

## VI. HOUSING

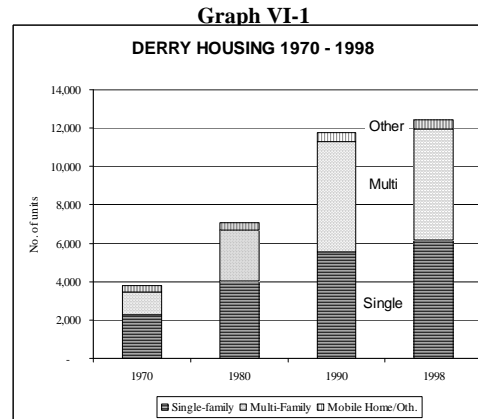
### BACKGROUND

While all of the topics addressed by this Master Plan are interrelated and interconnected, the areas of housing and growth have been particularly intertwined for Derry over the past 3 decades. As one of New Hampshire's fastest-growing communities from the 1970s into the 1980s, Derry's remarkable growth rate has largely been the result of residential housing development. Many, if not most of the challenges Derry faces at the beginning of the new millenium are directly related to that growth in residential development.

The amount, location and type of housing in a community greatly affects other aspects of community life. Housing, particularly dwellings located in areas outlying from the center, is directly related to the amount of traffic in a community, and to the level of public services in turn required to serve that housing. Almost by definition, the amount of housing is inversely proportional to the amount of open space in a community. Housing is vitally dependent upon the natural resource of water in a community. The relationship of housing to where people work – whether this is predominantly in-town or 80% or more out-of-town – as is the case in Derry – substantially shapes community life, traffic patterns, purchasing patterns, recreation habits, among many more aspects of community life. The amount and type of housing relative to the amount of business in a community also substantially affects the balances and burdens of municipal revenues and public services. And housing is the backbone of a community – the homes of the people who choose to make that community their own.

Interrelated as well is housing and the objectives for open space and natural resource protection. Open space and natural resources significantly contribute to the livability of a community in general and Derry in particular. In workshops Derry citizens suggested that future residential development should occur in a manner that respects natural resources and that preserves and protects open space. (This is discussed in more detail in Chapter III: Land Use of this Plan).

Between 1970 and 1998, the number of homes in Derry quadrupled – from 3,817 units in 1970 to 12,400 units in 1998. During the 1990s, the number of homes in Derry increased by just under 6% - a lesser, but still substantial increase – an average of about 84 units per year. The large majority of the new homes – 637 of 669 built between 1990 and 1998 – were single-family homes. The number of multi-family units increased by 21 during that time period – a 2.4% increase. The number of mobile homes in Derry increased from 455 in 1990 to 466 in 1998.



**Table VI-1**

<b>Derry Housing Trends:</b>				
<b>1970-1998</b>				
<b>Housing Type</b>	<b>1970</b>	<b>1980</b>	<b>1990</b>	<b>1998</b>
<b>Derry</b>				
Single-family	2,300	4,055	5,549	6,186
Multi-Family	1,157	2,651	5,747	5,768
Mobile Home/Oth.	360	362	455	466
<b>Total</b>	<b>3,817</b>	<b>7,068</b>	<b>11,751</b>	<b>12,420</b>

Sources: U.S. Census, SNHPC Housing Needs Assessment, 1999.

Roughly 60% of Derry's housing stock is owner-occupied, according to the last available Census data (1989). While 2000 Census data is not available as of the writing of this Plan, it is likely that this proportion has increased through the 1990s, since the vast majority of new units built have been single-family homes. Derry has virtually the same proportion of rental housing as does the Southern

New Hampshire Planning Commission region as a whole – about 37% (1989). Providing more opportunities for ownership of homes – both new and existing units – is a particular housing goal for Derry.

Among its immediate neighbors, Derry stands out in provision of housing that is affordable to those of lesser means. While other communities might be trying to shut doors in the face of such trends, through Derry’s planning workshops citizens sought to positively guide and manage the creation of future housing opportunities in a manner that is compatible with Town and neighborhood character and that meets the needs of the children and parents of Derry’s residents.

As of the year 2000, there are 455 assisted units of affordable housing in Derry – 4.5% of the total housing stock. These are units designed to be affordable to households, including families and elders, with incomes at or below 80% of the median income of Derry. These include both units committed to affordability when built (375) and just under 100 privately-owned rental apartments occupied by persons holding vouchers (managed through the Housing Authority) that pay the difference between the market rent and what the renter is able to pay (about 30% of monthly income).

**Table VI-2**

<b>ASSISTED HOUSING IN DERRY - 2000</b>			
Type of Housing	No. of Units		
Public housing:	0		
Section 8 certificates	98		
Other assisted:*			
<i>Family</i>	284		
<i>Elder</i>	173		
Total assisted	555		
Total - all housing	12,420		
% assisted of total	4.5%		
* Assisted through NH Housing Finance Authority, Farmers Home Administration, &/or U.S. Dept. of H.U.D.			
Sources: NH Housing Finance Authority; SNHPC; Derry Housing Authority			

Derry’s 4.5% affordable homes proportion presents a contrast with the Town’s immediate neighbors – Londonderry and Chester – whose housing stock does not include any assisted units of which we are

aware at the time of this Plan. This contrast no doubt contributes to a perception among some Derry citizens that Derry bears a disproportionate share of the larger region’s affordable housing need.

