

OUR HOMES

NCC COMMISSION
MEETING

JUNE 2023



In this overview we'll explore:

- Key Data Points
- Housing Need Forecasts
- Recommendations
- Tools

You'll find the full text of our RHNA at:

<http://www.nccouncil.org/regional-plans/>

And looking for the cover page.

Or by clicking on the banner above



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

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

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



RHNA Purpose

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

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



Key Data Points

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

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

Population

New Units

Age

Wages

Cost Trends

STRs

Affordability

Industry Trends



Purchase Price Trends

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

The steep rise in real estate prices makes it harder for people to enter the homeownership market, which in turn adds to competition in the rental market.

More affordable purchase options are needed to provide opportunities for people to build equity and experience homeownership.



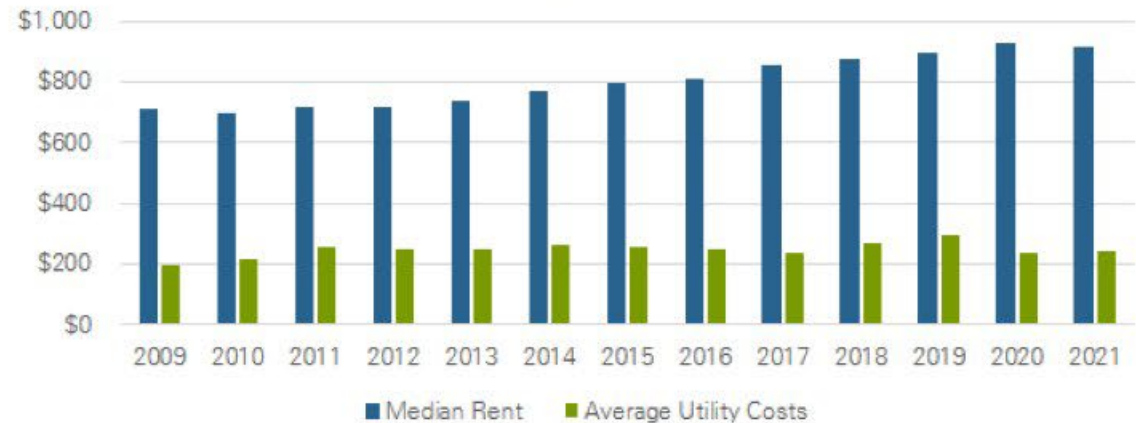
Rental Price Trends

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

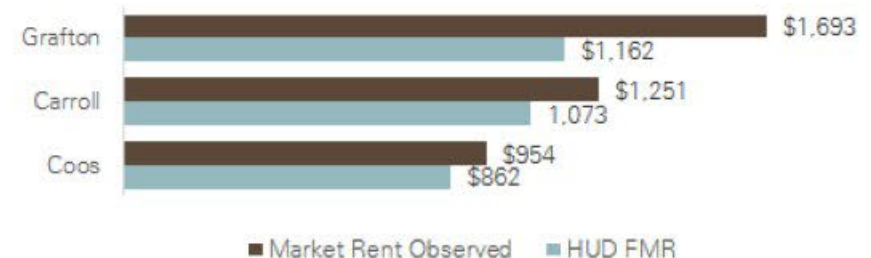
Renter household tend to earn less than homeowner households. Increases in rent prices have a significant impact on people with lower-incomes.

Rent prices are rising quicker in pockets of the region and we heard from residents experiencing steep upward pressures on rent particularly in destination areas.

Rent & Utility Costs Trends (All Units)

