



# Housing: an Overview

## For the Hopkinton, NH Planning Board Work Session



May 15, 2022

[NHHFA.org](http://NHHFA.org)

# Agenda and Purpose

- Purpose: to discuss the current state of housing in Hopkinton, review existing zoning, and discuss potential areas for exploration and consideration
- Agenda
  - What does the housing landscape look like?
  - What is Hopkinton obligated to do about housing?
  - What are Hopkinton's current policies relative to housing and what are the outcomes of those resulting from those policies and market conditions?
  - Are those outcomes aligned with our community's vision and needs?
  - What *should* Hopkinton do about housing?

# About New Hampshire Housing

Established in 1981 by state legislature as a self-sustaining public corporation  
(not a state agency)

Governed by 9-member Board of Directors appointed by Governor and Council

## ***Our mission***

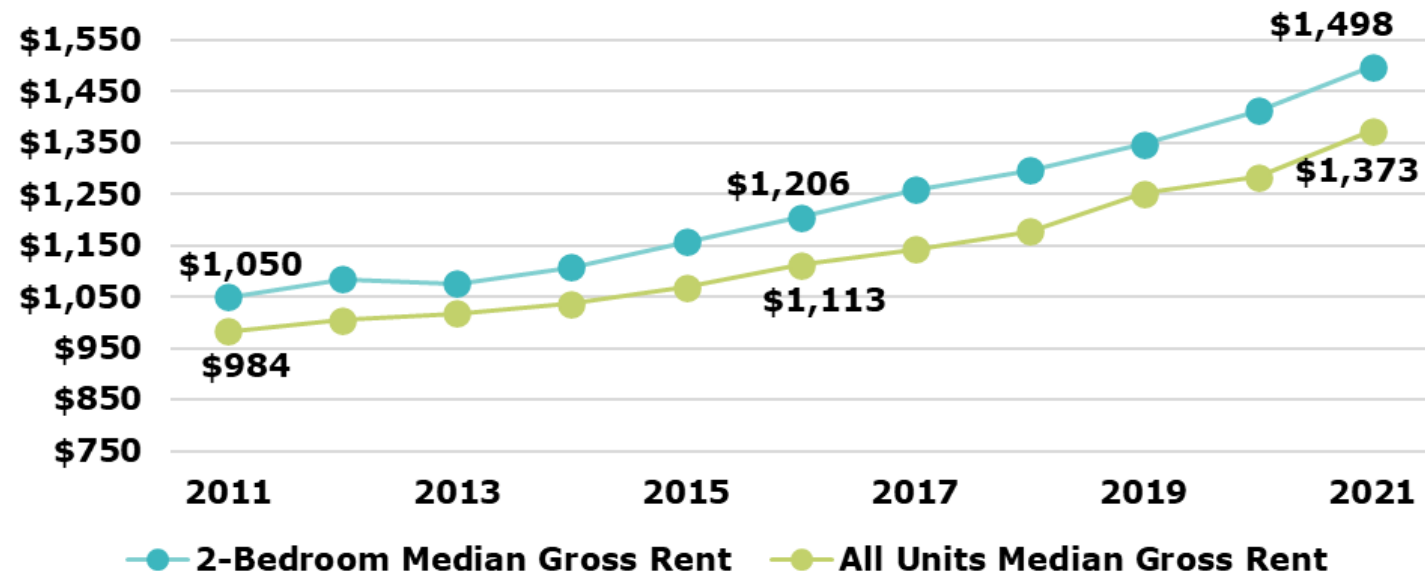
To promote, finance and support affordable housing and related services for the  
people of New Hampshire



# What's up with the Housing Market in New Hampshire?

- NH real estate market is booming – both for rentals and homes for sale
- April 2020 – predictions were for a real estate slump
- Summer/fall 2021 – records set for sales, selling price, rental costs
- What happened?
  - ❑ Historically low interest rates
    - *Recent increase has hindered affordability but hasn't brought down prices (yet?)*
  - ❑ Decades-long underperformance of housing construction
  - ❑ And of course, COVID (right?)

# Median Gross Rental Cost



2-BR

\$1,498



6% from last year

5-year change



24%

ALL

\$1,373



7% from last year

5-year change



23%

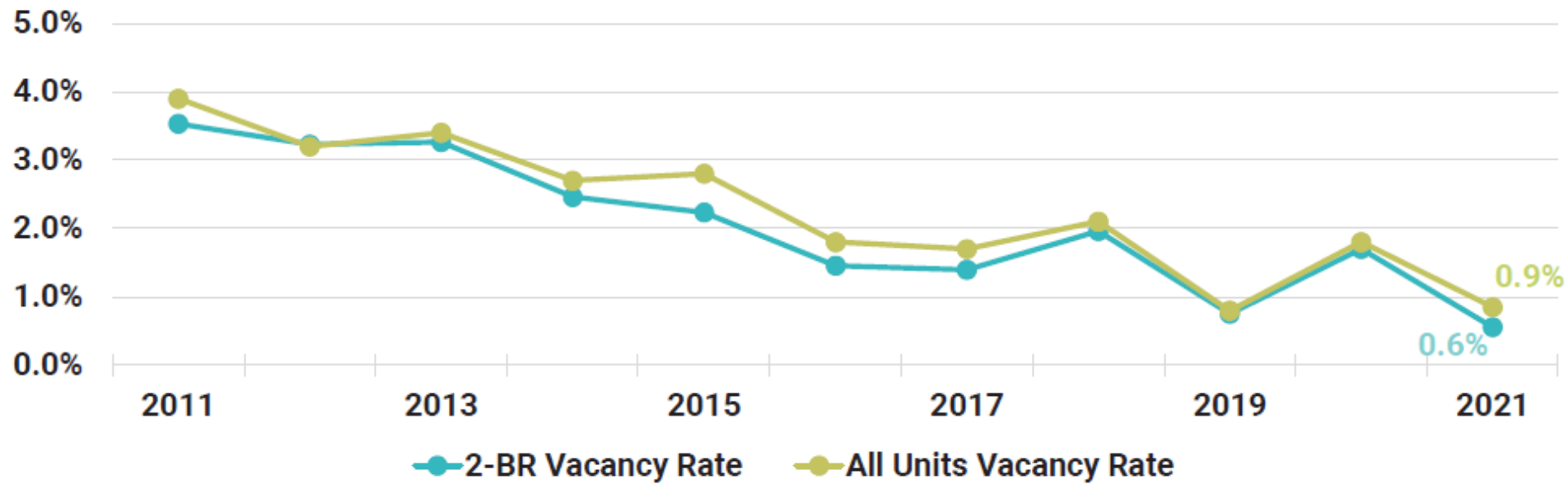
# Vacancy Rate of Residential Rental Units

