

# Housing Task Force

- Members

- Michael Behrendt- Town Planner
- Tom Elliott- Business Owner
- Richard England- UNH Professor Emeritus, Economics
- Heather Grant- Planning Board member and Housing Task Force Chair
- Charlotte Hitchcock- Architect / Architectural Historian (also on Durham Historical Commission)
- Al Howland- Previously on Oyster River School Board and Durham Town Council
- Mimi Kell – Community Manager-Madbury Property Management
- Nick Taylor (Executive Director, Workforce Housing Coalition of the Great Seacoast)
- Sally Tobias-Town Council

# Housing Task Force- We are not alone!

- Durham Recognized the housing challenges in 2019 and initiated the Housing Subcommittee
- We are not alone, many communities are working to understand what they can do to improve housing
- The Town of Lee began to face this issue this year, after realizing that critical municipal DPW employees could not find housing and were commuting as much as 45 minutes

## New Hampshire Communities w/ Local Entity

- **Durham:** Housing Task Force (est. 2020)
- **Exeter:** Housing Advisory Committee (est. 2015)
- **Jackson:** Housing Committee (est. 2019)
- **Lee:** Housing Committee (est. 2022)
- **Manchester:** Housing Commission (est. 2022)
- **New London:** Housing Commission (est. 2021)
- **Newbury:** Housing Committee (est. 2020)
- **Portsmouth:** Land-Use Committee (est. 2022)
- **Tilton:** Housing Standards Board (est. 2016)

# Housing Task Force Input

- **On-Going- Monitoring**
  - State Legislative Updates on Housing Initiatives – Example HB586 (2021) related to density bonuses for age restricted housing apply to workforce housing, as well.
  - Monitoring Durham Housing Sales and Regional Affordable Housing Data
- **Public Comments -Samantha Register – relocation to Durham. After struggling to find a rental for their family, they were able to rent a home where the owner had moved into her ADU and was renting out the primary home.**
- **Analysis/Education**
  - Durham ADUs and Condos
  - Hudson Valley Affordable Housing Summit
  - Regional Housing Summit
  - Housing Action New Hampshire
- **John and Maggie Randolph- Harmony Homes**
  - Promoting affordable housing to address housing and workforce shortages
    - Harmony Place – Apartments and daycare space
    - Cottages at Back River Road- 44 standalone 384 sq ft homes for rent. Lots that average 560 square feet.
    - Need to work on projects that can flow through the approval system predictably, costs are too high to have loans and taxes being paid over an extended period of time pending town approvals
- **Discussion on Infrastructure for housing with Public Works and Town Administrator**
  - Expansion of water and sewer is not in Durham plans; specific projects should be reviewed individually.
  - Potential of community septic systems, etc can make projects viable without Durham investment

# Why Housing Matters in Durham

Housing Task Force  
October 2022

# Durham's 2025 Master Plan Vision

**“fostering a vibrant downtown”**

**“balanced economic growth... essential in supporting our schools, resources, and town services, and stabilized property taxes.”**

**“Durham has encouraged mixed residential and commercial development in and near the downtown”**

**“To attract a broader range of people to live in Durham, the Town needs to create more diversity in housing choices”**

**“To reverse the current trend of declining numbers of young families, Durham needs to provide more affordable single-family housing and employment opportunities while balancing other non-student generating uses”**



# Master Plan-

## “Fostering a Vibrant Downtown”

### “Balanced economic growth...essential in supporting our schools, resources, downtown services, and stabilized property taxes”

- Durham businesses require a vibrant community to survive and thrive.
- Year-round permanent residents are customers for our local businesses.
- Workforce housing shortage hampers ability to attract young talent and diversity to NH and Durham, making it less business friendly.
- Applied Economic Research 2020 comments on New Hampshire Housing- *“The shortage of affordable housing is preventing people from moving to the state to take jobs and is contributing to slowing economic growth. If we want people to move here we need to have someplace to put them.”*
- Will Durham be a place where our children have to move away, or will they have options to stay and put down roots?
- Do we have housing options to support all life stages?