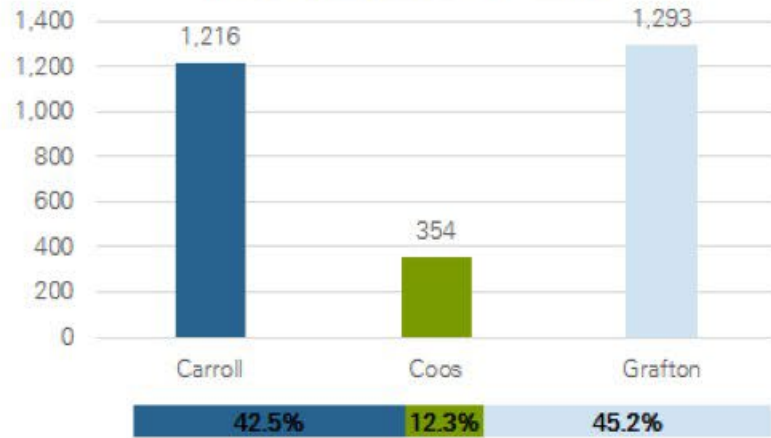


Market Rents vs. HUD Fair Market Rent 2022

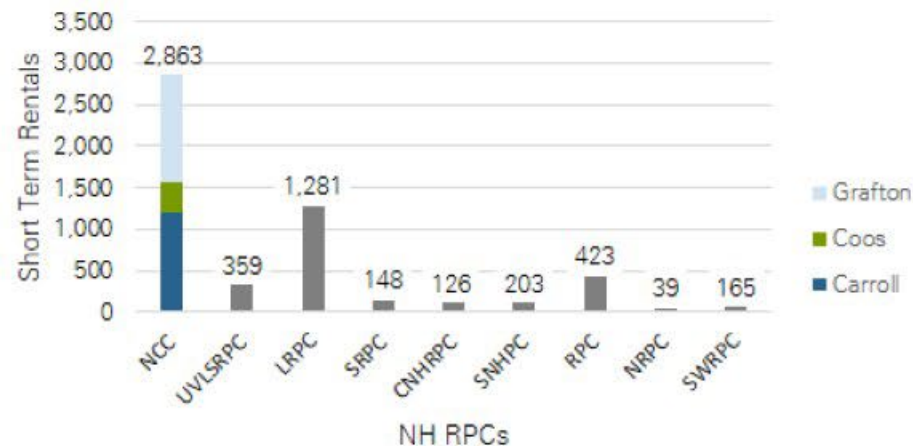


Short Term Rentals

Short Term Rentals by County



Short Term Rentals by RPC

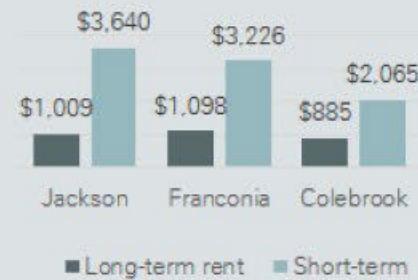


The North Country has long been a tourism destination. Recent growth in visitor volumes and increased access to the short-term / vacation rental market through online rental platforms has added demand in our already hot purchase markets,

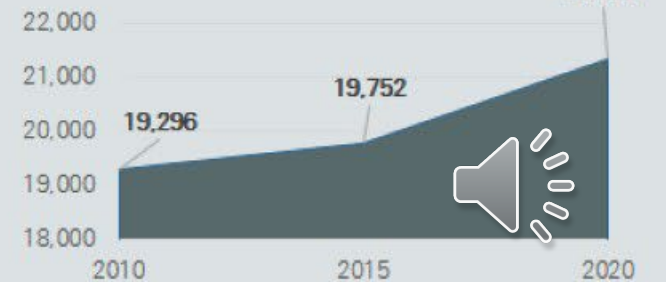
Further reducing supply in our resident rental markets adding to price rises in both markets. As of 2022 there are 2,854 short-term rental properties in north country counties.

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

Monthly Rent Incomes Comparison (examples)



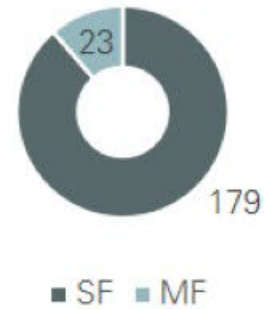
Seasonal Housing Units (for seasonal, recreational or occasional use)



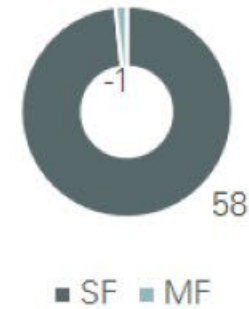
Production

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

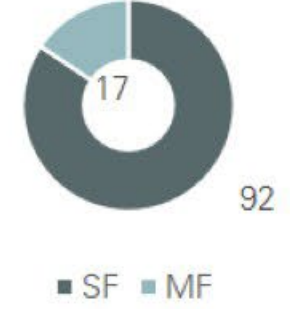
Grafton



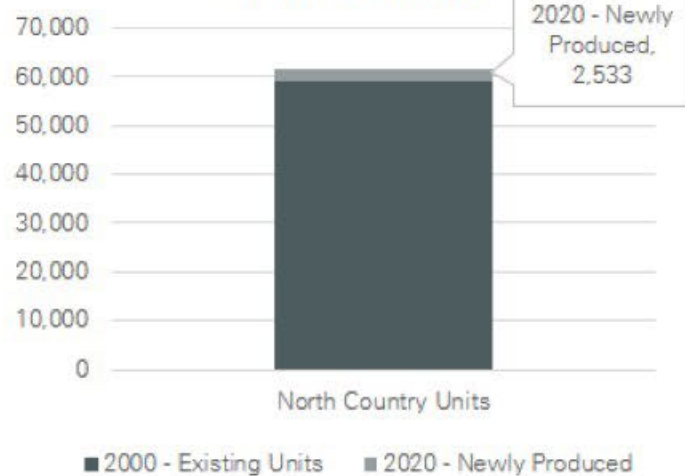
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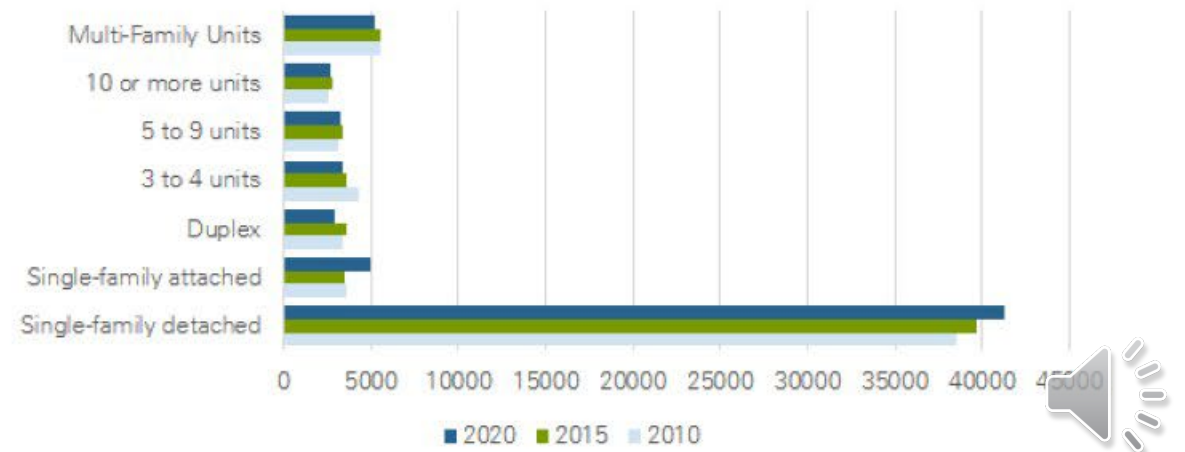
Carroll