2-BR

0.6%

ALL

0.9%

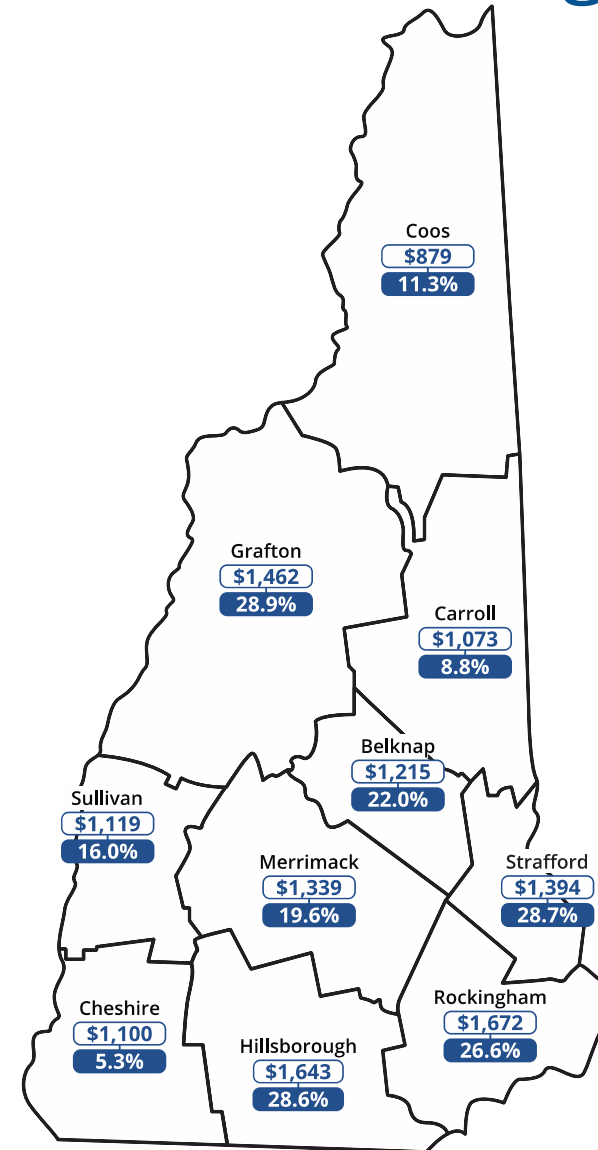


# Median Monthly Gross Rent & Percent Change

2-bedroom units, 2016 - 2021

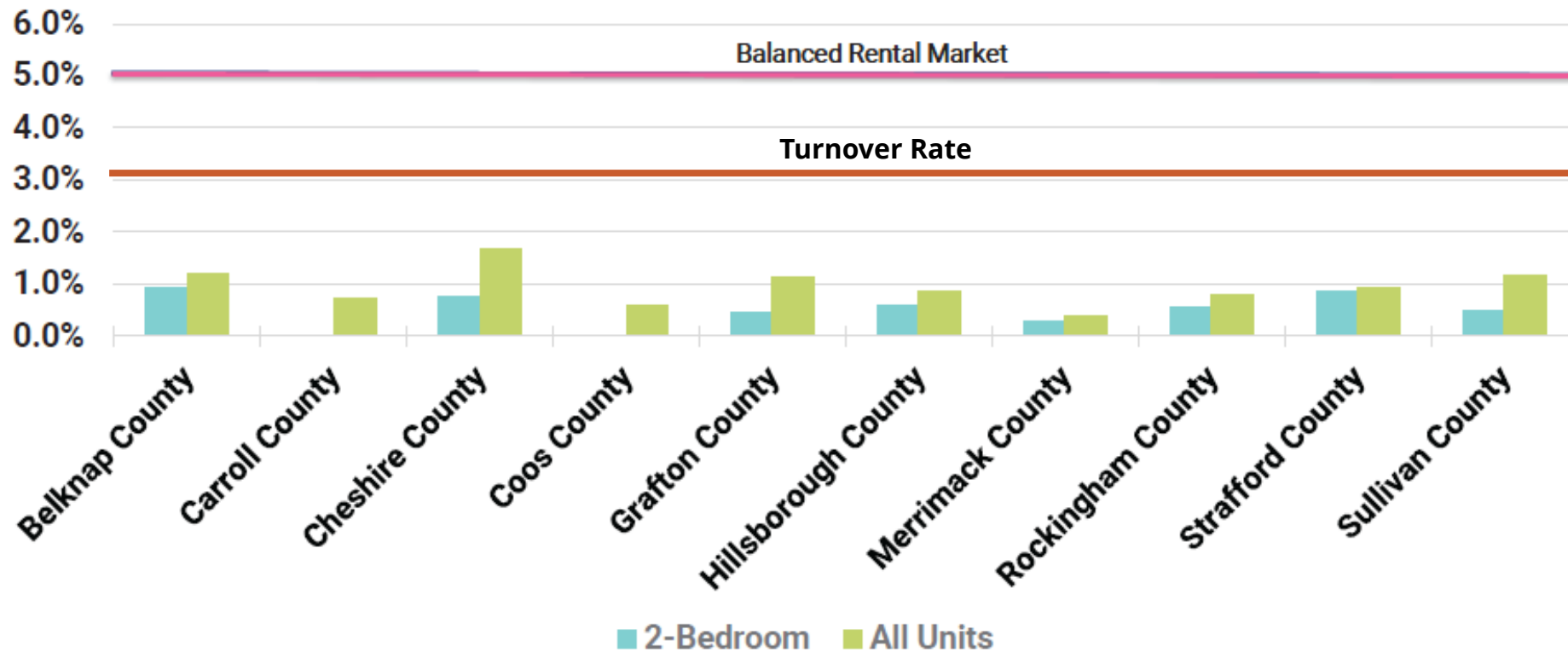
Median Monthly Gross Rental  
Cost for 2-Bedroom Units

