

UVLSRPC Regional Plan 2015

Chapter 2

Housing Needs and Fair Housing Equity Assessment

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2.1 INTRODUCTION

Vision

All residents of the region will have access to a variety of diverse and affordable housing options with the opportunity to live in the communities in which they work.

Housing Needs Assessment Overview

The Housing Needs Assessment for the Upper Valley Lake Sunapee Regional Planning Commission (UVLSRPC) has been prepared in accordance with NHRSA 36:47 (II) to assist municipalities with understanding the housing needs of all residents at all levels of income and age. The findings in this report provide municipalities the opportunity to gain an understanding of the demographic and economic ties of housing among communities in the region. The information within the Housing Needs Assessment will provide a valuable resource to community leaders who seek to change policies to enable a more diverse housing stock to accommodate a range of housing needs. Detailed tables, data and methodology explanations are available in the Housing Needs Assessment Technical Report available on the UVLSRPC website at www.uvlsrpc.org.

This Housing Needs Assessment is based on a traditional market analysis approach. While there are a number of Census-based labor market areas within the region, each with unique socio-economic dynamics, the purpose of a housing needs assessment in New Hampshire is to develop an overview of regional needs to which local communities can respond in their master plans.

The geographic focus of the Housing Needs Assessment is the Upper Valley Lake Sunapee Regional Planning Commission (UVLSRPC) region, as defined by the New Hampshire Office of Energy and Planning. Detailed demographic analysis and housing supply projections were prepared for both the UVLSRPC region and for the Lebanon, NH-VT Micropolitan NECTA, which includes the communities listed in the table below:

Lebanon, NH-VT Micropolitan NECTA Communities			
New Hampshire		Vermont	
Lebanon	Cornish	Hartford	Sharon
Hanover	Grafton	Windsor	Strafford
Enfield	Springfield	Norwich	Fairlee
Canaan	Orford	Hartland	Pomfret
Grantham	Piermont	Royalton	Vershire
Plainfield	Orange	Thetford	West Fairlee
Lyme			

Portions of the Needs Assessment also compare, at a less detailed level, the differentials of home price, rental cost, wages and other data for other New Hampshire labor market areas partially within the UVLSRPC region.

Overview of Data Collection and Analysis

Because of the limitations presented by new methods of Census Bureau sampling, it is necessary to develop methods of estimating housing needs that are not exclusively dependent on federal data sources. Data sources for these analyses include:

- US Census population and household information for 1990, 2000 and 2010;
- US Census American Community Survey (ACS) data from the 2006 to 2010 a 5-year sample of the region;
- Detailed housing market and assisted housing information from the New Hampshire and Vermont state housing agencies;
- Building permits history from Census and state databases;
- Employment and wage data from the Economic and Labor Market Information Bureau of New Hampshire Employment Security and Vermont Department of Labor;
- Property tax and assessed valuation data from the NH Department of Revenue Administration.

Additional data sources provided local information specific to the study area to round-out the above sources. These data, collected by the Upper Valley Housing Coalition (UVHC), provide useful quantitative and qualitative information. These sources are:

- *Regional Rent Survey*: The UVHC has been collecting quarterly information since 2010 on listed rentals as part of an effort to track the number, type, location and cost of rental units in the bi-state Upper Valley area.
- *Regional Employee Housing Survey*: UVHC, BCM Planning, LLC and the Commission developed a survey directed at regional employees to obtain an understanding of employee commuting and housing preferences. The survey results in this report will serve as a baseline and UVHC will administer this survey periodically to develop a broader understanding about regional housing trend.

The population of the region served by UVLSRPC is 89,552. Important drivers of housing demand are the traditional first time buyer market (age 25 to 34) and move-up buyer market (age 35 to 44). Both of those population groups were smaller in number in 2010 than in 1990. If historic trends continue, population growth will shift toward an older population. While 13.8% of the region's population was aged 65 or older in 1990, the proportion in 2010 rose to 16.4% and will continue to rise over the next 20 years, reaching an estimated 34% by 2030.

The two most rapidly growing age segments between 2000 and 2010 in both the UVLSRPC region and the nation were in the aging baby boomers 55-64 and age 85+ population groups. New Hampshire and other northern New England states have low birth and fertility rates relative to the United States as a whole. Consequently, the percentage of the regional population that is under age 15 is considerably lower than the national average.

Household income is a principal factor in assessing whether housing is affordable to residents, which in turn provides an assessment of the housing need. Household income is expressed as a percentage of the Area Median Family Income (AMFI) as defined by the U.S. Department of

Housing and Urban Development (HUD). HUD defines “very low income household” as households that earn under 50% of AMFI and “low income” as households that earn between 50% and 80% of AMFI.

In New Hampshire, state statute uses a maximum income standard of 100% AMFI for homeowner families of four, and 60% AMFI for a renter family of three to define workforce housing standards. The workforce housing income standard in this study serves as a benchmark for affordability and provides an estimated housing cost burden in order to better understand the impact of incomes on affordability. Approximately 41% of households in the region that are headed by those under 65 years of age have incomes at or below the workforce housing income standards.

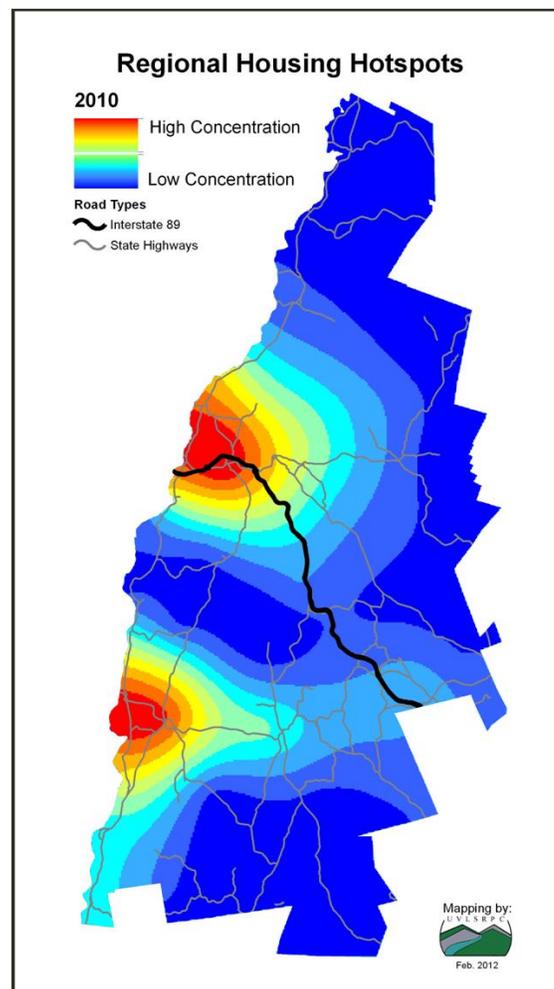
2.2 REGIONAL HOUSING NEEDS ASSESSMENT

The Regional Housing Needs Analysis covers the period from 1990 to 2010, providing two decades of information to track housing trends, particularly the rate of ownership, rental housing growth, and the age of heads of households over time.

Demographic Trend Summary

The number of households in the region grew by 13.8% between 1990 and 2000, and by 10.9% between 2000 and 2010. A recent trend in construction of rental housing has provided increased housing diversity and has helped improve housing opportunities and choices for the region’s residents. From 1990 to 2010, the average household size in the region declined from 2.51 to 2.31 persons per occupied housing unit. From 2000 to 2010, growth in one and two-person households accounted for 93% of total household growth. Larger households with four or more people make up a relatively small percentage of total households (17.8% in 2010). The total number of these larger households has not increased over the past 20 years.

Demographic analysis shows that the UVLSRPC region has experienced steady population growth since 1990, in part because it has thriving employment opportunities. The region has unemployment rates that are well below state and national averages. The two most significant demographic changes between 1990 and 2010 are the age distribution of the population and household size. Between 2000 and 2010, the most



rapidly growing age groups were in the 55-64 year old and 65+ age cohorts. The population growth rate for the 65 and older segment is out-pacing the under 65 group. By 2030, households headed by a person age 65 or older may comprise 48% of all households in the region. Ten-year projections point to a decline in the labor force under 65 if younger workers do not migrate into the area.

