



HOUSING OPPORTUNITY PLANNING IN LEE

October 25, 2023

Presented by Barrett Planning Group LLC

InvestNH Housing Opportunity
Planning Grant Program



AGENDA

- About this HOP Project
- Town Demographics
- Results from Targeted Interviews
- Summary of Audit Findings
- Community Input



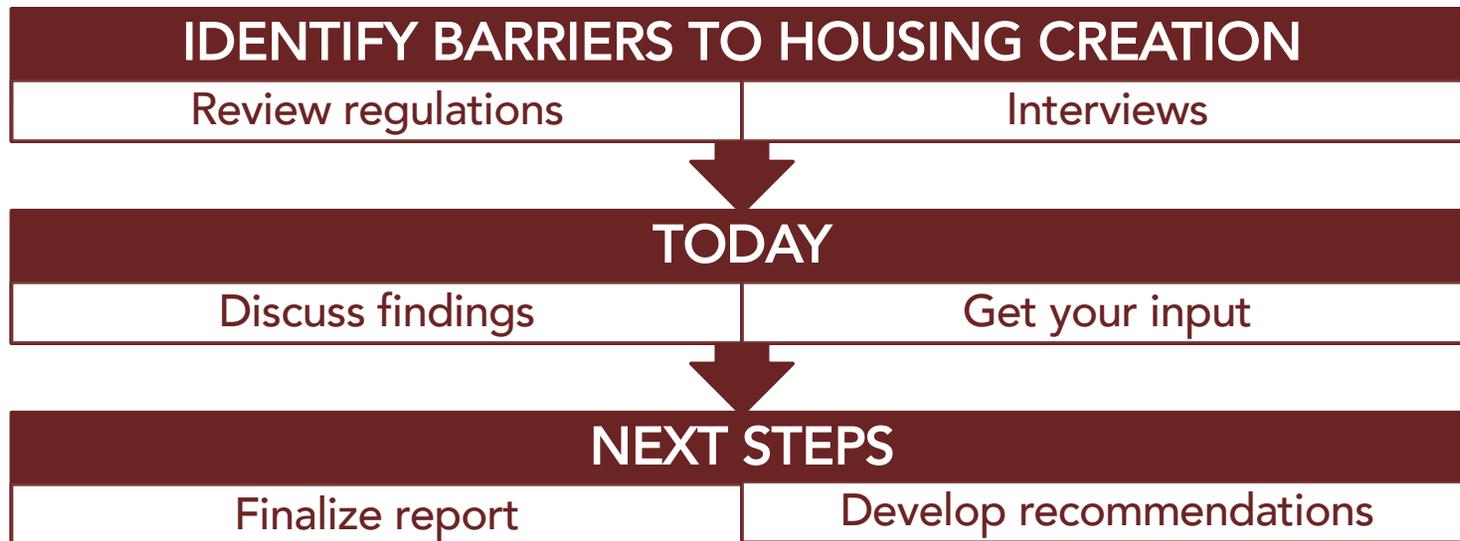
ABOUT THE HOUSING OPPORTUNITY PLANNING GRANT

- Part of InvestNH Program
- State provides grants to municipalities to analyze and update their regulations in up to three phases:
 - Needs Assessment
 - Regulatory Audit
 - Regulatory Amendment
- Goal is to increase housing development opportunities, and remove regulatory barriers



