

CHAPTER II - POPULATION AND HOUSING

INTRODUCTION

The population and housing chapter of the Master Plan is the foundation upon which the plan is based. This chapter is broken into five major parts: Population and Housing Goals, Population, Housing, Methods for Encouraging and Meeting Local Needs, and Recommendations. The first section establishes the broad-based goals of the chapter and serves as a guide for recommendations. The second section investigates historic, current, and projected trends for Hudson residents and households in comparison to the NRPC region and State. The third section details housing construction, the different types and composition of housing, and the housing market in terms of renters and owners. The fourth section of the chapter provides technical expertise on the methods for meeting local needs, the principles of affordable housing, various regulatory options, an array of tools and resources for communities, as well as state and federal housing programs. The final section provides a list of recommendations that the Town of Hudson shall consider implementing when trying to achieve community housing goals.

This chapter is also designed to meet the requirements of NH RSA 674:-III, which requires that master plans contain a housing section which:

“[] assesses local housing conditions and projects future housing needs of residents of all levels of income and ages in the municipality and the region as identified in the regional housing needs assessment performed by the regional planning commission pursuant to RSA 36:47, II, and which integrates the availability of human services with other planning undertaken by the community.”

POPULATION AND HOUSING GOALS

Hudson should be a livable, affordable, multi-generational community that is appealing and supportive of income groups, ages, and family types. Hudson should strive to:

- Preserve the community character and integrity of existing neighborhoods
- Encourage sustainable and energy-efficient residential neighborhoods
- Enable innovative housing options that are affordable and suitable for all ages and family types
- Encourage mixed-use areas which promote live/work/play developments
- Promote linkages and integration between neighborhoods, community facilities, and work locations of residents
- Ensure that housing choices are available to meet the Town’s fair share needs of current and future generations

POPULATION

The population within the Town of Hudson, like many other communities, is heavily influenced by its surrounding region. Due to its location – directly adjacent to the City of Nashua, proximity the F.E. Everett Turnpike and Daniel Webster Highway Corridor, 17 miles from the City of Manchester, and 45 miles from Boston – the Town’s composition of people and housing needs are one of the most diverse in the State and NRPC region.

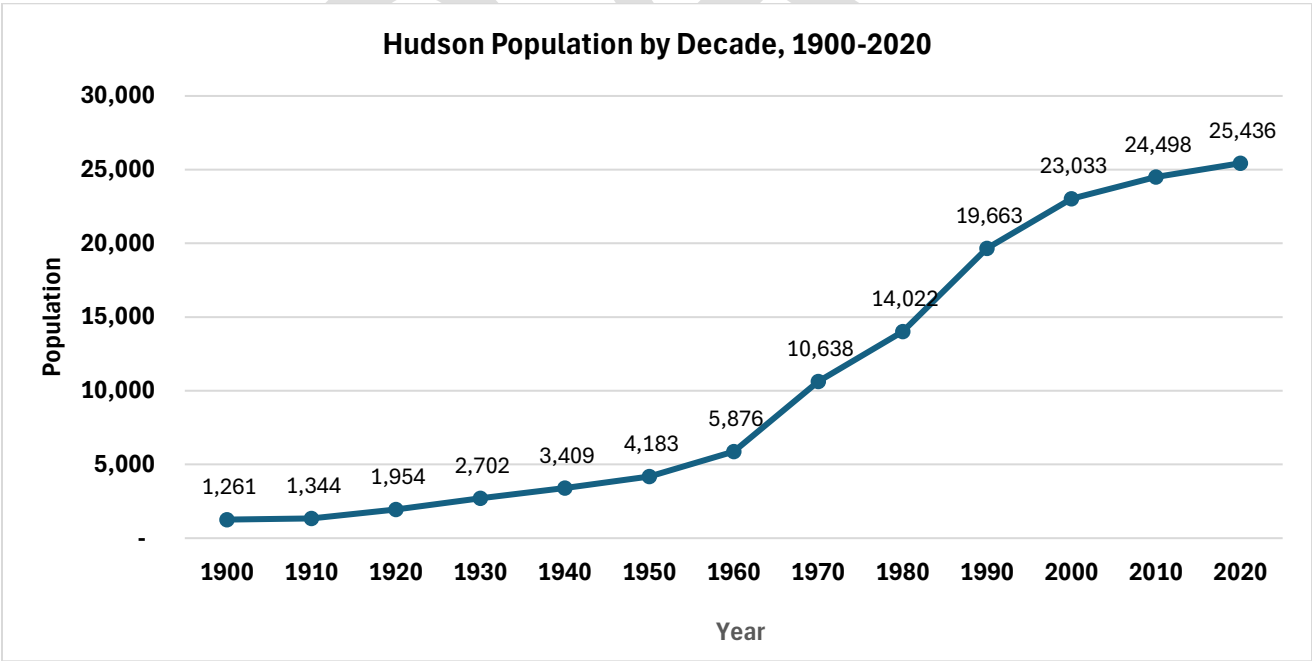
| 2023 Population Estimates | | |
|---------------------------|-------------|-------------|
| Hudson | NRPC Region | State of NH |
| 25,476 | 310,224 | 1,387,834 |

Source: American Community Survey, 5-year estimates, 2023

Hudson is the third most populous community, behind Nashua and Merrimack in the NRPC region. Like any other community, population growth and composition is impacted by the growth of neighboring communities. In the case of Hudson, its geographic proximity to Nashua, Manchester, northern Massachusetts, and the Greater Boston area plays an influential role in an array of population attributes. The following subsections will further detail of these measurements and characteristics.

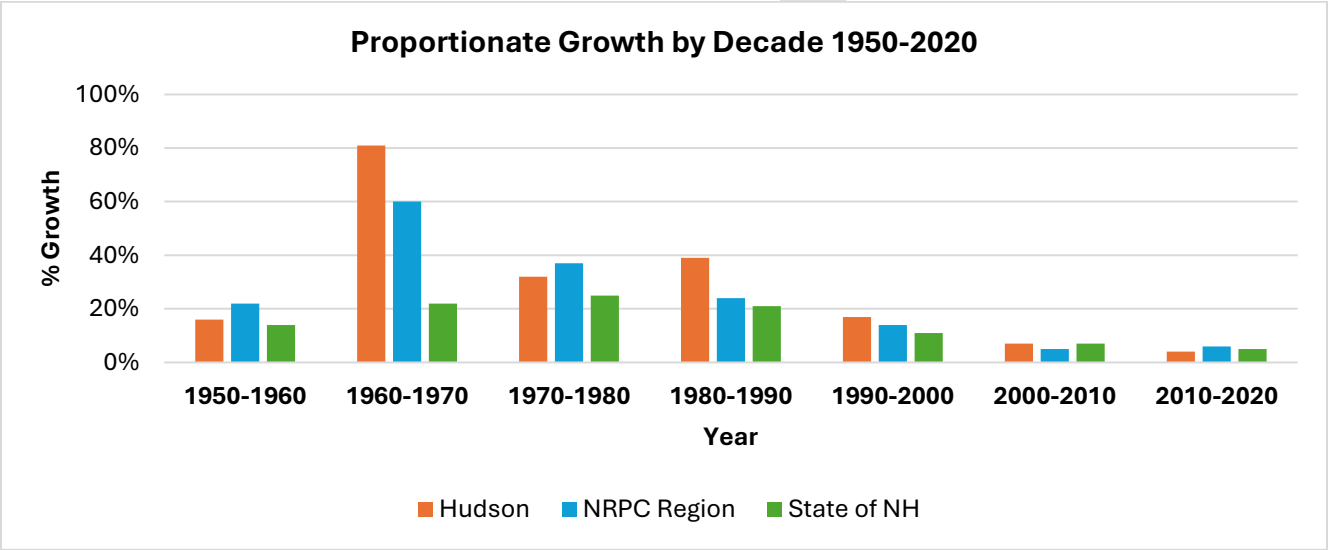
Historic Population Trends

For much of the 1800s, the population of Hudson remained relatively stable, fluctuating between 1,064 and 1,344 people. At the end of the 19th and into the early 20th century, people across the northeast United States were migrating west or into cities for industrial employment. The City of Nashua became an economic hub for industrial activity, most of which was concentrated between downtown Nashua and the Taylor Fall Bridge area. The combination of migration and industrial expansion had a profound impact on the need for more workers, housing, and other services.



Source: US Decennial Census, 1900-2020

In the years following 1910, the population began to grow considerably and by 1960, Hudson’s population had reached 5,876 people. Then in the 1960s, the Town experienced a decade of extremely rapid population increase stimulated by increased suburbanization and the growth of manufacturing and high-technology industries in Hudson, Nashua, and the Greater Boston metropolitan area. Between 1960 and 1970, Hudson grew by a whopping 81%; historically, its highest growth rate ever. The spillover from neighboring communities and expanding migration from Massachusetts was made possible by major expansions to the State and Federal highway system of the mid-century. In two decades from 1970 to 1990, Hudson continued to experience considerable growth. However, from the beginning of the 1990s and through the end of the 2000s, Hudson’s population growth significantly slowed. According to Census data, the Town has only grown by about 938 people since 2010.



Source: US Decennial Census 1950-2020

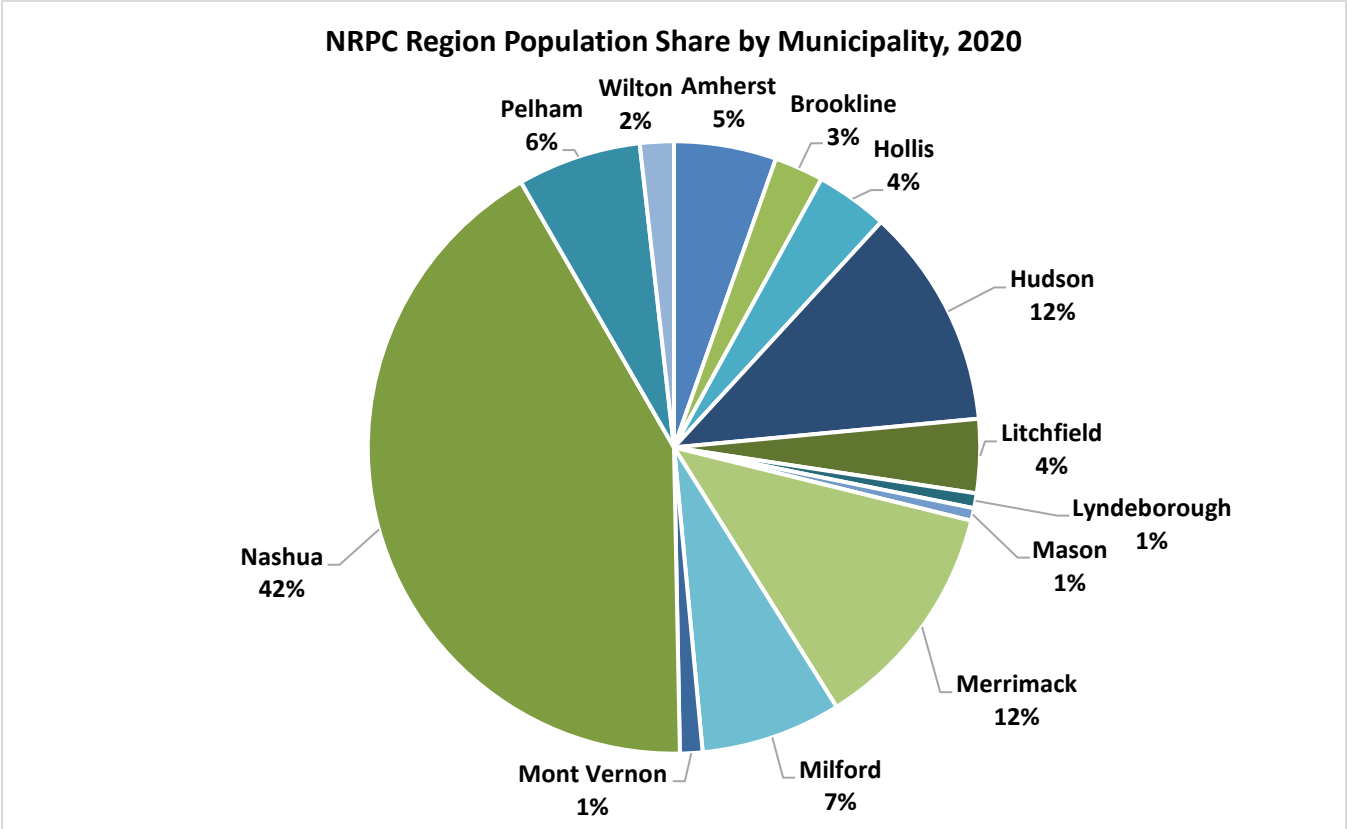
In comparison, the NRPC region has experienced a similar ebb and flow of population growth while the State has generally grown at a lower rate. All three geographic areas eventually settled into the 5% to 7% range in 2010 and 4% to 6% in 2020. The slowing of population growth rates in the State, region, and Town have reduced growth-related strains on community facilities and services but have also had an adverse impact on our ability to support the economy’s workforce needs.

| Proportionate Growth by Decade, 1950-2020 | | | | | | |
|---|--------|--------|-------------|-------------|-------------|-------------|
| Year | Hudson | Hudson | NRPC Region | NRPC Region | State of NH | State of NH |
| 1950-1960 | 5,876 | 16% | 63,216 | 22% | 606,900 | 14% |
| 1960-1970 | 10,638 | 81% | 100,862 | 60% | 737,579 | 22% |
| 1970-1980 | 14,022 | 32% | 138,089 | 37% | 920,475 | 25% |
| 1980-1990 | 19,530 | 39% | 171,478 | 24% | 1,109,252 | 21% |
| 1990-2000 | 22,928 | 17% | 195,788 | 14% | 1,235,786 | 11% |
| 2000-2010 | 24,467 | 7% | 205,765 | 5% | 1,316,470 | 7% |
| 2010-2020 | 25,436 | 4% | 217,543 | 6% | 1,377,529 | 5% |

Source: US Decennial Census 1950-2020

Population Share

Over the past 60-plus years, Hudson has consistently comprised of a larger share of the regional population with each passing decade. Over this time, the Town of Hudson – like Merrimack – grew by about 20,000 people and accounts for roughly 12% of the region’s population. The City of Nashua experienced a growth of roughly 50,000 people over this time period; however, their regional share has decreased over time, and it is anticipated hold steady around 42% for the 2020 Census. These results are consistent with the national trend of decentralization to suburban areas over the last half of the 20th century. Although, recent data suggest an increasing trend of migration and housing development within certain larger urban centers such as Boston.



