

InvestNH Housing Opportunity Planning Grant Application Narrative (Approved) - Town of Northwood, NH

Housing Challenge and Project Goals

Challenges

Distance to Employment Centers. Northwood is located along Route 4 in northern Rockingham County and has easy commuting access to larger employment centers both in the greater Seacoast and the Merrimack Valley. This access makes Northwood attractive to households that either have members commuting to both the Seacoast and Merrimack Valley, or that cannot afford living closer to these employment centers (Rental Cost Report pg. 8). Northwood has been somewhat insulated from development pressures because it is on the periphery of both markets and will likely see significant interest if demand continues to outpace supply.

Seasonal Homes. As a rural community, there are locations within the Town that have large concentrations of seasonal homes, especially along the town's many lakes. While the large presence of seasonal homes per Census data may give the appearance of many vacant properties in Northwood, like surrounding communities, there is a lack of available homes on the market. This has resulted in increased pressure to convert these seasonal homes for year-round use, especially for waterfront properties.

Small Lots. However, these properties were frequently subdivided into small lots, so renovations to accommodate year-round use frequently conflict with setback regulations or increase the degree of non-conformity of parcels with respect to land use regulations that are designed for much larger rural lots. Many of these lots also use onsite wells and septic systems for water and sewer, and the septic systems are frequently old, undersized, and/or substandard for the proposed conversions, especially at higher densities that could pose a threat to water quality in lakes or ponds. To manage this, the Town needs updated policies that can assist with navigating the conversion of homes.

Outdated Regulations. Any proposed housing solutions to these challenges must overcome potentially outdated or contradictory land use policies. Northwood's current zoning ordinance was adopted in 1999, and while it has been amended regularly, piecemeal amendments have added complication, confusion, and inconsistent language. Permitting history shows few multifamily or open space proposals, suggesting that permitted densities and required performance criteria are cost prohibitive. Northwood's Site Plan Regulations (adopted 1987, last updated 2011) and Subdivision Regulations (adopted 1995, last updated 2004) are even older and contain provisions that are no longer enforced through administrative gloss (e.g. sidewalk requirements).

Outdated Master Plan. The Town is cognizant of the risks and liabilities associated with these outdated policies but has postponed comprehensive rewrites over concerns that the outdated 2004 Northwood Master Plan would provide inadequate support for needed policy changes because it was adopted before major market shifts like the 2000s housing bubble, Great Recession, and COVID-19 pandemic. Efforts by the planning board from 2012-2017 to update the plan themselves were ultimately unsuccessful. A 2022 warrant article funded new Vision and Existing Land Use chapters (forthcoming 2023), but additional topic chapters are needed, with Housing identified as the highest priority.

Limited Resources. Northwood has limited resources available to address these challenges on its own. It lacks the internal staff capacity to significantly overhaul land use policies or procedures. Outside assistance from a consultant is necessary to prepare the badly needed Housing Chapter for our master plan and to conduct a comprehensive audit of our land use policies to identify barriers to housing development.

Volunteers. Northwood is struggling with engaging volunteers on various community Boards, including the planning board and zoning board of adjustment, and the economic development committee and the TIF steering

committee are now effectively inactive. Therefore, creative public engagement activities and ways to invite participation are desperately needed.

Goals

Northwood's two goals are to **prepare a Housing master plan chapter** to illustrate the town's housing vision and enable regulation updates and to **conduct a comprehensive audit of Northwood's land use policies that will identify policy barriers to housing** and recommend changes that would increase capacity. If led by a single consultant, findings from the policy audit can inform the master plan chapter, while public engagement priorities can help to tailor recommendations that meet those priorities.

Additionally, a consultant will engage and educate key stakeholders and the public on housing-related matters with a goal toward community vitality and a smoother path to regulatory improvement outcomes. Feedback demonstrating which solutions are politically viable or identifying specific concerns to be mitigated will lead to stronger recommendations and less challenging adoption processes. Demonstrated responsiveness to public sentiment will increase buy-in for future implementation.

Outcomes and Deliverables

Outcomes

The chosen consultant will generate a **positive and well-informed dialogue** that will help Northwood reach consensus about the best ways to increase housing opportunities. The housing academy will train staff and volunteers to be ambassadors and educators for housing issues. A consultant will provide fresh perspective on housing issues in town and can facilitate a thorough and impartial two-way outreach plan. If residents feel heard about their concerns, they will also be more willing to learn and engage in effective discussions. **Adoption of a Housing master plan chapter** will build consensus around the town's housing goals and provide support for much-needed regulatory change.