Percent Change in 2-Bedroom  
Median Gross Rent Over 2016-2021



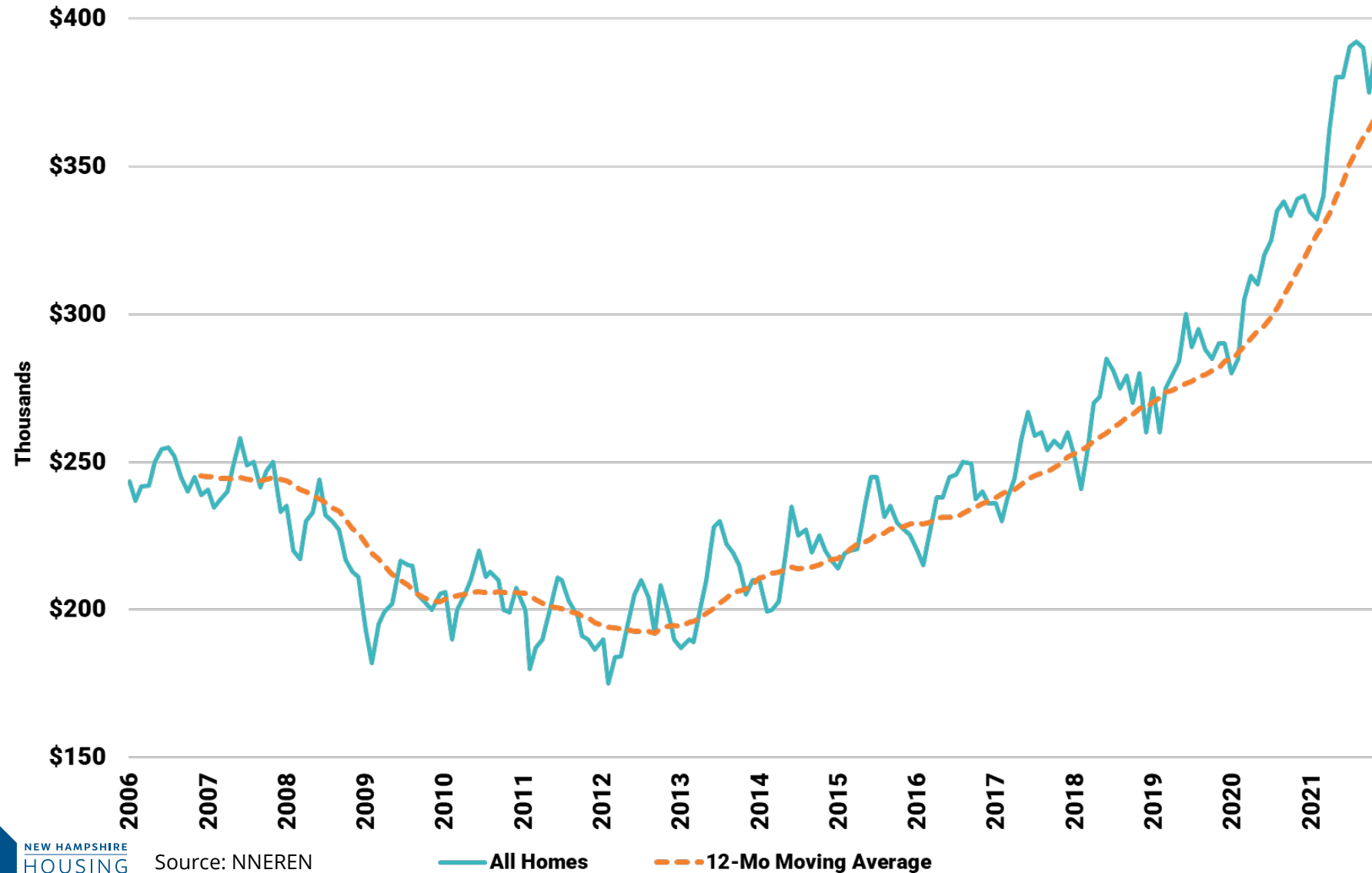
# Vacancy Rate by County

All counties experiencing low vacancy rates



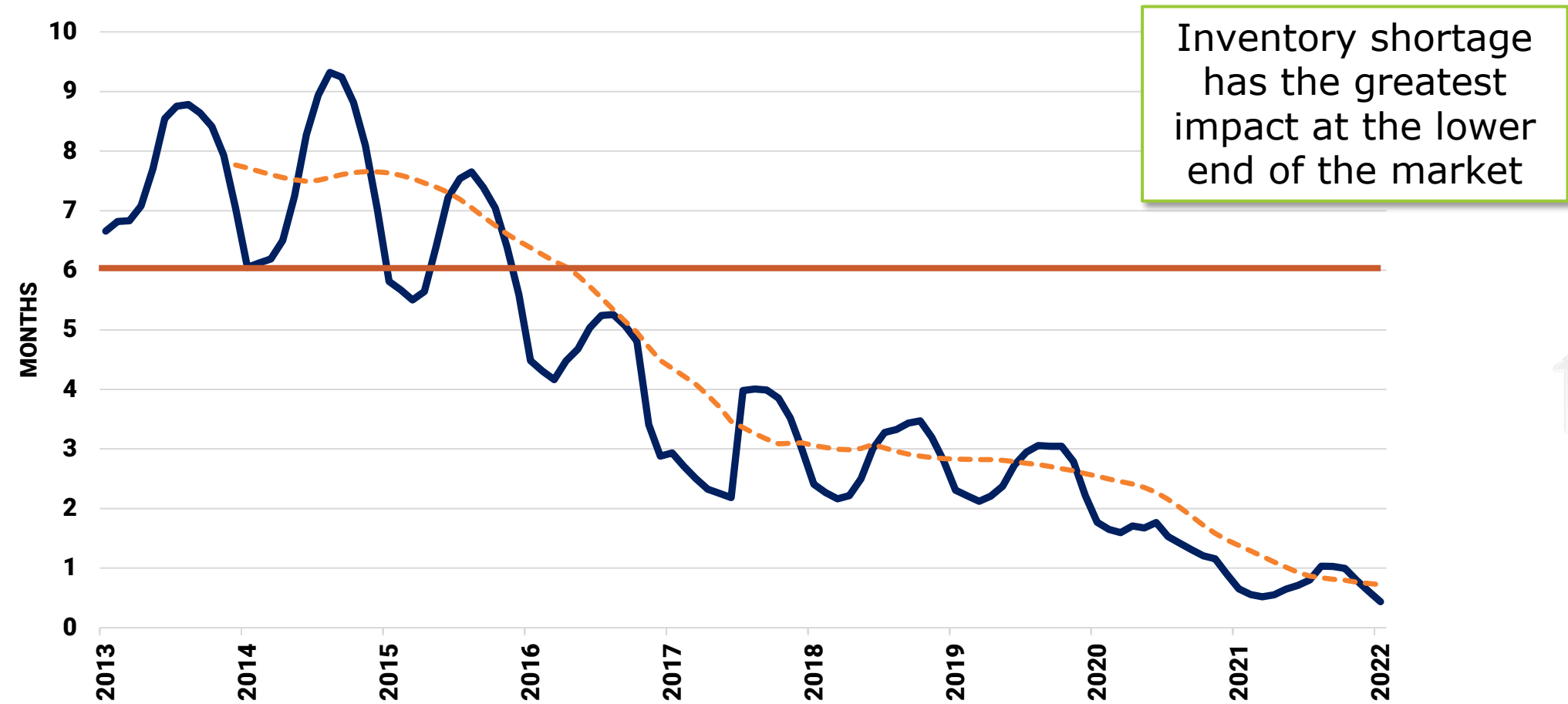


# Single-Family Median Sales Price



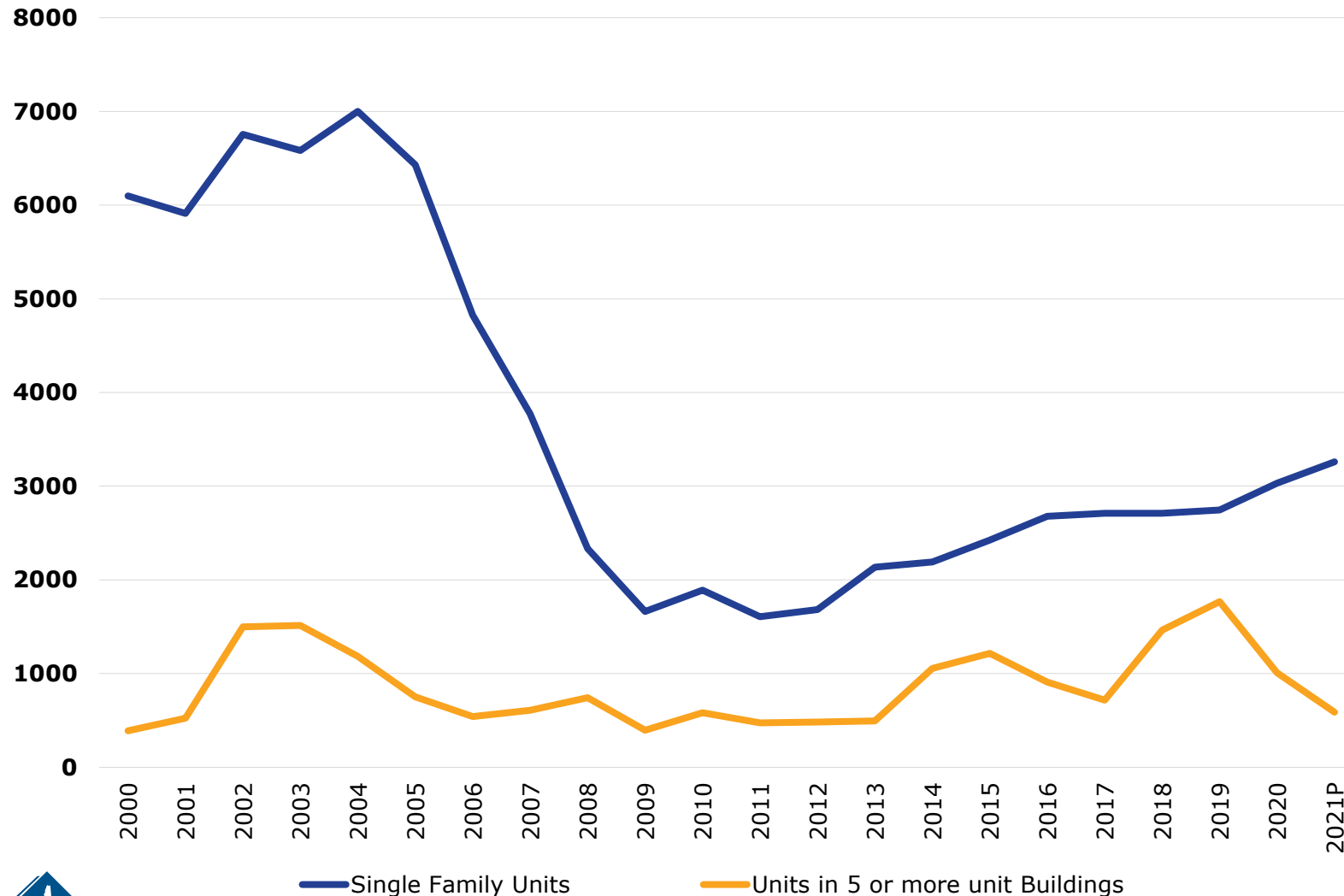
# Single-Family Housing Inventory

Months to absorb active listings at prior 12 months' sales pace



Less than 6 months of inventory is considered a ***seller's market.***

# NH Building Permits Lagging



With high demand and limited supply for rentals and purchase homes, *why aren't builders building more?*

# Impediments to Housing Development



**LUMBER**  
Development costs



**LABOR**  
Workforce  
availability