Source: 2020 US Decennial Census, Table DP1

Population Density

Population density reflects the relative intensity of development and is an important indicator for understanding the broad sense of community character. Population density, as calculation of people per area, reveals the concentration of community settlement and the existing extent of development and/or need for services. This information is used in the planning and implementation of many community aspects from land use, zoning, transportation infrastructure, land conservation, fire and police services, school facilities, and community amenities. The collective impact of these settlement patterns and corresponding decisions aid the cultivation of the overall sense of community development; more commonly, we may describe these communities as urban centers, small towns, suburban bedroom communities, rural areas, or anywhere in between.

| Population Density, Persons per Square Mile, 2000-2040 | | | | | | | | | | | |
|--|--------------|------------|---------|------------|---------|------------|---------|------------|---------|------------|---------|
| | Square Miles | 2000 | | 2010 | | 2020 | | 2030 | | 2040 | |
| | | Population | Density | Population | Density | Population | Density | Population | Density | Population | Density |
| Amherst | 34.5 | 10,769 | 312 | 11,201 | 325 | 11,470 | 332 | 11,691 | 339 | 11,620 | 337 |
| Brookline | 20.1 | 4,181 | 208 | 4,991 | 248 | 5,234 | 260 | 5,599 | 279 | 5,818 | 289 |
| Hollis | 32.6 | 7,015 | 215 | 7,684 | 236 | 7,756 | 238 | 7,936 | 243 | 8,317 | 255 |
| Hudson | 29.2 | 22,928 | 785 | 24,467 | 838 | 25,076 | 859 | 26,132 | 895 | 26,888 | 921 |
| Litchfield | 15.1 | 7,360 | 487 | 8,271 | 548 | 8,495 | 563 | 8,707 | 577 | 8,894 | 589 |
| Lyndeborough | 30.6 | 1,585 | 52 | 1,683 | 55 | 1,969 | 64 | 2,075 | 68 | 2,091 | 68 |
| Mason | 24 | 1,147 | 48 | 1,382 | 58 | 1,420 | 59 | 1,496 | 62 | 1,466 | 61 |
| Merrimack | 33 | 25,119 | 761 | 25,494 | 773 | 26,654 | 808 | 27,885 | 845 | 28,317 | 858 |
| Milford | 25.9 | 13,535 | 523 | 15,115 | 584 | 15,909 | 614 | 16,806 | 649 | 17,374 | 671 |
| Mont Vernon | 16.8 | 2,034 | 121 | 2,409 | 143 | 2,734 | 163 | 2,806 | 167 | 2,769 | 165 |
| Nashua | 30.6 | 86,605 | 2,830 | 86,494 | 2,827 | 88,915 | 2,906 | 91,449 | 2,989 | 91,768 | 2,999 |
| Pelham | 26.7 | 10,914 | 409 | 12,897 | 483 | 13,392 | 502 | 14,211 | 532 | 14,635 | 548 |
| Wilton | 26.1 | 3,743 | 143 | 3,677 | 141 | 3,843 | 147 | 3,859 | 148 | 3,894 | 149 |
| NRPC Region | 345.2 | 196,935 | 570 | 205,765 | 596 | 212,867 | 617 | 220,651 | 639 | 223,852 | 648 |

Source: US Census; NRPC Projections (2018)

In 2010, Hudson had the second-highest overall population density in the region and had a considerably higher density than the regional average. As such, Hudson's density levels are well above many of the more rural towns to the west such as Lyndeborough, Mason, Mont Vernon, or Wilton and rival that of Merrimack. To varying degrees, all NRPC member communities will experience an uptick density between now and 2040. It is estimated that Hudson will add about 80 people per square mile from 2010 to 2040, however, the Town is expected to remain about 30% as dense as Nashua and relatively comparable to Merrimack over these next three decades. Though portions of the town may urbanize to some extent, Hudson will remain a largely suburban community for the foreseeable future.

Migration and Natural Increase

Part of understanding historic and projected population growth lies in the fluctuation between natural increase – births v. deaths – and the migration of people from other communities, states, and countries. The two decades between 1970 and 1990 were quite similar in that roughly two-thirds of Hudson's population growth came from people migrating into the Town (5,808 migrants of the 8,892 net population growth). After a reversal of this trend during the 1990s, the 2000s resulted in a net decrease in the number of migrants while 104% of the Town's growth came from natural increase.

It is estimated that this trend will again reverse with migration outpacing natural increase in the years to come, though at rates far lower than experienced during the late 20th century. NRPC has projected that Hudson's population growth during the 2010s will result in a 60/40 percent split between migration and natural growth

increases. For the two decades between 2020 and 2040, all of Hudson's net population growth is expected to come from people migrating to the Town.

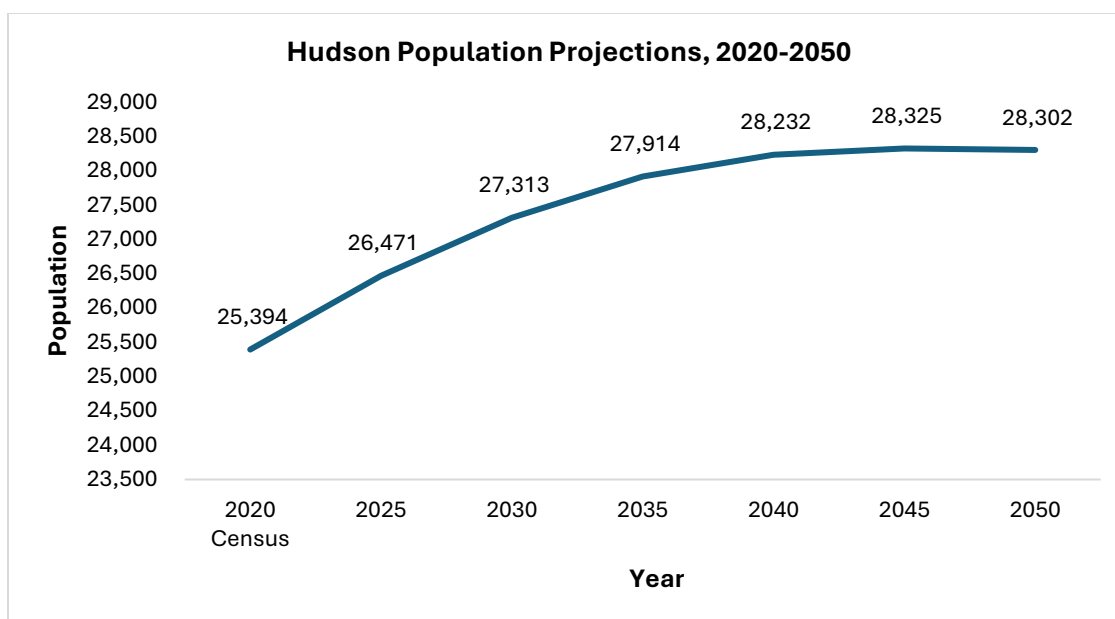
| Historic and Projected Population Growth, Natural Increase and Migration, 1970-2040 | | | | | |
|---|-------------------------|--------------------------|--------------------------|----------------------------|----------------------------|
| | Total Population Change | Numeric Natural Increase | Percent Natural Increase | Numeric Migration Increase | Percent Migration Increase |
| Hudson | | | | | |
| 1970-1980 | 3,384 | 1,324 | 39% | 2,060 | 61% |
| 1980-1990 | 5,508 | 1,760 | 32% | 3,748 | 68% |
| 1990-2000 | 3,398 | 2,270 | 67% | 1,128 | 33% |
| 2000-2010 | 1,539 | 1,596 | 104% | -57 | -4% |
| 2010-2020 | 1,159 | 471 | 41% | 688 | 59% |
| 2020-2030 | 911 | -187 | -21% | 1,098 | 121% |
| 2030-2040 | 582 | -647 | -111% | 1,229 | 211% |
| | | | | | |
| NRPC Region | | | | | |
| 1970-1980 | 37,501 | 11,520 | 31% | 25,981 | 69% |
| 1980-1990 | 33,809 | 15,620 | 46% | 18,189 | 54% |
| 1990-2000 | 24,245 | 16,238 | 67% | 8,007 | 33% |
| 2000-2010 | 8,830 | 12,324 | 140% | -3,494 | -40% |
| 2010-2020 | 11,383 | 5,762 | 51% | 5,621 | 49% |
| 2020-2030 | 5,481 | -1,048 | -19% | 6,529 | 119% |
| 2030-2040 | 1,369 | -6,578 | -481% | 7,947 | 581% |

Source: US Decennial Census; NRPC Projections (2018)

Population Projections

The New Hampshire Office of Planning and Development (OPD) calculates population projections for each municipality in the state by combining census data with birth and death data from the NH Department of State/Division of Vital Records Administration and other sources. It is then used to develop survival and fertility rates and age-specific migration rates. The births and deaths span the decade, with rates specific to New Hampshire.

Based on OPD's in-house projections, Hudson is projected to increase in population slowly until about 2040 where the growth rate then plateaus. If these projections hold true, an additional 2,908 persons will be added to Hudson's population by 2050. These low growth rates are supported by regional and state data which indicate lower fertility rates and slowing of migration to the area. With such minimal change, it is anticipated that Hudson will continue to reflect a suburban community with urban elements such as multi-family and non-residential development.



Source: NH Office of Planning and Development, State, County and Municipal Population Projections, September 2022

Race

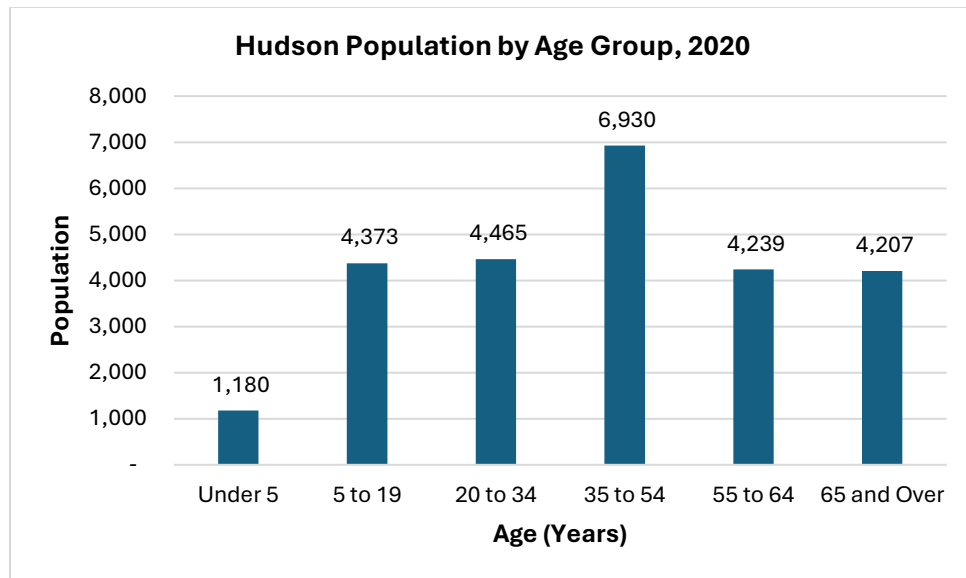
Southern New Hampshire has become increasingly diversified over time and more so than other regions in New Hampshire. The City of Nashua is one of the most diverse communities in the State, along with Manchester. However, these cities tend to have much higher concentrations of minorities than neighboring communities. As of 2020, non-white persons in Hudson comprised of about 5.5% of the Town's population. In comparison, 17.3% of the NRPC region is estimated to be of non-white persons while the State is closer to 11.7%.

| Population by Race, 2000-2020 | | | | | | |
|-------------------------------|-----------|-----------|-----------|-------------------|------|-------|
| | Total | | | Percent Non-White | | |
| | 2000 | 2010 | 2020 | 2000 | 2010 | 2020 |
| Hudson | 22,091 | 24,467 | 25,394 | 3.7% | 7.0% | 5.5% |
| NRPC Region | 183,081 | 205,765 | 217,543 | 6.5% | 9.8% | 17.3% |
| State of NH | 1,186,851 | 1,316,470 | 1,377,529 | 4.0% | 6.1% | 11.7% |

Source: US Decennial Census 2000-2020

Age

Of Hudson's roughly 25,000-person population, approximately 30% of those are aged between 30 and 54. An additional 30% of the population is split among those 20 to 34 and those 55 to 64 years old. This combined 60% of the population is an important demographic in that they comprise the majority of the Town's workforce. Consequently, this population accounts for the majority of household earnings that go to paying rents, buying homes, paying taxes, and further propelling consumer spending. In 2000 and 2010, this combined cohort accounted for a slightly higher 62% of Hudson's population.



Source: US Decennial Census 2020

The other two populations, those under 19 years old and those 65 and over, account for the remaining 40% of the population, also play major roles in the community's housing composition, service needs, and overall growth. The roughly 6,000 school-aged children in Hudson have a tremendous impact on issues such as school enrollment and home-buying decisions for parents. The roughly 4,000 people aged over 65 years old are comprised of typically smaller households with housing and service needs that differ from those of younger residents.

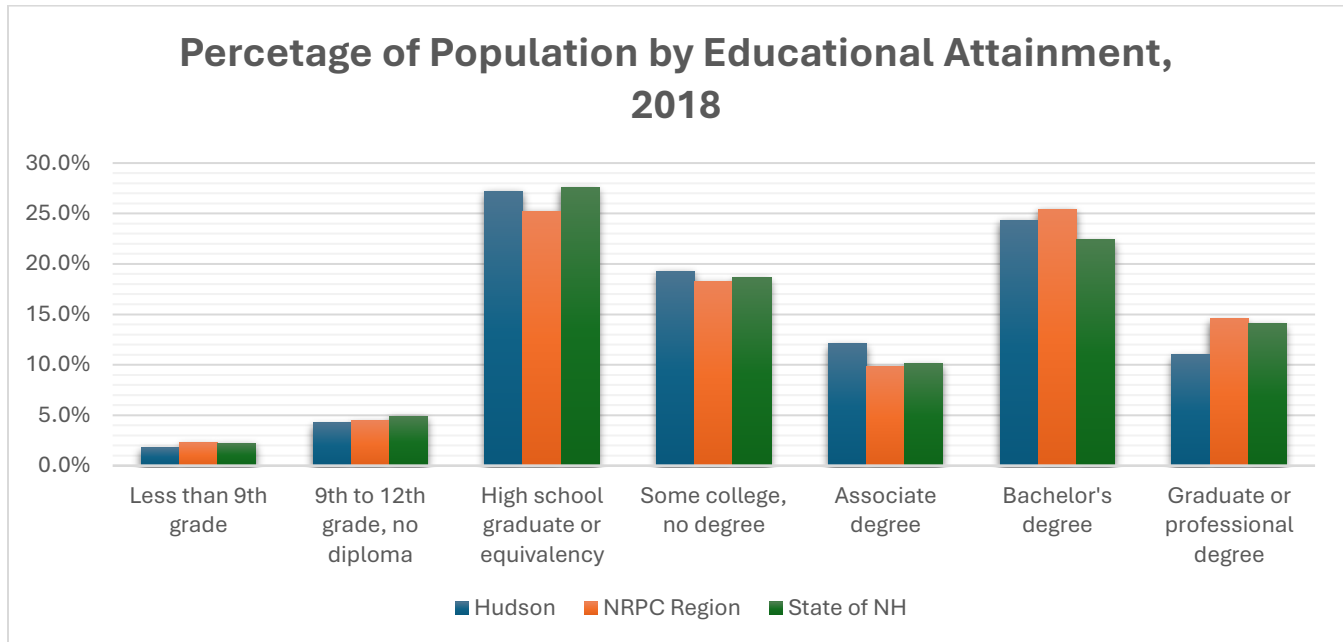
| Population by Age, 2020 | | | | | | | |
|-------------------------|-----------|---------|---------|----------|----------|----------|-------------|
| | Total | Under 5 | 5 to 19 | 20 to 34 | 35 to 54 | 55 to 64 | 65 and Over |
| Hudson | 25,394 | 1,180 | 4,373 | 4,465 | 6,930 | 4,239 | 4,207 |
| NRPC Region | 217,543 | 10,622 | 38,290 | 40,136 | 57,209 | 34,732 | 36,554 |
| State of NH | 1,377,529 | 61,480 | 231,222 | 257,146 | 340,287 | 221,440 | 265,954 |

Source: US Decennial Census 2020

Since 2000, there have been steady decreases in the percentage of the population under 55 years old within Hudson, the NRPC region and the State. Growth within New Hampshire has been primarily driven by those at or reaching retirement age. The figure below supports a similar narrative for Hudson. The most worrisome indication is those within the 35 to 54-year-old range. This population is conceivably in their most prime earning, home purchasing, and child-raising years. A decreasing trend of this population could mean that communities are missing out on the revenue which comes from a variety of taxes such as those from real estate sales, property, meals, and other fees. Additionally, the decreasing trend of this middle-aged population eventually reverberates down to decreases in the number of children. However, there is a promising trend for young adults, aged 20 to 34 years old, which have the potential to become long-term revenue-generating residents.

