

Chapter VIII Housing

INTRODUCTION

The Housing Chapter is intended to identify the current supply of housing in Sutton and the way this inventory has evolved as the community has grown. The Chapter tries to guide land use such that the rural character of the Town is preserved, maintained, and enhanced. The Chapter also recognizes that providing housing opportunities for families, individuals at different stages of their lives, and people at different income levels helps to promote a vibrant and sustainable community.

Central New Hampshire's strong economic growth over the last decade created many benefits for most communities and residents, but it also generated a demand for housing that the marketplace has been unable to meet. The results are rising home prices, record low vacancy rates and higher rents – a housing market that presents a significant affordability challenge for many citizens, a barrier to labor force development, and a grave challenge to continued economic growth and vitality.

The Chapter's goal is to identify strategies that can maintain and enhance the current quality of Sutton's housing and encourage a variety of housing types consistent with different personal needs, income, and stages of life. In addition to providing homes for growing families, Sutton also should have housing appropriate for younger and older individuals who may now find their housing choices limited in Sutton. Encouraging long-term residency is important to our community history and spirit. For example, children should be able to live in the community they grew up in, and the elderly should be able to remain here.

HOUSING DATA¹

1970-2000 Housing Units

By understanding past housing trends, Sutton can better predict future housing growth and needs. Over the past 30 years, Sutton has averaged 21 units per year in the 1970's, 33 units per year in the 1980's, and 5 units per year in the 1990's. Since 1970, the total number of housing units has grown by over 241%.

When compared to abutting communities, Sutton has the second highest percent growth from 1970-1980, the highest percent growth from 1980-1990, and the second lowest percent growth from 1990-2000, as can be seen below.

¹ Housing data for this Chapter was collected from the US Census, NH Office of Energy and Planning, NH Housing Finance Authority, Central NH Regional Planning Commission reports, and Sutton town reports and staff. Most data was collected on an annual basis, where available, except for Census data, which is only available in ten year increments.

Number of Housing Units, 1970 - 2000

Town	1970 Housing Units	1980 Housing Units	% Change 1970- 1980	1990 Housing Units	% Change 1980- 1990	2000 Housing Units	% Change 1990- 2000	% Change 1970- 2000
Sutton	242	449	85.5%	776	72.8%	826	6.4%	241.3%
Bradford	277	520	87.7%	757	45.6%	762	0.7%	175.1%
New London	1,082	1,492	37.9%	1,806	21.0%	2085	15.5%	92.7%
Newbury	826	1021	23.6%	1,184	15.9%	1,311	10.7%	58.7%
Warner	618	771	24.8%	1,039	34.8%	1,228	18.2%	98.7%
Wilmot	263	401	52.3%	458	14.2%	530	15.7%	101.5%

Source: 1970-2000 Census

Housing Stock Types

A well-balanced housing stock is important for all communities. A diversified housing stock provides for housing opportunities for all members of the community at various income levels and stages of life. The figures below were compiled using 2000 Census figures.

As of 2000, Sutton's housing stock was comprised of 94.3% single family housing units (second highest in the region), 1.6% manufactured housing units (middle range for the region), and 3.9% multifamily housing units (second lowest for the region).

Housing Types for Sutton and Abutting Communities, 2000

Town	Total Units of Housing	# Single- Family Units	Single Family Units as % of Total	# Manuf. Housing Units	Manuf. Housing Units as % of Total	# Multi- Family Units	Multi- Family Units as % of Total
Sutton	826	779	94.3%	13	1.6%	32	3.9%
Bradford	762	680	89.2%	22	2.9%	60	7.9%
New London	2,085	1,815	87.1%	0	0.0%	264	12.7%
Newbury	1,311	1,291	98.5%	11	0.8%	11	0.8%
Warner	1,228	929	75.7%	134	10.9%	165	13.4%
Wilmot	530	478	90.2%	15	2.8%	37	7.0%

Multi-Family is defined as a structure containing 2 or more housing units.

Single Family is defined as a 1 unit structure detached from any other structure.

Manufactured Housing is defined in the Manufactured Housing Section of this Chapter.

Source: 2000 Census

Since 1994, an average of 14 building permits for new homes have been issued each year in Sutton, with all of them for single-family residences. The location of these issued permits can be seen on the **1998-2003 Building Permit Location Map²**.

² Locations of 1994-1997 building permit is not available for inclusion on the map.

Sutton Building Permits Issued, 1994-2003

Year	Single-Family Housing Building Permits	Multi-Family Housing Building Permits	Manuf. Housing Building Permits	Total Building Permits Issued
1994	6	0	0	6
1995	2	0	0	2
1996	4	0	0	4
1997	0	0	0	0
1998	4	0	0	4
1999	17	0	0	17
2000	25	0	0	25
2001	17	0	0	17
2002	33	0	0	33
2003	33	0	0	33

Source: New Hampshire Office of Energy and Planning, Sutton Town Reports, CNHRPC

Owner-Occupied and Renter-Occupied Information

Knowing what percentage of the occupied housing units in a community are owner-occupied and which ones are renter-occupied helps to create a picture of the types of housing options available.