**LAND**  
Finite, but intensity  
of use is variable



**LOANS**  
Financing



**LAWS**  
Regulatory practices



# Impediments to Housing Development



# Housing Challenge

- **Aging population**
- **Younger adults with higher debt load impacts affordability and savings**
- **Older adults want to grow old in their home or in their community**
- **Mismatch of housing stock for a changing demographic & economy**
  - ❑ What are the housing options we have now?
  - ❑ What do the current and future residents of the region need?
  - ❑ What do we allow?
- **Demand for similar housing shared by older and younger people**
- **Need a variety of solutions**
- **Local resistance to housing development**



# AARP Survey

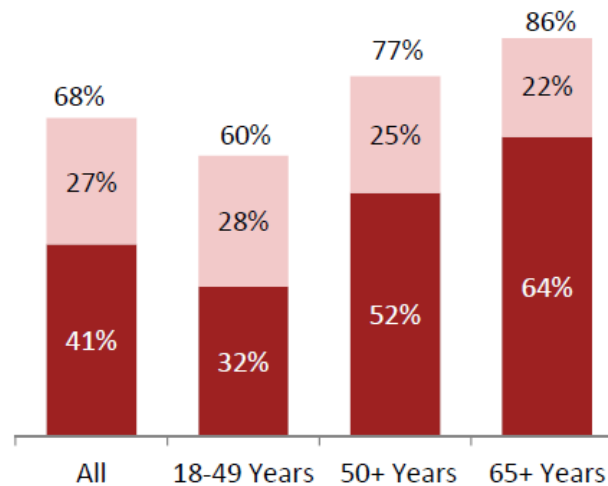


Home &  
Community

Preference to remain in their community or current residence is stronger in older age groups.

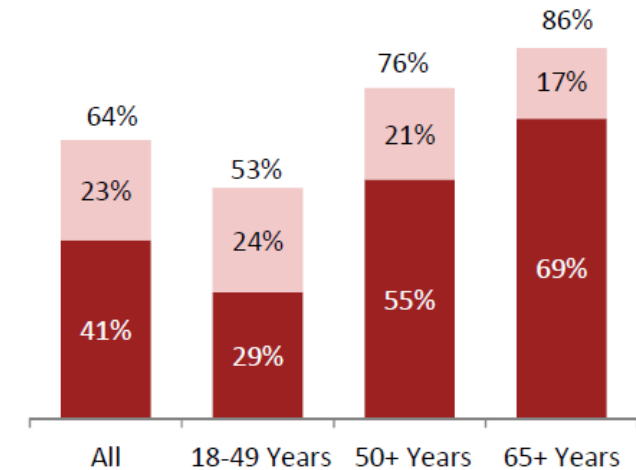
*"What I'd really like to do is remain in my community for as long as possible"*

■ Strongly agree ■ Somewhat agree



*"What I'd really like to do is stay in my current residence for as long as possible"*

■ Strongly agree ■ Somewhat agree



Q1: How strongly do you agree or disagree with the statement: What I'd really like to do is remain in my community for as long as possible?

Q2: How strongly do you agree or disagree with the statement: What I'd really like to do is stay in my current residence for as long as possible?