Educational Attainment

Hudson, like many communities in New England, has a relatively high level of educational attainment. As of 2023, about 93% of the Hudson population has earned at least a high school diploma; about 1% above the NRPC region, and 2% above the State. While the Town has a higher percentage of those with some college or an associate degree, it does lag behind the region and State for graduate or professional degrees. Empirical evidence has linked higher levels of educational attainment to higher incomes.



Source: ACS, Table S1501 (2014-2018, 5-year Estimates)

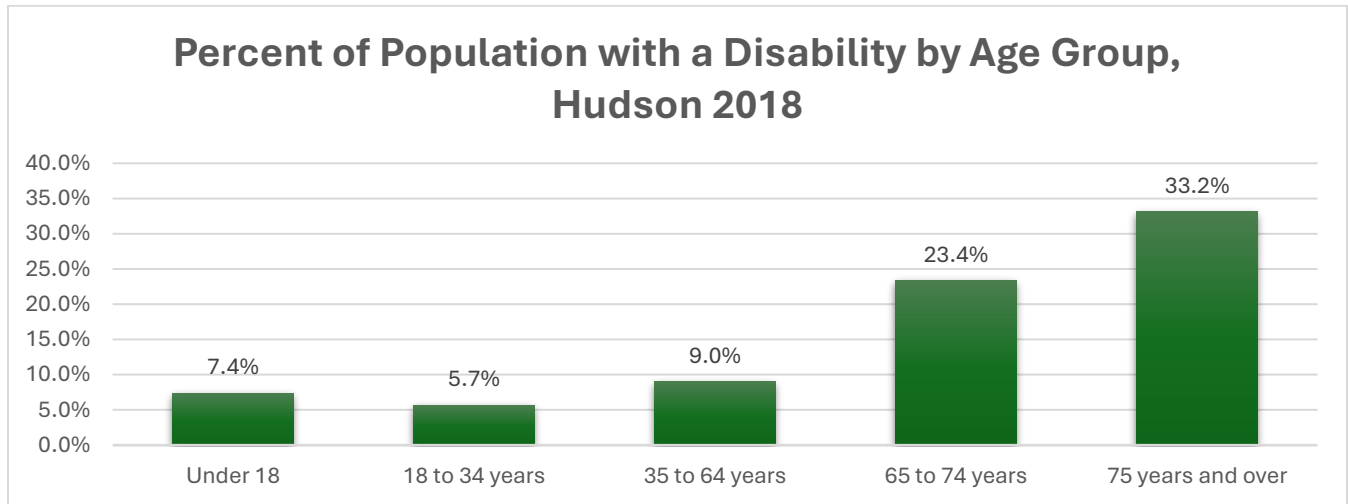
Persons with Disabilities

According to the US Census Bureau, persons with disabilities are those who have serious difficulties with at least one of the following: hearing, vision, cognition (physical, mental, or emotional), ambulatory (walking or climbing stairs), self-care (bathing or dressing), or independent living (doing errands, visiting a doctor, or going shopping). Across the NRPC region and within Hudson, about 11% of the total population has at least one disability.

| Persons with Disabilities, 2018 | | | | | | |
|---------------------------------|--|---|--|--|-----------------------|--|
| | Total Non-Institutionalized Population | Population under 18 years old with Disability | Population 18-64 years old with Disability | Population 65 and over with Disability | Total with Disability | Percent Total Population with Disability |
| Hudson | 25,062 | 390 | 1,270 | 1,049 | 2,709 | 10.8% |
| NRPC Region | 210,191 | 2,035 | 11,511 | 9,268 | 22,814 | 10.9% |
| State of NH | 1,326,243 | 12,711 | 84,966 | 69,967 | 167,644 | 12.6% |

Source: ACS, Table S1810 (2014-2018, 5-year Estimates)

When disabilities among Hudson residents are broken out by age group, a more comprehensive picture indicates that a majority are over the age of 65. About 24% of those aged 65 to 74 years old and 33% of those 75 or over have at least one disability. Of the six disability types across all ages, difficulties with cognition, ambulatory movement, and independent living comprise of the largest percentages. Housing and other services which support the needs of the disabled community are vital to ensuring community inclusion and connectivity for all residents.



Source: ACS, Table S1810 (2014-2018, 5-year Estimates)

Households

Total Households

Like population trends, there has been comparatively slow growth in the number of households in recent years. Although the decennial census reported that Hudson grew by nearly 900 households from 2000 to 2010, the 2018 ACS reported an estimated of just over 100 households since. It is also key to point out the slight growth in the average number of persons per household in Hudson.

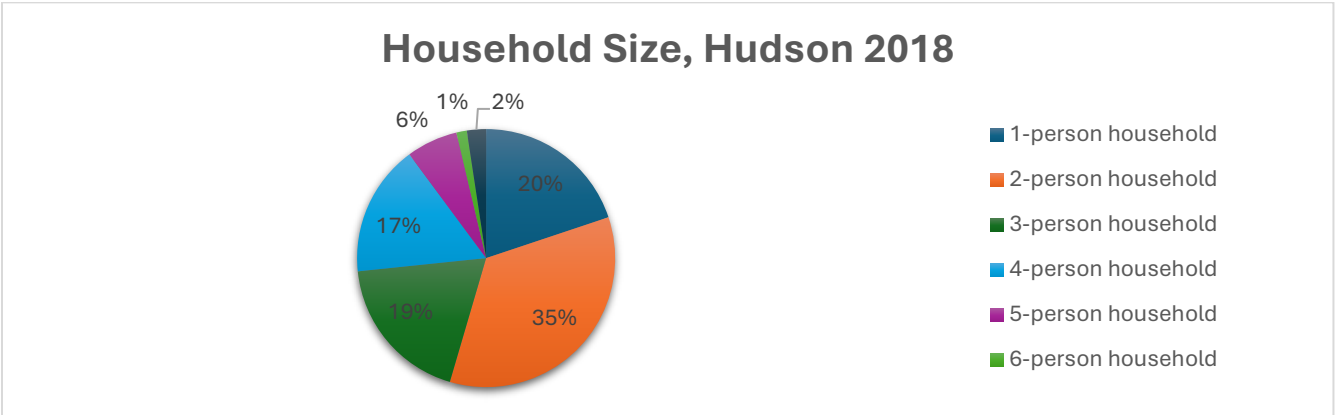
| Total Households, 2000-2018 | | | | | | |
|-----------------------------|------------------|---------|---------|-----------------------------------|------|------|
| | Total Households | | | Average # of Persons per Total HH | | |
| | 2000 | 2010 | 2018 | 2000 | 2010 | 2018 |
| Hudson | 8,034 | 8,900 | 9,018 | 2.83 | 2.73 | 2.77 |
| NRPC Region | 72,410 | 78,494 | 81,651 | 2.85 | 2.62 | 2.56 |
| State of NH | 474,606 | 518,973 | 531,212 | 2.53 | 2.46 | 2.47 |

Source: US Census; ACS, Table S1101 (2014-2018, 5-year Estimates)

Household Size

Household size is a critical indicator of housing need. Approximately 54% of households in Hudson are comprised of 2 and 3 people, while the remaining 46% (roughly 4,200 households) make up the rest. As can be

seen in the graph below, however, there is a wide array of household sizes that require a correspondingly diverse array of housing types and sizes.



Source: ACS, Table B11016 (2014-2018, 5-year Estimates)

Between 2010 and 2018, there has been a pronounced increase in one and two-person households and a significant decrease in three to six-person households with a particularly pronounced drop in the number of four-person households. These changes reflect the significant decline in the number of children in Hudson, noted above, as well as an increase in people aged 65-years and above. Shifts in household size have direct implications on housing type and size as well as on community facility and service needs. Also notable is the increase in the number of households with seven or more people. This increase may indicate a trend toward multi-generational and shared housing. The increase in households with seven or more people resulted in a slight uptick in Hudson’s average household since 2010.

Despite the trend in Hudson toward smaller households, Hudson’s average household size is still noticeably larger in comparison to the region and state.

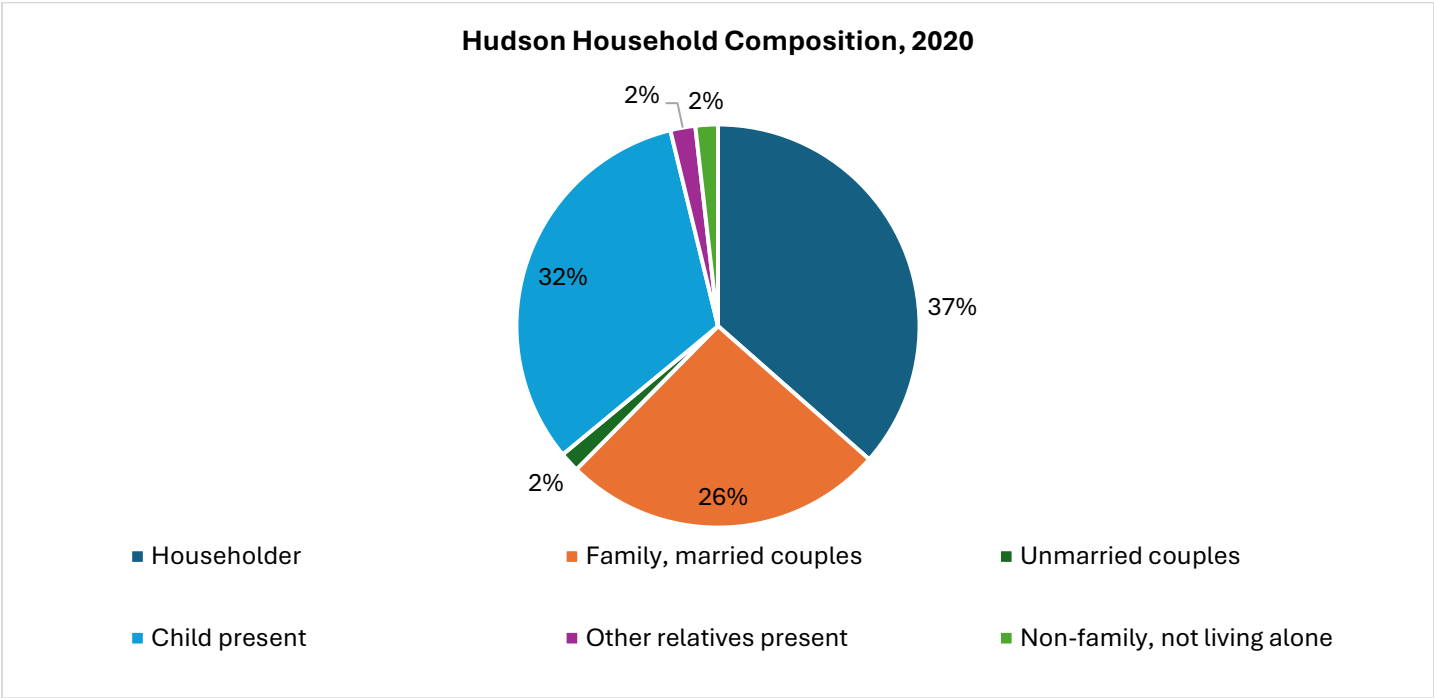
| Total Households, 2018 | | | | | | |
|------------------------|------------------|--------------------------------|-------------------------|---------------------------------|-----------------------------|-------------------------------------|
| | Total Households | Avg. # of Persons per Total HH | Total Family Households | Avg. # of Persons per Family HH | Total Non-Family Households | Avg. # of Persons per Non-Family HH |
| Hudson | 9,018 | 2.77 | 6,649 | 3.21 | 2,369 | 1.32 |
| NRPC Region | 85,651 | 2.56 | 55,932 | 3.06 | 25,719 | 1.29 |
| State of NH | 531,212 | 2.47 | 341,752 | 3.03 | 189,460 | 1.31 |

Source: ACS, Table S1101 (2014-2018, 5-year Estimates)

Household Composition

In addition to size, the US Census Bureau also categorizes households as “family” and “non-family” with various subcategories. As of 2020, families comprised of married couples accounted for approximately 26% of all

households while single householders accounted for 37%, non-families accounted for 2%, and families with children present accounted for 37%.



Source: US Decennial Census, 2020

The most significant changes in Hudson’s household composition are consistent with the changes the Town has experienced in population by age group and household size: a decrease in the number of families with children and the increase in the number of non-family households living alone. The figure below indicates that fewer households are comprised of married couples and even fewer family households have children. There were also noticeable shifts among single-parent households with single-female headed households decreasing alongside and an almost proportional increase in single-male headed households. Finally, non-family households experienced considerable increases since 2010; particularly for those living alone.

Median Income

Household income levels are an important measure of the economic strength, quality of life, and need for services within a community or region. The following tables display the median income across various types of households within Hudson, Hillsborough County, and the State. Relative household income is also key to understanding housing costs and needs. The relative worth of a household income can be abnormally skewed by inflation and create a misperception of economic health. In the interest of this chapter, it is important to compare household incomes with rising housing costs and understand the influence of inflation on both. In addition, the median household incomes displayed in the following subsections take into account both family and non-households, while per capita income is simply based on each individual person basis.