Units Produced



Units in Structures

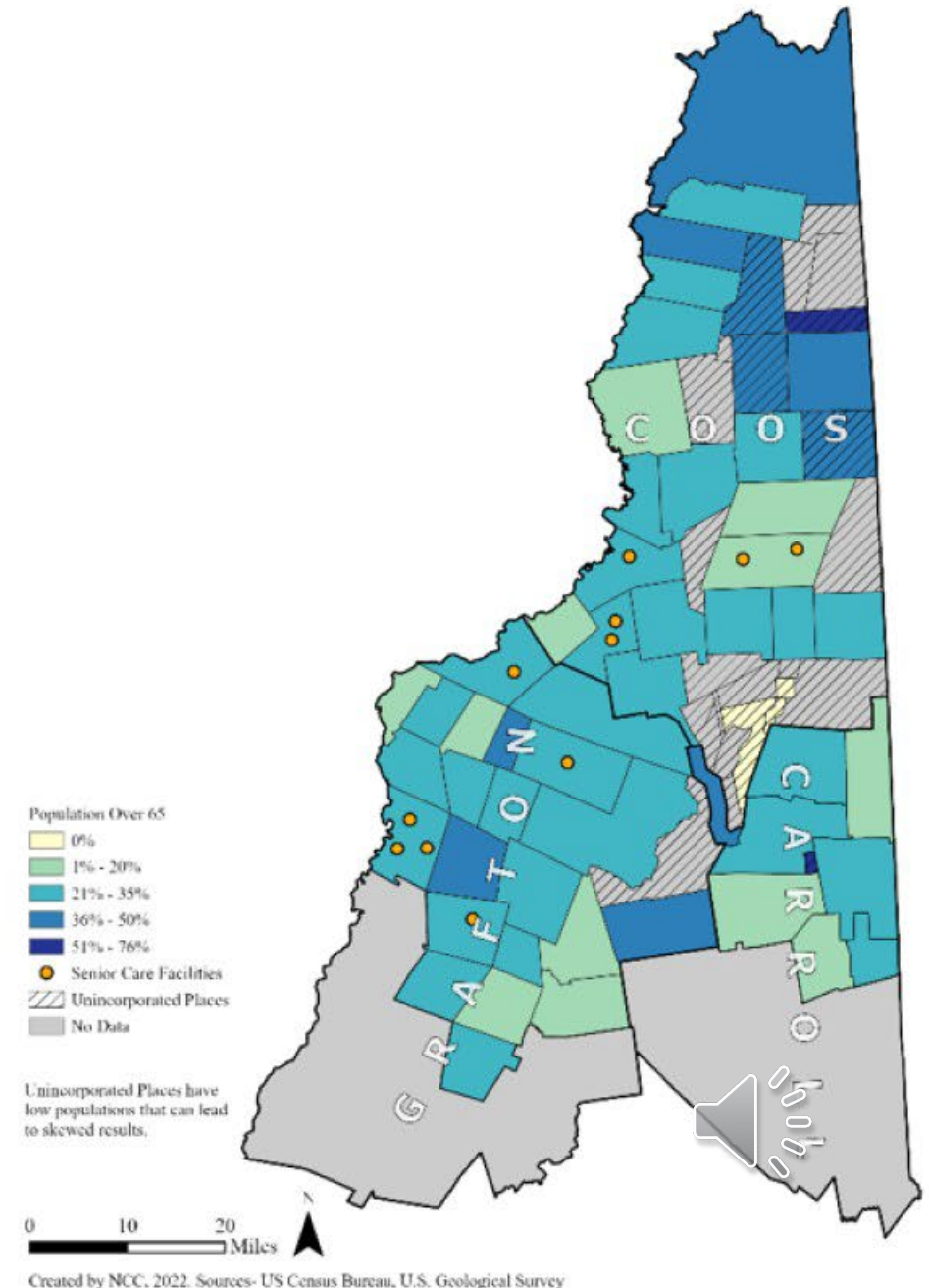


Age of Residents

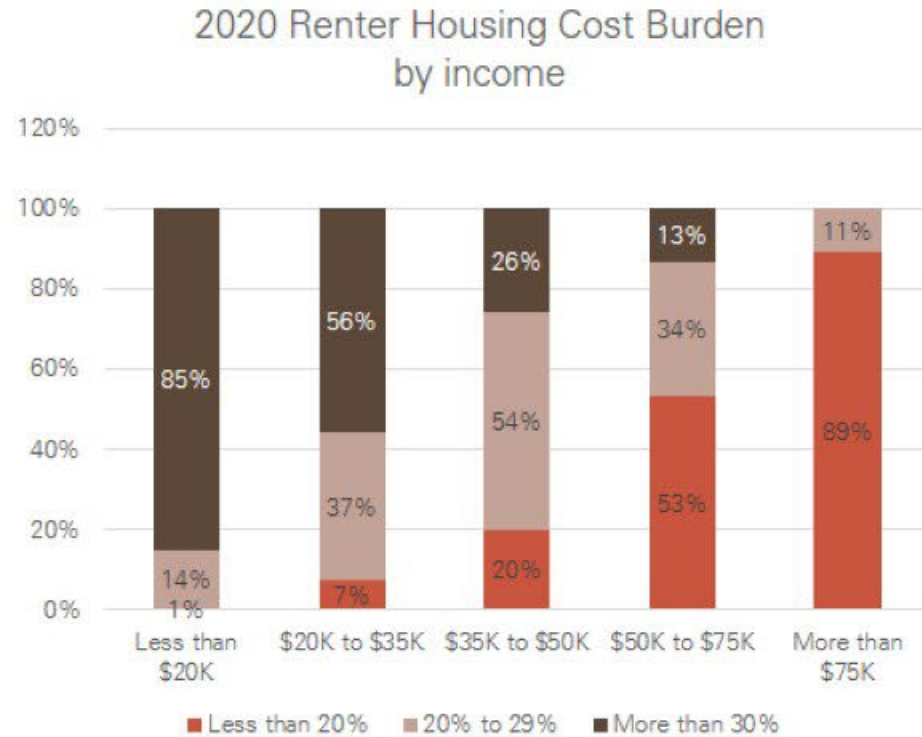
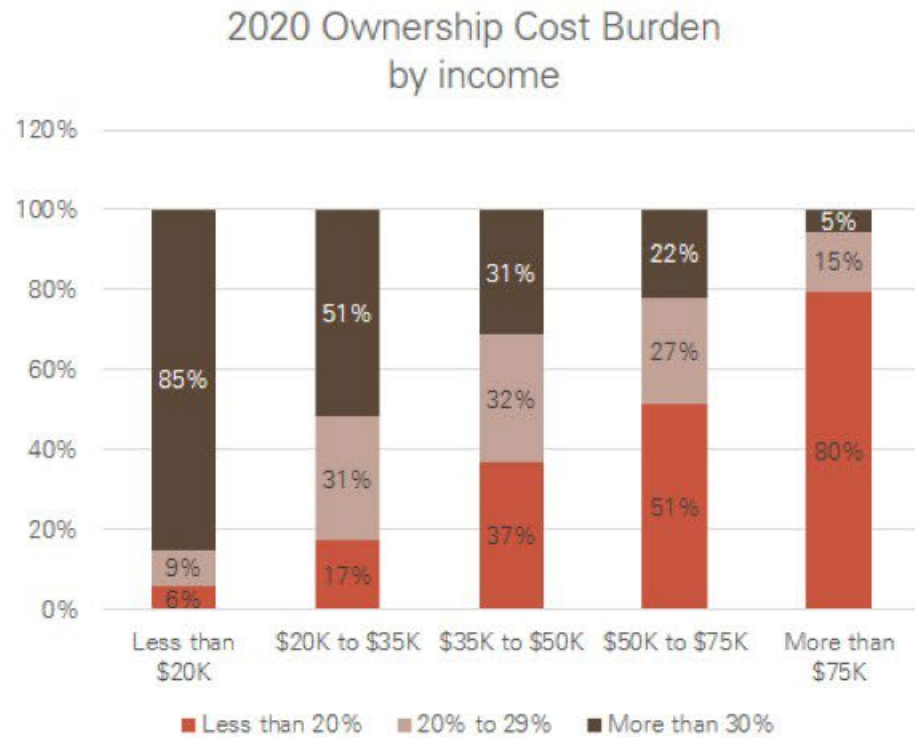
The age of our residents has several implications on our housing stock. Investments in accessibility, caretaker housing, and more senior care facilities will be needed.

The region's senior population is growing. Census data shows, people over 65 years of age in the region has grown by 6% in the past 10 years to a population of 19,642.

Although the senior population is evenly distributed across northern New Hampshire, Many towns with high senior populations do not have senior care facilities nearby, reducing options for aging in place.



