



# New Hampshire Fiscal Policy Institute 10th Annual Budget and Policy Conference

## WORKING HARD AND FALLING BEHIND: THE HIGH COST OF LIVING IN NEW HAMPSHIRE

October 24 • Concord



# *Thank you to our Sponsors*



NEW HAMPSHIRE  
CHARITABLE FOUNDATION



**Preti**STRATEGIES

**The Elliot**



As well as The Carsey School of Public Policy at the University of New Hampshire;  
Helms & Company; Maureen Miller, CFO Services; The Mental Health Center of Greater Manchester;  
Northeast Delta Dental; and Waypoint

*Thank you to our Media Partners*

**New Hampshire Bulletin**

**NH BUSINESS  
REVIEW**

**BUSINESSNH**  
M A G A Z I N E

# WORKING HARD AND FALLING BEHIND: THE HIGH COST OF HOUSING IN NEW HAMPSHIRE

October 24 • Concord

Moderated by: Jess Williams, Policy Analyst at New Hampshire Fiscal Policy Institute

## *Our Panel of Experts*



**Natch Greyes**

*Business & Industry Association  
of New Hampshire*



**Nick Taylor**

*Housing Action NH*



**Sarah Wrightsman**

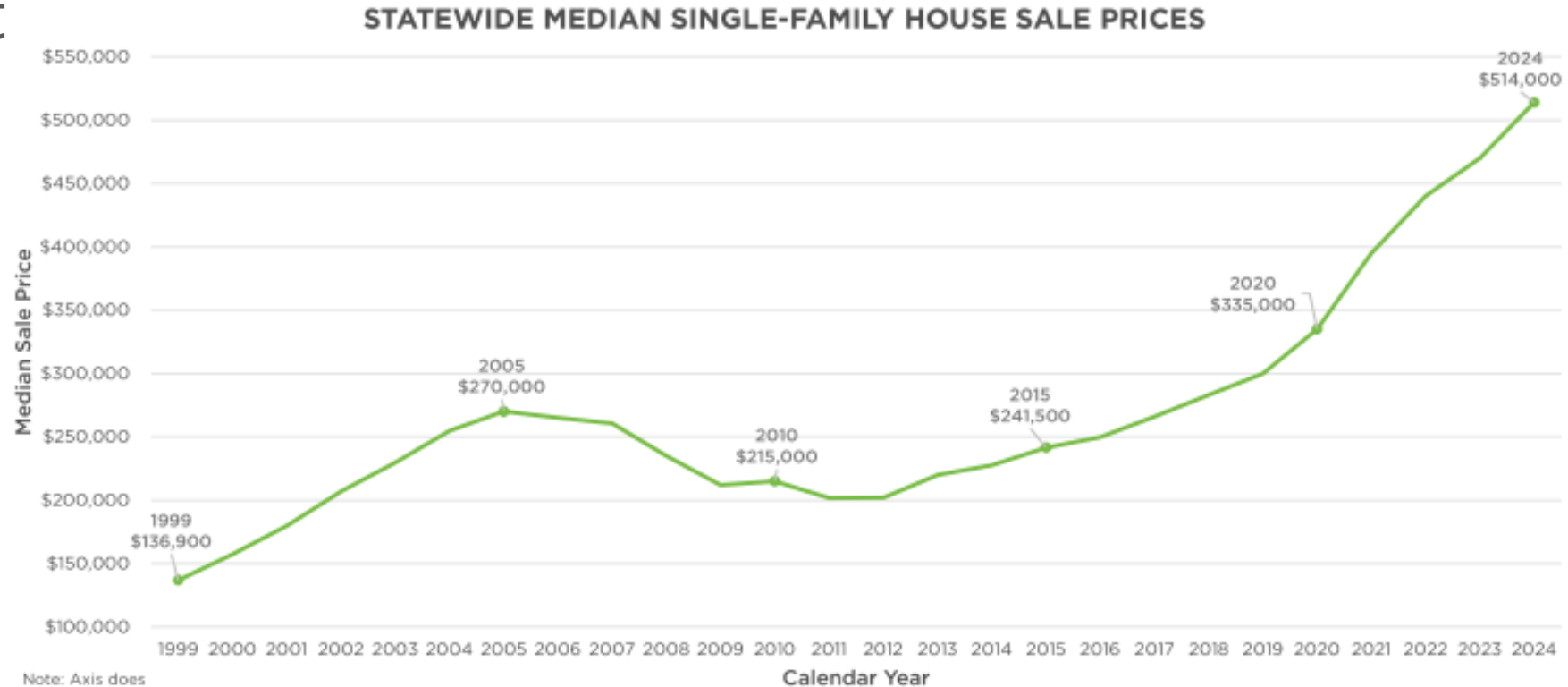
*New Hampshire Housing*

# HOW HAVE HOUSING COSTS CHANGED?

# HOUSING COSTS HAVE OUTPACED INCOMES

## 1999-2024 Percent Change, Adjusting for Inflation:

- Median Household Income: 30%
- Median Single-Family House Sale Price: 101%



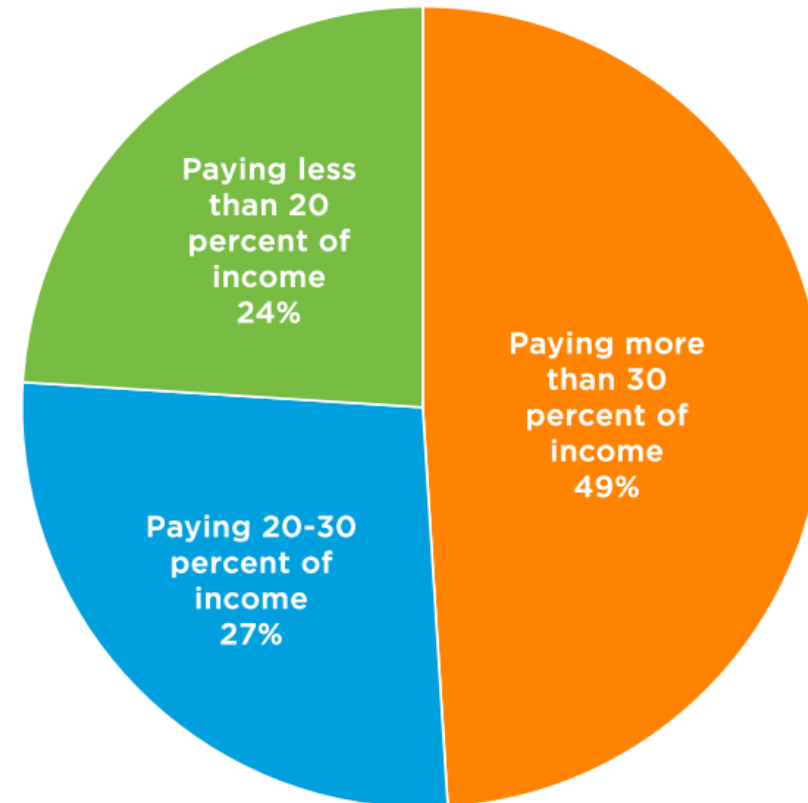
Source: NH Association of Realtors, Year-Over-Year Market Data

nhfpi.org

# RENTERS FACE GREATER COST BURDEN

- 49% of renter households paid 30 percent or more of income towards housing costs
- 28% of homeowner households with a mortgage and 20% of homeowner households without a mortgage were cost burdened

**RENT AS A PERCENTAGE OF  
HOUSEHOLD INCOME  
IN NEW HAMPSHIRE**  
*Estimates For All Renter Households, Gross  
Rent Including Utilities*