As can be seen below, in 2000 Sutton has 84.9% of its occupied housing units owner-occupied, which is down from 86.8% in 1990, and 15.1% of its occupied housing units renter-occupied, which is up from 13.2% in 1990.

Occupied Housing Units, 1990-2000

Towns	1990			2000		
	Total Occupied Units	Owner-Occupied	Renter-Occupied	Total Occupied Units	Owner-Occupied	Renter-Occupied
Sutton	559	485 (86.8%)	74 (13.2%)	621	527 (84.9%)	94 (15.1%)
Bradford	514	409 (79.6%)	105 (20.4%)	559	444 (79.4%)	115 (20.6%)
New London	1265	1031 (81.5%)	234 (18.5%)	1574	1297 (82.4%)	277 (17.6%)
Newbury	506	425 (85.8%)	81 (14.2%)	691	602 (87.1%)	89 (12.9%)
Warner	845	675 (79.9%)	170 (20.1%)	1048	797 (76.0%)	251 (24.0%)
Wilmot	1152	319 (73.0%)	40 (27.0%)	459	392 (85.4%)	67 (14.6%)

Source: 1990 and 2000 Census

Household Size

The average household size in a community is an indicator of how the population is arranged. Sutton had an owner-occupied and renter-occupied average household size of 2.6 and 2.5, respectively, in 1990. This decreased slightly in 2000, where there was an owner-occupied

average household size of 2.5, which is slightly lower than the region, and a renter-occupied average household size of 2.3, which is the highest in the region (tied with Newbury). The state owner-occupied average household size is 2.7 and the renter-occupied average household size is 2.14 for 2000.

Average Household Size, 1990-2000

Town	1990		2000	
	Owner-Occupied Avg. Household Size	Renter-Occupied Avg. Household Size	Owner-Occupied Avg. Household Size	Renter-Occupied Avg. Household Size
Sutton	2.6	2.5	2.5	2.3
Bradford	2.8	2.4	2.7	2.2
New London	2.1	1.6	2.2	1.9
Newbury	N/A	N/A	2.5	2.3
Warner	2.8	2.2	2.7	2.0
Wilmot	2.6	2.5	2.6	2.0

Source: 1990 and 2000 Census

Age of Homeowners

As of 2000, the largest percentage of homeowners in Sutton (45.4%) were 45-64 years of age and only 8% of the homeowners were less than 34 years old. These figures highlight the fact those people/families looking to buy their first house or their second house, can not or choose not to live in Sutton, resulting in an older than average homeowner population.

Age of Homeowners, 2000

Town	% of Homeowners 34 Years Old or Younger	% of Homeowners 35-44 Years Old	% of Homeowners 45-64 Years Old	% of Homeowners Over 65 Years Old
Sutton	8.0%	25.9%	45.4%	20.7%
Bradford	9.7%	21.4%	45.1%	23.9%
New London	3.4%	11.0%	35.1%	50.6%
Newbury	9.0%	23.8%	39.7%	27.6%
Warner	9.9%	25.9%	45.2%	19.1%
Wilmot	7.7%	25.5%	44.6%	22.2%

Source: 2000 Census

Housing Size

The size of the housing units in a municipality is one measure of the wealth and diversity of residents within a community. The Census defines rooms in a housing unit as: “living rooms, dining rooms, kitchens, bedrooms, finished recreation rooms, enclosed porches suitable for year-round use, and lodger’s rooms.” In 2000, the largest percentage of homes in Sutton (41.9%) had 7+ rooms, which is consistent with 1990 data (35.4%) .

Median Home Size in Sutton and Abutting Communities, 2000

Towns	# 1-Room Housing Units	# 2-Room Housing Units	# 3-Room Housing Units	# 4-Room Housing Units	# 5-Room Housing Units	# 6-Room Housing Units	# 7+-Room Housing Units
Sutton	0 (0.0%)	6 (1.0%)	37 (6.0%)	51 (8.3%)	128 (20.7%)	137 (22.2%)	259 (41.9%)
Bradford	5 (0.1%)	9 (1.6%)	39 (7.0%)	88 (15.7%)	100 (17.9%)	112 (20.0%)	206 (36.9%)
New London	6 (0.4%)	29 (1.8%)	92 (5.8%)	100 (6.4%)	234 (14.9%)	316 (20.1%)	797 (50.6%)
Newbury	0 (0.0%)	14 (2.0%)	16 (2.3%)	69 (9.9%)	140 (20.2%)	179 (25.8%)	276 (39.8%)
Warner	12 (1.1%)	30 (2.9%)	106 (10.1%)	153 (14.6%)	199 (19.0%)	216 (20.6%)	332 (31.7%)
Wilmot	3 (0.7%)	7 (1.5%)	22 (4.8%)	45 (9.8%)	66 (14.4%)	127 (27.7%)	189 (41.2%)

Source: 2000 Census

Vacancy Rates

Vacancy rates are important to monitor, as they reflect the amount of choice available to those seeking housing. Vacancy rates provide one gauge of how housing supply (available units) and demand (number of prospective renters or owners) match up – in other words, the availability of housing for people needing it. A very high vacancy rate can be disastrous for housing sellers and providers, as it may indicate a glut in the market, thus resulting in deflated housing prices. On the other hand, a very low vacancy rate can indicate an inadequate amount of housing available in the market, inflated housing prices, and the need to develop more housing opportunities.

