatively new laws associated with fair housing. For instance, in 2017, NH passed an Accessory Dwelling Units (ADU) statute. The law's intent is to expand the supply of housing in the state without further land development, encourage the efficient use of existing housing stock and infrastructure, and provide an affordable housing option in communities. The statute requires municipalities to allow at least one attached ADU in any zoning district in which single-family use is permitted.

In 2018, the State's Law Against Discrimination was modified when the NH Legislature added "gender identity" as a new protected class.⁶⁵ At the time, NH was the only state in New England

that had not passed anti-discrimination protections for transgender people.

In 2019, NH established a Housing Appeals Board, which has concurrent appellate jurisdiction with the Superior Court to hear appeals of municipal decisions regarding housing and housing development. The board's power includes the authority to determine, as part of an appeal of a local decision, whether a municipality's land use ordinances and regulations provide a "reasonable and realistic opportunity" for development of workforce housing. The statute is intended to provide a less costly and streamlined way to manage disputes involving local land use law and housing development. The law went into effect on July 1, 2020, and the Board started accepting appeals in January 2021.

Another fair housing related law passed in 2019, gives tenants in manufactured housing parks the right to petition for mediation of arbitrary or unreasonable rent increases. The costs of the mediator must be paid for by the park owner. In addition, park owners are required to provide notice to tenants of the opportunity for voluntary private mediation of the increase. These changes went into effect on July 1, 2019.

For additional information about cases and laws relating to fair housing, readers are encouraged to review the latest *Analysis of Impediments to Fair Housing Choice in New*

⁶⁵ Other protected classes cited in the law include sexual orientation, age, sex, color, marital status, physical or mental disability, religious creed, and national origin.



Hampshire, a publication that has been updated periodically since 1996.⁶⁶

Indicators and Allegations of Discrimination within the Region

Housing discrimination persists throughout the country, and as noted in the Keene case described above, even in Southwest NH. Between 2014 and 2022, NH Legal Assistance has been collecting discrimination complaint data. NHLA's complaint data represents the number of individuals who felt they were discriminated against when it came to their housing choices and opportunities. In many cases, complaints are resolved through settlement arrangements, and sometimes it may be determined that no fault was found. In other instances, it may be determined that there was inadequate probable cause demonstrating that discrimination occurred.

Between 2014 and 2022, there were 64 discrimination allegations made in the Southwest Region. Of these, 44 (69%) were made within the City of Keene. The most common allegation (59% of all cases) was by individuals who claimed they were discriminated against based on a mental health disability. The next most common allegation (27% of all cases) was by individuals who felt they were discriminated against based on a physical disability. A summary of allegations is presented in Table 29 on the next page.

There are numerous Federal and State resources dedicated to promoting and protecting fair housing opportunities for residents outlined in the Analysis of Impediments to Fair Housing in NH 2020 update, referenced earlier in this section.

⁶⁶ At the time of writing, the most recent edition was published by NHHFA in March 2021. To view the document go to <https://www.nhhfa.org/wp-content/uploads/2021/04/2020-Analysis-Impediments-Fair-Housing-ChoiceNH.pdf>. Accessed on March 7, 2023.



| Geography / Allegation Type | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | Grand Total |
|--|------|------|------|------|------|------|------|------|------|-------------|
| Cheshire County | | | | | | | | | | |
| Hinsdale | 1 | | | | 1 | | 1 | | | 3 |
| Mental Health Disability | 1 | | | | 1 | | | | | 2 |
| Physical Disability | | | | | | | 1 | | | 1 |
| Jaffrey | | | | | | 1 | | 1 | | 2 |
| Mental Health Disability | | | | | | 1 | | 1 | | 2 |
| Keene | 7 | 6 | 10 | 5 | 3 | 3 | 5 | 5 | | 44 |
| Color, Familial Status | | | | | | 1 | | | | 1 |
| Familial Status | 1 | | 5 | | | | 1 | 1 | | 8 |
| Mental Health Disability | 3 | 5 | 3 | 3 | 1 | 1 | 3 | 3 | | 22 |
| Mental Health Disability, Physical Disability | 1 | | | 1 | 1 | | | 1 | | 4 |
| Mental Health Disability, State: Age | | | | | | | 1 | | | 1 |
| Physical Disability | 1 | 1 | 2 | 1 | 1 | 1 | | | | 7 |
| State: Age | 1 | | | | | | | | | 1 |
| Marlborough | | 1 | | 1 | | | | | | 2 |
| Mental Health Disability | | 1 | | 1 | | | | | | 2 |
| N. Swanzey | | | 1 | | | | | | | 1 |
| Mental Health Disability | | | 1 | | | | | | | 1 |
| North Walpole | 1 | | | 1 | | | | | | 2 |
| Physical Disability | 1 | | | 1 | | | | | | 2 |
| Stoddard | | | | | 1 | | | | | 1 |
| State: Sexual Orientation | | | | | 1 | | | | | 1 |
| Swanzey | 1 | | 1 | | | | | | | 2 |
| Mental Health Disability | 1 | | | | | | | | | 1 |
| Physical Disability | | | 1 | | | | | | | 1 |
| Walpole | | 1 | 1 | | | | 1 | | | 3 |
| Mental Health Disability | | 1 | 1 | | | | | | | 2 |
| Physical Disability | | | | | | | 1 | | | 1 |
| Winchester | | | | | | 1 | | | | 1 |
| Physical Disability | | | | | | 1 | | | | 1 |
| Hillsborough County | | | | | | | | | | |
| Antrim | 1 | | | | | | | | | 1 |
| Religion | 1 | | | | | | | | | 1 |
| Greenfield | 1 | | | | | | | | | 1 |
| Mental Health Disability | 1 | | | | | | | | | 1 |
| Greenville | | | | 1 | | | | | | 1 |
| Mental Health Disability | | | | 1 | | | | | | 1 |