The consultant will **conduct a comprehensive audit of regulations** to identify current inefficiencies and barriers to housing and recommend changes to make them streamlined, user-friendly, and functional. Boards and staff currently only have capacity to update ordinances in response to specific issues that have arisen (often discovered during review of an application) or state legislation. Piecemeal edits to land use regulations over many years can introduce contradictions or unintended consequences within policies; this situation becomes worse if voters reject amendments that other sections rely upon to function as intended. A consultant will add capacity to recommend comprehensive amendments that anticipate and avoid future problems. Detailed recommendations will enable future policy changes either by clearly identifying needed changes, or by forming the basis of a future scope of work for a planning consultant and/or grant application.

Deliverables

- Housing academy participation by town staff and/or volunteers
- A final community engagement plan building upon the principles outlined in this application and utilizing methods from the housing academy or other best practices
- Documentation of community feedback generated through the community engagement process that identifies and supports the Town's housing priorities
- An audit of land use regulations (zoning ordinance, subdivision regulations, and provisions in the site plan regulations pertaining to residential development) culminating in a final report identifying the following:
 - A list of existing local regulations that unnecessarily restrict the supply of housing or create barriers for implementing the town's housing priorities
 - A list of proposed amendments to local regulations aimed at improving housing opportunities

- A list of policy recommendations that would mutually reinforce the town’s housing and business development priorities. Utilize research, data, and GIS analysis (e.g. a buildout analysis or natural resources co-occurrence mapping) to identify areas most suitable for various housing types.
- A Housing master plan chapter that applies the principals of the Vision chapter, research, data analysis, and results of the comprehensive public outreach process to illustrate housing priorities, measurable goals, and implementable recommendations.

Scope of Work and Budget

Scope of Work

Tasks 1 through 5 represent tasks to be completed as part of Phase I for the preparation of a Housing chapter for the Northwood Master Plan. Tasks 6 through 10 will be completed as part of Phase II to conduct an audit of Town regulations to identify barriers to housing.

1) Steering Committee

Task Lead: Steering Committee/Consultant

A steering committee consisting of local staff and/or volunteers will oversee the chosen consultant and guide the planning process for the Housing chapter. The chosen consultant will prepare agendas or pre-meeting materials and facilitate guided discussions with the steering committee to design plan processes and deliverables.

Other Roles:

- *Planning Board* – if not serving as the steering committee, the planning board will be responsible for establishing and appointing the steering committee. The planning board will receive periodic updates from steering committee members.
- *Municipal Staff* – provide support to the consultant/steering committee, including issuing public meeting notices and distributing meeting materials provided by the consultant, assist in advertising public events, provide logistical support for engagement activities (e.g. access to town facilities if needed)

2) Community Engagement

Task Lead: Consultant/Steering Committee

The consultant will work with town staff and volunteers to design and implement the community engagement plan. A detailed description of the planned engagement activities can be found in the following section relative to the Community Engagement Plan. Highlights include:

- **Survey:** Online survey to gain public input on Northwood’s housing needs, challenges, visual preferences, and opportunities.
- **Public Forum:** Interactive event designed to gain further insight into Northwood's housing needs, challenges, preferences, and opportunities.
- **Newsletter and Social Media:** Prepare periodic content to update the community on progress and community engagement opportunities.
- **Planning Board Workshop:** Envision Northwood's housing future. Given existing data and trends, recent housing land use applications, and the community's future land use vision, what should the town's housing plan include? How much housing do we need? What types of housing do we want? Where are appropriate locations for different types of housing?

Other Roles:

- *Municipal Boards* – provide input on the community engagement plan, promote and participate in community engagement activities

- *Municipal Staff* – provide oversight on development of community engagement plan, participate in engagement activities, assist in advertising public events, provide logistical support for engagement activities (e.g. access to town facilities if needed)

3) Data/GIS Analysis

Task Lead: Consultant

The consultant will research, compile, analyze, and display a variety of quantitative, qualitative, and geospatial data for incorporation into the final Housing chapter, including:

- **Data Analysis:** Using the soon to be completed Regional Housing Needs Assessment (RHNA), update all data tables to be included in Northwood's Housing chapter of the master plan. Data will include housing demand, supply, characteristics, and market conditions.
- **Custom Mapping:** Using GIS products from the RHNA, prepare custom maps for Northwood that highlight geospatial data analysis.
- **Scenario Planning:** Perform a time constrained analysis of residential development potential under current zoning compared to 2 alternate policy change scenario tests

Other Roles:

- *Town Staff* – Provide day-to-day oversight of the consultant. Assist with compilation of any in-house data kept by the Town.
- *Strafford Regional Planning Commission* – If not acting as the consultant for this project, SRPC may be able to provide housing projections or other demonstrations of housing need generated as part of their forthcoming *Regional Housing Needs Assessment*.

4) Drafting Chapter

Task Lead: Consultant

Once the primary components of the Community Engagement Plan and data/GIS analyses have been completed, the consultant will prepare a draft of the Housing chapter. This task includes attendance at a public hearing for the adoption of the Housing Chapter and incorporation of any revisions identified by the steering committee, planning board following public feedback.