Household Income

As can be seen in the table below, Hudson households and individuals have become more affluent since 2010. The incomes for family and non-family households within Hudson experienced double-digit percentage increases from 2010 to 2018. In contrast, income growth for family and non-family households in Hillsborough

County and State varied from roughly -3% to 7% during the same time. Despite Hudson's double-digit growth for both family and non-family households, the modest growth in the overall median household may be the result of non-family households earning significantly less than family households, while accounting for a larger portion of all households. When adjusted for inflation, non-family households within Hillsborough County and the State experienced moderate decreases in their relative household income, especially in comparison to Hudson. Increasing household income is an indicator of Hudson's economic strength as well as its quality of life and overall desirability.

| Median Income, 2010-2018 | | | | | | | | | | | | |
|--------------------------|-------------------------|------------------------|----------|----------------------|------------------------|-----------|--------------------------|------------------------|----------|-------------------|------------------------|----------|
| | Median Household Income | | | Median Family Income | | | Median Non-Family Income | | | Per-Capita Income | | |
| | 2010 | 2010 (in 2018 dollars) | 2018 | 2010 | 2010 (in 2018 dollars) | 2018 | 2010 | 2010 (in 2018 dollars) | 2018 | 2010 | 2010 (in 2018 dollars) | 2018 |
| Hudson | \$81,242 | \$93,123 | \$96,224 | \$86,197 | \$98,803 | \$108,874 | \$41,805 | \$47,918 | \$56,233 | \$32,157 | \$36,859 | \$42,146 |
| Hillsborough County | \$69,321 | \$79,459 | \$78,655 | \$81,794 | \$93,756 | \$95,860 | \$40,466 | \$46,384 | \$45,049 | \$33,108 | \$37,950 | \$39,478 |
| State of NH | \$63,277 | \$72,531 | \$74,057 | \$76,446 | \$87,626 | \$91,245 | \$36,345 | \$41,660 | \$40,494 | \$31,422 | \$36,017 | \$38,548 |

Source: ACS, Table DP03 (2006-2010 and 2014-2018, 5-year Estimates); US BLS Inflation Calculator

| Percent Change in Median Income, 2010-2018 (in 2018 dollars) | | | | |
|--|-------------------------|----------------------|--------------------------|-------------------|
| | Median Household Income | Median Family Income | Median Non-Family Income | Per-Capita Income |
| Hudson | 3.3% | 10.2% | 17.4% | 14.3% |
| Hillsborough County | -1.0% | 2.2% | -2.9% | 4.0% |
| State of NH | 2.1% | 4.1% | -2.8% | 7.0% |

Source: ACS, Table DP03 (2006-2010 and 2014-2018, 5-year Estimates); US BLS Inflation Calculator

HOUSING

There are several data resources that provide housing statistics and trends. The US Census Bureau's decennial census and ACS provide a wide range of housing characteristics dating back decades and centuries ago. The NH Housing and Finance Authority (NHHFA) also provides valuable information in broad, localized terms. NHHFA includes important information related to housing units, building permits, home sales, etc. The following subsections help describe the current housing conditions, influencing factors, and the historical trends in the perspective of Hudson, the NRPC region, and the State of New Hampshire.

Housing Units

Since 1960, the Town of Hudson has experienced an eleven-fold increase in the number of housing units. In comparison, the NRPC region and State experienced between a three- and four-fold increase over that same time period. Hudson's increases have equated to roughly 9,000 new units since 1960 with two noticeable spikes in the 1960s and 1980s including an astonishing 238% increase between 1960 and 1970. Current estimates of the 2010s indicate a significant drop in housing production for the first 8 years of the decade.

| Housing Unit Totals, 1960-2020 | | | |
|--------------------------------|--------|-------------|-------------|
| | Hudson | NRPC Region | State of NH |
| 1960 | 865 | 21,002 | 224,440 |
| 1970 | 2,920 | 31,260 | 280,962 |
| 1980 | 4,369 | 47,944 | 386,381 |
| 1990 | 6,902 | 66,375 | 502,247 |
| 2000 | 8,034 | 74,341 | 547,024 |
| 2010 | 9,213 | 82,568 | 614,238 |
| 2020 | 9,839 | 93,955 | 638,795 |

Source: US Decennial Census, 1960-2020 Table DP1

Similarly, the NRPC region followed this same trend with large growth from 1960 to 1990 while the State experienced its largest growth in the 1970s and 80s. With each passing decade, Hudson, the NRPC region, and the State have all have continued to slow their production rates.

| Housing Unit Growth in Comparison to the Previous Decade Totals, 1960-2020 | | | | | | |
|--|---------|------------|-------------|------------|-------------|------------|
| | Hudson | | NRPC Region | | State of NH | |
| | Numeric | Percentage | Numeric | Percentage | Numeric | Percentage |
| 1960-1970 | 2,055 | 238% | 10,258 | 49% | 56,522 | 25% |
| 1970-1980 | 1,449 | 50% | 16,684 | 53% | 105,419 | 38% |
| 1980-1990 | 2,533 | 58% | 18,431 | 38% | 115,866 | 30% |
| 1990-2000 | 1,132 | 16% | 7,966 | 12% | 44,777 | 9% |
| 2000-2010 | 1,179 | 15% | 8,227 | 11% | 67,214 | 12% |
| 2010-2020 | 626 | 7% | 11,387 | 14% | 24,557 | 8% |

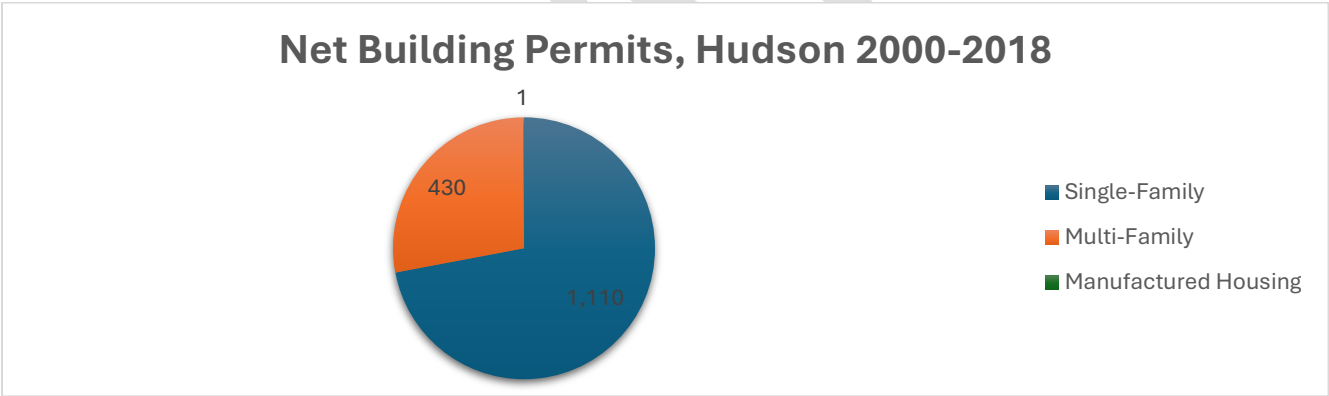
Source: US Decennial Census 1960-2020

There are a number of different reasons as to why housing production can slow including changing demographics and migration, the slowing of demand or preference, stagnant income levels, tighter lender practices, increases to development costs, restrictive land use regulations, or the complete build-out of an area. Over time, communities go through different phases or combinations of these scenarios which impact their housing unit growth. The slowing pace of housing development in Hudson appears to be driven largely by a decline in migration as well as a steep drop in the number of people in the prime home-buying 35 to 54 age group coupled with a large increase in the population of those aged 65 or older.

Building Permits

NHOSI provides an annual report on short- and long-term trends in housing construction and total housing supply across the State of New Hampshire. Building permit data in the report update the 2010 Census and ACS data and are collected via an annual mail survey of municipalities. While not all building permits result in actual construction, NHOSI does request that municipalities report on the number of expired permits from the previous year. To the extent possible, these figures contained in this report represent the actual number of housing units.

It is also worth noting that townhouses, often referred to as condominiums, as well as other attached units like single-family homes with accessory dwelling units (ADUs), are categorized as multi-family units. Permits are typically valid for one year. Some permits never result in actual construction and the permit expires¹.



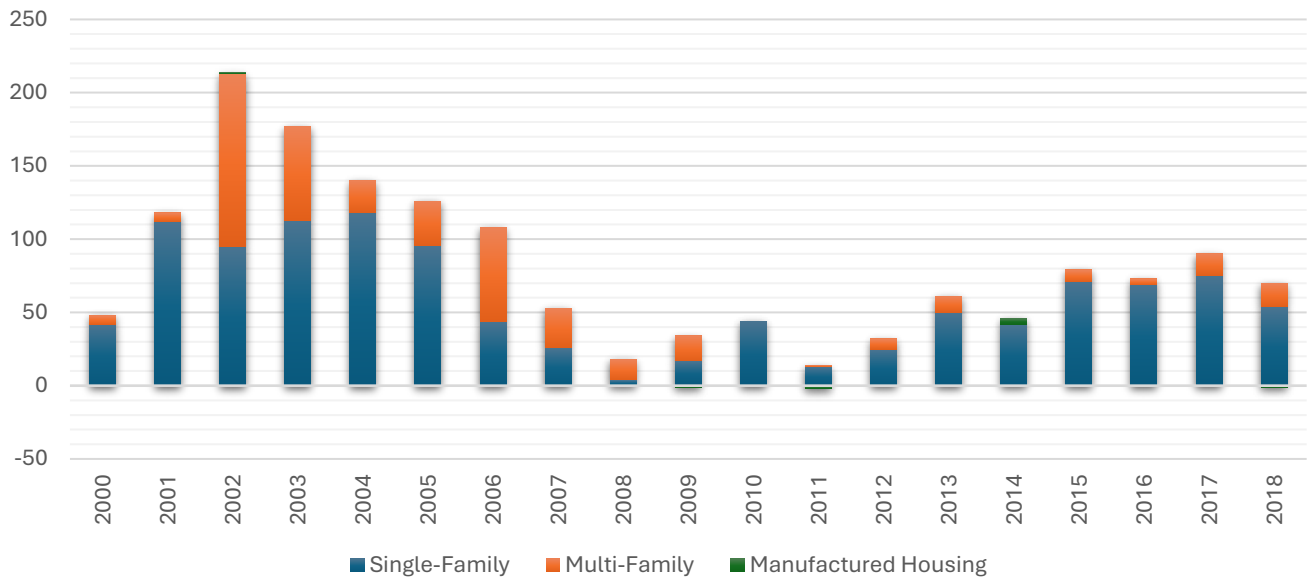
Source: NHOSI (2019)

Since 2000, there have been over 1,500 housing units constructed (executed building permits) in Hudson with over two-thirds (1,035 of 1,541 units) of them completed in the first 10 years. Approximately 72% of all the housing units constructed from 2000 to 2018 were for single-family detached units while the remaining 28% comprised of some form of a multi-family structure.

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¹ Source: NHOSI, Current Estimates and Trends in New Hampshire’s Housing Supply (2019)

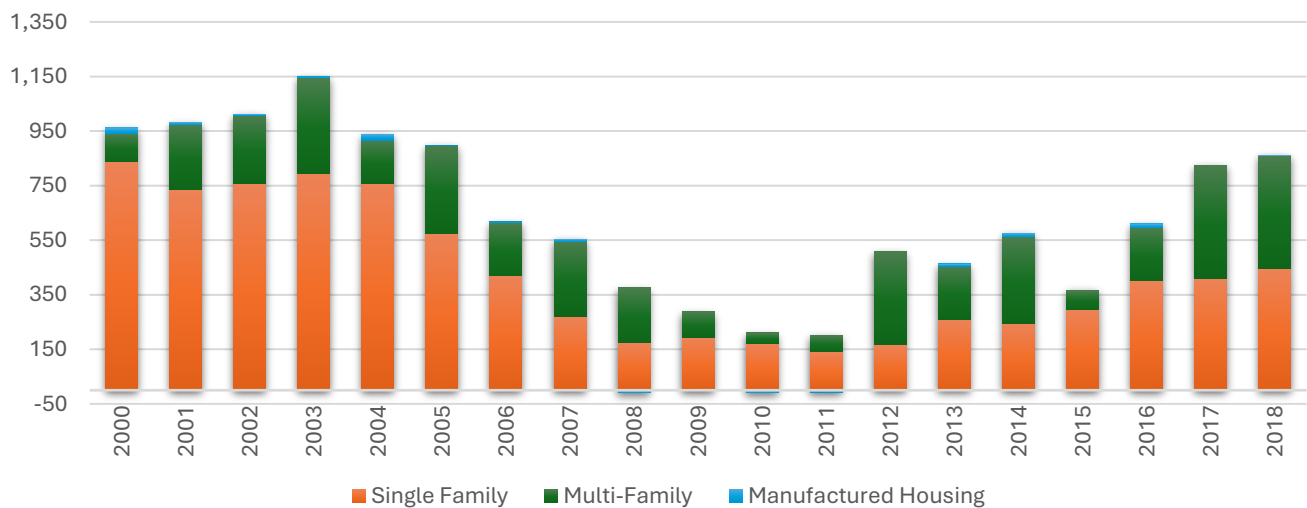
Net Building Permits, Hudson 2000-2018



Source: NHOSI (2019)

Housing construction trends in Hudson are similar to that of the NRPC region in that there were noticeable building spikes that occurred in the early- and mid-2000s. Then, like the rest of the Nation, the Great Recession of the late-2000s and early 2010s brought housing construction almost to a halt. Since the Recession, the region has recovered economically, but building activity has remained below prerecession levels.

Net Permits, NRPC Region 2000-2018



Source: NHOSI (2019)

In contrast to regional trends, however, the percentage of multi-family units constructed in Hudson has declined in the post-recession years. Approximately 35% of Hudson's housing construction was for multi-family units in the 2000s compared to about 15% in the 2010s.

Housing Type

Hudson is estimated to have about 81% of its housing stock dedicated to single-family units. The remainder of Hudson's roughly 10,080 total housing units are primarily multi-family units along with a handful of manufactured units (19%).

| Housing Stock by Type, 2020 | | | | | | | |
|-----------------------------|---------------|---------------------|------------|--------------------|------------|----------------------------|------------|
| | Total Housing | Single-Family Units | | Multi-Family Units | | Manufactured Housing Units | |
| | | Numeric | Percentage | Numeric | Percentage | Numeric | Percentage |
| Hudson | 10,080 | 8,131 | 81% | 1,760 | 17% | 189 | 2% |

Source: US Decennial Census 2020, Table DP1

Housing Tenure

Housing tenure describes the financial arrangement for occupying a housing unit; households either own or rent the unit they are living in. Approximately 80% of the housing units in Hudson are categorized as owner-occupied while the NRPC region and State have noticeably smaller percentages. Conversely, Hudson's percentage of renter-occupied units are roughly 10% lower than that of the NRPC region and the State. While there have been slight fluctuations since 2000, the ratio of owners to renters has been relatively stable. Higher homeownership rates can be a good sign that communities are providing an environment for long-term residents and a stable tax base. A disproportionately low rate of renter households, however, can indicate an insufficient supply of housing alternatives. It is also notable that the percentage of rental units in Hudson has steadily declined since 2000. Since most rental units are multi-family units, this change corresponds with the decline in multi-family housing construction noted previously in this chapter.

| Housing Tenure as a Percentage of Occupied Units, 2000-2020 | | | | | | |
|---|----------------|------|------|-----------------|------|------|
| Year | Owner-occupied | | | Renter-occupied | | |
| | 2000 | 2010 | 2020 | 2000 | 2010 | 2020 |
| Hudson | 78% | 80% | 80% | 22% | 20% | 20% |
| NRPC Region | 70% | 73% | 70% | 30% | 27% | 30% |
| State of NH | 70% | 71% | 71% | 30% | 29% | 29% |

Source: US Census; 2000, 2010, and 2020 Decennial Census Table DP1

| Total Housing Units by Tenure and Vacancy, 2020 | | | | | |
|---|-------------|----------|----------------|-----------------|--------|
| | Total Units | Occupied | Owner-occupied | Renter-occupied | Vacant |
| Hudson | 10,080 | 9,752 | 8,245 | 1,507 | 328 |

Source: US Decennial Census 2020, Table DP1

Vacancy rates are a powerful indicator of the homeownership and rental market trends. According to the 2018 ACS, Hudson and the NRPC were experiencing a 3% and 4% vacancy rate across owner- and renter-occupied units, respectively. Even though the 2010 vacancy rates were relatively similar, at 3.4% and 5.1% for Hudson and the NRPC region, empirical evidence from NHHFA infers that the housing market of the late 2010s is much tighter than what the ACS has reported though this may be a product of their smaller sample sizes and slightly higher margins of error compared to the decennial census.