Surge in Rental Supply, Ownership Rate Down

The region has had a homeownership rate of about 69% to 70% over the past 30 years. The homeownership rate declined across all age groups between 2000 and 2010, consistent with trends in NH and nationally. The recent increase in multi-family and rental housing developments in the region was a response to market demand for smaller, more affordable units. This supply was badly needed given the very low rental vacancy rate in 2000, following a decade that produced virtually no increase in the rental supply. Rental housing has been and will continue to be a particularly important resource for the UVLSRPC region.

Buyers Seeking Affordability Commute Further

There are major home price differences among the sub-regions of the UVLSRPC region. Home prices are highest close to the job centers of the Lebanon NH-VT NECTA. Many households will opt for housing that is a greater distance from employment centers if these regional price differences persist or if there is limited housing stock or poor quality housing closer to jobs. In the rental market, differences in median rental costs among sub-regions are not as great. Average commuting time of residents has increased by about 25% since 1990. A recent survey of area employees by the Upper Valley Housing Coalition shows that affordability of housing, particularly for homeowners, appears to be a larger concern over commuting distance when choosing a home.

Thousands Have High Housing Cost Burdens

Nearly 13,000 households in the UVLSRPC region (36% of all households - 33% of owners, 42% of renters) have a high housing cost burden - paying 30% or more of their household income on housing costs. Over 5,000 of the Region's households (14% of all households - 13% of owners, 17% of renters) have a severe cost burden - paying 50% or more of their income on housing costs. Housing affordability impacts younger households the most, which comprise the largest portion of the workforce earning entry-level wages.

Employment Does Not Guarantee Affordable Housing

After 2008, the nation's economy has slowed and unemployment has increased substantially. The Region suffered job loss during this period, but not as severely as national trends due to a relatively strong regional economy. Nevertheless, the median sales price of area homes declined along with the number of homes sold while the median market rent continued to increase. Overall, the economy of the UVLSRPC region supports household incomes that compare well to measures of housing affordability based on median market rate home prices and rents. Yet there remain thousands of households, both owners and renters, in the region who are spending excessive portions of their income on housing costs. Those who earn less than the median income, or who have only one wage earner per household, may have difficulty affording the housing.

Housing Production: Accommodate the Aging and Attract the Workforce

Housing production needs were projected using two independent methods: one utilizing population and age distribution projections and the second utilizing projected regional employment growth rates.

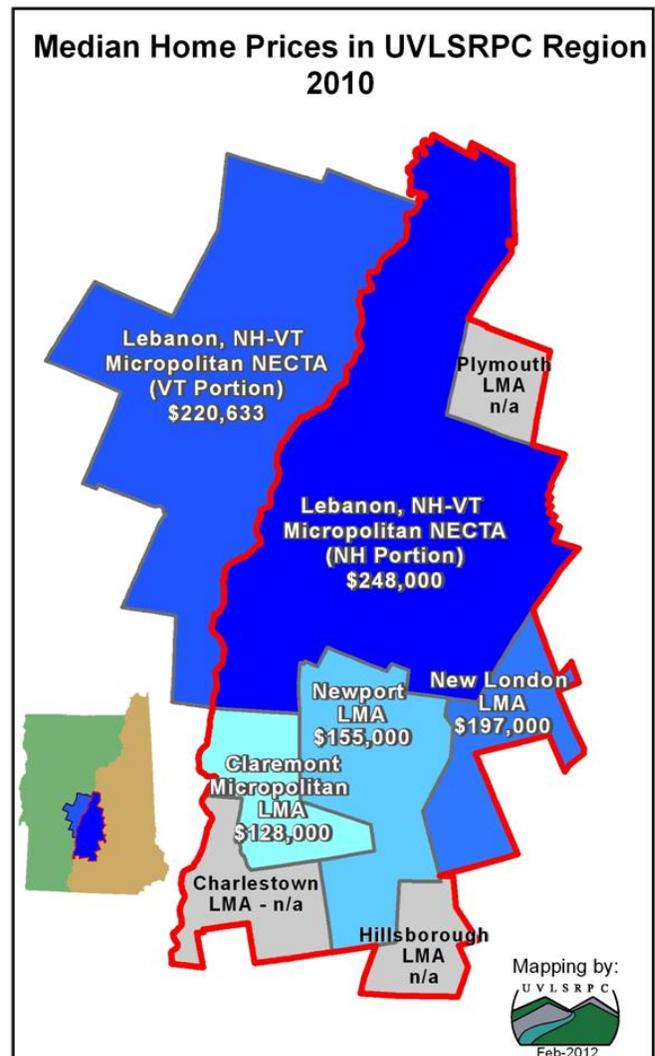
Housing supply projections for 2010 to 2020 identify a need for the UVLSRPC region to increase the number of units to between 3,780 and 4,611. This is year-round housing stock and equates to approximately 378 to 461 units per year. An estimated 41% of those housing units should be in the form of housing affordable to the workforce based on the workforce income standard used in this study, or about 155 to 189 units per year. These estimates would allow for housing supply to keep pace with the expected rate of population and employment growth.

Ownership and Rental Cost Trends

Home Price

Between 2000 and 2008, the median sale price for a primary residence nearly doubled. The increase in median price was realized throughout the region, although considerable differences in price exist between sub-regions. Following 2008, median price dropped sharply throughout the region. The data suggest that an adjustment in pricing relative to economic conditions and actual household incomes has probably improved the overall affordability of primary homes. Current lower mortgage interest rates and home buying incentive programs such as the Federal home purchaser's tax credit in 2010 should have increased the number of qualifying buyers, but tighter credit standards and economic stability have deterred that advantage.

The distribution of primary home sales by price range within the Lebanon, NH-VT NECTA shows that Vermont has a greater share of lower priced homes. When sales in the Vermont portion of the NECTA are compared to sales in Orange and Windsor Counties in VT, another price difference is apparent; sales prices in the Vermont portion of the NECTA are substantially higher than in the outlying areas of each county by about 29%.



Market Rental Costs

Differences in rental costs between geographic sub-areas in the region are not as extreme as the differences in home prices. The distributions of gross rents indicate almost no availability of rental housing under \$600 per month. Rents at this level are typically available only in assisted rental housing units which are limited in supply. As of 2010, about 41% of the market rate units in the region would be affordable to workforce households where the gross rent is less than \$900 per month. Renters who make the median wage can afford much of the available rental stock, but renters with household incomes below the workforce benchmark will have difficulty affording the median market rent.

Regional Housing Cost Burden

Levels of "housing need" often refer to a housing cost burden level (percentage of income devoted to gross monthly housing costs). Figure 2.3 summarizes the estimated regional levels of housing cost burden based on 2010 housing costs and household income levels.

High Housing Cost Burden (at least 30% of income is used for housing): There are an estimated 12,897 households (36% of all households in the region) that have a high housing cost burden. The most significant cost burden ratios exist for homeowner households with incomes under \$50,000 and renter households with annual incomes under \$35,000.

Very High Housing Cost Burden (at least 40% of income is used for housing): There are 7,659 households that have a very high cost burden (21% overall, 18% of owner households and 28% of renter households).

Severe Housing Cost Burden (at least 50% of income is used for housing): There are 5,085 households (14% overall, 13% of homeowner households and 17% of renter households) that have a severe cost burden.

- Housing cost burden data for homeowners in the Lebanon NH-VT NECTA (including 12 Vermont communities) is about the same as the UVLSRPC regional average. However, renter households living in the NECTA have proportionately higher rental costs relative to their income.
- Overall, 42% of all renters and 33% of all homeowners in the UVLSRPC region spend 30% or more of their gross income on monthly housing costs. The highest prevalence of high housing cost burden is found among the youngest households.
- There are few homeowners in the under-25 age group, but 70% of those that do own a home have a high housing cost burden.

Rental housing in the region is particularly difficult to afford among households less than 35 years of age. In that age group, 46% have a high housing cost burden.

Economic conditions and regional employment opportunities relate directly to regional housing availability, choice and diversity. The UVLSRPC region enjoys a lower unemployment rate than the other parts of the state or the nation as a whole. Between 2008 and 2010, the region showed the first significant net loss in jobs in 20 years. Relative to the state, the region has a high concentration of jobs in the healthcare and social service sectors with above average concentration of jobs in

agriculture, mining, manufacturing and information sectors. The Claremont, Charlestown and Newport labor market areas have a significant portion of the regional manufacturing jobs while healthcare, education and other service jobs are more prominent in the Lebanon NH-VT NECTA.