Table 28: New Hampshire Legal Assistance fair housing complaint data (2014 – June 2022).

Source: New Hampshire Legal Assistance

Access to Opportunity

The American Dream – the idea that anyone can attain their own version of success in a society where upward mobility is possible for everyone – has inspired (and continues to inspire) millions of people as they try to navigate the most important decisions in life. Chief among these choices is the decision of where to live. Where someone lives can be a strong indicator of access to opportunity, employment, economic mobility and success in one’s life and the lives of their children.

Those areas which are more capable of fostering economic success through opportunity and mobility are aptly termed high opportunity areas. Emerging research has helped identify several factors that influence economic mobility within a community or broader region, including neighborhood safety, education, housing and financing security, and access to labor markets, to name a few.

The aim of identifying high opportunity areas is to build upon these concepts and indicate resource-rich areas with quality schools, lower poverty rates, and plentiful employment options. The cost of

living is often high in opportunity areas and affordable housing options may be scarce. By expanding both the supply and diversity of housing in these areas – where existing and/or planned infrastructure can support it – more residents may be able to benefit and gain greater access to opportunity.

Opportunity Areas within the Southwest Region

As a starting point for understanding Opportunity Areas within Southwest NH, one resource is the NH Housing Opportunity Index.⁶⁷ This index uses sixteen indicators across four categories – Prosperity, Education, Housing, and Health – to evaluate each census tract by how well it may provide residents with a high quality of life and (subsequently) higher opportunity for success.

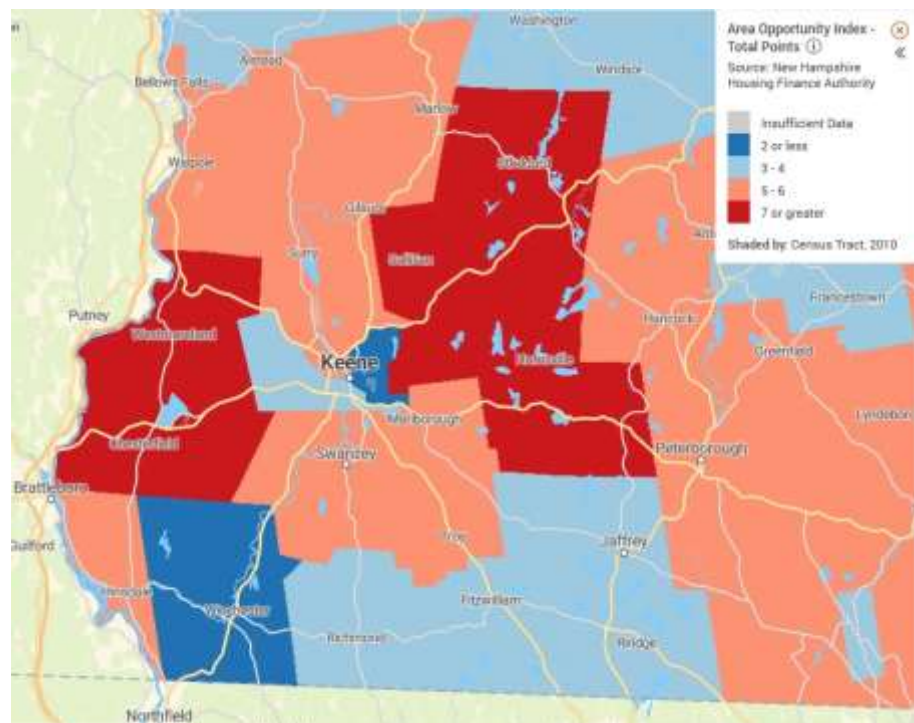


Figure 68: Area Opportunity Index, Southwest Region (2021).
Source: New Hampshire Housing Finance Authority

⁶⁷ To view NNHFA’s index, go to <https://www.nnhfa.org/new-hampshire-housing-opportunity-index/>. Accessed on March 7, 2023.