Renter and Owner Housing Markets

The Town of Hudson is located within the Nashua HUD Metropolitan Fair Market Area (HFMA) along with most communities within the NRPC region (with the exception of Lyndeborough). The following subsections pertaining to renter- and owner-occupied housing will identify income, rent, purchase price limits established by HUD, as well as a variety of measurements reported by the New Hampshire Housing Finance Authority (NHHFA) including median rental and home purchase prices; rental vacancy and home absorption rates; rental and home sales frequency; and levels of cost-burdened households.

Renter-Occupied Housing

As previously noted, approximately 20% of all occupied units in the Town of Hudson are inhabited by renters. The following subsections will detail an array of aspects that highlight the increasingly tight rental market in Hudson and the greater Nashua HFMA.

Median Rent

Fair market rents are established by HUD multiple times throughout the year for each HFMA. The market rents provide a fair market cost of rent, plus utilities, upon which HUD assistance programs are based. Rents are further determined by the number of bedrooms and then adjusted accordingly. The table below provides the fair market rents for the Nashua HFMA, effective October 1, 2024².

| Fair Market Rents, FY 2025 | | | | | | | |
|----------------------------|---------|------------|------------|------------|------------|------------|-----------|
| | Studio | 1- Bedroom | 2- Bedroom | 3- Bedroom | 4- Bedroom | 5- Bedroom | 6-Bedroom |
| Nashua HMFA | \$1,458 | \$1,621 | \$2,126 | \$2,824 | \$2,999 | \$3,449 | \$3,899 |

Source: HUD (2025)

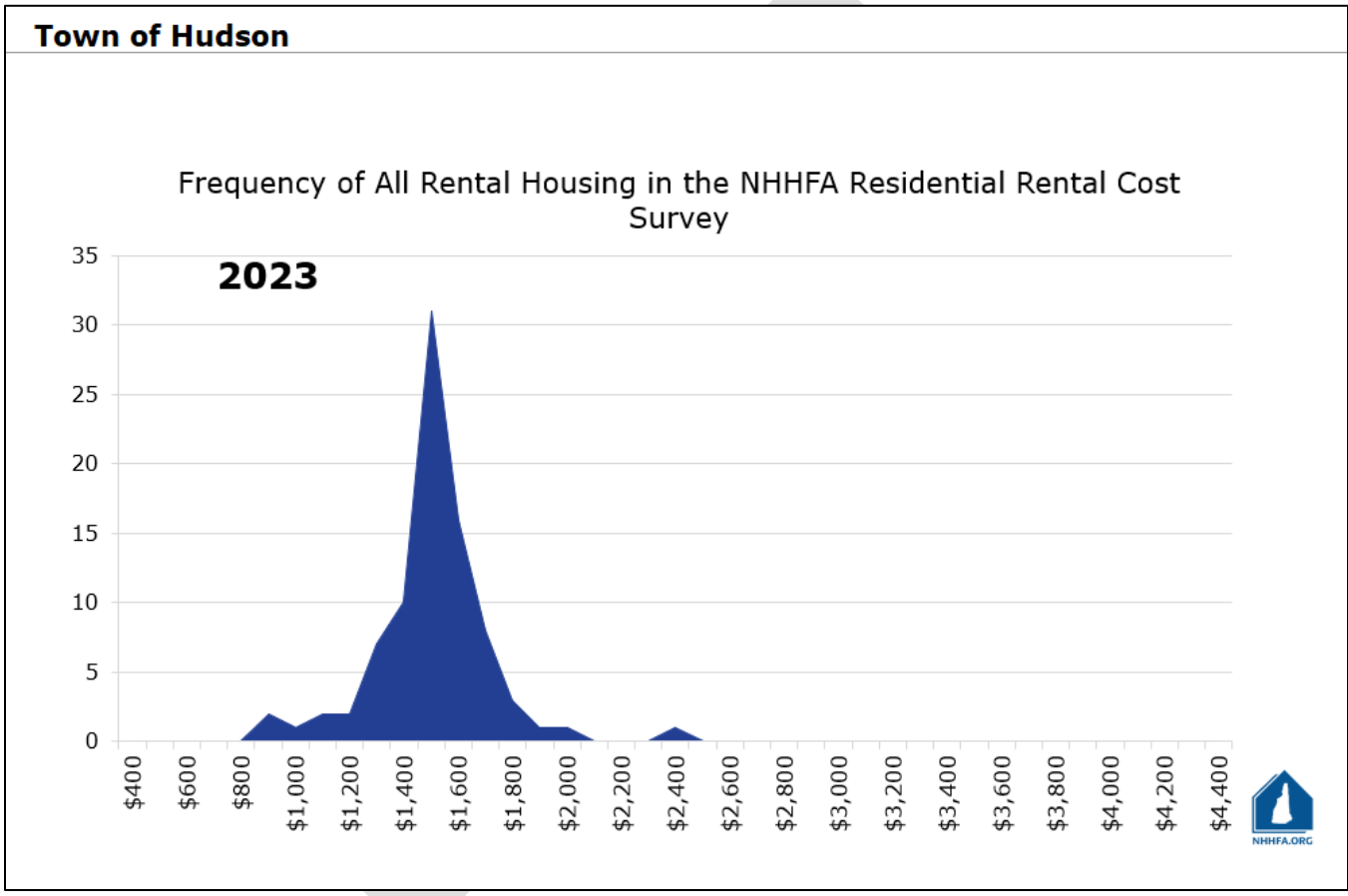
Median Rent Frequency

Median rent frequency can be explained as the number of rental agreements per cost grouping. The table below indicates that the majority of rental agreements for 2023 fell between \$1,400 and \$1,800 a month. The takeaways from this information are that 1.) a majority of rental agreements are at or near the overall market,

² Source: HUD Fair Market Rents FY 2025

2.) an even larger percentage of agreements were reached for those units within the two most affordable cost groups, and 3.) there were noticeably fewer agreements being reached for those renting in the \$1,201 to \$1,400 a month range. The third point emphasizes the lack of options – observed through agreements – that are available for households earn just slightly below the median income and are not the most in need of subsidized or substandard units. A large number of rental leases in higher cost grouping may indicate that a large number of these rental units are single-family homes.

Median rent data, when viewed alongside HUD Fair Market Rents for the region, and the median rent frequency data cited above, both indicate that Hudson’s rental housing supply is relatively affordable and consistent with the overall rental housing market. However, though median rents in Hudson do align with HUD Fair Market rent levels, many households still struggle with housing costs in the community.

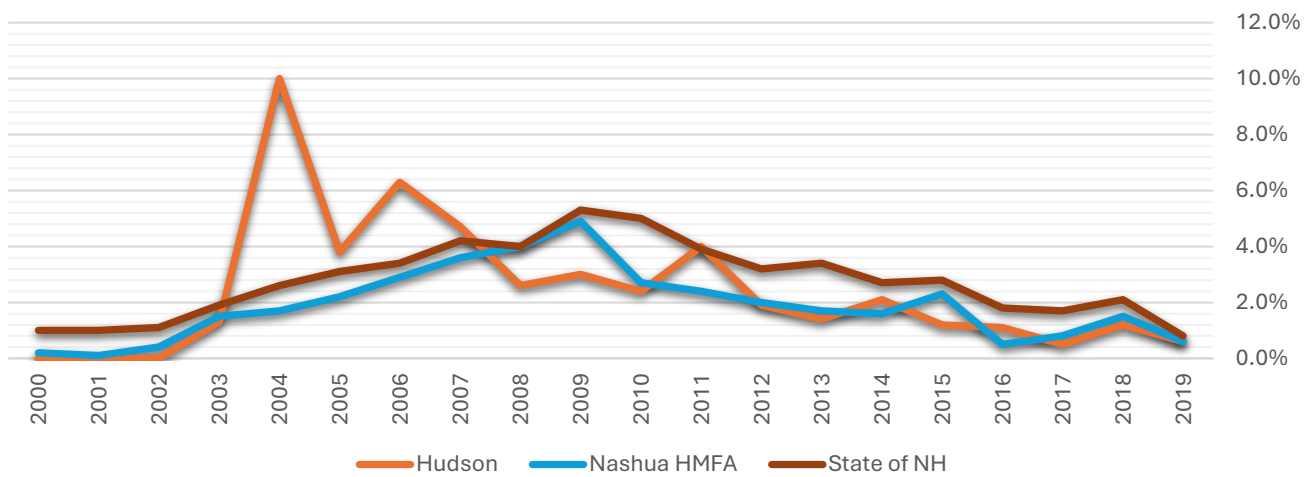


Source: New Hampshire Housing and Finance Authority (2023)

Vacancy Rates

Extremely low vacancy rates in Hudson, the Nashua HFMA, and the State have been a major influence on rising rental costs over the past half-decade. NHHFA considers a “balanced” vacancy rate for rental units to be between 4% and 5% (NHHFA, 2019) while other research suggests that “healthy” vacancy rates are about 7-8% for rental units (Florida, 2018; Kasulis, 2016). As of 2019, rental vacancy rates across all units, for all three geographies, were below 1%. Due to housing preference, need, or circumstances, rental vacancy rates have not been near healthy or balanced levels since the Great Recession of the late 2000s, early 2010s.

Vacancy Rates, All Units, 2000-2019



Source: New Hampshire Housing and Finance Authority (2019)

Cost-Burdened Renters

When rental stock and vacancy rates are extremely low, many households can become forced to pay more than what they can reasonably afford. Households that pay more than 30% of their household income toward housing costs are considered to “cost-burdened.” Of the 1,351 households paying rent in Hudson, about 29% of them are cost-burdened. The major concern with having a larger percentage of residents being cost-burdened is its impact on the households’ ability to afford other essential expenses like grocery, transportation, health care, and education.

Gross Rent as a Percentage of Household Income, 2023

| | Hudson | NRPC Region | State of NH |
|-------------------------|--------|-------------|-------------|
| Total units paying rent | 1,351 | 22,709 | 143,594 |
| Less than 15.0 percent | 6.4% | 11.7% | 11.6% |
| 15.0 to 19.9 percent | 16.5% | 12.6% | 13.5% |
| 20.0 to 24.9 percent | 30.8% | 14.4% | 13.3% |
| 25.0 to 29.9 percent | 17.3% | 14.9% | 13.9% |
| 30.0 to 34.9 percent | 6.1% | 10.6% | 9.8% |
| 35.0 percent or more | 22.9% | 35.7% | 37.9% |

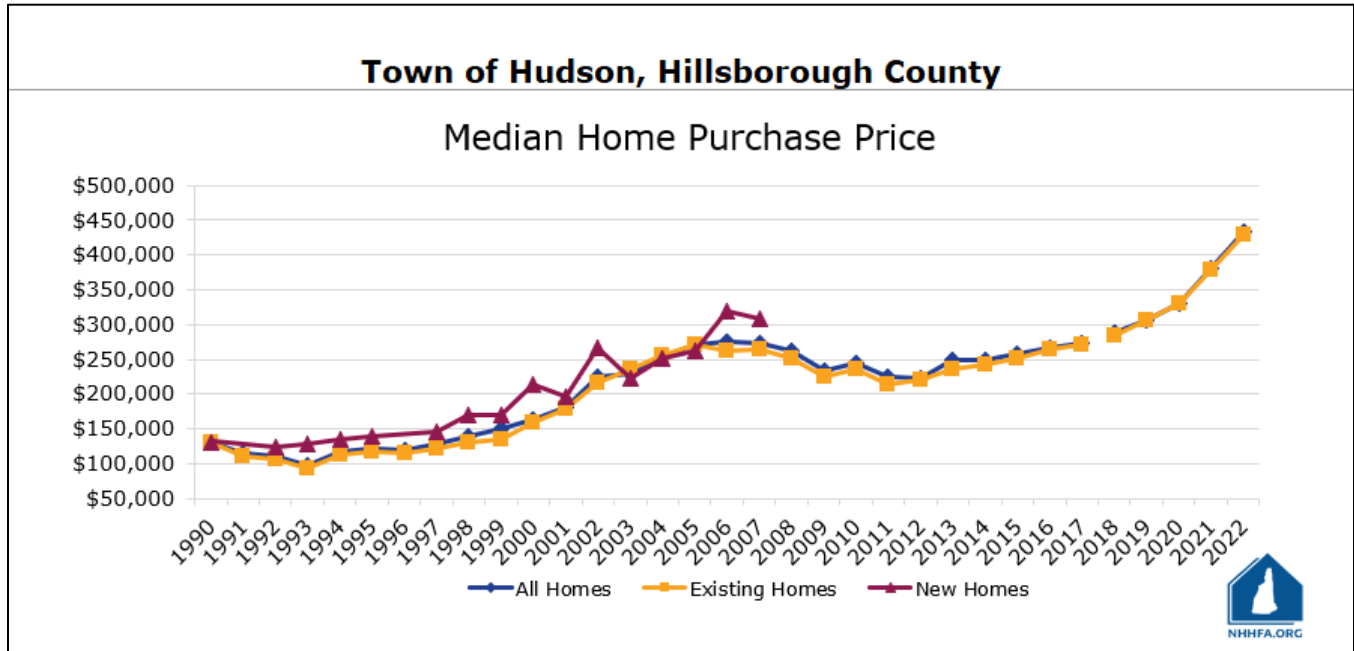
Source: 2023 American Community Survey 5-year estimates, Table DP04

Owner-Occupied Housing

Approximately 80% of all occupied units in the Town of Hudson are owner-occupied, an increase from 78% in 2000. This trend sheds light on the demand for homeownership in the area as well as for housing construction. The following subsections will highlight the rise of home prices, the diverging frequency of home sales and listings, and the decreasing percentage of owners who are burdened by housing costs.

Median Purchase Price

Like all communities in the region and across the United States, home prices took a significant dive during the Great Recession. Home prices in Hudson began to recover in 2012 and reached pre-recession levels around 2017. Since then, home prices have continued to rise.