Housing Cost-Burden



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

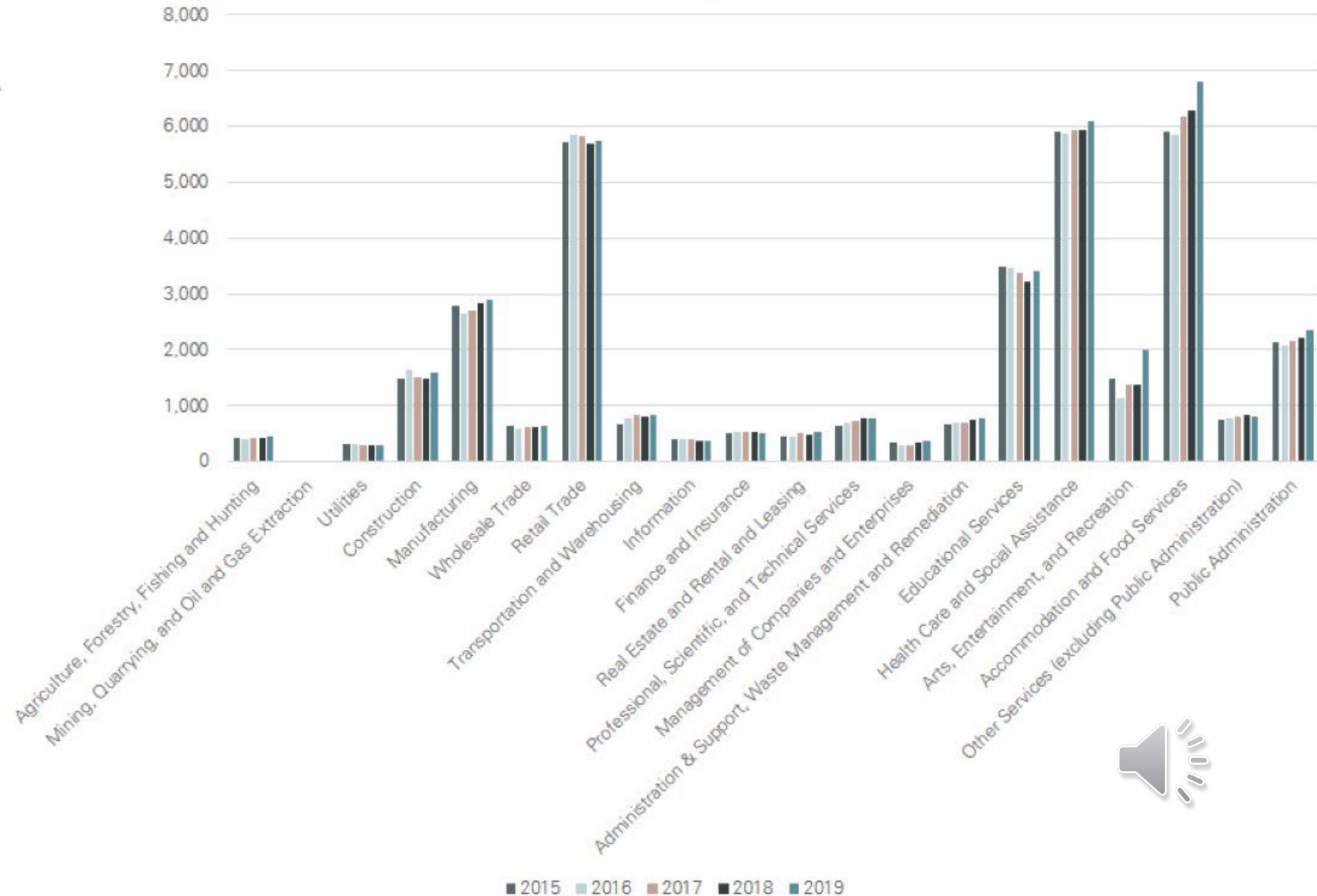
In renter households we've seen cost burden in our lowest incomes. The majority of those with incomes less than \$35K are cost-burdened. We also see a rise in cost burden in households earning \$35K to \$75K.



Industry Growth

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

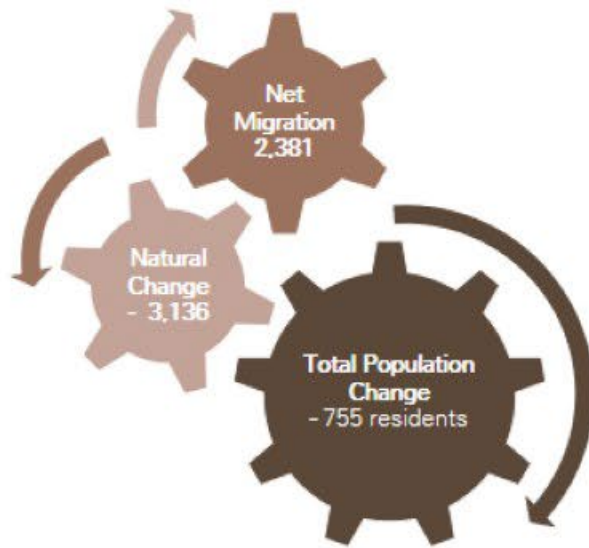
Industry 5-Year Trend
Number of Employees



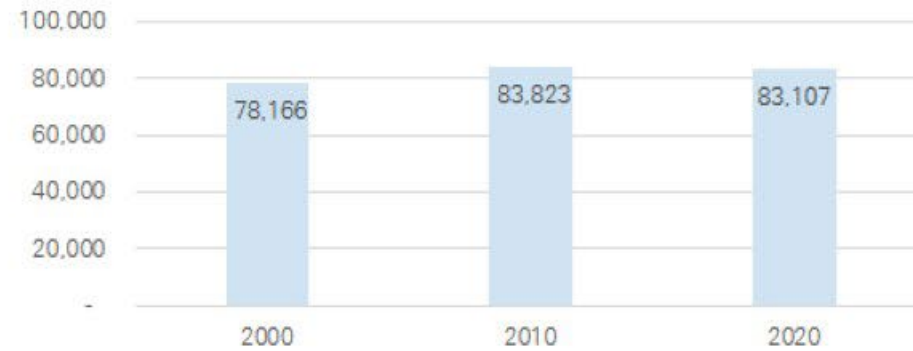
Population

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

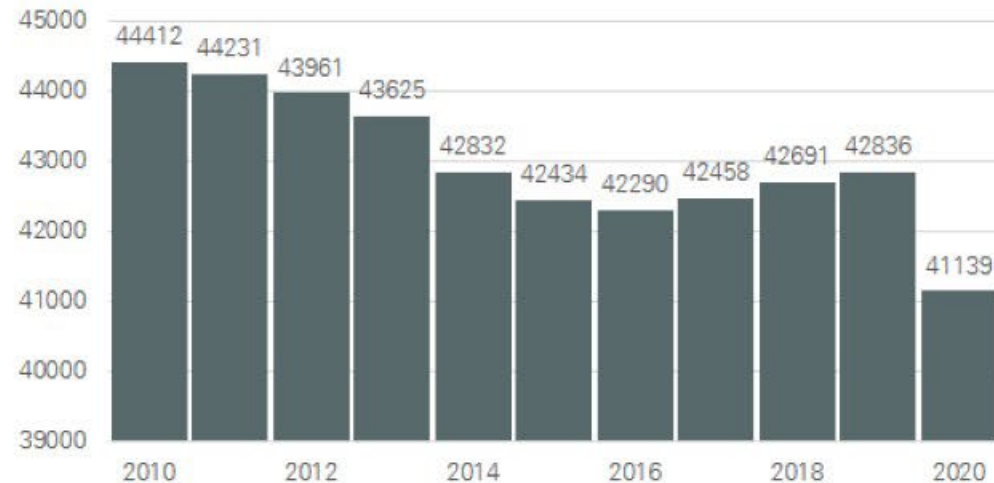
The labor force is reducing across the region.