Merrimack County has had a vacancy rate under 2% since 1996. For rental units, a vacancy rate below 2% is considered negligible, accounting for natural turnover in the units. Since 2000, both rental and home ownership vacancy rates were below 1% in Merrimack County. A 5% vacancy rate, for both rental and home ownership, is a desirable level.

According to the 2000 Census, there was a 3.1% vacancy rate in rental units in Sutton and 1.9% vacancy rate for owner-occupied units, as can be seen below. These figures are higher for owner-occupied and average for renter-occupied units when compared to abutting communities.

Vacancy Rates for Sutton and Abutting Communities

Town	1990 Owner- Occupied Vacancy Rate	2000 Owner- Occupied Vacancy Rate	1990 Renter- Occupied Vacancy Rate	2000 Renter- Occupied Vacancy Rate
Sutton	2.8	1.9	4.1	3.1
Bradford	2.9	2.0	6.6	1.7
New London	4.6	1.6	3.7	5.8
Newbury	7.7	1.6	2.1	5.3
Warner	10.3	1.4	10.8	3.1
Wilmot	8.1	1.3	5.1	1.5

Source: 1990 and 2000 Census

Vacancy rates are constantly changing and the information presented above should be viewed as a snapshot of the conditions present at the time the data was collected. Vacancy rates are influenced by a variety of factors, including the economy, land use regulations, and rate of new growth in the community and region as a whole.

Trends in the Cost of Housing

Since 1980, the cost of housing in the central New Hampshire region has increased significantly. This increase can be attributed to numerous factors, including market demand, interest rates, property tax rates, quality of community facilities, and location.

Since 1980, the median value for homes in Sutton has increased. Over the period of 1980 to 2000, the median home value in Sutton rose 160.3% from \$46,900 to \$122,100, as reported by the Census. This 1980-2000 increase was lower than all but one of Sutton's abutting communities (Bradford). The 1980-1990 change in home value for Sutton was 163.1%, which was the second lowest when compared to abutting communities, and the 1990-2000 change in home value was -0.7%, which was in the middle range when compared to abutting communities.

Comparison of Median Home Value* 1980-2000

Town	1980 Median Home Value	1990 Median Home Value	% Change in Median Home Value 1980-1990	2000 Median Home Value	% Change in Median Home Value 1990-2000	% Change in Median Home Value 1980-2000
Sutton	\$46,900	\$123,000	163.1%	\$122,100	- 0.7%	160.3%
Bradford	\$42,600	\$109,000	155.9%	\$100,600	- 7.7%	136.2%
New London	\$73,900	\$204,300	176.5%	\$215,500	5.5%	191.6%
Newbury	\$47,200	\$138,800	194.1%	\$143,200	3.2%	203.4%
Warner	\$41,100	\$116,800	184.2%	\$112,700	- 3.5%	174.2%
Wilmot	\$44,800	\$128,200	186.2%	\$141,300	10.2%	215.4%

Source: 1980-2000 Census

* Median represents the middle value in a distribution. The median divides the total frequency into two equal parts. Value is the respondent's estimate of how much the property would sell for if it were for sale.

The table below lists the median purchase price for those homes sold in Sutton from 1994-2003.

1994-2003 Sutton Home Sales

Year	# Home Sales	Median Purchase Price*
1994	11	\$93,00
1995	9	\$100,000
1996	7	\$125,000
1997	8	\$104,000
1998	20	\$113,000
1999	23	\$123,000
2000	35	\$137,900
2001	31	\$158,000
2002	24	\$167,500

Source: NH Housing Finance Authority, 2004

*Calculations of median purchase price based on a sample size of less than 50 are highly volatile and are not considered valid

The price of rental housing has also increased significantly since 1994. In Merrimack County, the median rent for a two-bedroom apartment has increased from \$632 per month, in 1994, to \$919 per month, in 2003. This is an increase of 45.4% over ten years.

From 1980 to 1990, the cost of rent in Sutton increased an average of \$250, or 138.9%, and from 1990 to 2000 it increased an average of \$289 or 67.2% . Rental figures for Merrimack County, the Town of Sutton, and abutting communities can be seen below.

Median Rent for a Two-Bedroom Unit in Merrimack County, 1994-2003

Year	Median Rent
1994	\$ 632
1995	\$ 616
1996	\$ 663
1997	\$ 669
1998	\$ 718
1999	\$ 748
2000	\$ 814
2001	\$ 832
2002	\$ 868
2003	\$919

Source: NH Housing Finance Authority 1994-2003 Rental Cost Surveys

Median Rent 1980 – 2000 for Sutton and Abutting Communities

Town	1980 Median Rent	1990 Median Rent	% Increase 1980-1990 Median Rent	2000 Median Rent	% Increase 1990-2000 Median Rent	% Increase 1980-2000 Median Rent
Sutton	\$180	\$430	138.9%	\$719	67.2%	299.4%
Bradford	\$206	\$425	106.3%	\$634	49.2%	207.8%
New London	\$150	\$400	166.7%	\$546	36.5%	264.0%
Newbury	\$193	\$511	164.8%	\$775	51.7%	301.6%
Warner	\$216	\$450	108.3%	\$573	27.3%	165.3%
Wilmot	NA	NA	NA	\$575	NA	NA

Source: 1980-2000 Census

TYPES OF HOUSING

Accessory Apartments

An accessory apartment is a separate and complete dwelling unit that is on the same lot as a single-family dwelling or business. The apartment can be within a single-family dwelling or business or in an accessory building. An accessory apartment has separate cooking, bathing, and sleeping areas from the main structure, as well as a separate entrance.