However, there is also awareness that there is a housing need among Derry’s own population – recent high school graduates, newly-weds, two-income service worker families, and senior citizens on fixed incomes. As of January, 2000, about 60-65 households were on the waiting list of the Derry Housing Authority, who had to close the list at this level since the demand for affordable units so far exceeded the available supply.

As of September, 2000, the median selling prices in Derry were \$155,000 for single-family homes and \$87,950 for condominiums. Relative to escalating home prices in the region and in metropolitan Boston, only 45 minutes away, housing in Derry is still affordable to moderate-income homebuyers. Based on usual assumptions about “affordability,” the median selling price of a Derry home is within the affordability limit for a household having 80% of the median New Hampshire non-metro income<sup>1</sup>.

There is also local recognition of the growing need of senior citizens in Derry. Between 1970 and 1990, the number of persons over 65 years of age in Derry increased 75% - from 981 to 1,726 individuals. Between 1980 and 1990, the over 65 population grew by 17%. Throughout Rockingham County, the over 65 population grew by 27%.

<b>ELDER POPULATION IN DERRY:</b>			
<b>1970-1990</b>			
	<b>1970</b>	<b>1980</b>	<b>1990</b>
<b>Persons 65+</b>	981	1,477	1,726
<b>% inc: '80-90</b>			16.9%
<b>% inc: '70-90</b>			75.9%
Source: U.S. Census - 1970,1980, 1990			

**Table VI-3**

As the aging baby boomer cohort group approaches retirement age over the next decade, the need for assisted housing, housing adapted for persons with disabilities, and affordable housing for seniors is going to increase substantially locally as well as

nationally. There is support for assuring that there will be these types of housing opportunities over time so that long-time residents will be able to remain in their community in their elder years.

## GOALS AND OBJECTIVES

Derry's goals for housing are to:

- Encourage home ownership of housing. Provide opportunities for Derry residents in new construction and rehabilitation of a variety of housing types and for a range of differing life styles and income levels.
- Encourage provision of housing for seniors, "empty-nesters" – i.e., older adults without children - and households with special needs.
- Recognize the interrelatedness and importance of other aspects of quality of life in Derry to its housing – open space and nature, economic development, schools, recreation, accessibility – to name a few – and work to implement improvements in all these areas through implementing the range of Master Plan recommended actions.
- Combine protection of the character and distinctiveness of Derry's residential neighborhoods with provision of housing opportunities to residents.

## IMPLEMENTING ACTIONS

To implement Derry's goals and objectives for housing, the following actions are envisioned:

- Revise Derry's zoning and subdivision regulations to allow and encourage open space residential development for a range of households, including moderate and one-income households.*[Ed.note: The Master Plan Housing Subcommittee recommended this, observing that, while Derry has provided more than its share of low-to-moderate income housing, a significant needs still exists for moderate income residents and starter homes.]*  
*[Also in Land Use Element]*

- Explore possible incentives to provide owners of apartment complexes that convert these to cooperatives or condominiums.
- Review the zoning map for appropriate locations for multi-family districts, especially in and near Downtown centers of activity.  
*[Also in Land Use Element]*
- Review and revise zoning regulations to allow and encourage housing for elders and "empty-nesters" – particularly in or near the Downtown – and to assure that this housing remains designated for seniors over time. *[Ed. note: Planning Board May 23, 2001 meeting minutes call to delete a reference to using a special exception approach for this action. This was never in the recommendation. A suggestion was made at the May 8 2001 public plan presentation to explore appropriate mechanisms such as a special expection approach.]*
- Incorporate compliance with the requirements of the Americans with Disabilities Act (ADA) into design review standards for multi-family dwellings.
- Explore allowing pre-site-built homes more widely throughout town, coupled with stricter design standards for sounder, more compatibly-designed dwellings.
- Review and revise the building permit and site plan review process, coupling a more efficient and user-friendly process with a strengthening and uniform enforcement of design standards.
- Pursue a multi-action strategy to improve overall quality of life in Derry as an important approach to improving the quality of its housing market.
- Support the efforts of the Main Street Program and encourage downtown revitalization as an approach to improving housing quality.
- Identify the differing residential neighborhoods in Derry, the particular and special qualities that contribute to their character, and identify a

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strategy for preserving and enhancing their character.

- Explore the creation of an overlay zoning district to assure compatible design in infill construction and rehabilitation within these neighborhoods.

## **APPENDIX**

A. “Growth Background: Derry and Neighbors,”  
August 14, 2000.

B. “Housing Subcommittee Report,” Derry Topic  
Group Reports, June 23, 2000.

April 2, 2001

## **END NOTES**

<sup>1</sup> At 80% of median non-metro income of \$46,800 (equaling \$37,440), 20% downpayment, 8% interest, and 30-year term.