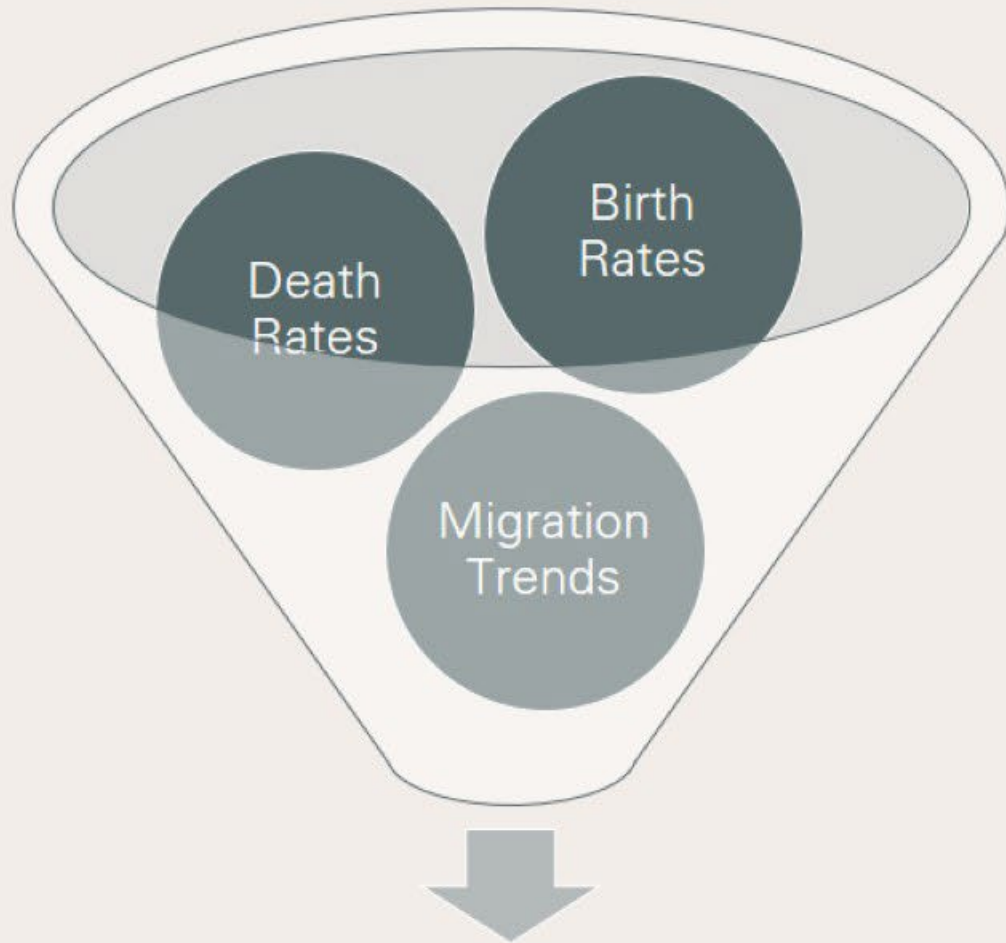


Regional Population (Census)