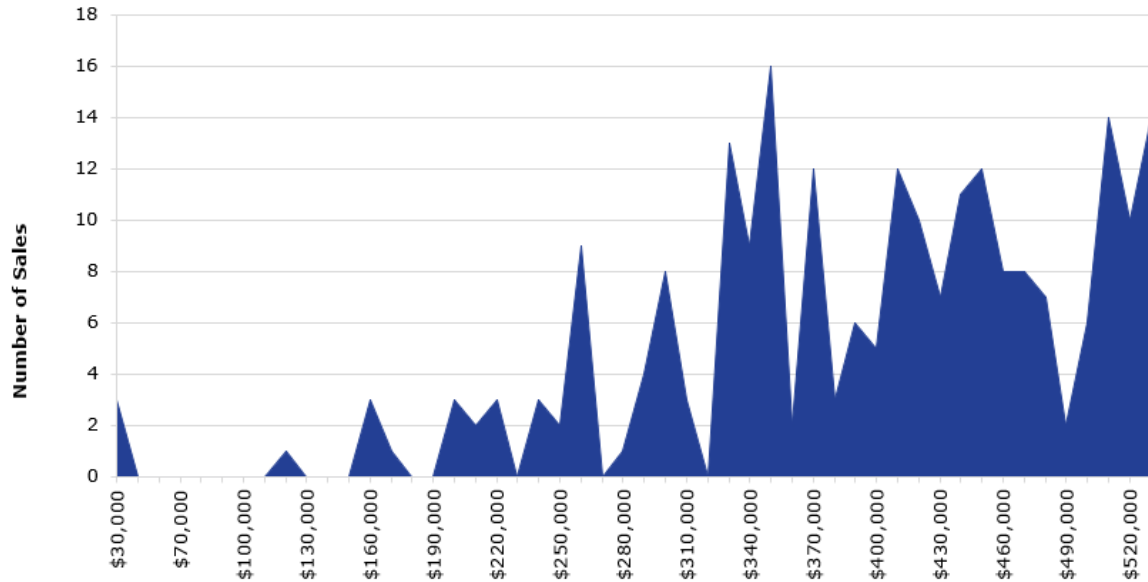


Median Purchase Price Frequency

Median purchase price frequency is the occurrence of home sales per cost grouping. The figure below indicates that the largest percentage of home sales for 2023 in Hudson were for homes that sold for \$350,000 or higher.

Town of Hudson, Hillsborough County

Primary Home Purchase Price Frequency Town of Hudson, Hillsborough County, 2023 Jan-Sept



Source: New Hampshire Housing and Finance Authority (2023)

Cost-Burdened Owners

As upward pressure from a housing market increases prices, some households seeking to enter homeownership are confronted with paying a higher percentage of their income toward housing costs. Existing home-owners who suffer a loss of income can also become cost-burdened. According to HUD, cost-burdened households are those that pay more than 30% of their income for housing costs and may have difficulty affording other necessities such as food, clothing, transportation, and medical care³. Approximately 1,377 (29.0%) Hudson households pay more than 30% of their income on housing costs. The percentage of cost-burdened homeowner households in Hudson has become higher than the NRPC Region (25.1%) and State (27.9%) in the past 10 years.

³ Source: HUD, Affordable Housing (2019)

| Mortgages as a Percentage of Income, 2018 | | | |
|---|--------|-------------|-------------|
| | Hudson | NRPC Region | State of NH |
| Housing units with a mortgage | 5,418 | 41,667 | 251,983 |
| Less than 20.0 percent | 48.6% | 44.6% | 43.4% |
| 20.0 to 24.9 percent | 16.4% | 18.2% | 17.8% |
| 25.0 to 29.9 percent | 9.6% | 12.1% | 11.0% |
| 30.0 to 34.9 percent (<i>cost burdened</i>) | 7.9% | 6.5% | 7.8% |
| 35.0 percent or more (<i>cost burdened</i>) | 17.5% | 18.6% | 20.1% |

Source: American Community Survey 2013 5-year estimates, Table DP04

Assisted Housing

Hudson has three assisted housing developments: Buttercup Hill on Webster Street, and the newly constructed Friars Court I and Friars Court II development on Dakota Drive. These facilities provide 145 units of assisted housing and account for roughly 6% of the assisted housing units in the NRPC Region.

| Assisted Housing by Town | | | | | | |
|--------------------------|-------|----------------------|-------------------|--------------|------------------|--------------------|
| | Total | General Occupancy | Age Restricted | Transitional | Special needs | Substance abuse |
| Amherst | 49 | 28 | 21 | 0 | 0 | 0 |
| Hollis | 24 | 0 | 24 | 0 | 0 | 0 |
| Hudson | 145 | 81 | 64 | 0 | 0 | 0 |
| Litchfield | 30 | 30 | 0 | 0 | 0 | 0 |
| Merrimack | 100 | 45 | 55 | 0 | 0 | 0 |
| Milford | 182 | 50 | 132 | 0 | 0 | 0 |
| Nashua | 1,875 | 658 | 1,108 | 40 | 13 | 56 |
| Pelham | 65 | 0 | 65 | 0 | 0 | 0 |
| Wilton | 31 | 0 | 31 | 0 | 0 | 0 |
| NRPC Region | 2,501 | 892 | 1,497 | 40 | 13 | 56 |

Source: New Hampshire Housing, [2023 Directory of Assisted Housing](#)

Workforce Housing

Understanding the State's workforce housing statutes are important because every municipality that exercises its power to adopt land use ordinances and regulations must provide a reasonable and realistic opportunity for the development of workforce housing. Other important requirements state that workforce housing must be allowed in a majority of their residential zones and that each municipality must fulfill its regional fair share of such housing. The integration of workforce housing can help ensure moderate- and low-income households have the same access to community services, amenities, and economic opportunity. In addition, affordable workforce housing can further ensure communities have the workforce necessary to support a strong and growing economy.

Workforce housing can take the form of many different housing types including single-family homes, ADUs, elderly housing, inclusionary housing, and multi-family developments. The key determinant is not the housing

type but housing costs. Workforce housing as defined by RSA 674:58, IV means housing which is intended for sale and which is affordable to a household with an income of no more than 100% of the median income for a 4-person household for the metropolitan area. Workforce housing also means rental housing which is affordable to a household with an income of no more than 60% of the median income for a 3-person household in the metropolitan area. In the context of workforce housing, it is also important to understand the definition of “affordable.”

Affordable, as defined by RSA 674:58, I, means housing with combined rental and utility costs or combined mortgage loan debt services, property taxes, and required insurance that does not exceed 30% of a household’s gross annual income. In 2018, the estimated workforce housing purchase price (considered to be affordable) for the Nashua HUD Metropolitan Fair Market Area (HMFA) was \$352,500 for a family of four making 100% of the HUD median area income, which was \$106,300 per year. In Hudson, 71% of homes sold in 2018 were below \$340,000. For rental housing, the 2018 estimated workforce housing limit (considered to be affordable) for monthly rent in the Nashua HUD Metropolitan Fair Market Area was \$1,440 for a family of three making 60% of the HUD median area income, which was \$57,400. In Hudson, the median rental cost for a market unit stood at \$1,431 a month, slightly less than the Nashua HUD Metropolitan Fair Market rent and 40% of all units leased in 2018 fell under \$1,400 per month.

Since Hudson’s median home sales prices and market rents fall below Nashua HMFA thresholds, as do a large proportion of housing units for sale or rent, it appears that Hudson does currently meet the requirements of New Hampshire’s Workforce housing law. It is also noteworthy that Hudson has historically permitted a diversity of housing types at relatively moderate densities including multi-family housing and duplexes. Nevertheless, many families and individuals in Hudson are cost-burdened. Further, many families and individuals of all income levels seek housing alternatives based on lifestyle, household size, and composition, age, and physical ability. Alternatives for addressing a broad range of housing needs are described in the following section.

METHODS FOR ENCOURAGING AND MEETING LOCAL HOUSING NEEDS

Hudson’s housing needs are broad and encompass a range of income groups and family types. Several considerations and methods for meeting these diverse housing needs are described in the following sections including:

- regulatory options that can provide incentives through innovative local land use controls;
- local tools and resources which provide research data, and guidance materials; and
- various state and federal government programs that provide financial assistance in the form of loans, grants, tax credits, interest rate reductions, etc.

Regulatory Options

Accessory Housing

Accessory dwelling units (ADUs) can provide for a wide range of housing needs that are readily integrated into the fabric of the community without the need for special incentives or subsidies. For the elderly, an accessory apartment can allow the individual to maintain a degree of independence while still receiving the support of family members. The same is true for younger family members. Where student housing is scarce, accessory dwelling units can provide a housing alternative within a family setting. For older or younger homeowners, the

modest rent that may be received for such a unit may make homeownership a possibility that would otherwise not exist. Under RSA 674:71-73, which went into effect on June 1, 2017, accessory dwelling units (ADUs) means:

“a residential living unit that is within or attached to a single-family dwelling, and that provides independent living facilities for one or more persons, including provisions for sleeping, eating, cooking, and sanitation on the same parcel of land as the principal dwelling unit it accompanies.”

Municipalities like the Town of Hudson that have adopted zoning ordinances are required to permit ADUs as a matter of right or by either conditional use permit or special exception, in all zoning districts that permit single-family dwellings. The state leaves it to the Town’s choice as to whether or not the ADU can be attached or detached. Other regulations included are, but not limited to⁴: Municipalities may require the owner to occupy one of the units, but may not limit ADUs occupancy to family members of the owners of the principal dwelling. ADUs may also be deemed a unit of workforce housing for the purposes of satisfying the municipality’s obligation under RSA 674:59.

Within Hudson...

The Town of Hudson currently includes a section within its Zoning Ordinance that addresses ADUs with the purpose of them being to increase the supply of affordable housing without the need for more infrastructure or further land development while maintaining aesthetics and compatible uses within community neighborhoods. Among other general provisions, the Town has established the following requirements⁵:

- an ADU be attached to the principal dwelling;
- either the principal dwelling unit or ADU must be occupied by the owner of record of the principal dwelling;
- the front face of the principal dwelling is to appear as a single-family dwelling and any additional entrances must be located on the side or rear of the structure;
- sperate utility service connections and/or meters for the principal dwelling unit and an ADU shall not exist;
- a minimum of four off-street paved parking space shall be provided, no separate driveways;
- the ADU shall not be less than 350 square feet nor greater than 750 square feet;
- an AUD shall not have more than 2 bedrooms; and
- multiple ADUs are not permitted on any lot.

Age-Restricted Housing

Age-restricted or elderly housing ordinances are a way that communities address the need for specialized housing for older populations without allowing for general multi-family housing or overall increases in density. These usually take the form of overlay zones. In most cases, age-restricted housing ordinances provide for a higher density than allowed in the underlying zone and contain a separate set of regulations and restrictions than those found in other zones. Some ordinances contain provisions for subsidized housing, others do not. Nearly all the communities in the NRPC region have some type of age-restricted housing zone.

⁴ Source: NH RSA 674, Planning and Zoning: Local Land Use Planning and Regulatory Powers (2020)

⁵ Source: Town of Hudson Zoning Ordinance (2020)

Within Hudson...

The Town of Hudson currently includes a section within its Zoning Ordinance that addresses “Housing for Older Persons” with the purpose of providing affordable alternative housing for qualifying populations. Among other provisions, the Town has established the following requirements⁶:

- units may be in the form of multiple attached units or detached units;
- occupancy of units shall be limited to family units in which the head of the households or spouse is at least 55 years old;
- reduced lot sizes;
- maximum building ground coverage of 20% of the tract and 3,000 square feet, per unit;
- maximum of 2 bedrooms per unit; and
- no units are to be less than 600 square feet.

Clustered or Open Space Development

Clustered housing is a form of zoning that eases the dimensional standards for lots compared to the normally required standards. This regulatory strategy allows for greater flexibility in configuring structures, preserving open space, and reflecting the community’s local character while meeting overall density requirements. Ordinances around the state may identify similar provisions under the title of “cluster development”, “open space development” or “conservation development”.

Homes in cluster developments are generally configured on smaller lots that do not meet the community’s traditional lot size, road frontage, and setback requirements. The altered design requirements are attractive to potential developers as it may reduce development costs and in-turn, increase profitability, and reduce housing costs to potential buyers. In some cases, under the use of a clustered housing provision, municipalities may provide developers with the opportunity to earn housing density bonuses. A density bonus grants a developer additional housing unit density beyond that which is normally permitted, in exchange for more open space, recreational facilities, affordable housing, etc. The word “opportunity” is emphasized here because any proposed cluster development may or may not actually meet the density bonus requirements set forth in a community’s zoning ordinance, and the developer may or may not be allowed to build more dwelling units than traditional regulations would permit. The permitted housing types, configurations, percentage of open space, required amenities, and other conditions for meeting the clustered housing definition vary from one municipality to another.

Within Hudson...

The Town of Hudson currently includes a section within its Zoning Ordinance that addresses “Open Space Development” with the purpose of preserving “the rural and scenic character by encouraging more efficient patterns of land development which conserve open and green spaces, farmland, wildlife habits, water resources, scenic areas, and other natural resources.” In addition, the requirements are designed to provide increased recreational opportunities and great neighborhood cohesion. Among other provisions, the Town has established the following requirements⁷:

- reduced lot size and setbacks, as applicable;

⁶ Source: Town of Hudson Zoning Ordinance (2020)

⁷ Source: Town of Hudson Zoning Ordinance (2020)

- shared common open space; and
- potential road and right-of-way reductions.

Group Housing

Group homes are an important means of providing housing for the elderly and for special needs groups such as deinstitutionalized individuals, the homeless, handicapped individuals, and other special needs groups. Generally, a group home is a single-family home that houses several unrelated individuals with common needs. This allows for mutual support for people with common needs in a family typesetting. The homes provide individual or shared bedrooms with common living areas.

A provision for group homes usually requires a community to amend its zoning ordinance to provide a definition of "family" that would allow for a group home to be placed in a single-family area. Because group homes are not subdivided, they are not considered to be multi-family housing. A typical ordinance may provide a definition, for example, that would allow ten unrelated elderly, handicapped, or de-institutionalized individuals to be considered a family for zoning purposes, provided that the home is not subdivided and that the individuals live together as a single housekeeping unit. An alternative would be to provide for group homes under a special exception provision.

The largest impediment to providing for group homes is neighborhood resistance. Individuals purchasing homes in single-family areas have an expectation that the neighborhood will be maintained with a certain character. While a house that is purchased for a small group of older residents may pose little threat to neighbors, a home for de-institutionalized mental health patients, ex-convicts, or those battling opioid recovery may trigger such resistance. Great care must be provided to avoid the disruption of existing neighborhoods. Regulations that may mitigate some of the potential negative impacts associated with the group homes in single-family areas would be similar to those found in ordinances governing home-occupations and accessory housing. The intent should be to provide restrictions related to parking, entrances, and the appearance of the home to maintain the single-family character of the area.

Within Hudson...

This housing type is not currently included within the Hudson Zoning Ordinance.