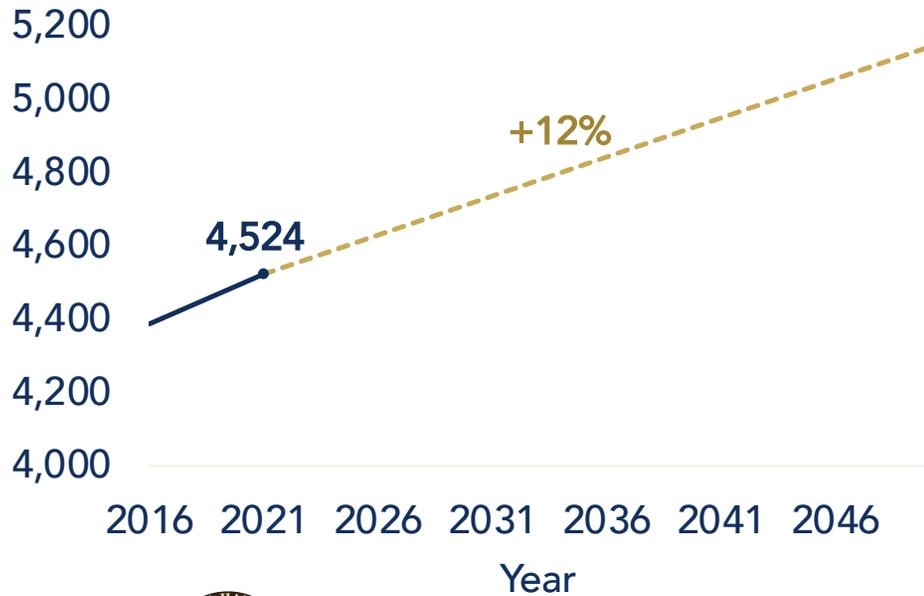
WHAT WE ARE DOING

Lee secured funding for Phase 2, preparing a Regulatory Audit. The Audit is intended to understand and identify barriers to housing development, and propose remedies