The average wage paid by industries in the UVLSRPC region in 2010 was \$959 per week, or an equivalent annual wage of \$49,868. At a 30% housing cost ratio (the % of wages used for housing), this income supports a \$1,250 per month housing budget, this could also support the median gross rent in the area but would be insufficient to afford a median priced home without a second household income.

Affordability problems occur more frequently among those who are in lower wage sectors or in entry-level positions. Average entry-level wages in some of the largest occupational sectors range from about \$9 to \$20 per hour. At \$11.50 per hour, a single wage earner could afford a monthly rent of \$624 per month. Market-rate rents at this level are generally unavailable in the region.

As the number of jobs in the region continues to grow there will be more demand on the housing market to support the labor force. At the same time, the demographics show a decline in the labor force under 65 years of age. This may make it increasingly difficult for employers to fill their needs. Increasing the availability of affordable housing, particularly rental units, may make it easier to attract the workforce needed in the future.

Regional Housing Supply Projections

The purpose of a housing supply model is to project the number of households and the total year-round housing stock needed to support housing choice within the region. Details of housing supply projection methodologies are documented in the Housing Needs Assessment Technical Report.

The population-based housing production model projects that an additional 4,515 housing units are needed in the region between 2010 and 2020. This averages to an additional 451 units per year. The employment-based housing production model, as discussed on page 2-5, calls for between 3,780 to 4,611 additional units in the region during the same timeframe, 2010 to 2020. Of those additional units, workforce housing need is projected to be between 1,550 and 1,891. These totals, using both population-based and employment-based projections, are comparable to the actual historical building permit data for the years 2000 to 2009 which saw permits issued for 4,673 additional housing units.

Results for the Lebanon NH-VT NECTA

Focusing only on the Lebanon NH-VT NECTA, the population-based housing production model indicates a need for an additional 3,705 units between 2010 and 2020. The employment-based model, using a 1% annual average growth rate in employment, results in a need for 3,346 housing

The Upper Valley Housing Coalition conducted a survey of advertised rents for September 2011. The rent survey indicated that:

- *66% of the listings were located in NH, 33% in VT.*
- *Approximately 35% of all the entries are single-family homes.*
- *The estimated median gross rent was \$1,200.*

units to be constructed over the next 10 years. However, using the historical 20-year average of 1.66% per year employment growth rate, would require over 5,540 additional units in order to maintain the current housing/jobs ratio in the NECTA. Using the 1% growth rate, between 1,171 and 1,939 of the 3,346 units should be workforce housing in order to accommodate the projected population. A general projection for the NECTA is that between 3,346 and 5,540 housing units should be constructed in the next 10 years. For historical reference, building permit activity from 1990 to 1999 totaled 2,143 units. During the 2000-2009 period the total was 3,539. Inadequate housing production has been a long-term issue for the Lebanon NH-VT NECTA.

Discussion of Production Projections

A strict model of future housing needs based on age and owner/rental tenure relationships would indicate that ownership units will dominate housing production needs in the coming years. This would be true only if 2010 age/tenure relationships remain constant, and if the housing constructed is sufficiently affordable. During the last decade, overall production rates declined. If homeownership rates decline further, a greater portion of production will need to be devoted to rental housing. In addition, an expanded role for rental housing is called for if the region wants to attract and to retain younger workers to meet labor demands.

The assisted rental housing supply is a significant resource for seniors and other renters, but this inventory is relatively old with limited new units being proposed or constructed. Most of the assisted rental housing in the region was built 30 or 40 years ago funded by programs that are no longer available. Affordable housing initiatives should seek to find solutions that integrate both dedicated assisted rental housing facilities and continued use of rental subsidy vouchers to allow low income households the opportunity for affordable housing.

Housing Survey of Employees

A Regional Housing Needs Survey conducted in collaboration with the Upper Valley Housing Coalition (UVHC) was taken by approximately 450 people working in the region. The survey included questions designed to better understand housing needs and the preferences of and the issues experienced by the region's workforce. Many (77.2%) respondents own the home that they live in, and 19.2% rent their housing.

Respondents for the most part (87%) travel by car to work and 81.1% are alone in their automobile, while 5.9% are carpooling to work. Several people noted that they had either moved or changed jobs to shorten their commute. Three people commented that they chose to live equal distance between their employer and their spouse's employer. The survey results indicate that while some households may want to live closer to work, their first priority was affordable, quality housing in a good neighborhood, even if that required a sacrifice in convenience to work, shopping or other services. Some respondents indicated that affordable prices closer to work might be desirable but were not available.

Of the total renters participating in the survey, 69% plan to own a home someday but there are some limiting factors involved. The inability to afford the down payment cited by 62% of renters was a very important reason for renting at the present time and 48% said that not being able to find an affordable home close to work was a very important factor. When asked what type of

home they would consider owning in the future, 86% said they would definitely consider a single family detached house (only 1% would not consider owning a single family home).

A large number of respondents commented that home ownership in the core of the Upper Valley was too costly; some homeowners had been in their homes for years and said they could not afford to buy today. Others have chosen to rent so that they could be closer to work or other amenities.

“Housing opportunities and choices relative to distance from the workplace will have long term effects on consumer costs for commuting and social consequences such as decreased time with friends and family, difficulty coordinating childcare and other needs and reduced opportunity for community and volunteer involvement.” When asked what factors would be “very important” in choosing a new home:

- 85% identified good quality housing
- 80% identified quality of the neighborhood
- 82% chose housing cost

This summary overview emphasizes the factors that have the most critical impact on existing and projected housing demand.

Workforce Housing

The alternative projections indicate that the UVLSRPC region should add between 155 to 189 workforce housing units per year in a combination of ownership and rental housing to keep pace with anticipated growth in households and a modest rate of employment growth.

The Lebanon NH-VT NECTA will need to add 120 to 130 workforce housing units per year, assuming modest employment growth of 1% per year. The NECTA supports a smaller share of workforce households than the total UVLSRPC region. If the goal is to maintain the current housing/jobs ratio in the Lebanon NH-VT NECTA, then more workforce housing will be required within this job growth area. If more workforce units can be produced close to this NECTA job center, it will reduce the need to produce workforce housing in outlying areas of the region, potentially mitigating future commuting issues.

Employment does not guarantee that a person or household can afford the market rate housing. About 23% of new job growth in the UVLSRPC region is projected to occur in sectors that have an average wage that is too low to allow a typical household to afford median housing costs.

Each Community Plays a Role in the Region's Housing Needs

Local responses to these needs will vary as to type and scale, but each community needs to consider whether its local regulations preclude or enable various forms of workforce, affordable and multifamily housing.

Each community is encouraged to evaluate its contribution to the regional housing supply. By comparing the local share of jobs, wages, valuation, total housing units or other factors to an

affordable housing supply, each community can begin to evaluate its contribution to the regional housing supply. Communities should consider whether they are supporting sufficient diversity in the housing stock sufficient to enable the creation of affordable workforce housing units, and to appropriately accommodate the impact of an increasingly older population. Guidance for this process is detailed in the Housing Needs Assessment Technical Report.

Housing Improvement Strategies

- *Ensure that Communities in the Region are Educated on New Hampshire's Workforce Housing Statute*

New Hampshire's Workforce Housing Statute (RSA 674:58-61) requires communities to provide a reasonable opportunity for workforce housing alternatives, including multifamily housing with five or more units per structure. Not every community will have the utility infrastructure to support housing at higher densities, nor does the market necessarily support all forms of affordable housing in all locations. State statute requires that communities, through their regulatory framework provide for the opportunity for workforce housing.

- *Develop a Housing Stabilization Program targeted to the Claremont-Newport Labor Market Area*

Rather than affordability, the condition of housing is a primary concern in the Claremont-Newport Labor Market Area. The Commission should work cooperatively with municipalities in the Claremont-Newport Labor Market area to seek funding through the U.S. Department of Housing and Urban Development (HUD), New Hampshire Housing Finance Authority, or other agency to develop a local housing stabilization program that would benefit neighborhoods that have suffered from disproportionate rates of foreclosure and housing abandonment. This could include, but not be limited to, the purchase and redevelopment of foreclosed or abandoned homes.

- *Promote Adaptive Reuse of Existing Housing Stock*

Using existing housing inventory can be less expensive than construction of new homes. Taking advantage of a slower economy can represent a buying opportunity for organizations that have the capacity to purchase, improve and resell the properties to qualifying buyers. Qualified first time buyers may benefit from the lower interest and reduced down payment requirements of New Hampshire Housing Finance Authority (NHHFA) mortgage programs. Under these programs, purchases can include owner-occupancy of properties of up to four units. This might be advantageous in the older urban areas in the region with existing housing.