| Census Tract | Geography | Total Indicators Score (Max 16) | Prosperity Score (max 4) | Education Score (max 3) | Housing Score (max 5) | Health Score (max 4) | Total Points |
|--------------|---|---------------------------------|--------------------------|-------------------------|-----------------------|----------------------|--------------|
| 33005971 500 | Westmoreland / Chesterfield | 13 | 3 | 3 | 3 | 4 | 7 |
| 33011023 000 | Peterborough | 13 | 2 | 3 | 5 | 3 | 6 |
| 33011022 000 | Greenfield | 12 | 3 | 1 | 4 | 4 | 6 |
| 33011024 000 | Hancock | 12 | 1 | 3 | 4 | 4 | 6 |
| 33005970 400 | Stoddard / Sullivan / Nelson / Roxbury / Harrisville / Dublin | 12 | 2 | 3 | 3 | 4 | 6 |
| 33005970 200 | Walpole | 12 | 2 | 3 | 4 | 3 | 6 |
| 33005971 600 | Hinsdale | 13 | 4 | 1 | 5 | 3 | 5 |
| 33005971 000 | Keene | 11 | 3 | 2 | 4 | 2 | 5 |
| 33005971 300 | Keene | 11 | 2 | 3 | 3 | 3 | 5 |
| 33011022 500 | Sharon / Temple / New Ipswich | 11 | 3 | 1 | 3 | 4 | 5 |
| 33005970 900 | Swanzy | 11 | 3 | 1 | 3 | 4 | 5 |
| | Southwest Region (Mean Average) | 10.3 | 2.0 | 1.9 | 3.3 | 3.2 | 4.4 |
| 33011025 000 | Antrim | 10 | 3 | 1 | 2 | 4 | 4 |
| 33011021 500 | Bennington / Deering / Frankestown | 10 | 1 | 2 | 3 | 4 | 4 |
| 33011018 501 | Greenville | 10 | 2 | 1 | 4 | 3 | 4 |
| 33005970 500 | Jaffrey | 10 | 1 | 2 | 4 | 3 | 4 |
| 33005970 700 | Richmond/Fitzwilliam | 10 | 1 | 1 | 4 | 4 | 4 |
| 33005970 100 | Surry / Gilsum / Alstead / Marlow | 10 | 3 | 2 | 3 | 2 | 4 |
| 33005970 800 | Troy / Marlborough | 10 | 1 | 2 | 3 | 4 | 4 |
| 33005970 600 | Rindge | 9 | 2 | 2 | 1 | 4 | 4 |
| 33019975 600 | Unity / Acworth / Langdon | 9 | 2 | 1 | 3 | 3 | 3 |
| 33005971 402 | Keene | 8 | 0 | 3 | 3 | 2 | 3 |
| 33005971 700 | Winchester | 8 | 1 | 1 | 3 | 3 | 2 |
| 33005971 401 | Keene | 7 | 0 | 3 | 2 | 2 | 2 |
| 33005971 100 | Keene | 6 | 1 | 0 | 3 | 2 | 1 |

Table 29: Area Opportunity Index, All Census Tracts, Southwest Region (2021).
Source: New Hampshire Housing Finance Authority

For each of the four categories, a tract receives one point if its category score is at least as high as the average score across all census tracts, and an additional point if its score surpasses the average score by at least one standard deviation. Higher scores are meant to represent greater opportunity.

In Southwest NH, scores range between 1 and 7 points (out of possible 8), reflecting a broad spectrum of opportunity across census tracts in the Region. These scores are summarized in the map and table below.

The indices used to identify these high opportunity areas are not perfect measures. However, they represent a helpful guide for communities as they consider prioritizing limited resources to address issues of housing, inequity and the long-term prosperity of their residents.

For example, a community that wants to place affordable housing in higher priority areas may prioritize capital improvement projects (e.g., water and sewer expansion) in areas of high opportunity if infrastructure is currently lacking. At the same time, the community may consider revising its local land use regulations to allow for multi-family housing within this area if the infrastructure and local services are available to support this form of development.

When considering local high opportunity areas, and potentially considering rezoning those areas where multifamily and/or workforce housing may be desired, communities would be well advised to consider factors such as:

- Infrastructure availability and access (particularly public water and sewer);
- An examination of existing land use regulations, including a review of

whether these regulations have served their desired intent;

- Proximity to established residential area(s);
- Public transportation access;
- Proximity to local employers; and
- Proximity to retail, health and other services.



Resources for Meeting Local Housing Needs

The NH Housing Toolbox

The “Toolbox” is a supplementary standalone document, created with the help of sub-consultant Outwith Studio, a State-hired consulting firm in support of this effort. The Toolbox is meant to provide municipalities with innovative zoning and planning strategies

meant to help increase housing production. It is also available as an online resource and can be reviewed by going to <https://nhhousingtoolbox.org/>. Beyond providing a detailed description of each tool, it explains ways in which a tool can help communities, how to get started, considerations to keep in mind, issues addressed, relevant state laws, case studies, and resources that can help with implementation. Towards the front of the Toolbox there is a helpful “lookup” table to search for tools that are associated with different housing need issues.

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-F) | | • | | | | • | • |
| 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 | • | • | • | | • | | |

Table 30: Housing Tool by Issue Addressed (2023).
Source: New Hampshire Housing Toolbox

Below, is a high-level description of the tools that are covered extensively in the Toolbox.

Accessory Dwelling Units (ADUs)

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). An ADU, defined under state law, is an “independent living facility for one or more persons, including provisions for



sleeping, eating, cooking, and sanitation...” (RSA 674 § 71).