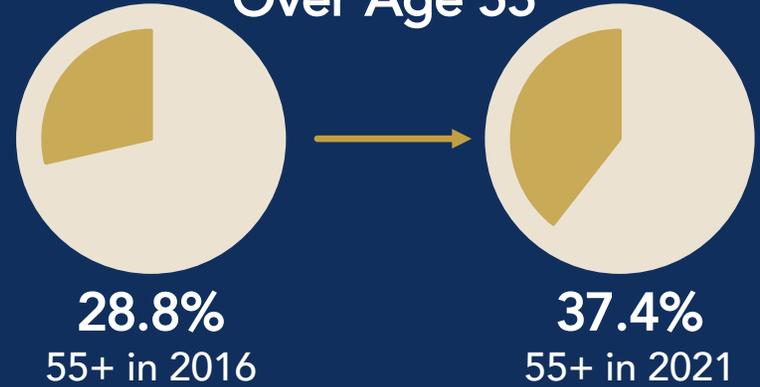
DEMOGRAPHICS

Lee's Population 2016-2042

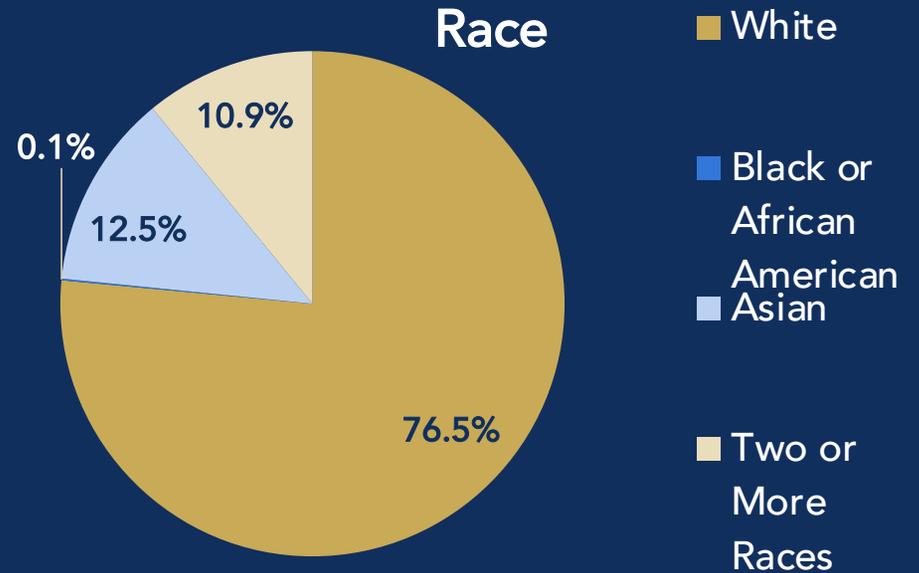


Source: Strafford Regional Planning Commission

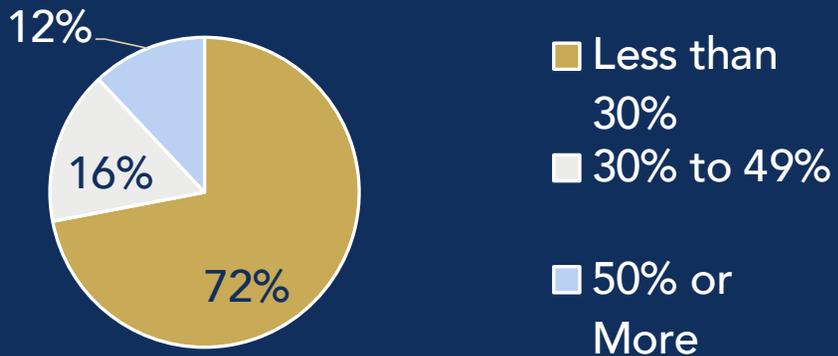
Residents Over Age 55



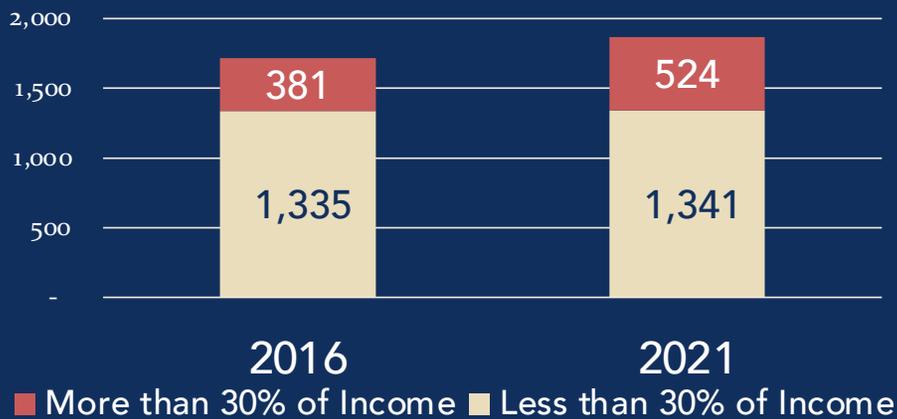
Race



Income Spent on Housing 2021

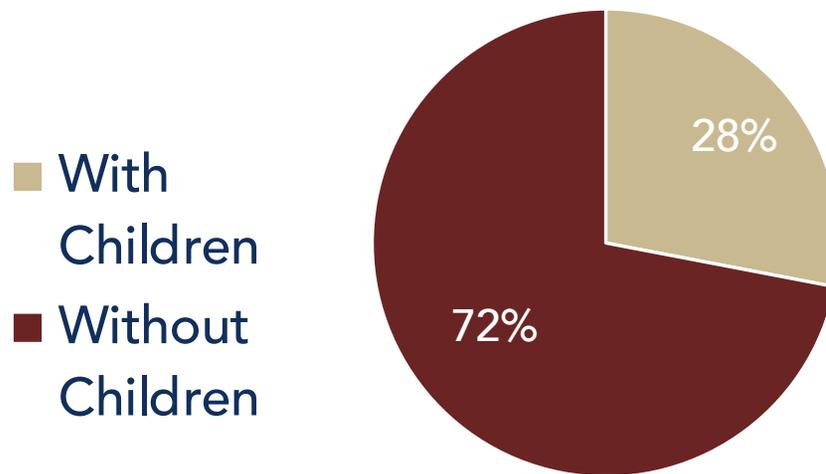


Households by Percent of Income Spent on Housing 2016-2021



HOUSEHOLDS

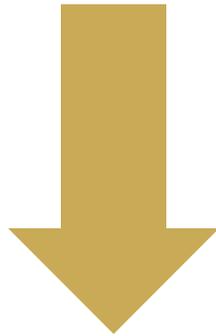
Households with Children Under 18 in 2021



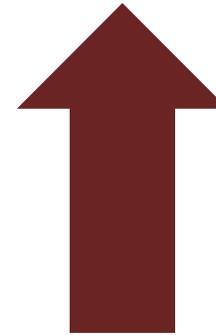
Source: American Community Survey 5-year 2012-2016 and 2017-2021

INCOME

The median household income in 2021 was **\$88,750**, a 20% decline from 2016.



