

# Housing Master Plan Chapter

Town of North Hampton

## Vision Statement

The Town of North Hampton will preserve its rural New England character and heritage while providing opportunities for development of affordable and workforce housing and age restricted housing for senior citizens. As North Hampton's housing market is unsettled by economic and post-pandemic factors, as is the housing market nationwide, the Town will monitor the economic climate carefully and let market conditions guide the market-rate housing opportunities.

## Summary

### The Town recognizes:

- Its legal and moral responsibility to provide affordable and workforce housing.
- Its responsibility to provide opportunities for senior housing.
- Its responsibility to protect natural resources – particularly the Town's water supply – for generations to come.
- Residents' strong desire to retain rural characteristics of the Town.

### Efforts to change land-use ordinances and regulations affecting housing, therefore, will focus on:

- Providing opportunities for affordable and workforce housing that will ensure North Hampton meets its fair share responsibility.
- Providing opportunities for age-appropriate housing for older adults to downsize and remain in the community.
- Providing opportunities for re-using historic houses and barns for more housing options that help preserve the Town's heritage.

## Introduction

This housing chapter for the Town of North Hampton describes the plan the Town will implement to ensure compliance with state and federal laws and regulations applicable to housing needs while also ensuring the Town retains characteristics that residents desire. Under state law North Hampton is obligated to provide reasonable and realistic opportunities for developing affordable and workforce housing. The Town must also aim at providing its fair share of such housing. Federal regulations prescribe income limits and housing attributes, including pricing, that define housing that qualifies as affordable or workforce housing.

North Hampton faces challenges in crafting land-use planning tools to provide requisite and reasonable means for developing affordable and workforce housing. These factors include increasing demand for housing, rising housing prices, a statewide labor shortage exacerbated by the tight housing market, and a highly volatile economic environment following disruption that persists from the COVID pandemic.

People are exiting high-cost, high-tax cities and states to move to highly desirable locations in New Hampshire, including North Hampton. The 2023 Regional Housing Needs Assessment ("RHNA") emphasizes the effect of the pandemic on home prices: Between 2019 and 2022 the median home sale price in the Rockingham Planning Commission's region increased from \$370,000 to \$527,00, a 42% increase. See Appendix A and B for housing statistics and demographic data from the RHNA for North Hampton, the region and the state.

For these reasons, the Town will set aside consideration of market rate housing issues for discussion when the housing market is more stable. Instead, all efforts will focus on affordable, workforce, and senior housing needs.

This unstable market renders it imprudent to make substantial, long-range land-use planning decisions about housing. Even in stable times, demand for housing on or very near the Seacoast typically exceeds supply and thus drives up prices for all types of housing. Therefore, predicting the gap between supply and demand for any type of housing in North Hampton over the next 15 years is impossible.

Focus on the retiree and elderly populations reflects a more specific problem. The numbers of older residents continue to increase while downsizing or assisted living options for them are not keeping pace. Their downsizing could provide more housing options for younger families if attractive options for older residents to move out of their current residences are readily available. In 2020, 26% of households in North Hampton had children under the age of 18 and 30% of residents in North Hampton were over 65 years old.

The Town's planning challenge, therefore, is to identify ways to amend current zoning ordinances, subdivision regulations and site plan regulations to permit use of available land:

- 1) To provide reasonable and realistic opportunities for affordable or workforce housing development and
- 2) to provide opportunities to develop retiree and elderly housing and assisted living facilities.

This plan must chart a course for meeting this challenge that protects the Town's natural resources and maintains its rural New England character and heritage. These are fundamental principles of the Master Plan's overarching vision statement. In several surveys over many years the Town's residents have consistently and overwhelmingly expressed the desire to preserve North Hampton's identity, and they have consistently supported these principles financially and at the polls.

Little Boar's Head Precinct, which by statute is responsible for adopting its own master plan, is not included in the Master Plan for the Town of North Hampton or in this chapter. See Appendix C for detail about the key housing laws and documents.

## **Key Considerations & Implications for Housing**

Environmental factors essential for sustainable development:

- Most importantly, water resources -- especially aquifers -- that supply potable water for North Hampton and neighboring towns in the region.
- Wetlands and waterways that are critical for managing stormwater and storm surges, for providing aquatic habitat for flora and fauna, and for supporting aquifer recharge.
- Unfragmented open spaces that provide habitat for wildlife, educational and recreational opportunities for the public, and aesthetic value.

Rural characteristics that are important to residents:

- Forests; antique barns, farms, and pastures; and antique stone walls.
- Historic public buildings and antique houses.