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; and generate increased tax revenue (over the long term) for municipalities.

Adaptive Reuse

Adaptive reuse is the practice of making use of older buildings for new purposes. 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).

How can it help? Adaptive Reuse can...

Provide new housing in existing communities; offer 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 carbon footprint of new housing; reduce demand for greenfield housing development, thus preserving open spaces; and take advantage of current infrastructure capacity, rather than creating the need for new infrastructure.

Age-Friendly Neighborhoods

Age-friendly neighborhoods are places that address the needs of younger and older adults that have difficulty finding 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 characteristics: smaller and easier-to-maintain homes that are affordable.

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 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; and maintain or increase local tax revenue by maintaining demand for housing.

Cluster Housing

Also called “conservation subdivision”, cluster housing 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. 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.

How can it help? Cluster Housing 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; reduce utility costs for residents; protect important views and vistas for the community; improve stormwater management; provide outdoor recreation opportunities; and increase overall supply of housing, especially smaller and less expensive housing types.

Community Revitalization Tax Relief (79-E)

This 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.”

How can it help? The Community Revitalization Tax Relief can...

Spur economic development in a downtown or village area; encourage infill development;

direct investment to areas where infrastructure and public facilities already exist; reduce demand for conventional greenfield development; improve 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 NH’s towns and villages; provide amenities to surrounding neighborhoods; and conserve energy by directing development to established areas.

Form Based Codes (FBC)

A Form-Based Code 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.

How can it help? Form-Based Codes can...

Encourage construction of alternative housing types like duplexes and small multifamily buildings, which are often in short supply; 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; and create more useful and enjoyable public spaces, especially along streets.



Housing Opportunity Zones

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.

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; and 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.

Inclusionary Zoning (IZ)

Inclusionary Zoning 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.

How can it help? Inclusionary Zoning can...

Increase affordability without reliance on scarce government funding; encourage housing production (if a density bonus is included); create more community support for housing development generally; produce more diverse housing options; produce affordable units even when costs are rising; and demonstrate a municipality’s efforts to comply with the NH Workforce Housing Law.

Infill Development

New construction undertaken in an already built-up area is often referred to as “infill development.” It generally occurs on underutilized 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.

How can it 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; and serve as an impetus to clean up contaminated sites.

Missing Middle Housing Types

This refers 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 single family housing development. These units can include duplexes, triplexes, fourplexes, townhouses, and other types of small multifamily housing.



How can it help? Missing Middle Housing types can...

Increase housing options for people with different needs and budgets; increase affordability due to smaller units requiring less land per unit, and shared amenities and infrastructure; improve walkability by making use of public sidewalk and trail infrastructure; preserve open space and natural areas of a community that would otherwise be pressured by development; bring economic benefits to a community and more concentrated demand for local businesses; foster a sense of community by bringing people together in a shared living environment; and be designed to be more energy-efficient and environmentally sustainable.

Mixed-Use Development

Mixed-use development 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.

How can it help? Mix-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; 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; and generate new tax revenue while using fewer public infrastructure resources.

Planned Unit Developments (PUDs)

PUDs are 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 law provides little guidance on their use, and therefore they can take many forms.

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; create a wider range of housing options than that found under conventional zoning; efficiently use land available for development; better integrate large developments within 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 burden on that infrastructure; and address quality-of-life issues and limit open space encroachment associated with conventional development.

Reduced Zoning and Subdivision Requirements

Also sometimes referred to as “right-sized regulations,” this is the process of matching zoning and subdivision rules within 1) the existing built character of a place, 2) community needs, 3) contemporary real estate



economics, and 4) a community's vision for its future. Too often, a community's land use regulations will mandate development that doesn't complement existing neighborhoods and architecture, unnecessarily increasing housing costs, and removing open space.

How can it help? Reduced Zoning and Subdivision Requirements can...

Effectively increase housing production; lower land and construction costs for new housing; provide more diverse housing options; reduce economic segregation; nurture and complement historic districts and traditional architecture; and reduce the impact of unnecessary pavement, including on groundwater and flooding.

Short-Term Rental Regulations

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 be seasonal rentals by "snowbird" owners. They can also be owned by professional operators, who buy homes for the express purpose of converting them to STRs. 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.

How can it help? Short-Term Rentals 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 regulated; 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; and 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 a community.

Tax Increment Financing (TIF)

This is an economic development tool that helps make private developments feasible by allowing upfront costs to be spent in a district of a community. With TIFs, a municipality assumes debt or otherwise agrees to pay to finance infrastructure or other public improvements in a specific area or district. Those improvements enable private development, which increases the value of properties within the district 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 toward the municipality's general fund.

How can it help? TIFs 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; 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 leading directly to higher property values; and boost local tax revenues in the long-run once debt is repaid.



Transfer of Development Rights (TDRs)

TDRs are 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.

How can it help? TDRs 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; facilitate in-fill 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; and encourage small and alternative housing types without increasing the overall development in a community.

Village Plan Alternative (VPA)

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.

How can it 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 type development; protect agricultural economies and traditions; and 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.