Source: 2018 Home and Community Preferences Survey: A National Survey of Adults Age 18-Plus

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AARP RESEARCH

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NEW HAMPSHIRE  
HOUSING

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# AARP Survey

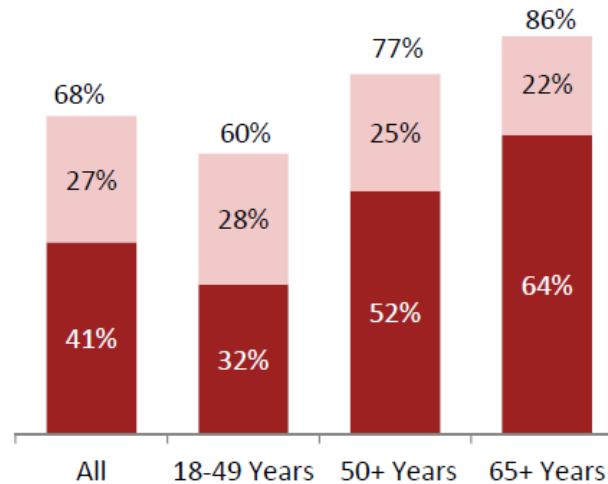


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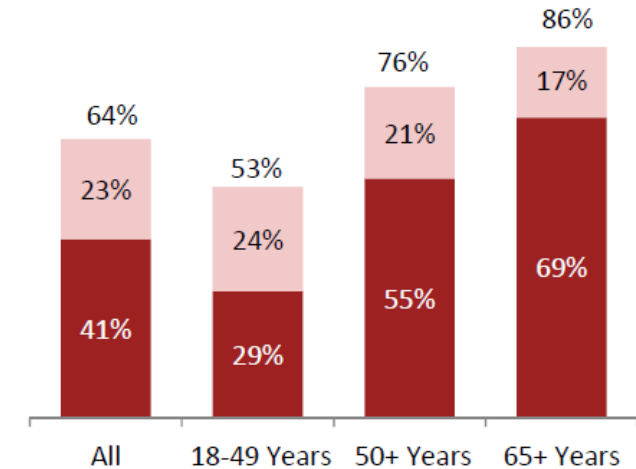
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AARP RESEARCH

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HOUSING

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# Additional Resources

[www.nhhfa.org/publications-data/](http://www.nhhfa.org/publications-data/)

## Reports and Data

- Housing Market Reports
- Annual Rental Cost Survey
- Studies of home building costs, tax credit rental property residents

## Housing Advocacy/Technical Assistance

- Municipal Technical Assistance Grants Program
- Housing conferences
- Local housing advocacy grants
- Resources for Change



<https://nhfpi.org/>



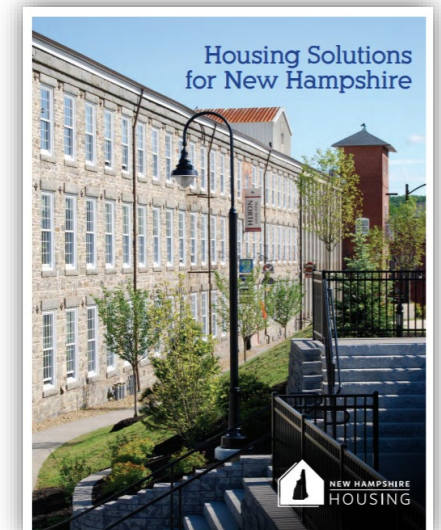
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BLOG

## Worsening Housing Shortage Reduces Access to Affordable Homes in New Hampshire

May 4, 2022



# What's Hopkinton doing about Housing?

## ***The Vision:***

***Provide a range of housing options including affordable single-family homes, multi-family homes, and ACCESSORY DWELLING UNITS that blend with the historic character are available to accommodate residents of all ages.***

***From the Draft 2022 Master Plan (p 1.3)***

## ***The Tools:***

- ***Dimensional Requirements***
- ***Affordable Housing Chapter***
- ***Accessory Dwelling Units (In-Law Apartments)***
- ***Conservation Subdivisions***
- ***Overlay District***

# Dimensional Requirements

- ❑ Summary of ordinance requirements for minimum lot sizes required to permit a single-family home
- ❑ Minimum lot size in most of Hopkinton and Contoocook is 2.75 acres/ 120,000 SF
- ❑ “High Density Residential” (R-1) allows 1.4 acres/60,000 SF
- ❑ Highest residential density permitted by right is in VR-1: .34 acres/7,500 SF