2.4% of households had income below the poverty level in 2021, up from only 0.2% of households in 2016.



WORKFORCE HOUSING THRESHOLDS FOR LEE

For-Sale Units:

- Must be affordable to a household making \$136,000
- Sale price can be no more than \$407,000

Rental Units:

- Must be affordable to a household making \$73,440
- Rent can be no more than \$1,840

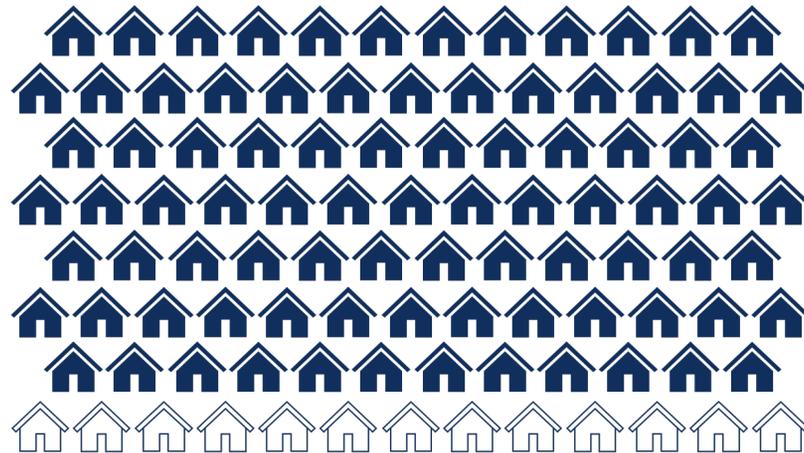
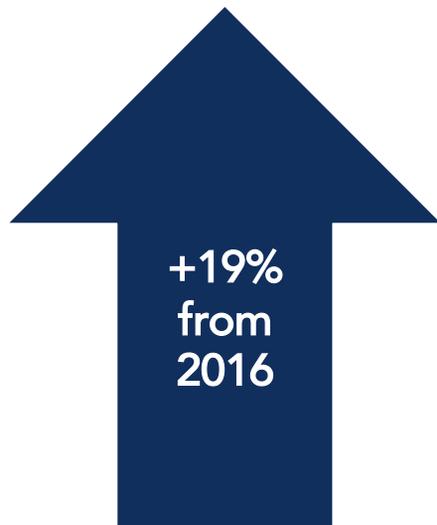
More than half of all households in Lee would qualify for owner-occupied workforce housing.



LEE'S HOUSING SUPPLY

2,041 housing units in 2021

In 2021, 87% of homes were owner-occupied



In 2023, the New Hampshire Realtors Association reports that the **vacancy rate** for Strafford County is 0.9% for all units.



HOUSING COST

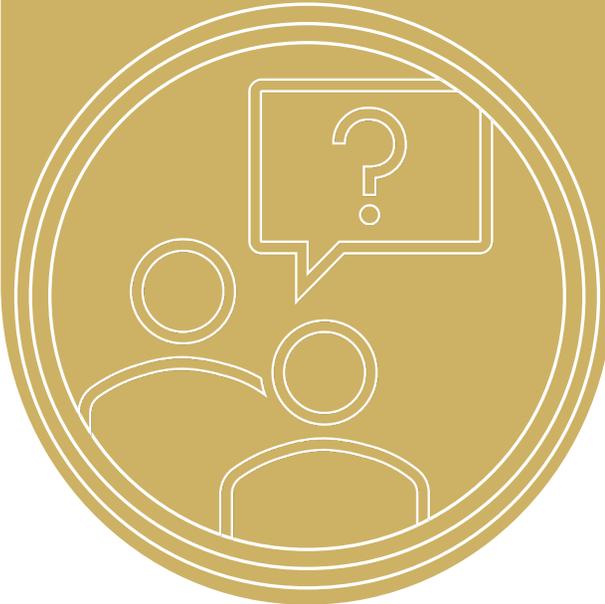
For both owner-occupied and rental properties, housing costs have been rising quickly

In 2023 (to date)...