Regulations vary from municipality to municipality regarding accessory apartments but they usually are concerned with health and safety consideration, as well as maintaining the basic character of the neighborhood. These objectives can often be achieved by using designated minimum and maximum floor areas for the apartments, requiring off-street parking, and prohibiting any change in the basic appearance of the structure.

Sutton currently allows the development of “rooming or boarding houses for not over four guests” in both the Residential and the Rural-Agricultural Districts. The number of existing accessory apartments in Sutton is currently unknown.

This residential option provides economic, social, and security benefits to its inhabitants since it allows older people, as well as those just starting out, to live independently but in the same community where they have lived for many years. It also provides housing that is more affordable than a single-family dwelling and provides income to the owner of the apartment.

Goal

To encourage the development of accessory apartments that will diversify housing stock while retaining the town’s rural character.

Recommendations

- Create standards for approving the building of accessory apartments to ensure consistency for the Building Inspector.
- Clearly define “Rooming and Boarding House” in the Zoning Ordinance to ensure that there is no confusion as to what is allowed.
- Research past Planning Board and Building Inspector approvals regarding the creation of accessory apartments to create baseline data that can be used for future housing planning and policy development.

Duplex Housing

Duplexes contain two single-family housing units that are attached by a common wall or ceiling/floor and that have their own entrance. Duplexes can be built to look just like a single-family home thus maintaining the rural character of an area.

These types of housing can be built as market-rate housing, affordable housing, elderly housing, or housing for those with special needs. Duplexes are typically looked at as “starter homes” for young people and homes for older individuals to transition into once they no longer want to, or can afford to, maintain a larger home.

Sutton currently allows duplexes to be built in the Residential and the Rural-Agricultural Zoning Districts by Special Exception. In order to develop a duplex, a minimum of 4 acres is required for the lot.

Goal

To encourage the development of duplexes in order to diversify the housing choices in Sutton.

Recommendations

- Permit duplexes as an Allowed Use in the Residential Zoning District
- Research changing the minimum lot size for duplexes from 4 acres (currently) to 2 acres in the Residential Zoning District.

Multi-Family Housing

Typically, the term multifamily housing describes apartments, town houses, and/or condominiums that contain 3 or more dwelling units. Multi family housing is often best located in already developed areas, such as town or village centers and where there is access to community facilities. Historically, multi-family housing needed to have access to municipal water and sewer in order to be developed. However, with advancements in technology there are now opportunities to use private well and septic systems, where environmental conditions allow.

These types of housing can be built as market-rate housing, affordable housing, elderly housing, or housing for those with special needs. Multi-family housing are typically looked at as “starter homes” for young people and homes for older individuals to transition into once they no longer want to, or can afford to, maintain a larger home.

Sutton currently allows the development of multi-family housing, of no more than 6 units, if it is located in a Cluster Subdivision, which is allowed in both Zoning Districts by Special Exception. Only a small percentage – 3.9% (32 units) according to the 2000 Census - of Sutton’s current housing stock is multi-family housing.

Goal

To guide the development of multi-family housing within Sutton.

Recommendations

- Create specific Site Plan Regulations that cover landscaping, buffers, pedestrian facilities, architectural façade, and lighting for new multi-family housing developments.
- Create Site Plan Review Regulations that outline requirements for buffers, parking, and building code compliance when converting a single-family home to multi-family home.
- The Zoning Districts should be revised to encourage the development of multi-family housing in areas of town that have existing town infrastructure in place and will not have negative traffic impacts.

Manufactured Housing

In an effort to provide for more affordable housing options, the NH Legislature has acted to increase opportunities for the siting of manufactured homes in New Hampshire municipalities. RSA 674:32 requires municipalities to provide “reasonable opportunities” for the siting of manufactured housing and prohibits the complete exclusion of manufactured housing from a municipality.

Manufactured housing is defined as:

“...any structure, transportable in one or more sections, which, in the traveling mode, is 8 body feet or more in width and 40 body feet or more in length, or when erected on site, is 320 square feet or more, and which is built on a permanent chassis and designed to be used as a dwelling with or without a permanent foundation when connected to required utilities, which include plumbing, heating and electrical heating systems contained therein.” (RSA 674:31)

Presite built housing is defined as:

“... any structure designed primarily for residential occupancy which is wholly or in substantial part made, fabricated, formed or assembled in offsite manufacturing facilities in conformance with the US Department of Housing and Urban Development minimum property standards and local building codes, for installation, or assembly and installation, on the build site.” (RSA 674:31-a)

This section in the Master Plan refers to manufactured housing, not presite built housing.