Partner Roles:

- *Municipal Staff* – Assist with the preparation of the final plan document as necessary for consistency with other town documents. Coordinate and provide legal notice for the public hearing.
- *Planning Board* – The planning board will host a public hearing prior to adopting the final chapter as part of the Northwood Master Plan.

5) Direct Costs

Task Lead: Steering Committee/Consultant

This task will cover direct expenses incurred as part of the overall project and consists of two subcategories. First, this task will support the cost of physical materials required for outreach and engagement activities or plan preparation, as well as mileage incurred by consultants attending meetings. Second, the task budgets for stipends to encourage volunteer attendance at the Housing Academy. One municipal staff and up to two municipal volunteers will participate in monthly Housing Academy sessions. The academy attendees will work with the consultant and other participants from the steering committee to update and modify the community engagement plan with tools learned at the Academy.

Other Roles:

- *Municipal Boards* – Select up to 2 participants to attend trainings and bring back learning and resources to share with the community.
- *Municipal Staff* – Identify one staff member to participate in trainings and bring back learning and resources to share with the community.

6) Steering Committee

Task Lead: Steering Committee/Consultant

A steering committee consisting of local staff and/or volunteers will oversee the chosen consultant and guide the regulatory audit process. The chosen consultant will prepare agendas or pre-meeting materials and facilitate guided discussions with the steering committee to design processes and deliverables.

Other Roles:

- *Planning Board* – if not serving as the steering committee, the planning board will be responsible for establishing and appointing the steering committee. The planning board will receive periodic updates from steering committee members.
- *Municipal Staff* – provide support to the consultant/steering committee, including issuing public meeting notices and distributing meeting materials provided by the consultant, assist in advertising public events, provide logistical support for engagement activities (e.g. access to town facilities if needed)

7) Audit Methodology

Task Lead: Consultant

The consultant will work with each of the municipalities, engage key stakeholders, and audit the local regulatory framework to identify provisions where barriers may be removed, or new opportunities created to support housing development. Steps to conduct the regulatory audits include:

- Develop an approach and review framework with feedback from the steering committee.
- Conduct reviews of the Zoning Ordinance, Subdivision Regulations and Site Plan Review Regulations and summarize findings.
- Present findings to the planning boards, stakeholders, and businesses in each community to solicit input.

Partner Roles:

- *Municipal Boards* – review and comment on draft findings, participate in local workshops, take a leadership role in prioritization of recommendations and development of action plans.
- *Municipal Staff* – provide guidance to the consultant throughout the process, identify and provide access to existing town policies (e.g. Northwood Development Ordinance, Northwood Subdivision Regulations) or identify policy scenarios for the audit to consider (e.g. cost, process, and effectiveness of adopting Class VI or private roads as Class V town roads to improve access to land for development).

8) Community Outreach

Task Lead: Consultant

The consultant will work with town staff and volunteers to design and implement the community engagement plan. A detailed description of the planned engagement activities can be found in the following section relative to the Community Engagement Plan. Highlights include:

- Facilitate conversations with housing developers to understand the costs created by local land use regulations and permitting processes.
- Preparation of "meeting in a box" outreach materials to take community input at other community events or meetings of other town boards. Includes development of materials, compiling results, and attendance at up to 5 events (4 hrs each prep, travel, and attendance)

- Coordinate a workshop with both of the planning boards to prioritize recommended actions and create a plan for how to move forward with 1-3 top priority actions; incorporate those action plans into the report.

Partner Roles:

- *Municipal Boards* – review and comment on draft findings, participate in local workshops, take a leadership role in prioritization of recommendations and development of action plans.
- *Municipal Staff* – provide guidance to the consultant throughout the process, support the scheduling and advertisement of input opportunities, workshops and presentations.

9) Report Preparation

Task Lead: Consultant

Once the primary components of the Community Engagement Plan and audit methodology have been completed, the consultant will prepare the draft report incorporating the review findings and input received. This draft report will be presented to the steering committee and/or planning board for review and comment, possibly in conjunction with the prioritization workshop outreach event. The consultant will incorporate feedback, finalize the report, and present the report and findings to the community.

Partner Roles:

- *Municipal Boards* – review and comment on draft findings, participate in local workshops, take a leadership role in prioritization of recommendations and development of action plans.
- *Municipal Staff* – provide guidance to the consultant throughout the process, review and comment on the draft audit.

10) Direct Costs

Task Lead: Grant Coordinator (SRPC)

This task will cover direct expenses incurred as part of the overall project including the cost of physical materials required for outreach and engagement activities or plan preparation, as well as mileage incurred by consultants attending meetings.

Partner Roles:

- *Municipal Staff* – facilitate procurement of materials and/or reimbursement for expenses.

Project Budget

A total of \$70,665 has been awarded to support the two phases of this project. The budget is established based upon costs incurred to award the contract to a qualified consultant. Town procurement policies require a competitive selection process, which will be initiated upon notice of award.