Durham needs additional housing options to encourage and support a downtown Durham that has shops and restaurants that attract a multi-generational audience. The availability of more types of housing will allow Durham to be a choice for people searching in the greater Seacoast area.

# Master Plan-

## “By 2025 Durham has encouraged mixed residential and commercial development in and near the downtown”

- Downtown development- results related to student housing complexes
  - Durham’s downtown infill of student housing was reviewed in 2016 with communication from Town Council that objectives have been met-
    - From 2-10 Jenkins Court to “blighted” property development Madbury Commons Projects
    - Tax base increase
    - Moved students out of family neighborhoods?
- Zoning adjustments for downtown has been accomplished
- There is limited land available to support diverse housing needs
  - It is necessary to accomplish zoning changes in areas where buildable land is available

Durham is a welcoming community, but the policy focus was related to student housing strategies: away from downtown, in downtown, out of neighborhoods. *What changes can we make to develop housing strategies for young adults, families or downsizing older adults.*



# Master Plan:

**“To reverse the current trend of declining numbers of young families, Durham needs to provide more affordable single-family housing and employment opportunities while balancing other non-student generating uses”**

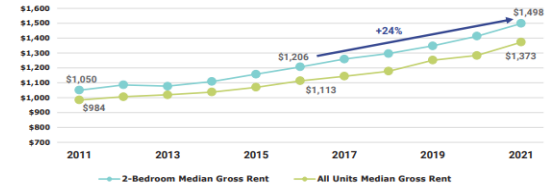
- Our priorities in the Master Plan have not changed
  - We have employment opportunities and like other towns, we struggle with hiring, but Durham lacks housing options for people looking to join our community.
  - Our challenges with housing affordability started well before COVID, rising costs due to lack of building after the Great Recession has led to housing shortages nationwide
- Affordable housing requires creative housing options to compliment single-family developments
  - Developments can be our “Faculty neighborhoods of the future” to be affordable
  - Our “empty nesters” and young adults want more housing options and entry level options may not be just “single-family” housing
- New Hampshire Housing Finance Authority Presentation (<https://www.nhhfa.org/wp-content/uploads/2020/03/HMR-March-2020-F-1.pdf>)
  - *Our communities do need four-bedroom colonials on large lots, but they also need affordable apartments, starter homes, and cluster condominiums to attract young families and accommodate us as we pass through lifestyle changes. Development controls in many of our communities don't allow that diversity*

## MONTHLY MEDIAN GROSS RENT (2-BEDROOM, ALL UNITS, STATEWIDE)

Includes utilities

Source: NH Housing  
2021 Residential Rental  
Cost Survey

The statewide median gross rent (including utilities) for a 2-bedroom unit has increased over 22% in the past 5 years.



16 HOUSING MARKET REPORT · JUNE 2022 · NHHOUSING.ORG

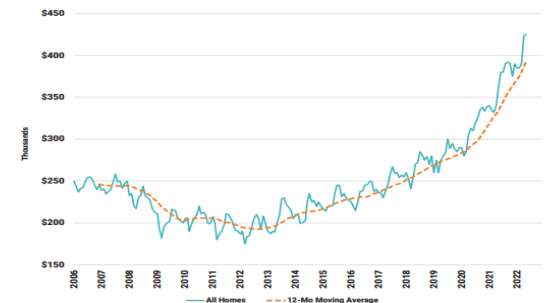
## NEW HAMPSHIRE'S HOMEBUYER MARKET

### MLS MEDIAN SALES PRICE

April 2022

Source: Based on information from the Northern New England Real Estate Network and compiled by NH Housing. Excludes land, interval ownership, seasonal camps/cottages, age-restricted, multi-family properties, mobile/manufactured homes and commercial/industrial property.

In April, the median sales price hit a record high of \$425,000, which is over 17% higher than April 2021, and 36% higher than April 2020.