Municipalities have several options regarding the siting of manufactured housing within their community. They can choose to allow manufactured homes on individual lots “in most, but not necessarily all” Districts zoned for residential use. They can also permit manufactured housing parks or manufactured housing subdivisions. If one or both of these latter options are chosen, the parks or subdivisions must be permitted “in most, but not necessarily all” Districts zoned for residential use in the town. Municipalities may also permit all three manufactured home options: individual lots, manufactured home parks, and manufactured home subdivisions.

Manufactured homes permitted on individual lots must comply with the same lot size, frontage requirements and space limitations as conventional single-family housing in the same District, and Special Exceptions or special permits can not be required of manufactured homes located on individual lots or subdivisions unless required for single-family homes. The provisions of the statute that prohibit treating manufactured homes differently from conventional single-family homes in the same District are important to keep in mind in the context of affordable housing.

Towns that permit manufactured housing parks “shall afford reasonable opportunities” for the parks development and expansion. Therefore, lot size, density requirements, and areas for such parks must be reasonable.

Sutton allows Manufactured Housing Parks and Subdivisions in the Rural-Agricultural Zoning District by Special Exception. The Ordinance requires a minimum of 10 manufactured homes to be placed in the Park or Subdivision. According to the 2000 Census, Sutton currently has 1.6% of its housing stock composed of manufactured homes.

Manufactured Housing Cooperatives are becoming the preferred method of manufactured housing park structures here in New Hampshire. Cooperatives give residents control over their own housing situation and allow residents to function in a decision-making capacity. While there are a range of approaches being used around the country, two main objectives underlie New Hampshire’s cooperative financing and ownership structure: (1) to maximize the degree of resident control, and (2) to make membership accessible to all families, regardless of income.

Goal

To allow for the development of manufactured housing in Sutton.

Recommendations

- Remove the requirement that all Manufactured Housing Subdivision and Parks have a minimum 10 homes per development, in order to comply with state law.
- Remove the requirement that all Manufactured Housing Subdivisions and Parks receive a Special Exception before they apply to the Planning Board, in order to comply with state law.
- Create specific regulations that cover landscaping, buffers, pedestrian facilities, architectural façade, and lighting for Manufactured Housing Park developments.
- Work with the New Hampshire Community Loan Fund to ensure that any proposed manufactured housing parks and subdivisions use Best Management Practices.

ELDERLY HOUSING

Designated elderly housing is restricted to residents above a certain age, which can be anywhere from 55-65+ years old and older. These types of development usually do not allow children or grandchildren to live within the developments but do make concessions for those with spouses or partners who are younger than the minimum age requirement. Elderly housing can be comprised of single-family homes, condos, townhouses, apartments, and manufactured housing, as well as being market-rate or affordable (subsidized) in purchase price or rent. Many people see this type of development as a way to help elderly people who currently live in town remain in town, thus encouraging a greater sense of community.

In most cases, Elderly Housing Ordinances provide for a far higher density than allowed in other Residential Zones and contain a separate set of regulations and restrictions than those found for other types of residential development. Some of the types of regulations include a provision for on-site recreational and community facilities, open space and walking trails, and on-site medical and management staff. Many times, when an elderly housing facility is developed by a non-profit entity, the town will negotiate a payment in lieu of taxes so that any increase in community services due to the development is not solely the responsibility of the town.

Elderly housing Zoning Districts are increasingly becoming a way that communities are addressing the need for specialized housing for the elderly without allowing for general multi-family housing. These usually take the form of Overlay Zoning Districts, which means that the Elderly Housing Zoning District is in effect only in areas where elderly housing is being proposed. In a few communities, specific areas have been zoned for elderly housing.

By encouraging the development of elderly housing in town, Sutton will be able to retain and attract residents within the community who, for a variety of reasons, may be looking for a different type of housing arrangement than they are currently in. These types of developments help to create a housing option for those in their later years who do not wish to or can not afford to maintain a larger home.

Goal

To allow for the development of housing for elderly persons within Sutton.

Recommendations

- Research the creation of an Elderly Housing Overlay District with provisions for the types of dwellings, landscaping, parking, lighting, signage, buffers, and community amenities required. This District should be located within close proximity to existing town facilities.
- Research the possibility of the Town encouraging elderly housing development through the donation of land or the development of infrastructure for such a development to be built with an emphasis on housing for existing Sutton residents.

AFFORDABLE HOUSING

For a healthy, sustainable community, a variety of housing types should be available and encouraged. This variety should be evident in the housing type (single-family house, multi-family, condominium, or duplex) and occupancy (owner or renter). Additionally, housing should vary based on size and cost. Ensuring such a varied housing supply will ensure residents can participate in and contribute to our community regardless of their stages of life (for example, a new family or elderly) or income level. In 2000, Sutton had 107 housing units that were considered affordable, according to the *2000 Affordable Housing Needs Assessment Report* prepared by CNHRPC.

In recent years, the term Workforce Housing has been used in New Hampshire to describe housing that used to be called Affordable Housing. Workforce Housing is the term used for a range of housing options for working households, for a variety of incomes levels, that incorporates quality design, placement, and land use. Although the terms are inter-changeable, we will continue to use the phrase Affordable Housing in this Chapter.