- *Develop a Strategic Housing Plan to complement the Regional Housing Needs Analysis*

Public comments during the development of this Regional Plan have identified a gap between those who get housing assistance and those who can't afford market-rate housing in the region. The Commission should seek funding from the U.S. Department of Housing and Urban Development (HUD), New Hampshire Housing Finance Authority, or other agency to develop a Strategic Housing Plan that complements the Regional Housing Needs Assessment and identifies strategies that would benefit this portion of the population.

- *Utilize Affordable Housing Covenants*

Without the use of limits on resale price or eligible buyer incomes, the benefit of any affordable ownership program might be enjoyed only by the first generations of owners. Deed covenants are instruments that preserve the value of investments in affordability by:

- Placing limitations on the resale price of real estate;
- Controlling the amount of equity appreciation;
- Limiting improvements to property or dollar value of improvements;
- Providing the covenant holder a right of first refusal to purchase the property;
- Restricting or limiting the types of materials used in construction or improvements

Covenants may be used in the case of inclusionary housing developments or other development agreements with private parties to produce affordable housing development, or used directly by a non-profit developer to create and then sell affordable units.

- *Coordinate with Local Housing Authorities*

Claremont and Lebanon have established local public housing authorities. Historically, housing authorities were formed principally to develop lower-income rental housing and to conduct urban renewal activities with subsidies from the U. S. Department of Housing and Urban Development. Some housing authorities or their subsidiary non-profit corporations have developed other forms of rental housing under the USDA's rural development programs or under the Low Income Housing Tax Credit Program administered by NHHFA.

In New Hampshire, local housing authorities have the capacity to operate up to 6 miles outside the corporate boundaries of the

municipality in which they are formed. So it is possible for the housing authorities of Lebanon and Claremont to operate or to develop projects in adjacent towns.

- *Utilize the Low Income Housing Tax Credit (LIHTC) Program [NHHFA]*

This federal tax credit mechanism is today's primary means to develop multi-family rental housing that can serve low income or mixed income markets (general occupancy or elderly housing). Use of the LIHTC requires that a rental project provide a minimum of 20% of its units to households earning 50% of the Area Median Family Income (AMFI) or less, or at least 40% of its units to renters at or below 60% of AMFI. The balance of the units may be rented at prevailing market rents.

- *Participate in the Community Development Block Grant (CDBG) Program [NHCDFA]*

CDBG funds can be combined with other funds to support the creation of housing units, or can be used for related community needs such as encouraging home ownership, developing infrastructure, revitalizing downtowns, rehabilitating rental housing and other uses that have a primary benefit to households earning less than 80% of AMFI.

- *Consider Municipal Contributions to Housing Development*

There are examples such as Gile Hill in Hanover where municipal funding through land donation has made affordable housing possible. Other states have included general obligation (GO) bonds as part of the financing mix for developing affordable housing. The authority of municipalities to use GO bonds for this purpose in New Hampshire would need to be verified prior to use of such a financing tool.

- *Form Local Housing Commissions*

NH RSA 674:44-h enables municipalities to form local housing commissions (The powers of these Commissions differ from those of a local housing authority created under NH RSA 203). The Commission can advise the Planning Board on housing needs assessment, ordinances and regulatory changes and in exploring ways of increasing housing diversity and affordability. It can also receive gifts of money and real or personal property in the name of the city or town for the purpose of maintaining or improving housing affordability. The Commission may also be empowered to manage a non-lapsing affordable housing fund that is similar to the conservation fund administered by a Conservation Commission.

- *Consider Inclusionary and Density Incentives in Zoning Ordinances*

To provide incentives for developers to invest in affordable housing projects, inclusionary zoning provisions must be generous enough (relative to normal development standards) to permit a deep discount on low to moderate income units and to raise the gross profit achieved through construction of more units. In a voluntary program (mandatory inclusionary provisions are not permitted in New Hampshire), the density incentive must be high enough to persuade the developer to choose the inclusionary option. If the incentives are encumbered by more stringent standards for open space or other development requirements, or have less predictable approval procedures than under the baseline standards, inclusionary provisions are less likely to be successful.

- *Consider Jobs-Housing Linkage Contributions*

Linkage fees have been used in other areas of the United States that are experiencing rapid commercial and second home/resort

development. Essentially, the fees represent an assessment that is based on the need to mitigate a portion of the low to moderate income housing need created by new job growth. The basis for the fees are usually derived from an analysis that establishes the relationship between local or regional job growth and the associated need for affordable or workforce housing to support the lower wage jobs generated by that development. Based on the results of the linkage study, a pre-determined fee is assessed per square foot of new commercial/industrial development at the time of development, though the pay-in of the fee may be pro-rated over a period of years.

Generally, funds derived from linkage fees flow to a local or regional housing trust or other organization. In New Hampshire, the use of linkage fees would require legislative changes to authorize NH municipalities to use this tool.

- *Require Housing Impact Statements for Large-Scale Non-residential Developments*

Housing developers are frequently asked to produce fiscal impact statements (cost vs. revenue generation of new housing) as part of the development review process.

Large scale commercial developments, however, are rarely asked to describe how and where their employees at different wage levels will find housing that their wage earners can afford. Communities hosting larger scale commercial development could require housing impact statements. This could require developers to furnish an analysis of the wage and salary distribution of the jobs to be created relative to the supply of housing affordable to those wage groups locally and in the region. Such statements could help establish a dialog with the developer about existing housing needs.

- *Promote Employer-Assisted Housing Initiatives*

Employer assisted housing initiatives can include such elements as access to a revolving loan fund to pay back an initial security deposit; providing a match to employee savings for the down payment of a house; leasing rental units for employees; or constructing units for employees. Housing-related cash benefits can provide financial incentives for an employee to stay with the company, live close to work and reduce labor turnover and training costs. Generally, employer assisted benefits are considered taxable income to the employee, but a deductible expense (as with salaries and other compensation) by the employer.

- *Support Affordable Housing Trusts and Community-Based Non-Profits*

A housing trust is simply a way of pooling funds for housing initiatives. An affordable housing trust fund raises funds from both public and private sources and restricts the use of funds to meet specified housing objectives. A dedicated funding stream, whether from taxes, fees and/or an endowment are considered essential for success. Other possible funding sources include: private employers, banks, and foundations that also donate to housing trust funds.

A regional housing trust fund has been established by the Upper Valley Housing Coalition; local housing commissions can also receive contributions.

- *Coordinate Public Education Efforts to Support Affordable and Workforce Housing*

Public objections to housing development in general and affordable housing in particular, are often barriers to achieving balanced development that includes housing diversity.

Local housing commissions, the public housing authorities, housing trusts and the Upper Valley Housing Coalition can be active in the educational effort.

- *Consider Inter-municipal Tax Base Sharing and Regionalized Services*

New Hampshire municipalities rely heavily on local property taxes to fund municipal services and public education. This leads to a competition for developments offering high assessed value and low public service costs and less enthusiasm for development that offers lower assessed value relative to its service demands.

NH municipalities are authorized to enter into inter-municipal agreements through RSA Chapter 53-A. The agreement must be approved by the governing body of each participating public agency. The written agreement must address certain points: duration; purpose; financing; method of termination; and a description of any new entity created or joint board responsible to administer the agreement. RSA Chapter 53-A agreements must be approved by the attorney general. In these models, new taxable valuation is shared among all municipalities in the participating region or district, allowing property tax wealth and service costs to be shared within a region.

- *Promote Utilization of the Downtown Tax Incentive, RSA 79-E*

Once this law is adopted by a municipality's legislative body, a property owner who wants to substantially rehabilitate a downtown or village center building may apply to the local governing body for a period of temporary tax relief. The law is structured to encourage both rehabilitation of downtown structures, and housing in the downtown area. The temporary tax relief consists of a finite period during which the property tax on the structure will not increase as a result of its substantial

rehabilitation. In exchange for the relief, the property owner grants a covenant ensuring the continuation of the public benefit during the period of the tax relief. To date Concord, Hooksett, Lisbon, Manchester and Pittsfield are using this program.

- *Encourage Additional Utilization of the Housing Futures Fund*

The Housing Futures Fund (HFF) provides grants, through the Tax Credit Program, to assist community-based nonprofit housing organizations. HFF grants are intended to build the capacity of participating nonprofits to investigate opportunities, secure financing, and test innovative new solutions for area residents. The operational grant program

enables grantees to focus on housing development and educational outreach to individuals and families in need of quality affordable housing. The technical assistance aspect of the HFF program is implemented by the New Hampshire Community Loan Fund.