Wastewater System Alternatives

Wastewater system alternatives are used to overcome limited wastewater discharge capacity, to build the appropriate housing types for a community. Wastewater treatment limitations are a major constraint on housing development in many communities. There are two conventional wastewater options for housing developments (1) connecting houses to (public) sewer systems, which usually treat and discharge wastewater into surface water; or (2) building an individual septic system for each home, which separates wastewater into liquids and solids, and discharges the liquids onto the land.

How can it help? Wastewater systems 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 pattern 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; provide design flexibility; fix failing wastewater systems; significantly improve water quality with better treatment; provide groundwater recharge; and spur economic development in small rural communities.

Workforce Housing Ordinance

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 NH 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.

How can it help? Workforce Housing Ordinances can...

Address the rising costs of housing; provide more diversity of housing options; aid young people and new families with respect to 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; and comply with the requirements of the Workforce Housing Law.

Monadnock Housing Roundtable

The Monadnock Housing Roundtable is a regional forum for discussing housing challenges facing the Monadnock Region and sharing resources and ideas to tackle those challenges. Participants include real estate professionals, developers, municipal staff and officials, representatives from social service organizations, citizen advocates, and more.

The group grew out of an event held in late 2019 by the Greater Keene Chamber of Commerce (now called the Greater Monadnock Collaborative – Regional Chamber of Commerce) to highlight housing as an important regional issue. Recognizing a need for continued collaboration and multi-sector dialogue, Southwest Region Planning Commission facilitated formation of the Monadnock Housing Roundtable and held several meetings in 2020 and 2021.

At the time of writing, the group is not currently active, however, with the assistance of an informal group called the Monadnock Regional Collaborative, efforts have been made to update the Monadnock Housing Roundtable website. The website features several resources and contains a regional inventory of key housing stakeholders working on housing issues in the area. Re-establishing the Roundtable may prove an affective avenue for addressing local and regional housing challenges and opportunities. Visit <https://www.monadnockhousingroundtable.com/> for more information.



Conclusion and Recommendations

Planning for housing is a complicated endeavor requiring information about an interwoven web of important considerations including but not limited to housing supply and demand, local land use regulations and state laws, social justice and fairness, supply chains, the availability of skilled tradespeople and other factors. These dynamics are described in this report with respect to Southwest NH.

To distill important conclusions out of this complicated set of information and data, four key takeaways are offered which are supported by analysis of available data, surveys, interviews, and public input collected for the RHNA and provide a good starting point for any future actions on housing issues. Following the four takeaways below, a set of recommendations are provided for regional housing stakeholders to consider in addressing current and future housing needs.

Individuals and households living in Southwest NH have varied housing needs that are not sufficiently being met. This applies to both housing quantity and housing quality. The Region's record low rental vacancy rates (*Table 11 and Figure*) and exceptionally high housing sale absorption rates (*Figure*) clearly indicate a housing supply issue. Socioeconomic and survey data gathered for this assessment demonstrate that low- and middle-income households are competing for scarce affordable housing (including a shortage of rental housing) leading to a significant proportion of households paying more than what is considered affordable (*pp. 57-62*). Near term population projections (*pp. 8-13*), as well as data showing the continuing trend of smaller

household sizes (*p. 26*) suggest that this trend will continue.

Readers may wonder, are *needs* being confused with *wants* here? Housing needs are typically defined around the rigid practical limitations of households such as age, ability, household size, income, and other life circumstances that are extremely difficult or impossible to overcome without some form of customized accommodation. Housing wants are usually described as *preferences* such as a household's inclination to live in a rural, suburban, or urban setting, an all-residential or mixed-use neighborhood, an historic or new home, or a seasonal home or primary residence.

Consider workforce housing as a backdrop for examining the housing wants versus needs question. Data in this report clearly demonstrates that Southwest NH is experiencing an unprecedented decline in its labor force due to an increasing number of residents retiring (*Figure 6*). There is a need to replace these workers to continue the production of goods and the delivery of services that the regional community depends on. Consider the individual housing preference of a prospective nurse, teacher, or police officer contemplating a job offer that will replace a recently retired local worker. Assuming that the salary (*p. 59-61*) and benefit package is acceptable to the prospective worker, the unusually low supply of housing choice (and the closely related interests regarding neighborhood, school quality, property taxes, community amenities, etc.) is certain to be one of the next critical factors that determines their choice to move to the community. As such, that prospective employee's individual preference translates into a need—a *community need*. This leads to the second takeaway from this report, which is that ***housing plays a much more important role than an individual or***



household's shelter; it is an essential ingredient for maintaining a community's vitality. Survey respondents suggest many employers are having difficulty attracting, recruiting, and retaining employees due to the housing situation, lending further support that having an adequate housing supply and adequate housing choice is a *need* (p. 27).