Source: U.S. Census Bureau, American Community Survey,  
2024 One-Year Estimates

# COST DRIVERS AND CHALLENGES IMPACTING HOUSING ACCESSIBILITY

# HOMEOWNERSHIP IS UNOBTAINABLE FOR MOST GRANITE STATERS IN CURRENT MARKET:

Natch Greyes

**HOUSING AFFORDABILITY IN NEW HAMPSHIRE**



AS OF JUNE 2025

INCOME NEEDED TO AFFORD



**\$182,000**



APPROX.  
**\$88**  
PER HOUR

MEDIAN SALE PRICE FOR A SINGLE-FAMILY HOME

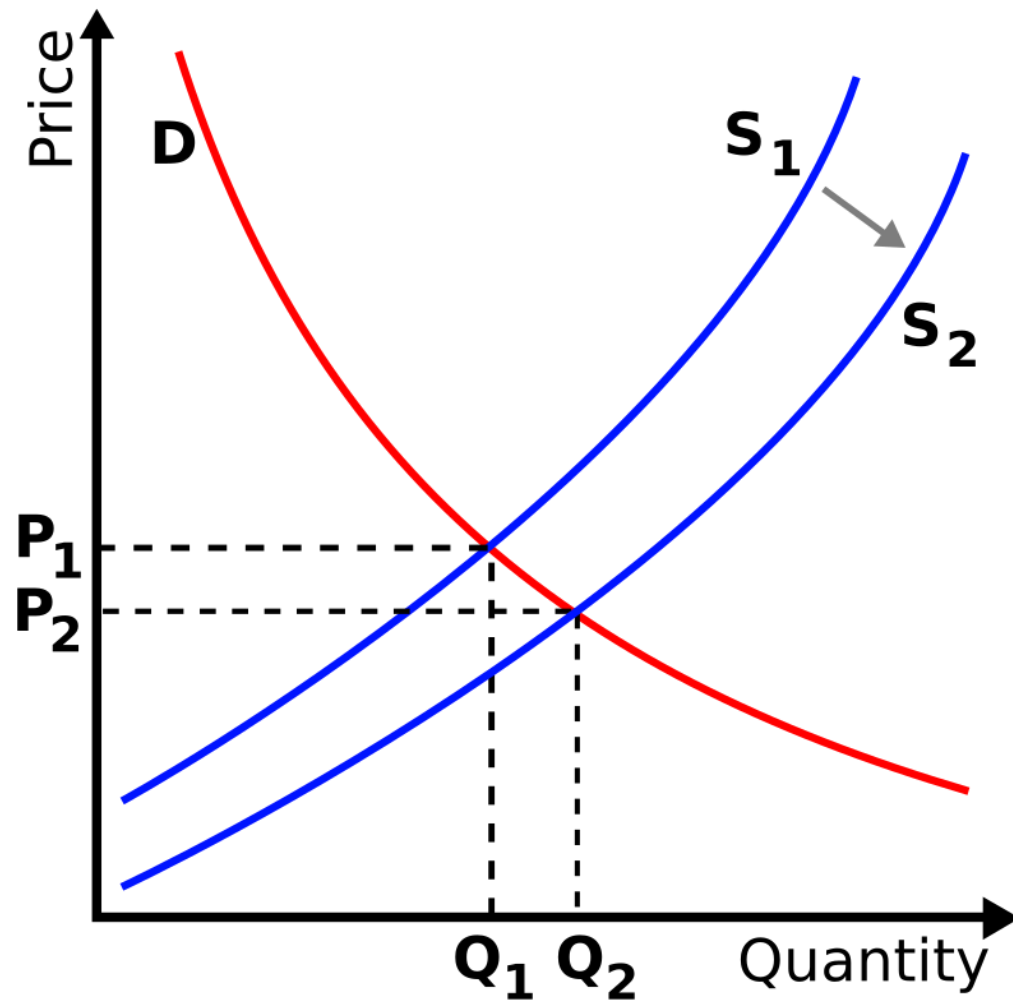
**\$565,000**  
RECORD HIGH

**15%**

HOUSEHOLDS THAT CAN AFFORD A HOME AT THIS PRICE



# APPLYING ECONOMICS TO THE PROBLEM: Natch Greyes



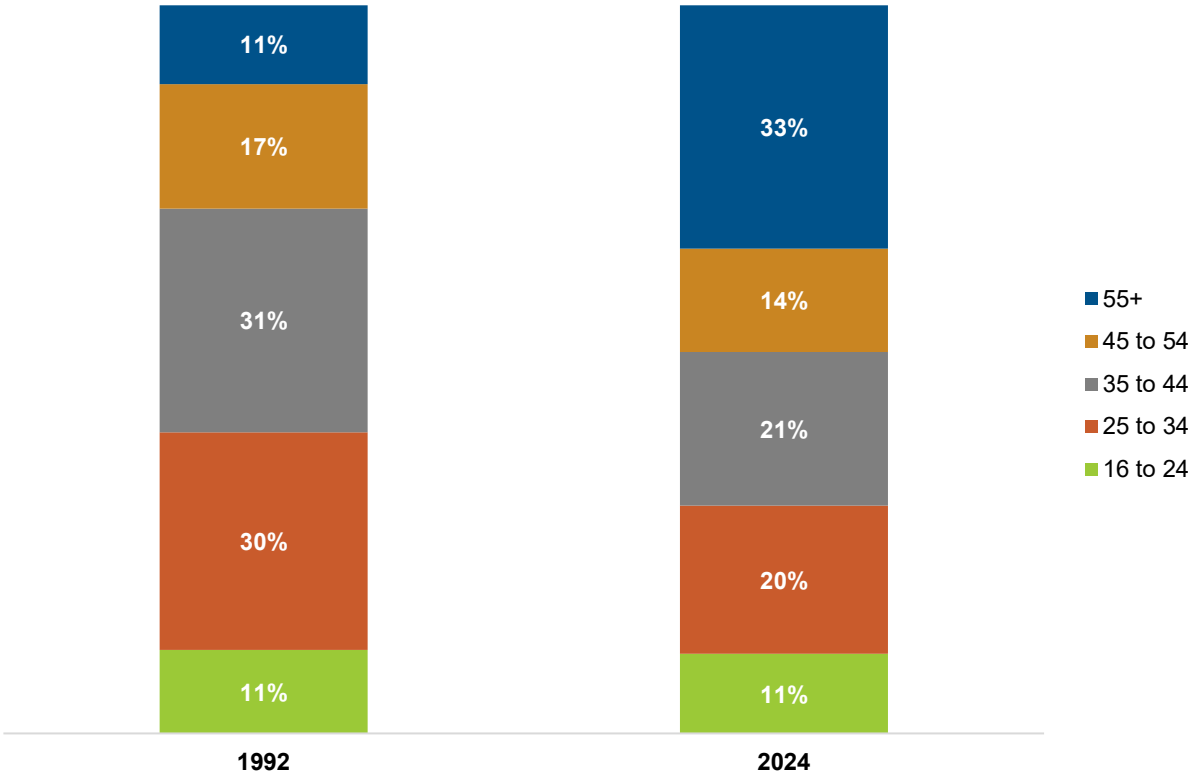
- Law of Supply and Demand: Increasing supply should ease demand, reducing costs