- Median sale price in the Portsmouth-Rochester, NH HMFA: **\$435,000**
- Median sale price for Lee: **\$550,000** as of August 2022
- Median rent for a 2-bedroom unit in Strafford County: **\$1,613**
- Strafford County's average utility costs per month: **\$348**

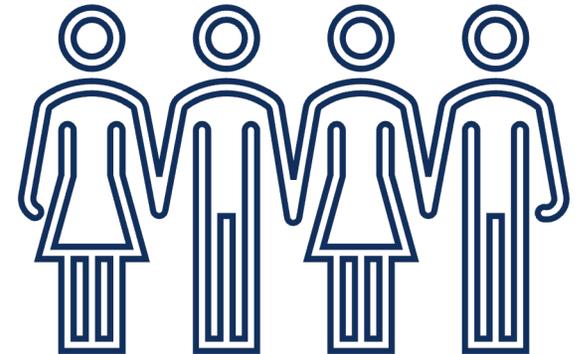


COMMUNITY INTERVIEWS



WHO WE SPOKE TO

- During August, we met with a number of people, selected by Lee's planning staff, who were familiar with the housing situation, development, and regulations in Lee.
- We spoke to developers, residents, members of Lee committees, and professionals involved in real estate and engineering.



INTERVIEW RESULTS: LEE'S HOUSING MARKET

Low supply

Competitive
market

High and
increasing house
prices

Lack of diversity of
housing types

Unmet needs for
seniors and
younger
households

Major Groups
Coming in are Older
Households and
Families

INTERVIEW RESULTS: ENVIRONMENTAL AND INFRASTRUCTURE CONSTRAINTS



Land types that prevent building



Large amount of permanently preserved land



Lack of public sewer or water



Regulations stricter than the state requires



RESULTS OF DRAFT REGULATORY AUDIT



IMPORTANT CONSIDERATIONS FOR THE AUDIT

- The purpose of this audit is to identify what barriers there are to housing creation in Lee.
- We use barriers as a **value-neutral** term.
- Not all of the identified barriers will, or should be removed.
- We encourage you to view this as a way to understand the barriers present in Lee and to help the Town understand areas where they can be modified or eliminated.



TYPES OF HOUSING ALLOWED IN LEE

Housing Type	Development Type					
	Single-Family Dwelling	Two-Family Dwelling	Condominium Development	Open Space Residential Development	Multi-Family Development	Manufactured Home Subdivision
Single-Family Dwelling	Y	Y	Y	Y	-	-
Two-Family Dwelling	-	Y	Y	Y	-	-
Multi-Family Dwelling	-	-	Y	-	Y	-
Manufactured Housing	-	-	-	-	-	Y
Accessory Dwelling Unit	Y	-	-	Y	-	-



Y= Housing Type is allowed
 - = Housing Type is not allowed

BULK STANDARDS FOR DEVELOPMENT

Setback	Development Type					
	Single-Family	Two-Family	Condominium	Open Space Residential	Multi-Family	Manufactured Home Subdivision
Front	50 ft.	50 ft.	35 ft.	35 ft.	50 ft.	35 ft.
Side and Rear	25 ft. 35 ft. from Right-of-Way	25 ft. 35 ft. from Right-of-Way	-	25 ft. 35 ft. from Right-of-Way	-	20 ft.

	Development Type					
Requirement	Single-Family	Two-Family	Condominium	Open Space Residential	Multi-Family	Manufactured Home Subdivision
Minimum Development Size	2 acres	5 acres	20 acres	20 acres	20 acres	20 acres
Minimum Lot Size	85,000 sq. ft.	217,800 sq. ft.	871,200 sq. ft.	30,000 sq. ft. (Single-family) 60,000 sq. ft. (Two-family)	871,200 sq. ft.	30,000 sq. ft.
Maximum Units per Acre	0.51	0.40	0.33	0.45	0.33	0.51
Development Buffer Area	-	-	-	100 ft	100 ft	100 ft
Preserved Open Space	-	-	25%	-	-	-
Minimum Frontage	250 ft.	250 ft.	250 ft.	100 ft. (Single-family) 150 ft. (Two-family)	250 ft.	100 ft.