- *Consider Creating a Municipal Affordable Housing Revolving fund—RSA 31:95(h).*

In addition to authorizing municipalities to create Housing Commissions, the statute also authorizes the establishment of revolving funds for the purpose of creating affordable housing and facilitating transactions.

2.3 FAIR HOUSING EQUITY ASSESSMENT

What is Fair Housing?

Having equal and unrestricted access to housing regardless of factors such as race, color, religion, sex, familial status, disability, and national origin is the definition of “Fair Housing.” Safe, accessible, and healthy housing not only allows residents to live in decent conditions but provides the opportunity to access employment, educational and other services to engage as full, participating and equal members of one’s chosen community.

The Fair Housing Act is Title VIII of the Civil Rights Act and became law in 1968. It prohibits discrimination in the sale, rental and financing of dwellings based on race, color, religion, gender, or national origin. Under the federal Fair Housing Act, the following are protected classes: Race, National Origin, Religion, Color, Gender, Familial Status and Disability. The New Hampshire Fair Housing Act includes all of the federally protected classes with the addition of Marital Status, Sexual Orientation, and Age. In 1988, The U.S. Congress amended Title VIII and added protection against discrimination based on disability and familial status (presence of a

child under the age of 18) as well as an exemption from familial status discrimination for communities specifically designated for people age 55 and older.

Along with prohibiting discrimination in the sale, rental, and financing of housing, the Fair Housing Act also makes illegal any advertisements or statements that indicate a limitation, preference or exclusion based on one or more the protected classes. Further, any attempt to coerce, intimidate, or interfere with someone exercising a fair housing right is prohibited.

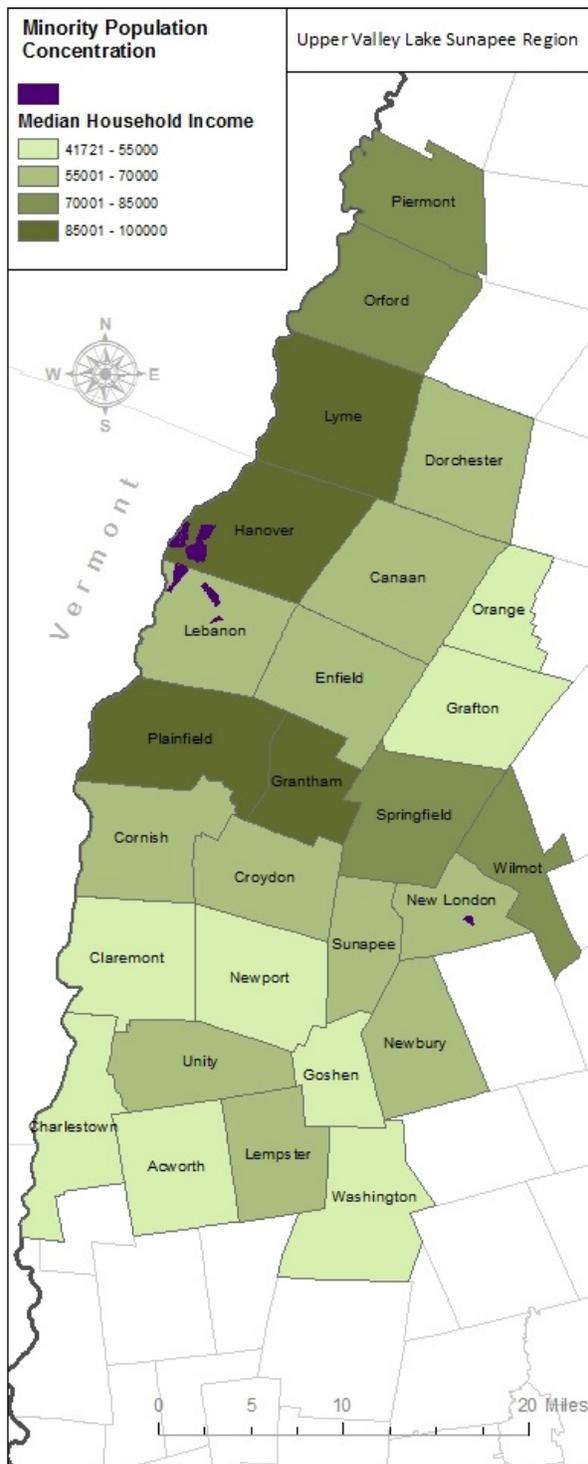
People with disabilities are afforded additional protections. For instance, a landlord may not:

- Refuse to allow a person with a disability to make reasonable modifications to a dwelling or common use area in order to make it accessible;
- Refuse to make reasonable accommodations to rules, policies or practices in order to allow a person with a disability to use the housing.

Protected Categories under Federal and/or State Fair Housing Laws

- | | | |
|--|---------------------------------|--------------------------|
| • Race | • Color | • Disability |
| • National Origin | • Marital Status | • Ancestry |
| • Religion | • Age | • Public Assistance |
| • Military or Veteran Status | • Sexual Orientation | • Sex |
| • Housing Subsidies or Rental Assistance | • Gender Identity or Expression | • Families with Children |
| • Genetic Information | | |

Fair Housing in the UVLSRPC Region



The UVLSRPC Region is atypical in that the highest percentages of minority populations are residents of the higher-income cities and towns, including Hanover, Lebanon, and New London. This is due to the presence of Dartmouth College, the Dartmouth Hitchcock Medical Center, Colby-Sawyer College, and a number of international high-tech firms established in the surrounding area. These entities attract both students and professionals from around the world. Many students remain in the area upon completing their education because of the excellent quality of life and employment opportunities.

Communities of Interest

The significant factors affecting housing equity in this region relate to socio-economic status, age, and family composition, which are used to identify “communities of interest.”

Groups such as elderly persons, minorities, single heads of households, persons without a vehicle, persons in poverty and those with limited proficiency in English have lower incomes and often experience difficulty in securing safe, decent, and affordable housing. UVLSRPC reviewed available information on the presence of residents among these groups in evaluating housing equity.

The region’s largest minority groups are: 1) Asian; 2) Two or more races; 3) Hispanic or Latino; 4) Black; 5) Some other race; 6) Native American; and 7) Pacific Islanders. See the Tables in Appendix I of this Chapter for detailed minority population statistics.

Analysis of Households by Age

Analyzing households by age reveals important information about relationships between housing and age cohorts in the region's population:

- There was a steep decline in the number of households within the 25 to 34 year-old age group between 1990 and 2000. A similar decline in households occurred for the 35 to 44 year-old age group from 2000 to 2010.
- These sequential declines in younger households are balanced by increases in the older household age groups.
- The number of households headed by those under 65 years old vs. senior households (age 65+) was about the same from 1990 to 2000. However, between 2000 and 2010, the rate of growth in senior households was double the rate of increase for those households headed by people under 65.
- In 2010, the senior household (age 65+) cohort represented 26% of the heads of households in the UVLSRPC region. Projections prepared for the UVLSRPC Regional Housing Needs Assessment indicated that households headed by seniors will comprise 37% of households by 2020 and 48% of the households by 2030.

Distribution of Workforce and Housing

The terms workforce housing and affordable housing are oftentimes used interchangeably and can be confusing.

Generally, affordable housing is a generic term that refers to housing with covenants, subsidies, or other mechanisms to ensure the availability of such housing for low and moderate-income households at a cost that leaves an adequate amount of household income for other needs. To be considered affordable, the total cost of housing, including principal, interest, taxes and utilities (ownership), or rent and utilities (rental), should be no more than 30% of a person's or family's gross income.

As referenced in NH RSA 674:58, workforce housing includes a variety of housing types (single family, duplex, apartments, and multi-family) affordable to households with low or moderate-income. These individuals include teachers, municipal employees, retail employees, mechanics, young professionals and others with incomes at or below the area median family income of a region. In New Hampshire, workforce housing includes homeownership affordable to households with incomes up to 100% of the area median family income (AMFI) and rental housing up to 60% of the AMFI for a household of three persons.