# Housing Data and Workforce Housing data

2022 WORKFORCE HOUSING PURCHASE AND RENT LIMITS - REVISED 5.19.22

- Ave Home Price \$633K from June-Aug (taking out over \$1M)

Median closed price of single family homes in Durham past 90 days

300,000  
 342,000  
 420,000  
 450,000  
 560,000  
 576,000  
 624,000  
 640,000  
 651,000  
 699,000 Median 675,000 700,000  
 702,500  
 750,000  
 764,519  
 775,000  
 782,500  
 835,000  
 892,000  
 1,100,000 remove 1,000,000 + outliers 2,250,000  
 Total 20 units sold ( single family home/condo)  
 Remove \$1,000,000 plus as outliers results in a median of 675,000

This is an update to information that New Hampshire Housing provided to the Legislature in 2008 as it deliberated on the Workforce Housing statute. The purpose of this table is to assist municipalities in implementing the NH Workforce Housing Law (RSA 674:58 - 61). This analysis incorporates statutory requirements, and includes reasonable market assumptions for the targeted households' income levels such as interest rate, downpayment, mortgage term, taxes, and insurance. Please note that this table provides information about the estimated affordable amounts for purchase and rent.

	OWNERSHIP				RENTERS	
	80% of 2022 HUD Median Area Income Family of four		100% of 2022 HUD Median Area Income Family of four		60% of 2022 HUD Median Area Income Adjusted for a family of three	
	Recommended Initial Purchase Price for Workforce Housing		Recommended Maximum Purchase Price for Workforce Housing		Maximum Gross Rent for Workforce Housing	
	Not a requirement per RSA 674: 58 - 61		Required per RSA 674: 58 - 61		Required per RSA 674: 58 - 61	
	Income	Estimated Affordable Purchase Price <sup>1</sup>	Income	Estimated Affordable Purchase Price <sup>1</sup>	Income	Estimated Maximum Affordable Monthly Rent <sup>2</sup>
<b>HUD Metropolitan Fair Market Rent Areas (HMFA):</b>						
Boston-Cambridge-Quincy MA-NH	\$112,160	\$420,000	\$140,200	\$525,000	\$75,710	\$1,890
Hillsborough Co. NH (Part)	\$87,600	\$289,500	\$109,500	\$361,662	\$59,130	\$1,480
Lawrence, MA-NH	\$91,200	\$319,000	\$114,000	\$399,000	\$61,560	\$1,540
Manchester, NH	\$80,800	\$286,500	\$101,000	\$358,000	\$54,540	\$1,360
Nashua, NH	\$97,920	\$341,500	\$122,400	\$427,177	\$66,100	\$1,650
Portsmouth-Rochester, NH	\$93,120	\$327,500	\$116,400	\$409,500	\$62,860	\$1,570
Western Rockingham Co, NH	\$101,120	\$359,000	\$126,400	\$448,500	\$68,260	\$1,710
<b>County Fair Market Rent Areas (Non Metro):</b>						
Belknap County	\$76,080	\$279,000	\$95,100	\$349,000	\$51,350	\$1,280
Carroll County	\$68,240	\$266,500	\$85,300	\$333,000	\$46,060	\$1,150
Cheshire County	\$71,280	\$233,500	\$89,100	\$291,500	\$48,110	\$1,200
Coos County	\$56,080	\$193,000	\$70,100	\$241,000	\$37,850	\$950
Grafton County	\$72,400	\$265,500	\$90,500	\$320,500	\$48,870	\$1,220
Merrimack County	\$84,640	\$288,000	\$105,800	\$359,500	\$57,130	\$1,430
Sullivan County	\$69,920	\$234,500	\$87,400	\$293,000	\$47,200	\$1,180

<sup>1</sup> Estimated maximum price using 30% of income, 5% downpayment, 30-year mortgage at 3.79%, 0.8 points, PMI, estimated 2022 taxes for each area and hazard insurance. Interest rate is the average of the 30-year Freddie Mac interest rate for January-March 2022.