Affordable housing is just that – what a family can afford. The current standard states housing should cost no more than 30% of a family's gross income, leaving the remaining income to cover food, clothing, transportation, child care, medical care, etc. To be within the 30% criteria, a homeowner with a net income of \$48,000/year could afford mortgage, taxes, and utility payments of \$1,200/month. A renter with a net income of \$36,760/year can afford rent payments of \$919/month, which was the median cost of a 2 bedroom unit in Merrimack County in 2003. An estimated 30% of all New Hampshire households (renter and owner) pay more than 30% of their income for housing.

Affordable housing can be single-family homes, duplexes, condos, townhouses, apartments, manufactured housing, elderly housing and/or special needs housing. There is no one "type" of housing that constitutes affordable housing, and all people hope for affordable housing given their income.

Affordable housing can be developed using five methods.

- 1) Subsidize the development. Here subsidies and grants are used to pay development costs, requiring less payment from the renter/homeowner.

- 2) Subsidize the renter/owner. Grants (such as down payment assistance for homeowners), subsidies or rent vouchers reduce what a renter/owners pays for the housing usually because of the resident's limited income or other circumstances.
- 3) Reduce development costs through town regulations. Planning and zoning requirements have a significant impact on development costs and thus housing costs. For example, more housing units per acre reduces costs; less housing units per acre increases costs. Thus, towns can encourage (or discourage) affordable housing through town land-use regulations or by allowing incentives to developers that agree to build housing affordable to certain income levels. For example, regulations could allow smaller lots, reduced setbacks, lower impact fees or relief from other regulatory controls that drive up costs making certain housing developments cost prohibitive.
- 4) A developer can create a development with a mix of affordable and market-rate units mixed throughout with the price from the market-rate development offsetting the costs of providing affordable housing. In this scenario, the market-rate and affordable housing units can look exactly the same and be mixed throughout the development.
- 5) Combining methods. Because development cost are so high, as compared to incomes, a developer must often use a combination of these methods.

Affordable housing is an issue that is considered and worked on by all levels of government and housing developers, both for-profit and non-profit. The Federal government promotes affordable housing through various programs administered by the Department of Housing and Urban Development. State government promotes affordable housing through the passage of several laws requiring communities to permit affordable housing and through periodic funding. Furthermore, New Hampshire has also created several Commissions and Departments, such as the New Hampshire Housing Finance Authority, to examine and foster the development of affordable housing opportunities. Ultimately, housing must be built in a local community, and thus, communities must ensure their regulations, procedures and support exists for a varied housing supply.

State and Local Regulations

The New Hampshire Legislature has promoted the need for communities to develop affordable housing through the creation of NH RSA 674:2,III; RSA 672:1, IIIe; and RSA 674:32.

NH RSA 674:2, III, requires communities preparing Master Plans to include an analysis regarding the existing and anticipated affordable housing needs of the community. This portion of the Master Plan is to be based on the most recent regional housing needs assessment, as prepared by all Regional Planning Commissions, in addition to other pertinent data.

NH RSA 672:1, IIIe, specifies the purpose and benefit of local land use regulations and zoning. This section states:

Averaged Result

The “averaged result” factors the communities share of the regional population, the communities share of the regional job base, the communities share of the regional income (wages paid), and the communities share of the region’s total assessed property values. These figures are considered generation and capacity factors for affordable housing. These figures are added together and then averaged into a single figure for purposes of determining theoretical need.

$$\text{Formula} = (\text{Community Share of Regional Population}) + (\text{Community Share of Regional Employment}) + (\text{Community Share of Total Regional Wages Paid}) + (\text{Community Share of Regional Assessed Value}) / 4$$

$$\text{Sutton Figures} = 1.4\% + 0.4\% + 1.6\% + 2.1\% / 4 = 1.4\%$$

Theoretical Community Share of Affordable Housing for CNHRPC Region

This figure uses the variables of the “averaged result” and the total number of low to moderate-income families, and generates a figure that explains how many affordable housing units a community should theoretically provide based upon generation and capacity figures existing in the community.

$$\text{Formula} = (\text{Averaged Result for community}) \times (13,770^3)$$

$$\text{Sutton Figures} = 1.4\% \times 13,770 = 190$$

Total Credits (a.k.a. the number of affordable housing units existing in the community)

Total Credits accounts for all housing in each community which is suspected to be affordable. The formula is dependent upon the assumption that all manufactured and multifamily housing units in a community are affordable.

$$\text{Formula} = (2 \times \text{Number of Multifamily and Manufactured Housing in Community}) + (\text{Estimated Number of Households at 80\% of Community Median Income}) / 3$$

$$\text{Sutton Figures} \quad [(2 \times 54) + 209] / 3 = 107$$

Future Planning Goal

This figure indicates how many affordable housing units a community should strive to develop in the near future to meet its theoretical share.

$$\text{Formula} = (\text{Theoretical Share}) - (\text{Total Affordable Housing Credits})$$

$$\text{Sutton Figures} = 190 - 107 = 83$$

³ Note that 13,770 is the most recent calculated estimate of the number of low to moderated income households in the Central New Hampshire Region.