Labor Force

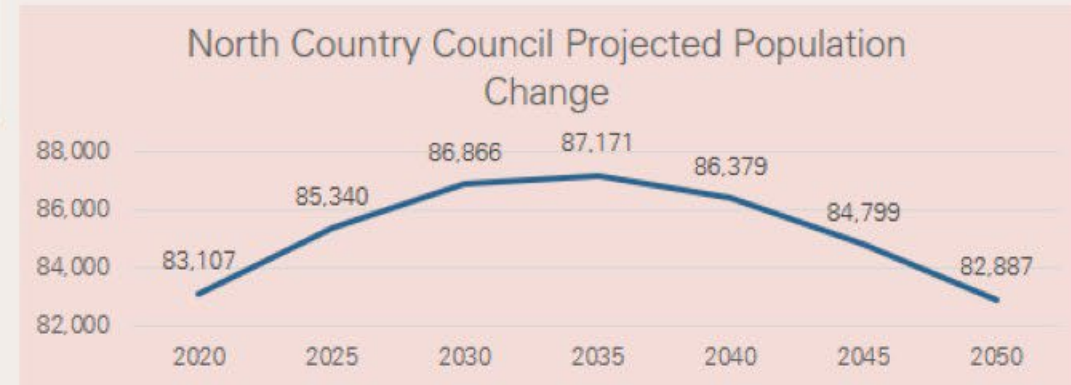




Population Projections

Population Projections

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

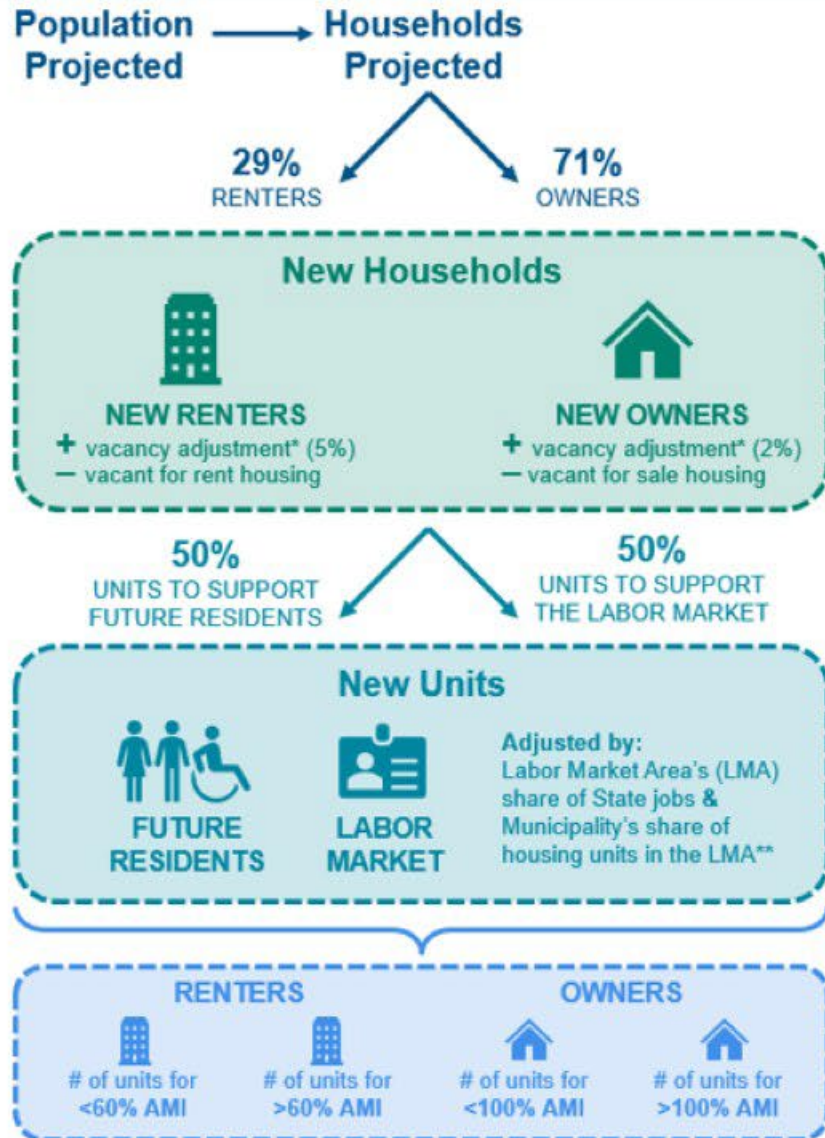


Looking forward 30 years, we see populations increase of 4,000 residents from now to 2035, followed by similarly paced decline to 82,887 in 2050.

Like all forecasting population projections only assess the factors included in the models that create them. They do not predict the future – they use current (and past) trends to present one scenario.



HOUSING UNITS NEEDED



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

Short-Term Unit Needs

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

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

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

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



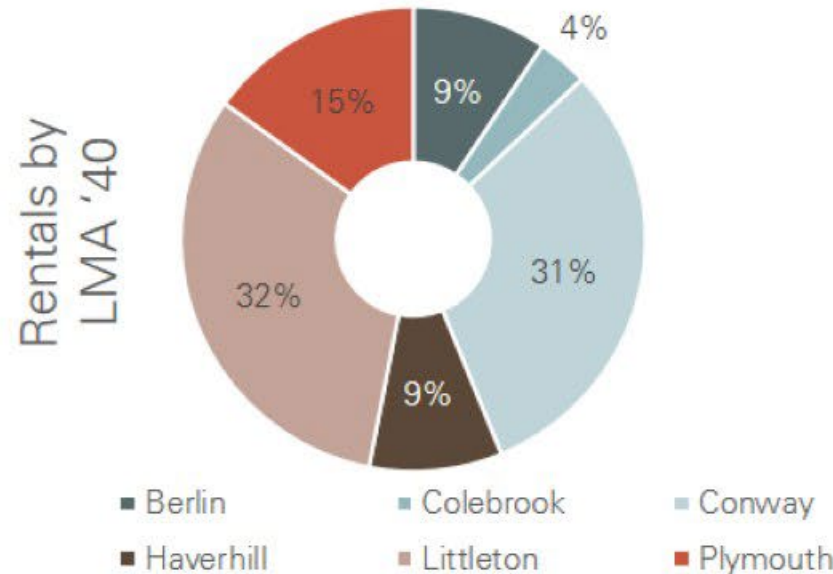
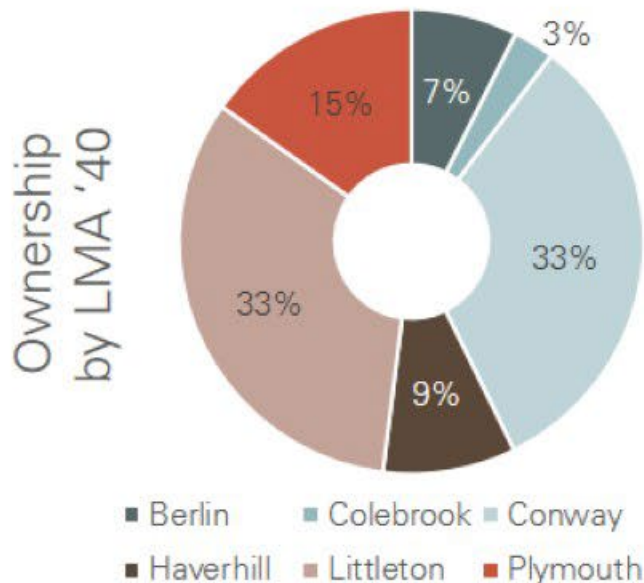
Long-Term Needs & Fair Share

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

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

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

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



Recommendations

The recommendations in this RHNA are not new.