UNIT DENSITY LIMITATIONS



Large Minimum Lot Sizes

- From 85,000 sq ft (just under 2 acres) to 5 acres (two-family dwellings)

Exclusions for Calculating Developable Land for Multi-family Development

- Unit density based on **developable land**

Developable land = area of parcel - wet soils - slopes over 15% - rights of way - bodies of water

Limit of 6 Units Per Building

- Constrains the ways that developers can make a project feasible and how much they can spread development costs across units



RESTRICTIONS ON MULTI-FAMILY AND CONDOMINIUM DEVELOPMENTS



Low Unit Per Acre Density

- 3 acres per unit density discourages multi-family housing and instead encourages single-family housing development, which allows for higher density at 1.95 acres per unit

20 Acre Minimum for Multi-family Housing

- Difficult to find, expensive, and discourages the creation of smaller-scale developments that might fit better with Lee's character

Single Access Point

- Design guidelines for multi-family units either require or encourage that developments only have one entry onto a public road, increasing costs

50 ft Separation Between Buildings

- Increases construction costs, limits clustering and makes it more difficult for buildings to be placed around unbuildable areas on sites

Requirement That Development Cannot Lower Surrounding Property Values

- Requires additional clarification on how that is measured to prevent exploitation

LIMITS ON ALTERNATIVE HOUSING DEVELOPMENT METHODS



Only allows Attached ADUs

- Limits how these units can be created, can require major renovations to existing homes

Lack of Clarity on ADU Requirements

- There is no ADU Ordinance for the town, limiting control over ADU creation and design, and guidance for Boards and applicants

Limit of Where Manufactured Housing Can Be Built

- Limits where a cost-effective form of housing can be placed in town

Deep Setbacks in Cluster Development

- Cluster Development Ordinance allows smaller lot sizes in exchange for setting aside preserved land, but minimum setbacks do not change to the same degree, limiting practical reductions

Transfer of Development Rights is Limited to Contiguous Parcels

- Limits the usefulness and benefits of the TDR program, and in practice makes TDR function like a lot consolidation

ENVIRONMENTAL OVERLAYS



Lack of Clarity on Allowed Development

- The Aquifer Conservation District says that only “Low-density residential development” is allowed, but it does not clarify what this means or what can be built there

Large Buffer Areas for Shoreland Conservation Zone

- The Shoreland Conservation District includes all lands within 100 ft of all major lakes, rivers, and streams, and forbids development and disturbances in them

Prevention of Disturbance in Environmental Overlays

- In the Shoreland Conservation District and the Wet Soils Conservation District, no disturbance of any kind is allowed.



ADMINISTRATIVE PROCESSES



Lack of Timeline for Required Impact Studies

- The Site Plan Review Regulations allow for the Planning Board to request various studies to help support their rulings at any time

Lack of Uniformity on Determination of Buildable Area

- Way to calculate buildable land varies, with different thresholds of when it comes into effect



EASE OF USE

- There are a number of places in Lee's regulations that appear to contradict each other, or create confusion about the actual requirements.

EXAMPLE: Condominium Development Ordinance (Article VII)

- Section C.1 says that the maximum unit density is altered only if more than 25% of the total land area is unbuildable
- Section C.10 says that rights-of-way are **subtracted** from the total lot area before calculating density



DISCUSSION



QUESTION 1

Was there anything you heard today that surprised you?



QUESTION 2

Is there anything our interviews did not cover that we should know about Lee and its housing?



QUESTION 3

Who is not having their housing needs met in Lee?



QUESTION 4

Are there housing types or price points Lee needs more of?



QUESTION 5

Are there any barriers we have identified that you think should be addressed, or want to know more about? Are there any we missed?



QUESTION 6

What would Lee look like at its housing best?





THANK YOU ALL FOR COMING!

The Town is also hosting a survey for the community to share its thoughts on Lee's housing needs and future.