Inclusionary Housing

Inclusionary housing programs as defined by RSA 674:21, IV-a is an innovative land use control that provides a voluntary incentive or benefit to a property owner in order to induce the production of affordable housing for moderate-, low- and very-low-income households in exchange for density bonuses or zoning changes. Generally, a residential developer seeking a higher density than normally allowed under the zoning ordinance would be required to set aside a certain percentage of the units for lower-income households. Many inclusionary housing programs also require a certain percentage of the units to be designated for elderly or handicapped households. Depending on the ordinance, developers interested in applying for a density bonus or zone change apply either to the local zoning board of adjustment or to the planning board. New Hampshire statutes require inclusionary housing programs to be voluntary and ordinances typically apply only where the municipality attempts to use zoning as an incentive to provide for a recognized need within the community. The developer receives an incentive, usually increased density, which provides the impetus for developing the desired housing type. The percentage of units that must be set aside for target groups could vary based on the local ordinance.

In general, most ordinances require the below-market-rate units to be provided within the site. The units may be smaller than the market rate and may lack some amenities but may not be recognizably different from the other units in the development. Some ordinances allow below-market-rate units to be clustered within a portion of the development. Other ordinances encourage the below-market-rate units to be distributed throughout the complex.

Because most ordinances require below-market-rate units to be provided on-site, the maintenance, management, and marketing of the units remain a private responsibility. Local ordinances usually include a provision requiring that below-market units, whether rental or owner-occupied, remain at below-market levels for a fixed period of time. The time period can vary from 10 to 99 years. Municipalities, however, must take the responsibility of ensuring that below-market units remain at target levels. This is particularly difficult for below-market-rate owner-occupied housing as the resale of the property must be regulated to ensure that a lower or moderate-income family can purchase the unit while allowing the seller to capture some equity from the property. In most cases, the monitoring of inclusionary housing programs is the responsibility of a local housing authority, community development department, or planning department.

The greatest constraint to implementing an inclusionary housing program in the region's municipalities is the difficulty of administering the program. Although market studies have been done which indicate that developments with below-market-rate units do not suffer from lowered real estate values, public perception is difficult to overcome. Another barrier is the difficulty of amending zoning ordinances to allow for the flexibility to provide for density bonuses in many municipalities. The greatest advantage of inclusionary housing programs is that the below market rate units are generally built, managed, and maintained by private developers. The municipality avoids having to maintain an inventory of housing to manage and avoids the difficulty of locating sites and building needed housing.

By including a small number of moderate and low-income units within a mix of market-rate units, the community avoids the problems associated with over concentration. The families that occupy the units are integrated with the greater community and are provided with the same level of maintenance and the same public facilities and services as the general population. Furthermore, programs that also encourage the provision of elderly and handicapped housing, as well as three-bedroom rental units, allow for even greater integration of household types. In this way, the housing needs of most family types, including various age and income groups, can be accommodated within a single residential development with only minimal public sector involvement.

Communities interested in implementing an Inclusionary Housing Ordinance should consult the Innovative Land Use Planning Techniques Handbook, published by the NH Department of Environmental Services, which includes a model ordinance and background information for New Hampshire municipalities.

Within Hudson...

This housing type is not currently included in the Hudson Zoning Ordinance.

Manufactured Housing

Manufactured housing, as defined in RSA 674:31, is a term that includes what is traditionally known as trailers or mobile homes. Although State legislation has been adopted that requires all municipalities to provide for reasonable opportunities for the location of manufactured housing, many communities still severely restrict such housing. This is often due to aesthetic considerations as well as the association of manufactured housing

with lower-income groups. In general, manufactured housing is situated either in higher density parks, on individual lots, or in manufactured housing subdivisions.

Manufactured housing parks can provide an important housing alternative for low and moderate-income groups. The purchase price is relatively low because the lots in the park must be rented. As a result, many residents in manufactured housing parks face eviction if the land is sold. The lack of new manufactured housing parks makes relocation nearly impossible unless the family can afford to purchase a lot. Mobile homes on individual lots or within subdivisions are only a limited form of affordable housing due to the very high land costs within the region. Although a manufactured home on an individual lot maybe only 10% less expensive than a conventional home on a similar lot, this can make the difference in affordability for many moderate- and middle-income families.

Within Hudson...

The Town of Hudson currently includes a section in its Zoning Ordinance that addresses Manufactured, however, it does provide a purpose or vision for such housing. Among other provisions, the Town has established the following requirements⁸:

- only permitted in the General District which accounts for roughly 52% of the Town's total area;
- must be located in a manufactured housing subdivision or park that is a minimum of 10 acres in size;
- lot sizes must be in conformance with underlying dimension requirements (1-2 acre minimums);
- subdivisions and parks must be screened with a natural buffer along its perimeter;
- only single-family manufactured homes are permitted, one unit per lot;
- must be affixed to a permanent foundation;
- potential for shared or common space; and
- requires a permit from the Building Inspector to be placed or moved.

Multi-Family Housing

Multi-family, as defined in RSA 674:58, is housing *for the purpose of workforce housing developments*, which means a building or structure containing 5 or more dwelling units, each designed for occupancy by an individual household. The emphasis is on the italicized words specifically clarifies this definition as other State statutes define multi-family units to be any structure containing more than 2 dwelling units. This difference is important as structures with 5 or more dwelling would qualify under the "reasonable and realistic opportunity" for workforce housing, whereas anything less, would not.

Multi-family housing is a common way in which municipalities and developers can provide affordable housing options to residents within the region. The development of multi-family housing units typically looks to density and proximity as avenues to a solution. There higher densities are typically located in more centralized locations with access to a variety of employment opportunities, amenities, and services. Development costs, landowner mortgages, and overall maintenance costs are reduced when expenses are spread among more occupants, and ideally, these cost savings are then transferred over to eventual occupants. Although the basic idea of increasing density to spread expenses is sound, the strategy is not always implemented in a way that provides for more affordable housing. The combination of the increasing demand among moderate- and high-income households

⁸ Source: Town of Hudson Zoning Ordinance (2020)

into the urban cores, preference to the rental market, and very low vacancy rates have, in turn, increased the cost of multi-family housing.

Within Hudson...

The Town of Hudson currently defines multi-family housing as structures with three or more dwelling units attached by any portion of one or more floors, walls, roofs. Multi-family units are only currently permitted in the Business District (roughly 4.3% of the Town's total area) along with parts of Route 102/Derry Street, Route 111/Central Street/Burnham Road, Route 3A/Lowell Road, and at their convergence near the Taylor Falls Bridge⁹.

Workforce Housing

Workforce housing as defined by RSA 674:58, IV means housing which is intended for sale and which is affordable to a household with an income of no more than 100% of the median income for a 4-person household for the metropolitan area. Workforce housing also means rental housing which is affordable to a household with an income of no more than 60% of the median income for a 3-person household in the metropolitan area. In the context of workforce housing, it is also important to understand the definition of "affordable." Affordable, as defined by RSA 674:58, I, means housing with combined rental and utility costs or combined mortgage loan debt services, property taxes, and required insurance that does not exceed 30% of a household's gross annual income.

In 2018, the estimated workforce housing purchase price (considered to be affordable) for the Nashua HUD Metropolitan Fair Market Area (HMFA) was \$352,500 for a family of four making 100% of the HUD median area income, which was \$106,300 per year. The 2018 estimated workforce housing limit (considered to be affordable) for monthly rent in the Nashua HUD Metropolitan Fair Market Area was \$1,440 for a family of three making 60% of the HUD median area income, which was \$57,400.

Workforce housing can take the form of many different housing types including ADUs, elderly housing, inclusionary housing, and multi-family developments. However, the key determinant is not the housing type but housing costs. Updated income and housing costs limits which qualify as housing units as "affordable" are released by HUD a few times a year and these thresholds affect the measure of affordable workforce housing and other regulatory determinants (i.e. home prices within a development seeking density bonuses through inclusionary housing regulations) within the metropolitan area.

Understanding the State's workforce housing statutes are important because every municipality that exercises its power to adopt land use ordinances and regulations must provide a reasonable and realistic opportunity for the development of workforce housing. Other important requirements state that workforce housing must be allowed in a majority of their residential zones and that each municipality must fulfill its regional fair share of such housing. The integration of workforce housing can help ensure moderate- and low-income households have the same access to community services, amenities, and economic opportunity. In addition, affordable workforce housing can further ensure communities have the workforce necessary to support a strong and growing economy.

⁹ Source: Town of Hudson Zoning Ordinance (2020)

Within Hudson...

The Town of Hudson does not currently have a specifically dedicated section to Workforce Housing land use regulations, however, the town does allow several forms of housing that may qualify as workforce housing.

Tools

There is a significant amount of research, data, and guidance materials available to help communities in New Hampshire meet their local housing needs. The following represents some of the key resources and tools for municipalities in the NRPC region.

NH Housing's [Meeting the Workforce Housing Challenge Guidebook](#) provides resources for municipalities to address the requirements of the State's Workforce Housing Statute.

The [NH Innovative Land Use Handbook](#), published by the NH Department of Environmental Services, includes model ordinances and guidance on numerous means to create a flexible set of incentives to support more affordable choices, including:

- Cluster or Conservation Open Space Subdivisions;
- Mixed-Use Development;
- Infill Development;
- Energy Efficient Development; and
- Inclusionary Housing.

NH Housing's [Housing Solutions Handbook](#) includes examples and case studies from New Hampshire of zoning ordinances that provide workforce housing opportunities, such as:

- Flexible zoning and land use regulations that allow for a mix of housing choices,
- Planned-unit and cluster development,
- Examples of multi-unit structures that maintain rural and single-family character,
- Redevelopment of existing housing stock,
- Examples and case studies from New Hampshire of multi-unit structures that maintain rural and single-family character,
- Accessory dwelling units, and
- Regulatory provisions that encourage a variety of housing sizes and types (i.e. cottage housing, accessory dwelling units, condominiums, single-family homes, etc.).

[NH Housing](#) collects and reports on a variety of [housing data](#) including demographic, purchase price and rental cost trends; HUD's income limits and allowances; and assisted housing for every municipality in the State.

NRPC has developed several [fact sheets](#) including:

- Inclusionary Zoning;
- Overlay Districts;
- Performance Zoning;
- Village Plan Alternative; and
- Form-Based Codes.

The NH Office of Energy and Planning [reports on building permits](#) issued in every NH community that municipalities can use to monitor rates of residential growth to assess whether future rates are projected to increase beyond current low levels of growth.

[The Planning Board in New Hampshire: A Handbook for Local Officials](#), written by the NH Office of Energy and Planning, provides guidance and resources to help municipalities prepare a Capital Improvements Program to ensure municipal services can keep pace with growth rates.

The Community Development Finance Authority's [CDFA Neighborhood Stabilization Program](#), Community Development Block Grants, and [Community Development Improvement Program](#) provide financial resources to help municipalities invest in existing neighborhoods.

NH RSA 79-e, the [Community Revitalization Tax Relief Incentive](#) enables communities to provide tax relief in exchange for investment designed to enhance downtowns and town centers, promote economic development, and rehabilitate historic structures.

Resources

In addition to the above tools and resources available statewide, there are several organizations within the NRPC region that can provide valuable support to municipalities.

NeighborWorks Southern NH

NeighborWorks Southern New Hampshire is a non-profit organization dedicated to helping individuals and families in the Southern New Hampshire region by providing access to quality housing services, revitalizing neighborhoods, and supporting opportunities for personal empowerment. Based in Manchester, in recent years NeighborWorks expanded its service area to include the Nashua region and acquired the former Neighborhood Housing Services of Greater Nashua. Additionally, in the NRPC region, Neighborworks developed Casimir Place in Nashua (2006) and Hidden Pond Apartments in Amherst (fall 2013) and most recently (2019), purchased two residential buildings (8 units) on McLaren Ave and Ledge St in Nashua to begin capital improvements and energy upgrades totaling \$450,000. Additionally, NeighborWorks has been working with residents of Nashua's Tree Streets on various community initiatives including NeighborFest, a celebration of community among neighborhood residents, and the Neighborhood Mural Initiative, a project to fuse local art with significant historical events. Other major programs include:

- Homeownership: Help underserved families understand critical components of homeownership, including financial responsibilities, maintenance, and repair; homeownership as an opportunity to improve economic viability; and guidance and assistance in the loan process;
- Affordable housing development: Develop affordable housing for sale or rent for low- and moderate-income families and individuals;
- Resident services: Involve tenants and other community residents in the civic life of the community and provide a variety of enrichment services.

Southern New Hampshire Services

Southern New Hampshire Services (SNHS) assists low-income members of the region to achieve self-sufficiency through a series of child development; health, food and nutrition; housing and homeless; workforce development; energy; volunteer, community, and multi-cultural services programs. Through their programs to prevent and address homelessness, SNHS provides shorter-term assistance to those that are at risk of eviction or

utility termination, connects homeless persons with the local service system, and provides supportive housing for the homeless. Mary's House, located in Nashua, NH, consists of forty rehabilitated apartments for homeless women. SNHS Management Corporation, a housing management subsidiary of SNHS, provides specialized elderly housing services, sponsors supportive housing for homeless projects, and serves as a general contractor for construction projects that include low-income housing development and rehabilitation. Working with the City of Nashua Lead Paint program, SNHS conducts outreach and education relative to the dangers of lead paint and benefits of abatement. Lastly within the housing programs, SNHS provides supportive elderly housing to low-income senior citizens and has 6 properties with a total of 248 units in the City of Nashua (SNHS, 2019).

Harbor Homes

Harbor Homes is another non-profit serving low income and vulnerable populations in the NRPC region. While Harbor Homes works throughout the state, their primary focus is the greater Nashua area serving Nashua, Amherst, Brookline, Hollis, Hudson, Litchfield, Merrimack, Milford, Mont Vernon, Mason, Manchester, and Wilton. They provide residential, primary and behavioral health care, and supportive services to more than 1,200 low-income individuals and families who are homeless, at risk of homelessness or living with mental illness and other disabilities each year. Services provide a holistic approach to providing food, shelter, and basic needs to help families maintain sustainable independence. Harbor Homes focuses on providing affordable housing, health care, mental health care, workforce development, and employment assistance, supportive services for veterans, and homeless prevention (Harbor Homes, 2019).

Others

While not expressly dedicated to meeting local housing production needs, there are several other organizations within the NRPC region that play a critical role in supporting resident housing needs and promoting equal opportunities. The City of Nashua has formed the **Cultural Connections Committee**, comprised of city officials and residents, was created to act as a sounding board for ethnic community problems, act as a communications link between organizations, assist in community program ideas and publications, inform and educate, and encourage awareness and appreciation of cultural differences. The Gate City Immigrant Initiative is a subcommittee of the Cultural Connections Committee.

The Mission of the Gate City Immigrant Initiative is to provide support to orient and empower newcomers and the broader community to fully integrate as citizens of Greater Nashua in good health and well-being.