Prevalent Fair Housing Issues Identified in New Hampshire

A number of issues reoccur in Fair Housing reports filed in New Hampshire, including:

- Discrimination against individuals with a disability;
- Rental discrimination against families with minor children;
- Rental discrimination against families with young children due to the presence or potential presence of lead-based hazards and landlord's lack of understanding of their obligations;
- Predatory Foreclosure Schemes/Predatory Lending;
- Municipalities that have regulations that prohibit multi-family housing;
- Active steering towards certain areas of a community and/or the region based on race/ethnicity, economic characteristics, and familial status.

Source: NHHFA

Fair Housing Impediments and Complaints

Three organizations are the potential recipients of legal complaints alleging violations of the Fair Housing Act:

- NH Commission on Human Rights;
- NH Legal Assistance; and
- U.S. Dept. of Housing & Urban Development, New England Office of Fair Housing and Equal Opportunity.

Information from the three agencies provides sufficient data to determine the nature of issues raised regarding housing discrimination in the Upper Valley Lake Sunapee Region. The information contained in the agencies' files is confidential and can only be shared in a generic manner.

The NH Commission on Human Rights is a state agency established by [RSA 354-A](#) for the purpose of eliminating discrimination in employment, public accommodations and the sale or rental of housing or commercial property, because of age, sex, sexual orientation, race, creed, color, marital status, familial status, physical or mental disability or national origin. The commission has the power to receive, investigate and pass judgement upon complaints of illegal discrimination and to engage in research and education designed to promote good will and prevent discrimination.

[New Hampshire Legal Assistance](#) (NHLA) is a HUD-funded Fair Housing Initiative that provides private enforcement of the fair housing act through education, outreach, and direct representation of persons facing housing discrimination. In addition, NHLA provides [legal services](#) to low-income people, ranging from simple legal information and advice to vigorous and thorough representation in all of New Hampshire's courts and before many of the local, state and federal agencies which play roles in the lives of low-income people.

Town	# of Intakes	Protected Class
Acworth	0	
Canaan	1	Gender: 1
Charlestown	4	Disability: 2, Familial Status: 2
Claremont	28	Disability: 22, Familial Status: 4, Gender: 1, Age: 1
Cornish	0	
Croydon	0	
Dorchester	0	
Enfield	1	Familial Status: 1
Goshen	1	Familial Status: 1
Grafton	0	
Grantham	0	
Hanover	0	
Lebanon	9	Disability: 6, Familial Status: 2, Race: 1
Lempster	0	
Lyme	0	
New London	0	
Newbury	1	Disability: 1
Newport	2	Disability: 2
Orange	0	
Orford	0	
Piermont	0	
Plainfield	0	
Springfield	0	
Sunapee	0	
Unity	0	
Washington	0	
Wilmot	0	
TOTAL	47	47

Above: Fair Housing Complaint Summary for the UVLSRPC Region (2008 to 2013).

During the period from January 1, 2008 through December 31, 2013, 47 complaints were filed in the Upper Valley Lake Sunapee Region. The predominant basis for the complaints was Disability (33) followed by Family Status (10), Gender (2), Age (1), and Race (1).

Complaints relating to familial status generally are those where the landlord will refuse to rent to or advertises to exclude families with children. The data available does not offer the finer details or underlying facts of these cases.

The most frequent fair housing complaint filed in the UVLSRPC region, 33 or 70%, were related to disability. Most of these complaints were identified by HUD data as "Failure to Make Reasonable Accommodation." The prevalence of this complaint, in light of the anticipated demographic shift in the population of the region should heighten the consideration given to providing equitable housing opportunities and accommodations for individuals with a disability, the majority of whom will be among the senior population.

As Figure 2.3.1 shows, 42.1% of senior households in the region have at least one disability.

Figure 2.3.1- Senior Households in the Region with at Least One Disability

Senior Households with At Least One Disability		
	<i># of Households</i>	<i>% of Households</i>
Vision Difficulty	3,570	8.0%
Hearing Difficulty	9,818	22.0%
Physical Difficulty	11,380	25.5%
Cognitive Difficulty	4,4630	10.0%
Self-Care Difficulty	3,302	7.4%
Independent Living Difficulty	7,006	15.7%
With At Least One Disability	44,626	42.1%
Total Households Age 65+	106,000	
<i>Source: ACS, 2011 Cited in AARP State Housing Profiles, 2011</i>		

Fair Housing Improvement Needs

Local Land Use Controls

Most municipalities in the region have a full compliment of local land use regulations – Zoning Ordinance, Subdivision Regulations, and Site Plan Review Regulations. Local land use regulations require an approach that accommodates growth in an orderly and planned fashion. In some cases, local land use regulations that are overly stringent increase the cost of housing.

Some municipalities are considering a reduction in lot size for workforce housing. On a regular basis, communities should review and update their local land use regulations to make sure they accommodate local needs and are justifiable.

Senior and Supported Housing

There are 1,539 assisted rental housing units within the UVLSRPC region, serving about 14% of the region's renter households. Sixty percent (60%) of these units are restricted to occupancy by elderly and disabled residents and many others are occupied by senior households. Only 7% of renters under 65 live in an assisted housing development, as compared to 43% of all renters age 65 or older.

The primary concentrations of assisted rental housing units are located in Lebanon, Claremont and Newport, New Hampshire. Within the Vermont portion of the NECTA, assisted rental developments are concentrated principally in Hartford and Windsor, Vermont. Most of the assisted rental inventory was constructed 30 to 40 years ago under federal funding programs that are no longer available. This lack of financial resources makes it increasingly difficult to assist the lowest-income renter households, leading to a greater gap in affordability.

Transportation

Low-income persons have transportation needs due to the high cost of housing. Through community outreach effort, participants identified additional public transit services as a need. Public transit services in the Upper Valley Lake Sunapee Region currently exist in only nine of the region's 27 communities.

Community and Economic Development

New opportunities for job creation should be located in or close to the built area of a community. Housing and community development are interrelated.

Planning for Fair Housing: A Municipal Primer

A Municipal Response to Regional Needs

The local response to regional needs can help to reduce the housing affordability gap. Most communities should review their development regulations and consider whether changes are needed to address the new workforce legislation. Some communities will go beyond basic statutory compliance to provide incentives or actively participate in affordable housing creation. A few communities may find that their current housing stock and development standards already enable them to support a fair share of the region's workforce housing needs. Municipal officials working on housing issues could start their analysis by asking a few central questions:

- If you were new to the workforce and earned an entry level wage in the UVLSRPC Region, where could you afford to live, and what housing options are there in your community?
- How far would you need to commute to find a house or apartment you could afford along with your other household and transportation costs?
- How can we build our jobs and economic base if we don't have enough affordable housing to attract and retain a qualified workforce?
- Where will your aging parents live when they can no longer handle the physical demands and costs of running a single family house?

Factors that Affect Housing Development

- Growth limits
- Open space and agricultural zones that limit residential development densities
- Lengthy review process for new residential developments (special permit processes)
-

- Parking requirements (number of spaces, on-site parking)
- Local board of health requirements that impose more restrictive wastewater disposal requirements
- Local wetlands regulations
- Local building code requirements that add additional conditions above and beyond the state's building code requirements
- Local historic district regulations

Meeting Basic Statutory Workforce Housing Requirements

Under NH RSA 58 to 61, each municipality should examine whether land use regulations need to be modified to enable workforce housing creation. Small changes that produce even modest gains in workforce housing can help address regional supply and affordability needs:

- Enable accessory dwelling units and duplexes within single family zoning districts.
- Allow multifamily housing units within commercial mixed use sites.
- Re-examine zoning limits on street frontage per unit, the maximum number of housing units per structure and maximum structures per lot to create more flexibility to accommodate development other than single family detached homes.
- Consider a workforce housing overlay district is an option. Such provisions might allow density to be defined using site-specific soil-based development capacity measures subject to performance in creating and preserving affordable housing units.

Providing Access and Equity

Developing Incentives and Linkages

To go beyond basic compliance with the workforce statute and encourage permanent affordable housing will require more sophisticated approaches that create and preserve affordable housing. The best efforts to increase density to leverage affordable housing can be overwhelmed by market pressure to pursue more profitable development.

Market prices and rents will rise to whatever level the market will bear. Therefore, home prices or rent levels of affordable housing units in a development are limited by the conditions of financing programs or the specific affordability covenants attached to the property deed. Recent declines in home prices may present an opportunity to acquire homes at a low cost and preserve them as affordable units.

Affordability covenants used in association with new inclusionary housing developments may also be applied to less expensive housing purchased from the existing stock.