Based on the affordable housing need assessment conducted by CNHRPC in 2000, Sutton had less than its theoretical fair share of the affordable housing base for the central New Hampshire region. The formula used by CNHRPC indicated that Sutton contained approximately 107 units of affordable housing, which was 83 units less than its theoretical fair share of 190 units. This formula is based on the assumption that all multi-family and manufactured homes in the region should be considered affordable housing, which is not always the case. The table below compares Sutton’s affordable housing stock and future goals to its abutting communities.

Summary of 2000 Affordable Housing Needs

Town	Theoretical Community Share of Regional Affordable Housing Stock	Total # of Existing Affordable Housing Units *	Future Planning Goal (# of Units Community Should Develop)
Sutton	190	107	83
Bradford	171	147	24
New London			
Newbury			
Warner	310	317	0
Wilmot			

Source: CNHRPC *Affordable Housing Needs Assessment*, May 2000

* Assumption that all manufactured housing and multi-family housing units are affordable

Goal

Create a goal of reaching the future planning figure (87) to meet the regional share of affordable housing stock (190 total units).

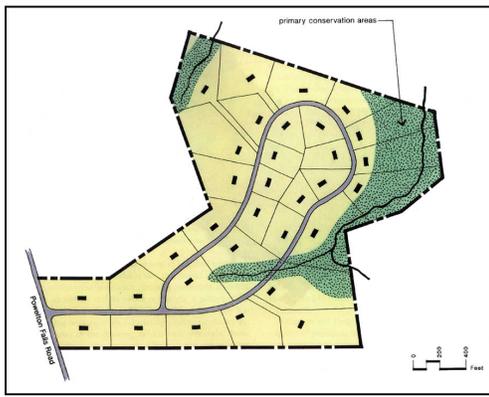
Recommendations

- Annually review the progress made to date in meeting the goal and revise the Towns regulations and Ordinances accordingly.
- Provide regulatory incentives to developers to build qualified affordable housing in the community, such reduced lot sizes, frontage and setback requirements, and exemptions from any future Growth Management Ordinance.
- Consider donating appropriate town-owned land, such as land taken for back-taxes, to nonprofit housing organizations for the development of affordable housing within Sutton.
- Work with regional Workforce Housing Coalitions to address the issue of housing on a region-wide basis.
- Create an open dialogue with the Concord Area Trust for Community Housing (CATCH), the NH Community Loan Fund, the NH Housing Finance Authority (NHHFA), and for-profit affordable housing developers in an effort to encourage affordable housing to be developed in Sutton.

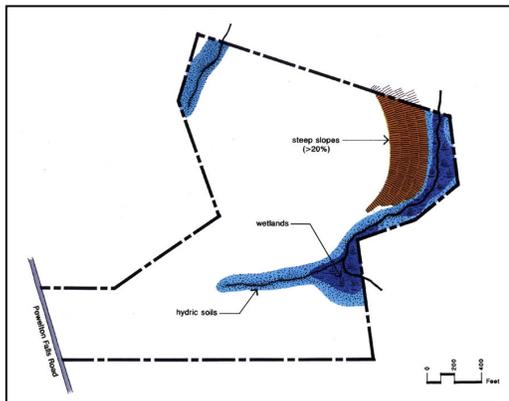
CLUSTER DEVELOPMENT

An answer to the sprawling landform created under conventional subdivisions is a new approach to subdivision design for rural areas, as outlined in the book entitled *Conservation Design for Subdivisions: A Practical Guide to Creating Open Space Networks*, by Randall Arendt (Island Press, 1996). Most practitioners call this type of development Conservation Subdivision Design.

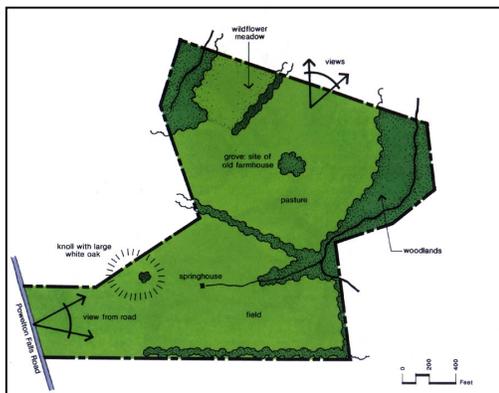
The figures below (used for example only) show graphics from Arendt's book depicting the typical scenario for the development of a parcel under the conservation development design process. In its most basic form, the conservation development process can be broken into six logical steps, which are not the steps taken for a conventional subdivision. The six steps are as follows:

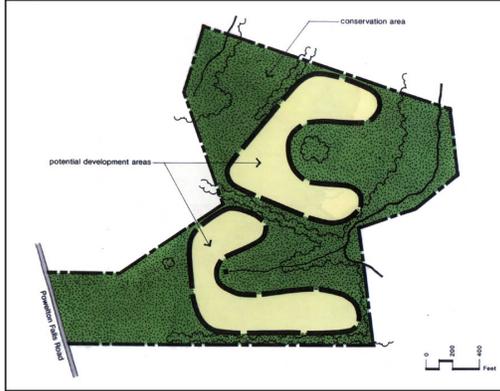


1) Create a "yield plan" for the site that assesses the number of viable building lots on the site under a conventional subdivision design. This plan establishes the **minimum** density for the conservation development design. Although a yield plan is conceptual, it must be consistent with Town ordinances and regulations already in place.