Just as housing is an essential ingredient for a community's vitality, information born out of the RHNA analysis suggests that there are other essential ingredients that, combined with housing, form a recipe for sustained success. Of note is the section of this report that discusses infrastructure and services, outlining how **transportation, water, sewer, energy, and broadband are part of a package of household needs that are inextricably linked with today's notion of adequate housing** (pp. 94-101). The historic American notion of self-sufficient rugged individualism doesn't square with life in the modern world. Therefore, planning for housing should always consider other infrastructure and service needs including the future buildout capacity of those systems. Infrastructure and services often require substantial private and public expense for buildout and maintenance. To do this in a cost-effective manner, case studies featured in this report suggest that building off of existing infrastructure or services is a way to efficiently utilize taxpayer dollars, as is creating neighborhoods that offer greater household density.

A final takeaway is that recent trends suggest that **the housing market isn't likely to improve without new strategic interventions. For example, new policies, investments, experimentation, innovation, information sharing, and advocacy are all likely needed to play a part in improving housing supply and choice.** Conducting research for preparing this

report identified a variety of stakeholders that have an interest in housing including but not limited to municipalities, developers, employers, elected officials, property managers, landlords, housing advocates, and many others. Each stakeholder has a unique role to play in addressing current and future housing issues. When done collaboratively, it is likely to have greater impact.



Recommendations

With this spirit of collaboration and cooperation in mind, a set of recommendations is offered for various local and regional stakeholders to consider. Stakeholders in this section are broken down into four categories including municipalities, SWRPC, developers,

and housing advocates. The term “housing advocates” is meant to represent a range of interest groups including employers, social service agencies, or any individual or group that advocates for more housing. As described in this section, recommendations are structured like a typical house in Southwest NH. Using the house as a metaphor...

1. At the basement level are strategies that provide a strong foundation for the larger task of “building the house” (i.e., creating opportunities for additional housing production and choice). Like a foundation, the strategies are designed for propping up and supporting other work. Many of the basement level strategies relate to preparedness.

2. On the first floor of a home, livability is key. This is typically the floor where the living room, kitchen, dining room, and a bathroom are located—the area where households spend the bulk of their waking hours. First floor housing recommendations are also focused on livability. They are designed to ensure that basic livability opportunities are available in a community. First floor recommendations represent basic checklist-like strategies that stakeholders are encouraged to explore for the sake of creating more livable housing.

3. Homes with second floors often include bedrooms or spare rooms. As households change, bedrooms might open up for other purposes. Second floor spare rooms are often used for special hobbies, such as office space, or

guest rooms—amounting to flexible spaces to meet the specific needs or interests of a household. Second floor recommendations are similar in that they offer strategies that involve flexibility and adaptability.



Image: [Tomas Machnikowski](#)

4. Finally, an accessory dwelling unit module of recommendations is offered. Like an accessory dwelling unit built above a garage, these strategies represent innovative approaches to creating additional housing units and housing choices.



Basement Level Recommendations: Building a Strong Foundation

| Municipalities | |
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| 1. | Periodically review and update the master plan housing chapter. Look for opportunities to link findings, goals and objectives from the housing chapter with other master plan chapters (e.g., economic development, transportation, etc.). |
| 2. | Ensure land use boards are familiar with housing related state laws including but not limited to NH RSA 672 III-e, 674:2 I, 674:32, 674:58-61, and 674:71-73. |
| 3. | Periodically self-assess municipal experience regulating housing and identify successes and shortcomings associated with process and outcomes. Use this experience to improve regulations and associated processes. |
| 4. | Actively promote the diversity of volunteer boards and committees (Planning Board, Zoning Board, Master Plan Committee, Housing Commission) to better reflect the local population's diverse housing needs. |
| 5. | Gain understanding of regional housing needs and goals and neighboring community's housing needs and goals. |
| 6. | Determine the condition and capacity of public water, sewer, transportation, and broadband infrastructure. Consider developing an asset management plan. |
| 7. | Ensure the municipal welfare office is adequately prepared for local constituent housing-related crises. |
| 8. | Encourage boards and staff have access to continuing education on housing issues and strategies. |
| 9. | Develop and update centralized inventory of workforce housing in the community. |

| SWRPC | |
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| 1. | Periodically review and update Regional Housing Needs Assessment. |
| 2. | Continually connect communities to education, training, and peer learning opportunities on housing-related matters. |
| 3. | Include housing interest groups in various regional planning activities for cross-fertilization purposes (e.g., economic development, transportation, environment, public health planning, etc.). |
| 4. | Continue to serve as a resource providing population, housing, and economic data and trend information to inform local decision-making on housing issues. |
| 5. | Ensure staff have access to continuing education on housing issues. |
| 6. | Become familiar with and keep apprised of member community needs and goals. |
| 7. | Provide technical assistance to municipalities seeking to update their master plans related to housing. |

| Developers | |
|-------------------|--|
| 1. | Enhance familiarity with local and regionally defined housing-related needs and goals. |
| 2. | Enhance familiarity with local land use regulations, land use patterns, infrastructure, and services for project planning. |
| 3. | Identify and understand local and regional housing market needs. |
| 4. | Identify potential community partners and allies early in the development process. |
| 5. | Participate in continuing education opportunities on housing issues. |



| Housing Advocates | |
|--------------------------|--|
| 1. | Become familiar with local and regionally defined housing-related needs and goals. |
| 2. | Identify interested parties that could provide additional, valuable perspective on housing-related planning efforts or projects, particularly interested parties that are traditionally missing from such conversations. |
| 3. | Participate in continuing education opportunities on housing issues. |
| 4. | Strive to involve multi-sector participation in understanding challenges and opportunities and moving towards solutions. |