Regional needs for affordable and workforce housing:

- The RHNA projects a deficit in affordable and workforce housing development in the region and in North Hampton and over the next two decades.
- The Town is obligated to provide its fair share of affordable and workforce housing.

An aging population that needs age-appropriate housing options:

- North Hampton now has an average age of 50.2, up from 43 in 2010.
- In the region the Town is the fifth oldest community.

## Goals & Actions

**Goal 1. Define a process for developing and submitting for adoption at the 2025 Town election proposals for land-use ordinance amendments that provide additional reasonable and realistic opportunities for developing affordable and workforce housing.**

- a. Research available options for lowering housing development costs.
- b. Consider options and combinations of options that achieve the Town's goals.
- c. Analyze potential approaches to addressing the needs and identify pros and cons of each.
- d. Develop proposals for the Legislative Body to consider for adoption in 2025 or for the Planning Board to adopt as amendments to the site plan or subdivision regulations.
- e. Place the preferred Zoning Ordinance amendment options on the Official Ballot.

**Goal 2. Define a process for developing and submitting for adoption at the 2025 Town election proposals for land-use ordinance amendments that provide additional opportunities for developing elderly and assisted-living housing options.**

- a. Research available options for siting and permitting elderly and assisted-living facilities.
- b. Identify impediments to developing age-appropriate facilities in Town.
- c. Analyze options and potential approaches for addressing the needs and eliminating impediments.
- d. Develop Zoning Ordinance amendment proposals for the Legislative Body to consider for adoption in 2025 or amendments to the site plan or subdivision regulations for the Planning Board to adopt.
- e. Place the preferred Zoning Ordinance amendment options on the Official Ballot.

**Goal 3. Define and adopt a plan for monitoring the economy and the housing market in North Hampton to facilitate adjustments appropriate for changing conditions.**

- a. Identify relevant data to track.
- b. Establish a process for collecting and analyzing those data.
- c. Review the analysis quarterly.
- d. If necessary, develop proposals to respond to changes and present them to the appropriate body for adoption.

## Appendix A – Root Policy Research Fair Share Production Model 2022

From Rockingham Planning Commission's Regional Housing Needs Assessment (2023)

Root Policy Research, Fair Share Production Model, Fair Share Tables, 2022

Analysis conducted for Rockingham Planning Commission in collaboration with the NH Office of Planning and Development -

Town	Total Units 2025		Owner Units 2025		Owner Units Below 100 % AMI		Owner Units Above 100 % AMI		Renter Units 2025		Renter Units Below 60 % AMI		Renter Units Above 60 % AMI		Total Units 2030		Owner Units 2030		Owner Units Below 100 % AMI		Owner Units Above 100 % AMI		Renter Units 2030		Renter Units Below 60 % AMI		Renter Units Above 60 % AMI		Total Units 2035		Owner Units 2035		Owner Units Below 100 % AMI		Owner Units Above 100 % AMI		Renter Units 2035		Renter Units Below 60 % AMI		Renter Units Above 60 % AMI		Total Units 2040		Owners Units 2040		Owner Units Below 100 % AMI		Owner Units Above 100 % AMI		Renter Units 2040		Renter Units Below 60 % AMI		Renter Units Above 60 % AMI																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																							
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\*AMI is the Area Median Income

This Regional Housing Needs Assessment and the methodology by Root Policy Research that resulted in the fair share table in Appendix . does not break out the current municipal fair share of regional need for workforce housing and therefore shouldn't be relied on for current compliance with the state's Workforce Housing Law, RSA 674:58 – 61. For a municipality to demonstrate that its existing housing stock supplies its current fair share of regional need for workforce housing would require an analysis at the municipal level undertaken separately from this assessment. Specifically, RSA 674:59, III states, "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".

## Appendix B – Key Housing and Demographic Data

The following information is a summary of key statistics and information from state, regional and local planning documents and studies that address housing and housing related issues. Information regarding housing needs will continue to change overtime North Hampton will need to consider updates to housing and demographic data, land use, and housing laws when making decisions that impact existing and future residential development.

\*Unless otherwise noted the North Hampton data excludes Little Boar's Head Village District.