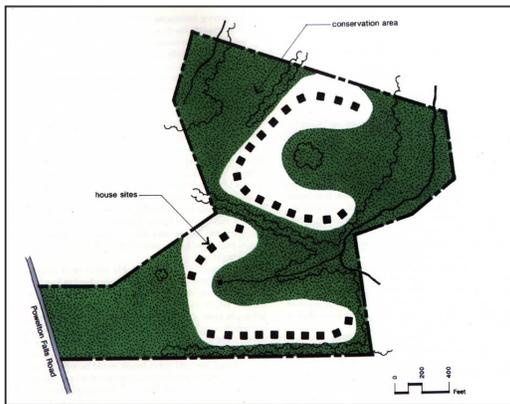


2) Prepare a conservation site analysis plan that identifies prominent open spaces and important natural features broken out into primary and secondary conservation areas. Primary conservation areas are those resources for which development should be excluded almost without exception. Secondary conservation areas are those that should not be developed, if at all possible.

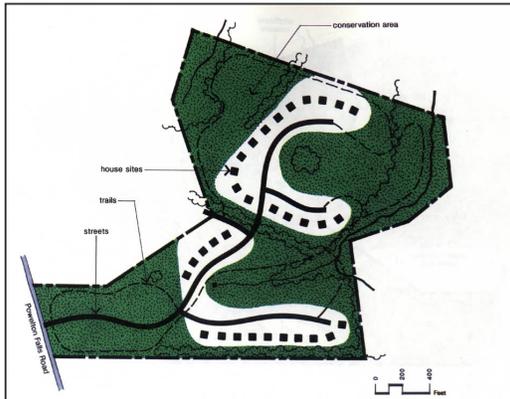




3) After evaluating the primary and secondary conservation areas, locate the portions of the site most suitable for development.



4) Locate dwelling unit sites using innovative arrangements to maximize views of open space and resources.



5) Locate and design the roadway and pedestrian travel ways. Maximize the protection of viewsheds and natural terrain in the design. Locate septic fields.

6) Delineate lot lines.



(Note: These graphics are to be used as examples only)

Primary conservation areas may include wetlands, steep slopes, aquifer recharge zones, and floodplains. Secondary conservation areas may include stonewalls, viewsheds, prominent vegetation, prominent landforms, prime agricultural soils, historic sites and features, archeological sites, and communities and species identified in the Natural Heritage Inventory. The natural areas set aside should include recreational areas, both passive (walking trails) and organized (soccer fields), as an amenity for the neighborhood.

To help ensure successful conservation subdivision designs, the following provisions should be included in the Ordinance:

1. Clearly state the goals and objectives of the regulation.
2. Clearly explain how much of the unbuildable land can be used towards the minimum open space requirement and define unbuildable land.
3. Require that the conservation land have good access and be well marked.
4. Provide performance standards to ensure a quality development.
5. Ensure workable tax collection on common land.
6. Secure developer follow-through on plan commitments.
7. Clarify application requirements to encourage more desirable plans and avoid unnecessary costs for the developer.

Sutton's regulations allow for Cluster Developments in both Zoning Districts with a Special Exception. The minimum area for this type of development is ten acres and both attached and detached single-family dwellings are allowed. There are currently no cluster developments located in Sutton.

Under this approach, increased residential density can be achieved while maintaining open space and the look of a rural community. This type of development is also beneficial in encouraging affordable housing developments, elderly housing developments, and in meeting the goals of smart growth .

Goal

To encourage housing developments that protect and preserve open space and natural areas, support denser development, and adhere to the principals of traditional neighborhood design.

Recommendations

- Change the name from Cluster Development to Conservation Subdivision Design in the Zoning Ordinance.
- Employ all possible measures to create open space that is protected in perpetuity through conservation easements, an association of all the home owners, or by deeding the land to the Town or to a conservation organization. Land should be deeded to the Town when the proposed open space land abuts existing Town-owned land.
- Ensure that the open space is usable for the desired use, such as farming, recreation, and/or wildlife habitat.

- Revise the requirement that a Special Exception is required *before* the development can be submitted to the Planning Board to allow the Planning Board to review and approve the application with the condition of receiving a Special Exception *after* Planning Board approval.
- Review the density requirements and allow an increase in density as an incentive for developers to use Cluster Development. One way to do this is to consider creating a sliding scale for lot density in exchange for more open space.
- Consider allowing a portion of the required open space to be “off-site” on a lot that is not contiguous to the residential development, provided the proposed non-contiguous open-space lot abuts Town-owned property and/or natural areas of importance. This is commonly referred to as “Transfer of Development Rights.”

CONCLUSION

Evidenced by the Town’s Community Survey feedback, maintaining the rural character of Sutton, while providing for a safe and sanitary environment, is paramount to future housing plans. With attention towards providing safe housing, Sutton can better meet its vision of providing housing for all income levels and population strata, while maintaining the character of the community. A continued sensitivity regarding affordable housing objectives and housing needs for our aging population, coupled with our desire to balance the costs of growth, shall serve as the premise for sound, long-term housing plans. The recommendations on the findings in this Chapter reflect that commitment to a Sutton with as many rural characteristics as possible.