First Floor Recommendations: Striving for Livability

| Municipalities | |
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| 1. | Review tools in the <i>NH Housing Toolbox</i> and the <i>Innovative Land Use Strategies Handbook</i> and consider feasibility and fit of various tools for the community. |
| 2. | Evaluate accessory dwelling unit regulations to ensure that they are unambiguous and comply with NH RSA 674:71-73. |
| 3. | Evaluate land use regulations and available buildable land for opportunities to develop manufactured housing and manufactured housing parks. Ensure that manufactured housing regulations are unambiguous and comply with NH RSA 674:32. |
| 4. | Examine current application of “conditional use” and “special exception” land use regulations for housing uses to ensure that there remains cause for additional requirements and process and is not creating an unreasonable barrier to housing production. |

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| 5. | Evaluate land use regulations and available buildable land to determine if there are reasonable opportunities to develop multifamily and rental housing. Ensure that multifamily and rental housing regulations are unambiguous. |
| 6. | Evaluate local trends relating to the conversion of homes to seasonal or short-term rental status and consider developing strategies to address if determined a local issue. |
| 7. | Identify priority areas for public water, sewer, transportation, or broadband improvements and/or expansion. |
| 8. | Review opportunities to improve community livability by making investments in walking and bicycling infrastructure and transit services, where appropriate. |
| 9. | Participate in regional discussions with other local welfare officers in the Region to share information and foster coordination opportunities on local homelessness, evictions, and other housing crises. |
| 10. | Review and evaluate fair share housing targets. Set reasonable fair share housing targets and periodically reassess progress with those targets. |

| SWRPC | |
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| 1. | Provide municipalities technical assistance on tools and strategies discussed in the <i>NH Housing Toolbox</i> and <i>Innovative Land Use Strategies Handbook</i> . |
| 2. | Provide municipalities technical assistance in addressing housing related land use regulations compliance questions, regulatory audits, rewrites, or buildable land analyses. |
| 3. | Provide municipalities with site plan and subdivision review technical assistance. |



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| 4. | Connect municipalities with grant programs and funding opportunities that help address livability goals. |
| 5. | Connect municipalities with resources and experts that can assist them in achieving their livability goals. |
| 6. | Examine opportunities to act as facilitator for intermunicipal discussions about housing coordination. |
| 7. | Research and provide resources to municipalities associated with the conversion of homes to seasonal or short-term rental status. |
| 8. | Build and maintain a regional database of workforce housing developments based on municipal information. |

| Developers | |
|-------------------|---|
| 1. | Consider holding public charrettes or workshops to solicit feedback on community perspectives relating to housing projects and how the development can improve the neighborhood or section of town. |
| 2. | Consider meeting with community leaders to gain local perspectives about proposed projects and identify housing allies or community-based project champions. |
| 3. | Consider approaching municipal officials for pre-meetings on potential housing projects to ensure project aligns with community goals and regulations. |
| 4. | Consider use of visualization techniques to show how housing project proposals fit in with neighborhood. |
| 5. | Consider housing development connectivity opportunities with sidewalks, rail trails, or transit service. |

| Housing Advocates | |
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| 1. | Keep apprised of municipal plans to change land use regulations and attend public meetings to provide public input as warranted. |
| 2. | Keep apprised of housing proposals and attend public meetings to provide public input on housing proposals as warranted. |
| 3. | Identify local people with a potential interest in land use regulation changes or public meetings and encourage them to attend public meetings to provide public input. |
| 4. | Conduct research on case studies relating to proposed land use regulation changes or projects and share information with municipalities and developer. |
| 5. | Identify reputable developers with demonstrated experience developing affordable or workforce housing and make them aware of towns where opportunities for development exist. |
| 6. | Draft public facing statements about housing need in letters to the editor, social media, etc. |
| 7. | Consider broadening housing advocacy to include considerations about walking, biking and transit or other considerations that will improve neighborhood livability. |



Second Floor Recommendations: Building in Flexibility and Adaptability

| Municipalities | |
|-----------------------|---|
| 1. | Explore regional opportunities to coordinate and share costs associated with code enforcement and inspection services. |
| 2. | Review and consider opportunities for cluster housing. |
| 3. | Review and consider opportunities for detached accessory dwelling units. |
| 4. | Review and consider opportunities for adaptive reuse of buildings for housing and other infill development strategies. |
| 5. | Review and consider opportunities to introduce missing middle housing types. |
| 6. | Review and consider opportunities for developing a workforce housing ordinance. |
| 7. | Reassess zoning and subdivision requirements to determine if current requirements are “right sized” or too prescriptive. Consider right-sizing regulations or providing opportunities for conditional use exceptions. |
| 8. | Explore the opportunity to develop TIF districts that help finance community improvements that support the development of new local housing. |
| 9. | Participate in regional housing forums to share information and learn about other housing strategies and success stories. |

| SWRPC | |
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| 1. | Keep apprised of funding tools and sources that can be used to finance additional housing and/or associated infrastructure. |
| 2. | Research and catalog funding opportunities that can be used to assist municipalities and other stakeholders with housing strategy implementation. |