Lasting affordability could be created within an inventory of protected affordable homes in scattered locations. A non-profit organization could acquire and improve selected properties and attach affordability covenants prior to resale to workforce buyers.

In some states, mandatory inclusionary housing provisions may be applied to new residential development or linkage ordinances may require commercial developments to provide or contribute to the workforce housing demand it generates. This approach has worked in resort-oriented communities, but its success is owed to a mandated process.

In New Hampshire, inclusionary housing provisions must provide voluntary incentives. There is no specific legislation allowing mandatory inclusion or linkage approaches, but voluntary incentives based on similar principles could be explored.

APPENDIX I – POPULATION BY RACE AND ETHNICITY IN THE UVLSRPC REGION

Population by Race and Ethnicity – Sullivan County Towns Within the UVLSRPC Region									
Geographic Area	Total population	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic or Latino (of any race)
Acworth	891	859	1	6	13	0	1	11	7
Charlestown	5,114	5,002	20	12	21	0	6	53	41
Claremont	13,355	12,808	85	44	126	4	53	235	171
Cornish	1,640	1,590	6	9	6	0	4	25	15
Croydon	764	731	4	5	4	0	2	18	5
Goshen	810	793	4	1	0	0	0	12	1
Grantham	2,985	2,898	13	1	29	0	18	26	53
Langdon	688	679	1	3	2	0	1	2	11
Lempster	1,154	1,132	2	3	0	0	2	15	14
Newport	6,507	6,324	18	15	26	0	18	106	71
Plainfield	2,364	2,316	11	2	12	0	1	22	27
Springfield	1,311	1,286	2	5	2	0	0	16	22
Sunapee	3,365	3,283	7	11	19	1	9	35	26
Unity	1,671	1,628	7	3	5	0	1	27	14
Washington	1,123	1,092	4	9	6	0	1	11	15
County Total	43,742	42,421	185	129	271	5	117	614	493
Percentage of Population		97%	0.40%	0.30%	0.60%	0.01%	0.30%	1.40%	1.10%

*Source: U.S. Census Bureau, 2010 Census Redistricting Data (Public Law 94-171) Summary File Tables P1 and P2
Hispanic/Latino not included in Total by Race to Avoid Double Counting*

Population by Race and Ethnicity - Grafton County Towns Within the UVLSRPC Region									
Geographic Area	Total Population	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic or Latino (of any race)
Canaan	3,909	3,797	5	6	40	0	9	52	32
Dorchester	355	343	1	3	1	0	0	7	0
Enfield	4,582	4,437	18	12	42	0	7	66	56
Grafton	1,340	1,296	4	3	5	0	2	30	20
Hanover	11,260	9,122	386	88	1,220	3	77	364	438
Lebanon	13,151	11,622	213	36	900	1	103	276	376
Lyme	1,716	1,663	5	5	19	0	6	18	41
Orange	331	324	1	0	1	0	1	4	9
Orford	1,237	1,202	5	0	9	0	1	20	8
Piermont	790	768	1	3	7	0	0	11	6
County Total	89,118	83,386	828	329	2,633	16	366	1,560	1,600
Percentage of Population		93.6%	1.0%	0.4%	3.0%	0.0%	0.4%	1.8%	1.8%

*Source: U.S. Census Bureau, 2010 Census Redistricting Data (Public Law 94-171) Summary File Tables P1 and P2
Hispanic/Latino not included in Total by Race to Avoid Double Counting*

Population by Race and Ethnicity - Merrimack County Towns Within the UVLSRPC Region									
Geographic Area	Total population	White	Black or African American	American Indian and Alaska Native	Asian	Native Hawaiian and Other Pacific Islander	Some Other Race	Two or More Races	Hispanic or Latino (of any race)
Newbury	2,072	2,020	4	3	6	4	6	29	25
New London	4,397	4,241	49	2	47	2	4	52	64
Wilmot	1,358	1,332	1	2	6	0	2	15	9
County Total	146,445	139,609	1,530	391	2325	41	484	2,065	2,339
Percentage of Population		95.33%	0.04%	0.00%	1.588%	0.03%	0.33%	1.41%	1.60%

*Source: U.S. Census Bureau, 2010 Census Redistricting Data (Public Law 94-171) Summary File Tables P1 and P2
Hispanic/Latino not included in Total by Race to Avoid Double Counting*

APPENDIX II- HOUSING DEFINITIONS AND TERMINOLOGY

Affordable Housing: The term affordable housing is typically used to refer to housing with covenants, subsidies, or other mechanisms to ensure availability to low and moderate-income households at a cost that leaves an adequate amount of household income for other necessities. New Hampshire RSA 674:58 contains a specific definition of “affordable” with respect to workforce housing for a specific range of household incomes by tenure.

Area Median Family Income (AMFI): The area median family income divides the distribution of area incomes for a group of two or more people who reside together and who are related by birth, marriage, or adoption into two equal parts: one-half of the family households falling below the median value and one-half above the median.

Assisted Rental Housing Units: Assisted housing developments are housing facilities that provide subsidized or below-market rental housing units for low and very low income households. Assisted housing units are generally classified in three groups: special needs, elderly, and general occupancy or “family” units.

Barrier Free Housing: A general term for housing that is fully accessible (both the building and the housing unit) by a person using a wheelchair.

Equalized Assessed Valuation (EAV): An estimate of the full value or market value of taxable real estate, based on adjustments to municipal property valuation adjustments, made by the NH Department of Revenue Administration. Property

values by community must be equalized for the purpose of equivalent assessments of county taxes to each municipality.

Fair Market Rent (FMR): Fair market rents are gross rent estimates established by the US Department of Housing and Urban Development. Fair market rents are established based on the dollar amount below which 40 percent of the standard-quality rental housing units are rented within a 15 month period. Public housing units and units less than two years old are not included in fair market rent distributions.

Fair Share: Municipal accommodation of a reasonable proportion of the low to moderate income housing needs of a market area or region. In some states, fair share is a numerical quantity, goal or quota defined by state or regional housing allocation plans. This quantity may be defined by various proportionate distribution factors relative to the community’s share of property tax base, income, total housing units, population, employment or other factors. In New Hampshire, fair share is used in the context of either hosting a supply of workforce housing units, or providing reasonable opportunities for the creation of such housing, without a specific numerical formula for its measurement.

Gross Rent: The cost of rental housing to a tenant including rent paid to the landlord plus any additional cost paid by the tenant for water, sewer, heat, hot water, cooking fuel, and domestic electricity.

Headship: Refers to the ratio of households by age of the head of household to the total population within the same adult age groups. Headship ratios may be used to convert population estimates by age to estimates of the number of households by age using these relationships.

Housing Cost Burden: The percentage of total household income that is spent on gross monthly housing costs. For renters, this includes rent plus any additional utility or fuel costs for heat, hot water, cooking fuel, and electricity. For homeowners, the costs include mortgage principal and interest, property taxes, hazard insurance, and utilities, plus any applicable condominium association fees or site rent within a manufactured housing park. An affordable housing cost burden is generally considered to be not more than 30 percent of a household's gross income. A high housing cost burden is one that exceeds 30 percent of a household's income.

Linkage: Linkage refers to the relationship between commercial development and job creation and the workforce housing demand it generates. In some parts of the United States, development policies and ordinances can require commercial developments to provide a certain number of affordable units to help meet the workforce housing demand generated by expected employment, or to pay linkage fees based on the relationship between jobs, wage levels of related service workers, and local development costs.

Low Income Housing Tax Credit (LIHTC): A program used to leverage the development or rehabilitation of rental housing serving low income households. In

New Hampshire, the New Hampshire Housing Finance Authority administers this program, which awards a share of federal income tax credits to qualifying projects or investors. At least 20% of the units in a LIHTC project must be occupied by households earning less than 50% of the area median family income (AMFI); or at least 40% must be occupied by households earning not more than 60% of the AMFI. The remaining units in a development need not be subject to restrictions on income.

Market Rate: Refers to prices or rents that are not subsidized by government programs, and where there are no restrictions on the property that would limit the price or rent from rising or falling according to market demand.

Median Household Income: The median household income divides the distribution of incomes for the occupants of a housing unit that is their usual place of residence into two equal parts: one-half of the households falling below the median value and one-half above the median.