Data Category	Metric	North Hampton	RPC Region	State of NH
Demographic	Total Population (2020)	4,538	19,8870	1,377,529
	change since 2010	237	10349	61,059
	Average Age (2020)	50.2 Years	47 Years	44.
	change since 2015	1.2	1.4	1.17
	change since 2010	7.7	3.8	3.23
	Population Over 65 (2020)	1,373	5,3873	245,142
	change since 2015	548	22183	43,178
	change since 2010	707	27745	74,811
	Population Under 18 (2020)	872	36,043	257,731
	change since 2015	25	-2373	-13,949
	change since 2010	-120	-6268	-38,221
	# Minors per Household	0.46	0.45	256876
	change since 2015	-0.03	-0.05	-13789
	change since 2010	-0.12	-0.11	-38253
	School Enrollment (2021)	438	2,2753	163,688
	change since 2016	-81	-2142	-10,976
	Average Household Size - Renter (2020)	1.6	2.09	2.26
	change since 2015	-0.02	-0.08	-0.03
	change since 2010	-0.78	0.01	0.02
	Average Household Size - Owner (2020)	2.42	2.6	2.5
	change since 2015	-0.18	0	0
	change since 2010	-0.14	-0.1	-0.06
	Household # Family (2020)	1,328	53,287	351,445
	change since 2015	-33	456	4,031

	Metric	North Hampton	RPC Region	State of NH
	change since 2010	101	2120	5,324
	Household # Non-Family (2020)	578	27,410	187,671
	change since 2015	210	2725	14,834
	change since 2010	91	2647	19,988
	Persons with Disabilities	468	21295	17,0907
	change since 2015	5	1126	12,419
Housing	# Housing Units	2032	88586	638611
	change since 2015	225	3445	19661
	change since 2010	279	4694	30853
	# Renter Occupied Units	212	18577	155277
	change since 2015	44	-58	4201
	change since 2010	-96	1259	14710
	# Owner Occupied Units	1694	62120	383839
	change since 2015	133	3239	14664
	change since 2010	288	3508	10602
	# Seasonal Housing Units	102	4487	70149
	change since 2015	-9	-237	4046
	change since 2010	102	904	8393
	# Short-Term Rental Units	10	845	-
	# Occupied Housing	1881	82268	556375
	change since 2010	121	6416	37402
	# Vacant Housing	-	7376	82438
	change since 2016	-	-1250	-13343
	Median Age of Housing Units			
	Built in the 2010s or later	145	3716	27073
	Built in the 2000s	205	8535	74152
	Built in the 1990s	287	8309	68064
	Built in the 1980s	196	12616	125093
	Built in the 1970s	290	8564	95348
	Built in the 1960s	184	6335	55398

	Metric	North Hampton	RPC Region	State of NH
	Built in the 1950s	129	5028	43748
	Built in the 1940s	18	1866	23465
	Built in the 1930s or earlier	240	7151	126270
	Fair Share Total Unit Need by 2030	240	9,834	59,919
	# units needed at or below 60% AMI (Rental occupied)	19	899	5,906
	# units needed at or below 100% AMI (Owner occupied)	60	2,790	16,073
	Fair Share Total Unit Need by 2040	356	14,563	88,363
	# units needed at or below 60% AMI (Rental occupied)	29	1,365	8,997
	# units needed at or below 100% AMI (Owner occupied)	88	4,081	23,221
Income	# Individuals Living Below Poverty Level	165	9518	97418
	change since 2015	-32	-746	-16422
	# Families with children below poverty level	6	1806	11298
	change since 2015	-17	-427	-3664
	change since 2010	6	206	-2101
	Median Household Income	\$103,986	\$107,144	\$70,851
	change since 2015	\$16,573	\$21,124	\$10,202
	change since 2010	\$28,905	\$26,092	\$13,859
	Median Home Sale Price	-	\$527,000	\$403,000
	change since 2015	-	\$192,000	\$158,073
	change since 2010	-	\$272,000	\$218,500
	Gross Rent by #Bedrooms - ALL (2022)	-	\$1,595	\$1,790
	change since 2017	-	\$238	\$348
	change since 2012	-	\$481	\$529
	FMR 3-bed (2023)	\$2,034	\$2,168	\$2,290
	income burden > 30% (2020)	29.3%	42.4%	41.2%
	income burden > 30% (2015)	47.7%	41.5%	42.9%
	income burden > 30% (2010)	39.3%	44.6%	45.5%
	NHHFA Median Purchase Price (2021)	\$600,000	\$466,000	\$350,000
	change since 2016	\$120,000	\$155,800	\$120,000
	change since 2011	-	\$196,067	\$143,000