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| 3. | Consider options and opportunities for participating in or providing leadership on regional housing issues such as the Monadnock Housing Roundtable. |
| 4. | Actively search for housing demonstration project opportunities through the SWRPC Brownfields Assessment Program. |
| 5. | Consider housing projects which help address economic development efforts such as <i>Our Economy: A Strategy for Southwest NH</i> . |
| 6. | Consider housing-related alignments with the work of the SWRPC Energy and Natural Resources Advisory Committee (home energy, stormwater impacts, septic system technology, aquifer, and habitat protection, etc.). |
| 7. | Examine opportunities to further integrate housing considerations in the work of the SWRPC Transportation Advisory Committee (Ten Year Plan project selection, Long Range Plan policies, etc.). |

| Developers | |
|-------------------|---|
| 1. | Become familiar with state and federal housing finance tools including the Community Development Block Grant Program, Low Income Housing Tax Credit Program, and other financing tools. |
| 2. | Work with local banks to explore partnership opportunities for housing development financing. |
| 3. | Partner with local organizations to participate in construction trades apprenticeship programs. |
| 4. | Explore opportunities for working on infill sites and former brownfields. |



| Housing Advocates | |
|--------------------------|---|
| 1. | Connect residents with resources that provide guidance on shared housing. |
| 2. | Keep apprised of funding tools and sources that can be used to finance additional housing. |
| 3. | Research and catalog funding opportunities that can be used to assist municipalities or other stakeholders with housing strategy implementation. |
| 4. | Consider active participation in a regional housing group such as the Monadnock Housing Roundtable. |
| 5. | Identify and promote local housing success stories that involve solutions born out of the creativity and flexibility of municipalities and/or developers. |

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| 8. | Review and consider allowing for wastewater system alternatives. |
| 9. | Review and consider setting up a housing opportunity zone. |
| 10. | Review and consider the use of community revitalization tax relief (NH RSA 79-E). |
| 11. | Review and consider opportunities to share cost of shared infrastructure or services with neighboring towns including water, sewer, and transit service. |

ADU Recommendations: Exploring Innovative Concepts

| Municipalities | |
|-----------------------|---|
| 1. | Coordinate with one or more neighboring towns on workforce housing targets. |
| 2. | Coordinate with one or more neighboring towns on the development of special needs housing (e.g., homeless shelters, those transitioning from substance misuse and incarceration, etc.). |
| 3. | Consider use of town land for housing purposes. |
| 4. | Review and consider the practicality and feasibility of using form-based codes in urban or village areas. |
| 5. | Review and consider use of inclusive zoning. |
| 6. | Review and consider the practicality and feasibility of transfer of development rights. |
| 7. | Review and consider the use of village plan alternative for areas that are appropriate as local nodal centers. |

| SWRPC | |
|--------------|---|
| 1. | Provide support to towns seeking regional approaches to developing and moving toward workforce housing targets. |
| 2. | Provide support to towns seeking regional approaches to developing special need housing (e.g., homeless shelters, those transitioning from substance misuse and incarceration, etc.). |
| 3. | Provide technical support to municipalities seeking to assess or implement innovative land use or financing strategies. |
| 4. | Assist regional stakeholders in assessing need and feasibility for a regional housing coalition. |

| Developers | |
|-------------------|--|
| 1. | Seek opportunities to work with employers on employer assisted housing strategies. |
| 2. | Consider opportunities for transfer of development rights and communicate project ideas with municipalities. |
| 3. | Become familiar with and explore water and wastewater system alternatives and share project ideas with municipalities. |



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| 4. | Explore redevelopment opportunities afforded by community revitalization tax relief (NH RSA 79-E). |
| 5. | Work with towns interested in using town-owned land for housing purposes. |

| Housing Advocates | |
|--------------------------|--|
| 1. | Seek opportunities to work with employers on employer assisted housing strategies. |
| 2. | Assist regional stakeholders in assessing need and feasibility for a regional housing coalition. |
| 3. | Assess the need and feasibility of a regional housing trust fund. |
| 4. | Identify and promote local innovative housing success stories that can be replicated by communities or developers in the Region. |



Glossary

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 NH 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.

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.

Homeshare – is the exchange of housing for help in the home. A householder, typically an aged person with a spare room, offers free or low-cost accommodation to another person in exchange for an agreed level of support. The support may include companionship, shopping, household tasks, gardening, care of pets and, increasingly, help to use the computer. Homeshare thus provides a solution to the needs of two groups of people - those in need of affordable housing, often younger people, and those in need of some support to live at home, usually older people.

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.

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

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.

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.



Multi-Family Housing – a building or structure designed to house different families in separate housing units, usually rental property.

Resident Owned Community - is a neighborhood of manufactured homes that's owned by a cooperative of homeowners who live there as opposed to an outside landlord.

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.

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.

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.

In addition to the definitions above, the US Census created a [helpful listing of housing-related definitions](#).