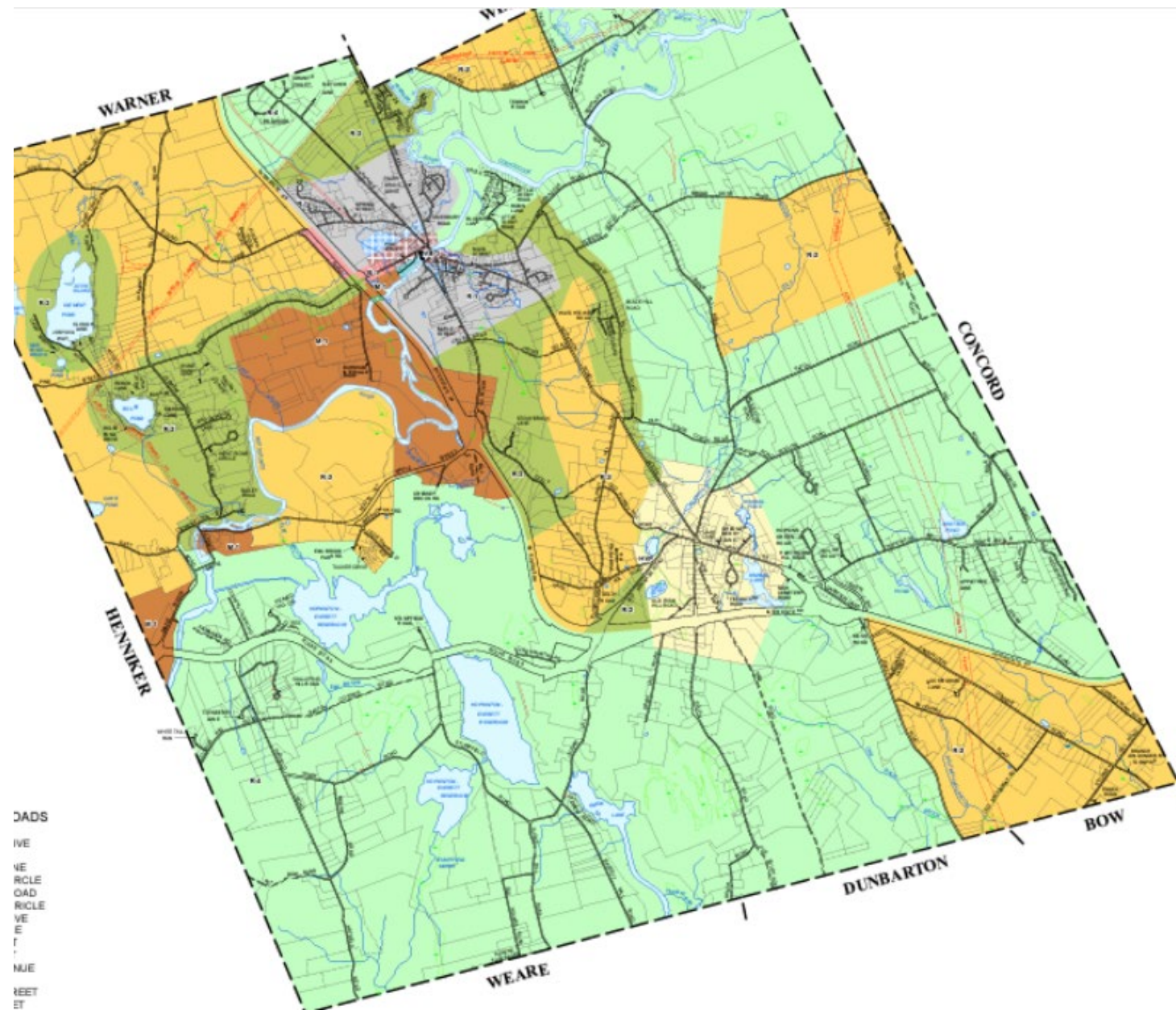
TABLE OF DIMENSIONAL REQUIREMENTS									
Districts	Minimum Lot Dimensions <sup>a</sup>			Minimum Setback Dimensions <sup>a</sup> (ft)					
	Area (sf)	Continuous Frontage <sup>g</sup>	Depth	Front	Side	Rear	Max. Height of Structure	Max. % Bldg. Cvge/Lot	Min.% Open Space/Lot
R-4 <sup>b</sup>	120,000	300	200	60	30	60	35	20	70
R-3 <sup>b</sup>	120,000	300	200	60	30	60	35	20	70
R-2 <sup>b</sup>	80,000 <sup>d</sup>	250	140	40	20	40	35	30	30
R-1 <sup>b</sup>	60,000 <sup>e</sup>	160	120	30	15	40	35	30	30
R-1 (other than residential)	15,000	100	100	25	15	40	35	30	50
B-1 <sup>c k</sup>	15,000 <sup>f</sup>	80	80	30	15	40	35	40	30
M-1 <sup>c k</sup>	110,000	250	300	50	40 <sup>h</sup>	50	45	40	30
VR-1 <sup>j</sup>	15,000 <sup>i</sup>	80	80	30	15	40	35	40	30
VB-1 <sup>l</sup>	7,500 <sup>i</sup>	50	100	0	10	10	35	60	20
VM-1 <sup>j l</sup>	55,000	150	200	25	25	25	35	50	30

**43,560 SF per acre**  
**10,890 SF in a quarter acre**

# Zoning Map

## ZONES

	COMMERCIAL (B-1)
	HOPKINTON VILLAGE PRECINCT (HVP)
	INDUSTRIAL (M-1)
	HIGH DENSITY RESIDENTIAL (R-1)
	MEDIUM DENSITY RESIDENTIAL (R-2)
	LOW DENSITY RESIDENTIAL (R-3)
	RESIDENTIAL/AGRICULTURAL (R-4)
	VILLAGE HIGH DENSITY RESIDENTIAL (VR-1)
	VILLAGE COMMERCIAL (VB-1)
	VILLAGE INDUSTRIAL (VM-1)



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# Affordable Housing in Hopkinton's Zoning

- ❑ Not permitted in largest district (R-4)
- ❑ Minimum lot sizes are reduced in selected districts:
  - ❑ R3: from 2.75 acres to 1.4 acres
  - ❑ R-2: from about 2 acres to about 1 acre
  - ❑ R-1: from about 1.4 acres to about 1 acre
  - ❑ VR-1: it's complicated

*Hopkinton's Affordable Housing Ordinance is a strong tool to address the cost of housing in Town. Continuing to utilize this tool, ensuring its ease of use, and compliance with relevant RSAs and case law will strengthen its impact.*

***From the Draft 2022 Master Plan (p 2.3)***

Density	Square Feet Per Dwelling Unit
R-3	60,000 sq. ft.
R-2	45,000 sq. ft. if neither public water or sewer.
	40,000 sq. ft. if public water but no sewer.
	35,000 sq. ft. if public water and sewer.
R-1, VR-1	40,000 sq. ft. if neither public water or sewer.
	35,000 sq. ft. if public water but no sewer.
	30,000 sq. ft. if public water and sewer.
B-1 and VB-1 (special exception), R-1 and VR-1 within Contoocook Precinct Elderly Affordable Housing.	15,000 sq. ft. and 2,000 sq. ft. for each dwelling unit more than one in a building.