<sup>2</sup> Estimated maximum gross monthly rental cost (rent + utilities), using 30% of income.

## Master Plan-

**“To attract a broader range of people to live in Durham, the Town needs to create more diversity in housing choices”**

- Our current zoning needs altering to support the goal of attainable housing with multi-family and single family affordable homes
  - Zoning outside the downtown core currently requires large lot sizes and limited areas for residential building in our districts.
- We have limited buildable land and we need to make the best of it
  - With “near downtown” properties limited, we need to expand our idea of appropriate building areas
  - Single Family, Multi-unit and Cottage Clusters/Pocket neighborhoods need to be allowed in more districts.
  - Housing communities can be designed to fit into our community



## Master Plan-

**“To attract a broader range of people to live in Durham, the Town needs to create more diversity in housing choices”**

- The Spirit of New Hampshire RSA 672:1 should be a focus of review in our zoning: **111e** *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.*
- Durham over the last decades seems to have lurched in various directions, responding to pressures, apparently without seeing the long-term effects on the total picture
  - Durham went from Single Family homes in post WWII then limits including:
    - Student rental housing (to bring taxes down or to encourage move out of traditional neighborhoods)
    - Age restricted housing
    - Conservation subdivisions limiting amount of dwelling units
    - Workforce housing zoning with limited density benefit
- New Hampshire needs all communities to review zoning to address the housing shortage and bring the “Missing Middle” into our plans.
  - Missing Middle - think of a range of multi-family or clustered housing types that are compatible in scale with single-family or transitional neighborhoods that are attainable.
  - Lets create a Durham that has diverse housing stock for a broad demographic.

# Durham Sales Details

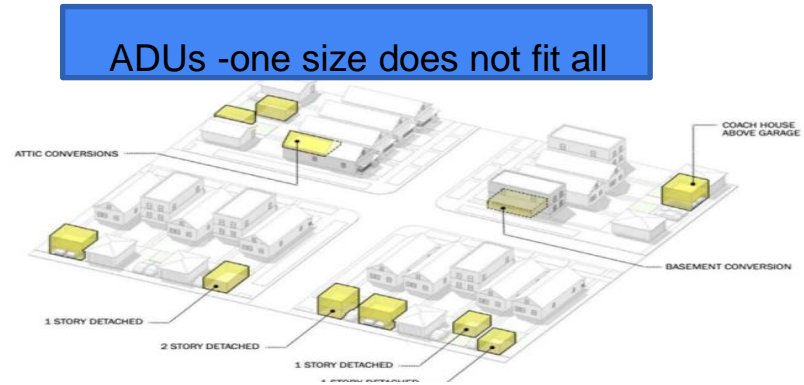
- Affordable housing details
  - 2019 -\$312,500
  - 2021 -\$423,000
  - 2022-\$409,500

Year	Total properties sold	Land	55+	Family Transfer	Misc	Affordable sales	Affordable sales- Investors	% in affordable range to total sales (removing land sales)
2019	156	6	4	0		28	8	18.6%
2021	124	9	2	1		26	5	22.6%
2022	76	4	1	4	1	14	7	19.4%

2022 YTD September

# Introduction of ideas to change zoning

- Provide more housing options in existing neighborhoods
  - Encourage more Accessory Apartments
  - New American Rescue Plan Act incentives may apply
- Review minimum lot sizes
- Improve Workforce housing zoning
  - Increase density benefits to strengthen incentives (now NH law as of July 2023 zoning must have density benefit match)
  - Highlight our Workforce housing along with Senior housing in zoning
- Think about higher density in new subdivisions and conservation subdivisions
  - Cottage Court example
    - This is 1.5 acres with 10 units
  - Lets make Durham attainable for all!



Lets enhance our zoning to create flexible housing opportunities that welcomes new town members to our vibrant community

Local Merchant

Professor & Family

Oyster River Kids

Artist

Farmer

ORMS Teacher & Family

Musician