The **Continuum of Care** is a collaborative group of Federal, State and City governments, housing program directors, hospitals, veterans, social service agencies, homeless and formerly homeless individuals, the financial community and private sector representatives, and religious institutions of several denominations that meet regularly to promote comprehensive, cohesive, and coordinated approaches to housing and community resources for homeless persons and families. The Continuum works to identify and address service gaps and risk factors in the community and prioritize unmet service needs for a system of prevention, intervention, outreach assessment, direct care and aftercare for homeless individuals and families. The collaborative group serves the communities of Nashua, Brookline, Amherst, Hollis, Merrimack, Milford, Mont Vernon, Hudson, Litchfield, and Mason. Particularly the Continuum works to end homelessness and is funded through annual applications to HUD to provide housing and supportive services. The Greater Nashua COC is also responsible for the development and implementation of the Greater Nashua Ten Year Plan for Ending Homelessness. ("Nashua Continuum of Care," 2014)

Similarly, **Elder Wrap** is another social service community collaborative comprised of public and private agencies in the Greater Nashua area that recognizes that many elders have complex health, housing, support, and social needs. A core group of agencies meets monthly to review specific cases and discuss broader community issues affecting elders. Professionals from other agencies are invited to join meetings when their specialized focus is relevant to the individuals being discussed. Sometimes elders and their families attend a Wrap Around meeting to participate in the discussion of their needs and services.

State and Federal Programs

Within the State of New Hampshire, most federal and state housing programs are administered through the New Hampshire Housing Finance Authority (NHHFA). The NHHFA programs are described below. In addition to these programs, Veterans Administration (VA) and Federal Housing Administration (FHA) loans are available through those agencies.

Section 8 Housing Choice Voucher Program

This rental assistance program provides a direct subsidy to the owner of rental housing to allow low-income families to occupy privately owned and maintained housing units without spending in excess of 30% of their total annual household income for shelter. Qualification is based on income and fair market rent guidelines established by the US Department of Housing and Urban Development (HUD). The intent of the program is to allow for federal housing assistance to low-income households without building government-owned and operated housing. The owner of a unit qualified under the program is paid the difference between what the tenant can pay and the actual rent. Limited funds have restricted the program to very low-income female-headed households and very low-income elderly households. The program is administered by HUD through the NHHFA. Program eligibility and assistance is based upon income and household size. To be placed on the program, applicants must have incomes below 30% AMI, however, NHHFA is able to accept a limited number of admissions for applicants with incomes below 50% AMI.

Section 8 New Construction and Substantial Rehab Program

The New Construction and Substantial Rehabilitation Programs provide assistance to developers to rehabilitate existing rental housing or to construct new rental housing within HUD guidelines. The maximum term of assistance provided by HUD under the New Construction and Substantial Rehabilitation Programs for a project financed with the proceeds of a loan insured by the Federal Housing Administration is 20 years. Rather than allowing the Section 8 certificate to be used by a qualifying family to obtain housing in any qualifying rental unit, the program attaches the Section 8 certificate to the unit. This program encourages the construction of new rental housing for very low-income households. The voucher program merely provides a subsidy for existing units without increasing the housing stock available to low-income families.

Housing Choice Voucher Homeownership Program

New Hampshire Housing offers the option for households currently receiving a Housing Choice Voucher to apply it towards homeownership for first-time homebuyers. There are eligibility requirements established by HUD and New Hampshire Housing. Generally, for those under the age of 62, the household head must have been employed for at least 30 hours a week for a full year, earn minimum wage, have established credit, and had a bank account for at least 6 months. Choosing to use a voucher for homeownership increases the mortgage a household can afford.

Emergency Housing Program

This program aids households in imminent danger of eviction due to financial difficulty with short-term assistance when local welfare programs are unable to offer assistance. New Hampshire Housing's Emergency Housing Program supports approximately 25 households at a time for a maximum of 3 months. Households must first seek any other possible source of assistance before turning to this program and their household income must be below 50% of the area median income.

Low-Income Housing Tax Credits

Low Income Housing Tax Credits (LIHTC) encourage private investment in new, affordable rental housing and is the most commonly used affordable multi-family rental financing mechanism today. Projects are selected by NH Housing on a competitive basis and the use of the LIHTC requires that a project provide a minimum of 20% of its units to households earning up to 50% of the area median family income (AMFI). Alternatively, at least 40% of its units may be offered to renters at or below 60% of AMFI. The balance of the units may be rented at prevailing market rents. Mixed-income projects may be feasible in stronger rental markets. Typically, a LIHTC development will be affordable to households earning 40-60% of AMFI. Most of today's LIHTC projects are not subsidized with project-based Section 8 contracts, though tenants holding vouchers may use them in such projects and may be necessary for those earning less than 40% AMFI to afford rents. Therefore, many of today's "subsidized rental housing" cannot reach the households with the lowest incomes, however, LIHTC rental housing does, support an important component of workforce rental housing.

The maximum LIHTC allocation that any single general occupancy project may receive in any single funding round is \$800,000. The maximum LIHTC allocation that any single age-restricted project may receive in any single funding round is \$600,000. From 2014 through 2018, the State received and allocated between \$2.1 and \$3.4 million per year (\$2.8 million on average) to affordable housing projects across the state. Some of the more recent assisted housing projects in the area since 2010 include (NHHFA, 2019):

- Cotton Mill, Nashua (2011-2012)
- Pine Valley Mill, Milford (2013)
- Salmon Brook Senior, Nashua (2015)

Construction Lending Program

The Construction Lending Program provides construction financing for multi-family rental projects utilizing other New Hampshire Housing funding. In addition, funds may be used in certain circumstances to bridge investment from Low-Income Housing Tax Credit investors. Rates and terms are competitive with the market, and this program offers the convenience and cost savings of a single source of financing for an affordable housing rental project.

Special Needs Housing Program

The Special Needs Housing Program is designed to provide financing for projects serving populations that need more intense services than are typically provided in traditional rental housing. The financing may be primary or gap lending that is frequently structured on a deferred payment basis. Developers of these projects are typically service providers of such diverse groups as the homeless, the mentally or physically challenged, women and children in crisis, and families and children in need of transitional housing.

Tax-Exempt Bonds Financing and Portfolio Preservation Program

The Tax-Exempt Bond Financing and Portfolio Preservation Program is designed to provide construction and/or permanent debt financing through the sale of tax-exempt or taxable bonds and equity financing through the use of the 4% Low Income Housing Tax Credit. The program is well-suited for the preservation of existing subsidized housing. Projects using this program typically have an income stream that allows the project to service significant long-term debt.

Community Development Block Grants

Community Development Block Grant (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 homeownership, developing infrastructure, revitalizing downtown, rehabilitating rental housing, and other uses that have a primary benefit to households earning less than 80% of AMFI. This program is sponsored by HUD and managed by NH's Community Development Finance Authority (CDFA). Grants are available to municipalities or counties, and non-profits if they have partnered with and are applying through a municipality. Grants are awarded for up to \$500,000 per applicant each year and NH receives approximately \$8-10 million annually, approximately half of which goes to housing and public facilities projects.

Public Land/Affordable Rental Housing Program

The Public Land/Affordable Rental Housing Program is a State program passed by the General Court in 1986 (RSA 204-D). The program allows surplus public land to be transferred at no consideration to the NHHFA for the development of low-income housing. The intent of the program is to remove the land cost from the cost of development to allow for the construction of low-income housing that can be economically feasible. The NHHFA will self-finance, construct, and manage the housing. The greatest limitation facing the program is the availability of properly zoned surplus lands.

Federal Home Loan Bank of Boston Affordable Housing Program

The Federal Home Loan Bank of Boston offers both grants and loans to member institutions who are working with developers of affordable rental or home-ownership opportunities. In general, the Affordable Housing Program (AHP) for ownership initiatives must benefit households earning less than 80% of AMFI; use of funds for rental developments is limited to projects having at least 20% occupancy by households at or below 50% of AMFI. For 2019, the subsidy limits for anyone AHP application is \$650,000 in direct subsidy and \$1 million in total subsidy, including the subsidized advance interest-rate subsidy.

Single-Family Mortgage Program

The Single-Family Mortgage Program is by far the most significant State housing program. The program provides low-interest loans for first-time homebuyers within established housing prices and income guidelines. The program is financed through the issuance of tax-exempt bonds by the NHHFA. In general, a first-time homebuyer applies for an NHHFA loan through a conventional mortgage institution and generally approved if the applicant, as well as the home, qualifies. Loan products offered include funds for the down payment and closing costs, low or no private mortgage insurance, purchase and rehabilitation programs, emergency home repair, voucher assisted mortgages, and a tax credit program. The program provides assistance to a large number of first-time homebuyers; and as of April 2014 increased its income limit to \$110,000 for all communities, counties, and family sizes, capturing all families below the median income level.

Home Help NH

HomeHelpNH is a statewide foreclosure counseling initiative sponsored by the New Hampshire Department of Justice, New Hampshire Banking Department and New Hampshire Housing Finance Authority. The initiative's goal is to help at-risk homeowners find solutions through free, comprehensive pre- and post-foreclosure counseling. Over the course of the first year of this three-year statewide initiative funded through the National Mortgage Servicing Settlement, HomeHelpNH counselors assisted more than 800 households and provided approximately 5,600 hours of free foreclosure guidance on mortgage modifications, mortgage document review, credit and budgeting analysis, rental help and legal service referrals to at-risk households.

Federal Housing Administration and Veterans Administration Loans

These Federal Government programs are not administered through the NHHFA. Rather than provide low-interest loans, the programs provide assistance to qualifying home buyers primarily by 1) allowing for a higher percentage of household income to be devoted to housing costs; 2) providing mortgage insurance or guarantees; and 3) by allowing for down payments as low as 5%. Both of these programs are far less restrictive than NHHFA single-family home programs and are less limited in terms of funding. These programs provide essential assistance to moderate-income households throughout the Nation.

CONCLUSIONS

Population

With an estimated population of 25,458 Hudson is the third most populous community in the Nashua region and the tenth-largest in the State. During the last half of the 20th century, Hudson experienced rapid population growth, but since 2000, population growth has slowed significantly. Since 2010, Hudson's population has grown by only 7%. At this rate, Hudson will experience its first decade of less than double-digit growth in over 50 years. An even lower rate of less than 5% growth is projected for the coming decade. By 2030, Hudson's population is projected to grow by 1,079 people to a total population of 26,537. Importantly, the composition of the population will also change.

Since 2010, the number of Hudson residents aged 65 or older has increased by 1,400 people, by far the largest increase of any age group, followed by a 586 person increase in those aged 55-64 years old. These increases will likely result in increased demand for senior or elder services, including transportation and access to health care, and increased demand for senior housing and assisted living facilities.

Over this same period, there have also been steady decreases in the percentage of the population under 55 years old. Most significant is a large drop within the 35 to 54-year-old age group. People in this age group tend to be in their prime earning, home buying, and child-raising years. If these trends continue, the consequences for the labor and housing markets could be significant. Substantial declines were also experienced in the 5 to 19 age group (school-aged children) and children under 5 years-old which will likely result in lower school enrollments and less demand for youth-related programs and facilities. On-the-other-hand, there has been an increase in the number of young adults in Hudson aged 20 to 34 years old. If this trend can be extended, it has the potential to strengthen Hudson both socially and economically in the coming years.

Another population group important to consider in planning for community needs are people with disabilities. In 2018, Hudson had an estimated 2,709 people with disabilities. Importantly, a majority of Hudson residents with disabilities are over the age of 65. Given Hudson's aging population, the population of people with disabilities is

also expected to increase. Housing and other services which support the needs of the disabled will become increasingly important in Hudson. It will also become increasingly important to ensure that appropriate accommodations are made to support community inclusion and connectivity for all residents.

Housing

Between 2010 and 2020, there has been a pronounced increase in one and two-person households in Hudson and a significant decrease in three to six-person households. These changes reflect the overall aging of the population as well as the decline in the number of children as noted above. At the other end of the spectrum, there has been a notable increase in the number of households with seven or more people. This increase may indicate a trend toward multi-generational and shared housing.

In 2018, the average number of persons per household in Hudson was 2.77, a decline from 2.83 in 2000. Declining household size reflects changes that have occurred in Hudson's household composition: a decrease in the number of families with children and the increase in the number of people living alone. Changes in household size and composition have direct implications on housing type and size as well as on community facility and service needs.

While Hudson's households have grown smaller and its residents older, they have also become more affluent. Since 2010, incomes for family and non-family households within Hudson increased significantly. In 2020, median household income in Hudson was \$96,224 as compared to \$78,655 for the County and \$74,057 for the state. Increasing household income is an indicator of Hudson's economic strength as well as its quality of life and overall desirability.

In 2020, Hudson has a total of 9,839 housing units, an increase of 506 units or 5% since 2010 which is consistent with the state and regional growth rates. In contrast to regional trends, however, the percentage of multi-family units constructed in Hudson has declined in recent years. This trend is likely due to the fact that most vacant land suitable for residential construction in Hudson is located within the town's General Zones which do not permit multi-family development and in areas without a public sewer. During this same period, the percentage of owner-occupied units in Hudson increased from 78% in 2010 to 80% in 2020.

Median rents in Hudson, and elsewhere in the Nashua region, have increased substantially in recent years as demand has increased and vacancy rates dropped. Nevertheless, the median market-rate rental rate of \$1,550 is affordable for this region, though many households still struggle with housing costs in the community. Home prices have also increased in recent years, though at a slightly lesser rate than that of the state and region. The median home price for Hudson is currently estimated at about \$350,000. Given Hudson's relatively high median household income, homes in Hudson are also considered to be relatively affordable for this market area.

RECOMMENDATIONS

Hudson should be a livable, affordable, multi-generational community that is appealing to and supportive of a diverse range of income groups, ages, and family types. Housing development in Hudson in coming years will need to reflect the demands of smaller households with fewer children, more non-family households, an aging population, more people living with disabilities and the growing disconnect between a declining rate of multi-family housing construction at a time when market demand for rental housing is increasing. Given limited public sewer capacity, an overwhelming desire of the community to retain its small-town feel, concerns over the extent of residential development and a desire to conserve open space, expansion of multi-family and higher density

housing development beyond the districts where it is currently allowed is not likely to gain public support. Therefore, Hudson should strive to expand housing alternatives by leveraging the planning and zoning tools that it already has and making minor adjustments as needed. These effects should include the following actions.

- Maintain the town's existing *Housing for Older Persons* ordinance and modify it as needed to meet the needs of an aging population;
- Encourage the incorporation of ADA accessibility accommodations within new residential developments to meet the needs of a growing population of people with disabilities;
- Maintain the town's existing *Open Space Development* ordinance to provide flexibility in residential development types while conserving open space;
- Support regulations that preserve suburban/rural housing conditions within developed portions of the General and General-1 zoning districts;
- Encourage the development of accessory dwelling units that correspond with community character and provide flexible regulatory options that do not deter implementation;
- Consider permitting detached accessory dwelling units to increase housing opportunities for multi-generational living and rental housing without unduly impacting neighborhood character;
- Support workforce housing developments in districts that have access to the municipal sewer and as part of new mixed-use developments; and
- Encourage more mixed-use and infill development where appropriate and within zones such as, but not limited to, Town Residential and Business districts