# Conservation Subdivisions and Accessory Dwelling Units in Hopkinton's Zoning

- ❑ Conservation Subdivisions allow for smaller lots if developer can show that they are not building any more homes than would have been allowed under regular zoning and the undeveloped land is preserved as open space.
- ❑ If development incorporates 20% of units as senior/affordable housing, a 25% increase in the number of dwelling units is allowed.
- ❑ If development includes a combination of senior and affordable housing units, a 30% increase is available.
- ❑ Accessory Dwelling Units ("in-law apartments")
- ❑ In 2017, NH RSA 674 was amended to require all towns allow ADUs in any zone where single-family homes are allowed
- ❑ Hopkinton adopted zoning changes to comply with the law which were further updated in 2019
- ❑ Ordinances asserts that ADUs "shall be deemed a residence of workforce housing"

# What are NH Towns Obligated to do in terms of Housing?

- ❑ In 2008, the New Hampshire Legislature passed a law that requires every community to provide “reasonable and realistic opportunities” for the development of workforce housing. New Hampshire’s workforce housing statute (NH RSA 674: 58-61). The statute defines “workforce housing” and what is considered “affordable.”
- ❑ New Hampshire is not a “home rule” state, which means all municipal power derives from a Legislative grant. RSA 672:1, III-e states that housing that is affordable to low- and moderate-income households “shall not be prohibited or discouraged by use of municipal planning and zoning powers or by unreasonable interpretation of such powers.”
- ❑ The NH Supreme Court ruled in *Britton v. Town of Chester*, 134 N.H. 434 (1991), that municipalities are obliged to provide such households with a reasonable and realistic opportunity to obtain affordable housing, and that a municipality’s zoning cannot be used prevent “outsiders of any disadvantaged social or economic group” from moving there.

# Workforce Housing: Definition in Law

- ❑ New Hampshire RSA 674:58-:61, the state's workforce housing law, defines income and affordability ranges.
- ❑ For Rentals:
  - ❑ TO be considered Workforce Housing, maximum gross rent (inclusive of utilities) should be affordable to a family of three earning 60% of Area Median Income
  - ❑ For Merrimack County in 2022, this means a gross rent of \$1,430/month
  - ❑ Affordable to a family earning \$57,130
- ❑ For Homeownership:
  - ❑ To be considered workforce housing, maximum home purchase price must be affordable for a family of four earning 100% of Area Median Income
  - ❑ For Merrimack County in 2022, this means a purchase price of \$330,000
  - ❑ Affordable for a family earning \$105,800




# Questions to Consider

- ❑ Are we comfortable that our town is meeting its obligation to provide reasonable and realistic opportunities for the development of workforce housing?
- ❑ Does new market-rate housing being built in Hopkinton align with the hopes and needs expressed in the Master Plan survey?
- ❑ Is the Affordable Housing Ordinance truly “a strong tool to address the cost of housing in Town?” How can we make that determination?

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Laurie Norton with The Masiello Group Manchester



3D Tour 1 / 15

Veterans: How much home can you afford? | Get a great mortgage rate in 3 simple steps

For Sale


**\$749,900** Est. **\$4,979/mo**

4 bed 3 bath 2,250 sqft 3.19 acre lot

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Presented by: Pamela Perkins  
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Virtual Tour 1 / 30

Veterans: How much home can you afford? | Get expert home loan advice from a Home

Contingent

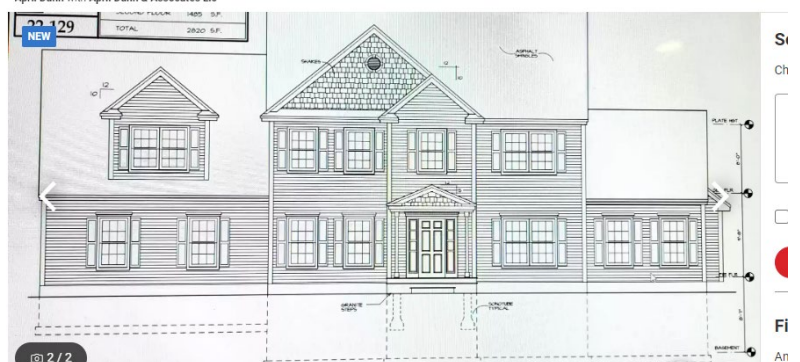
**\$4,750,000** Est. **\$38,674/mo**

5 bed 5.5+ bath 11,290 sqft 70 acre lot

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< Back Hopkinton, NH New Hampshire > Merrimack County > Hopkinton > Old Stagecoach Rd Lot 54-2

Presented by:  
April Dunn with April Dunn & Associates LLC



2 / 2

Veterans: How much home can you afford? | Calculate my Payments with ACTUAL Lenders

For Sale

**\$899,900** Est. **\$5,974/mo**

4 bed 2.5 bath 2,820 sqft 3.04 acre lot