	Metric	North Hampton	RPC Region	State of NH
	NHHFA Number of Sales (2021)	61	2993	20014
	change since 2016	-15	-599	-2850
	change since 2011	23	1416	10171
	HUD Estimated Maximum Affordable Purchase Price - 80% (2023)	\$325,500	\$326,166.67	\$309,142.86
	change since 2021	-\$13,000	-\$36,500.00	-\$30,714.28
	change since 2019	\$73,500	\$50,166.67	\$41,642.86
	HUD Estimated Maximum Affordable Purchase Price - 100% (2023)	\$407,000	\$407,833.34	\$386,500
	change since 2021	-\$16,000	-\$45,500.00	-\$38,214.29
	change since 2019	\$94,500	\$59,666.67	\$55,714.29
	HUD Estimated Maximum Affordable Monthly Rent	\$1,840	\$1,820	\$1,747.14
	change since 2021	\$400	\$323.33	\$311.43
	change since 2019	\$570	\$426.66	\$395.71
	Ownership HUD Median Area Income - Family of 4 (2023)	\$108,800	\$107,706.67	\$103,474.29
	change since 2021	\$23,520	\$18,960.00	\$18,365.72
	change since 2019	\$33,360	\$25,120.00	\$23,428.58
	Renter HUD Median Area Income Adjusted - Family of 3 (2023)	\$136,000	\$134,633.34	\$129,342.86
	change since 2021	\$29,400	\$23,700.00	\$22,957.15
	change since 2019	\$41,700	\$31,400.00	\$29,285.72
Land Use	# Housing Units Per Acre (2020)	\$1,840	\$72,700	\$69,845.71
	change since 2010	\$400	\$12,796.66	\$12,398.57
	Municipal Property Tax Rate	\$570	\$16,956.66	\$15,815.71
	change since 2010	0.28	0.46	0.15
	# Building Permits	0.01	0.02	0.01
	change since 2015	14.62	16.94	17.68
	change since 2010	-0.15	-2.2	-0.45



## Appendix C – Summary of Key Housing Laws and Documents

### Workforce Housing, Town of North Hampton, and Little Boar's Head Village District

Within the boundaries of the Town of North Hampton, is the Little Boar's Head Village District (LBH). LBH was formed by an act of the NH Legislature in 1905 and encompasses the seaward extent of the town. LBH legally exists as an independent political entity that has autonomous zoning authority. LBH is also responsible for the walkways and streetlights within its boundaries. The Town of North Hampton continues to have responsibility for emergency service, education and health services, infrastructure oversight, and maintenance of local roadways within Little Boar's Head. While the Town and LBH are distinct political entities, many of the goals of both jurisdictions express similar intents to protect natural resources, preservation of community character, and ensure proper investment in community services and capital expenses.

A key difference between the Town and LBH are that they maintain separate master plans and zoning ordinances as they have separate authority to enact zoning regulations. This also means that the Town and LBH have separate responsibilities under the NH Workforce Housing statute (NH RSA 674:58-61). Specifically, under RSA 674:59, I *"every municipality [or village district] that exercises the power to adopt land use ordinances and regulations, such ordinances and regulations shall provide reasonable and realistic opportunities for the development of workforce housing, including rental multi-family housing."* All previous housing chapters of the North Hampton Master Plan and housing sections of the LBH Master Plan have not considered that the Town and the Village District are required to comply with RSA 674:59 as separate entities.

### NH Workforce Housing Law

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 to prevent "outsiders of any disadvantaged social or economic group" from moving there.

### Regional Housing Needs Assessment

New Hampshire RSA 36:47(II) requires that *"[f]or the purpose of assisting municipalities in complying with RSA 674:2, III(I), each regional planning commission shall compile a regional housing needs assessment, which shall include an assessment of the regional need for housing for persons and families of all levels of income."* North Hampton is one of 27 municipalities with Rockingham County that make the Rockingham Planning Commission's region. The purpose of the Regional Housing Needs Assessment (RHNA) and Fair Housing Equity Assessment as stated in the document, *"[I]s to provide current, regional, and local data on housing needs. This assessment is a highly anticipated review of the current housing trends and needs and will identify future housing needs and opportunities. One goal of the assessment is to provide a foundation of housing trends for communities to begin addressing housing barriers and opportunities."*

The 2023 assessment was completed in collaboration with the nine NH Regional Planning Commissions through a statewide effort, initiated by the Council on Housing Stability 2021-2024 Strategic Plan that was initiated by Governor Sununu. The primary goal of the RHNA is to. *"provide data on housing and demographics, by income level, so that each municipality in the region can begin to understand their current and future need. The RHNA may assist municipalities in determining compliance with the Workforce Housing Statute (RSA 674:58-61)."*