Instead, they are based on the municipally-focused *Ideas to Address Key Housing Issues* initially published in the [2021 North Country Housing Needs Analysis](#).

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

Recommendation #1 Use the Tools:

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

Recommendation #2 Find Partners:

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

Recommendation #3 Ask for Help:

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

Recommendation #4 Build Buy-In:

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

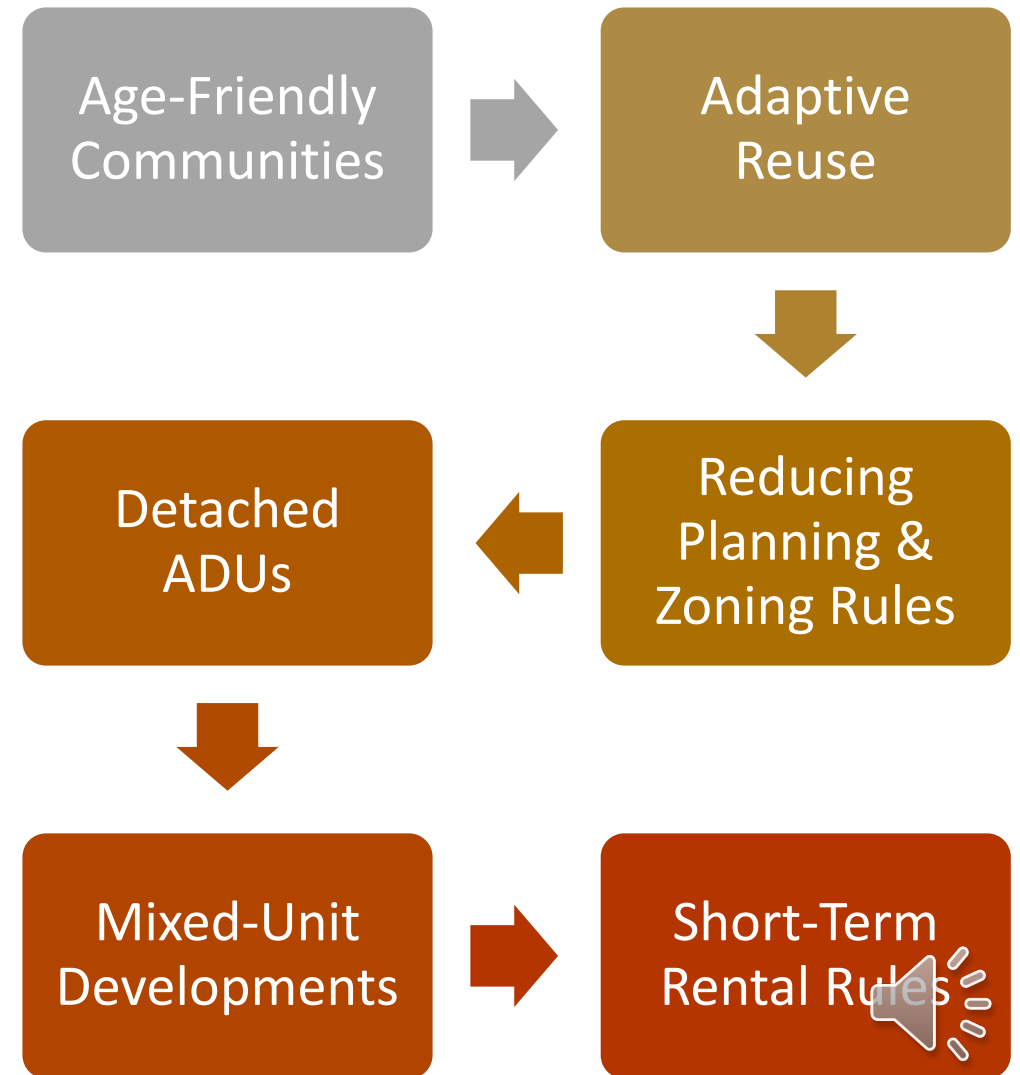
Tools in the Toolkit

The RHNA includes a robust toolkit with “starter kits” for 19 different solutions that can be explored at the municipal level.

For each tool you’ll find:

- A description of what it is
- How to know if it’s a good fit for your community
- Suggestions on how to get started with it
- Examples (Case Studies)
- Outside Resources Links
- And an idea of the issues it will address

The 7 tools listed to the left are examples from the toolkit that align with common challenges and opportunities in North Country municipalities.



The Toolkit

The statewide toolkit gives 19 concrete ways for local governments to take action on:

Affordable
Housing

Sustainable
Housing

Infrastructure

Redevelopment

Housing Costs

Multigenerational
Housing

Housing Options



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

Find the full toolkit in the RHNA or at:
<https://www.nhhousingtoolbox.org/>

Requested Commission Action

We ask the Commissioner's to consider the following action at the June 22, 2023 meeting.

“To adopt the Regional Housing Needs Assessment as part of the North Country Council’s regional plans, to inform and assist municipalities.”