New England City and Town Area (NECTA): Effective in 2003, the federal Office of Management and Budget (OMB) designated certain core based statistical areas in New England as metropolitan or micropolitan NECTAs. One of the seven New England micropolitan NECTAs is in our region. These are core based statistical areas with at least one urban cluster that has a population of at least 10,000, but less than 50,000. Each Micropolitan NECTA must also have adjacent cities and towns or groups of cities and towns that have a high degree of social and economic integration with the "core" as measured through commuting ties. In New Hampshire, the

NECTAs comprise the statistical labor market geographies for those locations. The US Bureau of Labor Statistics, with input from the Economic and Labor Market Information Bureau of New Hampshire Employment Security, divides the remainder of the state that is not within a metropolitan or micropolitan NECTA into small Labor Market Areas.

Moderate, Low, and Very Low-Incomes:

The US Department of Housing and Urban Development (HUD) provides income limits based on US Census data. Estimates are based on percent of median family income and calculated at three income levels; Moderate-Income (80 percent), Low-Income (50 percent), and Very Low-Income (30 percent). These benchmarks are published annually and are frequently used as income limits applicable to various regions within each state for affordable housing programs.

Private Covered Employment:

Non-government employment that is subject to employment compensation insurance payments by the employer. Covered employment generally excludes self-employed persons and fully commissioned salespersons.

Tenure: In the context of housing analysis, a classification of households into two groups: ownership versus rental occupancy.

Universal Design: A broad range of efforts to produce buildings, products and environments that are usable by everyone, not limited to specialized designs for specific age groups or people with disabilities. With increased life expectancy, there is a growing interest in universal design to deal with the adaptation of design to serve an aging population, various disability levels, as well as general needs. Curb cuts or sidewalk ramps, essential for people in wheelchairs but used by all, are a common example. Additional examples include cabinets with pull-out shelves, or kitchen counters at several heights to accommodate different tasks and postures.

Workforce Housing: Workforce housing includes a variety of housing types affordable to households deriving their income from local or area employment, most typically referring to working residents and households with incomes at or below the area median family income of a region. In New Hampshire, workforce housing has been more specifically defined in RSA 674:58 to include ownership housing affordable to households with incomes up to 100% of the HUD area median family income (AMFI), and for rental housing up to 60% of the AMFI for a household of three persons. Workforce housing options available in the community must include allowances for multifamily structures with five or more units.

APPENDIX III- HOUSING ASSISTANCE ORGANIZATIONS

Claremont Housing Authority: The Claremont Housing Authority manages 96 units of senior housing and assists another 140 households with rent subsidy vouchers.

COVER Home Repair: COVER Home Repair operates the ReCover Store and offers home repair, weatherization and educational programs to residents.

Habitat for Humanity: A community driven organization which has built 26 homes in the region, plus one "house in a box" for Hurricane Katrina Relief.

Hanover Affordable Housing Commission: Coordinates with town agencies and boards to promote the provision of affordable housing in Hanover.

Housing Action New Hampshire: A collaboration of over 40 organizations and individuals, they coordinate alliances to advocate for federal and state investment in the preservation and development of affordable housing, rental subsidies and prevention of homelessness.

Lebanon Housing Authority: Owns and manages over 200 units of rental housing and assists another 163 households with rent subsidy vouchers.

New Hampshire Housing Finance Authority: A public benefit corporation, this agency offers fixed rate mortgages to low and moderate-income home buyers, provides rental assistance to low-income families/individuals and finances the development of quality, affordable rental housing in NH.

Twin Pines Housing Trust: A not-for-profit organization dedicated to "perpetually affordable housing," Twin Pines offers apartments, single family homes and a mobile home park in the Upper Valley.

United Valley Interfaith Project: The United Valley Interfaith Project (UVIP) is a federation of congregations, faith organizations and community organizations. Its Housing Issue Team has conducted extensive research and developed relationships to increase stable funding of weatherization programs for low income people.

The Upper Valley Haven: They provide temporary shelter and education for homeless families and adults as well as food and clothing to anyone in need.

The Upper Valley Housing Coalition: The Upper Valley Housing Coalition is a partnership of business, community, municipal and nonprofit groups which aims to promote an adequate supply of housing for the region's workforce.

Upper Valley Strong: Its mission is to create, strengthen, expand and coordinate Tropical Storm Irene disaster recovery efforts in Vermont communities in the greater Upper Valley area.

Vermont Affordable Housing Coalition: With nearly 70 members, Vermont Affordable Housing Coalition has played a central role in most of the important developments affecting housing policy in Vermont.

APPENDIX IV- FAIR HOUSING LAWS, AND RESOURCES

FEDERAL LAWS

Fair Housing Act and HUD's regulations contain more detail and technical information. If you need a copy of the law or regulations, contact the **HUD Office** nearest you.

Title VI of the Civil Rights Act of 1964

Title VI prohibits discrimination on the basis of race, color, or national origin in programs and activities receiving federal financial assistance.

Section 504 of the Rehabilitation Act of 1973

Section 504 prohibits discrimination based on disability in any program or activity receiving federal financial assistance.

Section 109 of Title I of the Housing and Community Development Act of 1974

Section 109 prohibits discrimination on the basis of race, color, national origin, sex or religion in programs and activities receiving financial assistance from HUD's Community Development and Block Grant Program.

Title II of the Americans with Disabilities Act of 1990

Title II prohibits discrimination based on disability in programs, services, and activities provided or made available by public entities. HUD enforces Title II when it relates to state and local public housing, housing assistance and housing referrals.

Architectural Barriers Act of 1968

The Architectural Barriers Act requires that buildings and facilities designed, constructed, altered, or leased with certain federal funds after September 1969 must be accessible to and useable by handicapped persons.

Age Discrimination Act of 1975

The Age Discrimination Act prohibits discrimination on the basis of age in programs or activities receiving federal financial assistance.

Title IX of the Education Amendments Act of 1972

Title IX prohibits discrimination on the basis of sex in education programs or activities that receive federal financial assistance.

STATE LAWS

Tenancy Protections for Victims of Domestic Violence, Sexual Assault, or Stalking

New tenancy protections for certain victims of violence were signed into law on October 6, 2010. RSA 540:2 has been amended to include certain restrictions on the landlord's ability to terminate the tenancy of a victim of domestic violence, sexual assault, or stalking solely on that basis as long as the victim provides verification of the existence of a protective order against the perpetrator. It also allows landlords to evict only the perpetrator of the violence. (NHHFA)

Same Sex Marriage

Legislation making same-sex marriage legal in New Hampshire became effective January 1, 2010. The legislation also recognizes out-of state marriages not prohibited by New Hampshire law; recognizes foreign civil unions as marriages under NH law; and allows for the conversion of existing civil unions into marriages. Protections against discrimination on the basis of familial status would include these relationships.

Workforce Housing Law

The New Hampshire legislature enacted a Workforce Housing Law in 2008. The legislation reflects court rulings in the case of Britton v. Town of Chester, 134 NH.434 (1991) that require all " New Hampshire municipalities have an obligation to afford

reasonable opportunities for the development of housing for low and moderate income families, including fair share of the regional need for such housing." The Workforce Housing section of Chapter 674 (Local Land Use Planning and Regulatory Powers) mandate that local governments provide meaningful opportunities for the development of Workforce Housing, including rental units. By definition, Workforce Housing refers to affordable homes and rental units for low and moderate income families. (NHHFA)

Amendments to the Law Against Discrimination

RSA 354-A was amended in several ways in 2006 clarifying the definition of "employer" to include non-profit, charitable, and educational employees; "a qualified individual with a disability," "reasonable accommodation," and "undue hardship." The law now provides the possibility of compensatory damages for cases removed to state court, and requires the Human Rights Commission pay the costs of transcription for indigent persons in cases appealed to Superior Court. Housing discrimination cases may now include access to or membership or participation in any multiple-listing service, real estate brokers' organization or other service, organization or facility relating to the business of selling or renting dwellings. (NHHFA)

FAIR HOUSING RESOURCES

U.S. Department of Housing and Urban Development (HUD) www.hud.gov

U.S. Department of Justice, Civil Rights Division (DOJ)
www.justice.gov/crt/housing/fairhousing

U.S. Federal District Court, District of New Hampshire www.nhd.uscourts.gov

New Hampshire Commission for Human Rights (HRC) www.nh.gov/hrc

State of New Hampshire, Office of the Attorney General
<http://doj.nh.gov/site-map/consumers.htm>

State of New Hampshire Courts <http://www.courts.state.nh.us/>

New Hampshire Legal Assistance (NHLA) www.nhla.org

Disabilities Rights Center (DRC) www.drcnh.org