Nall, Clayton; Elmendorf, Christopher; Oklobdzija, Stan (15 Nov 2022). "Folk Economics and the Persistence of Political Opposition to New Housing". doi:10.2139/ssrn.4266459

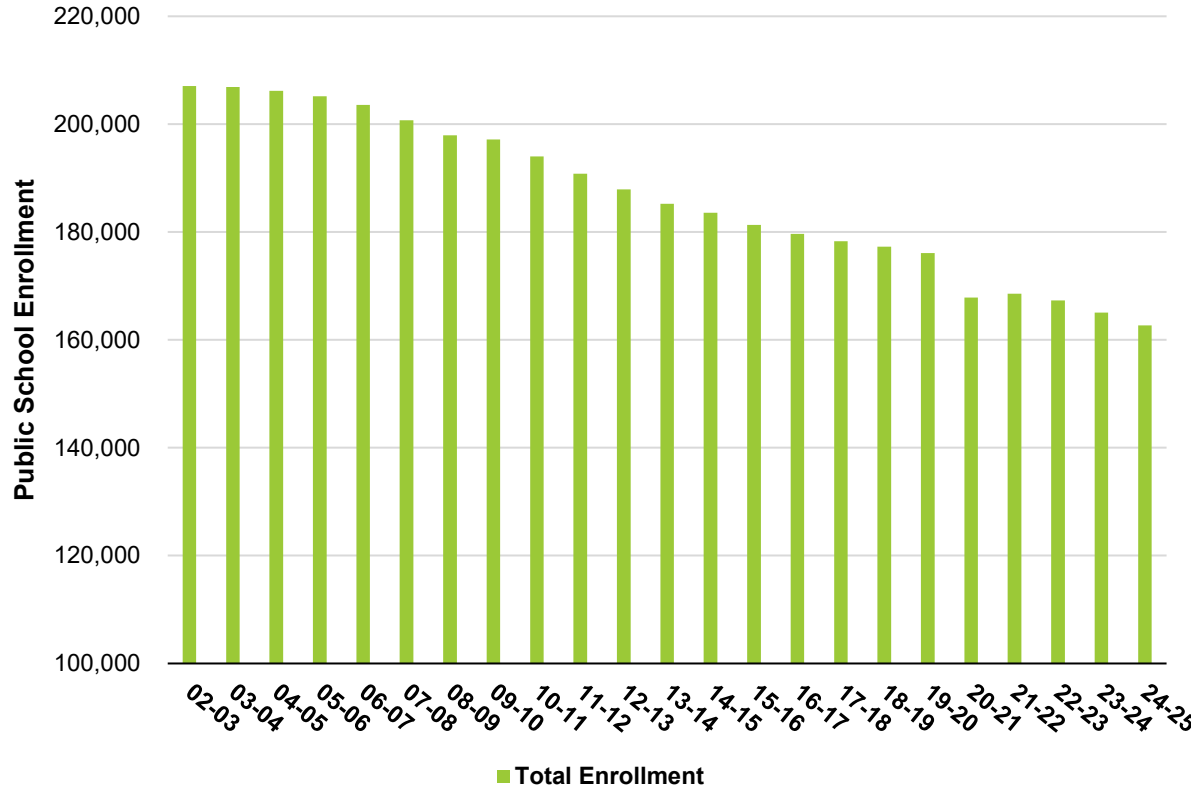
# DEMOGRAPHICS ARE A FACTOR:

## Sarah Wrightsman

Labor Force Share by Age Group in NH, 1992 vs 2024



Public School Enrollment Counts by School Year



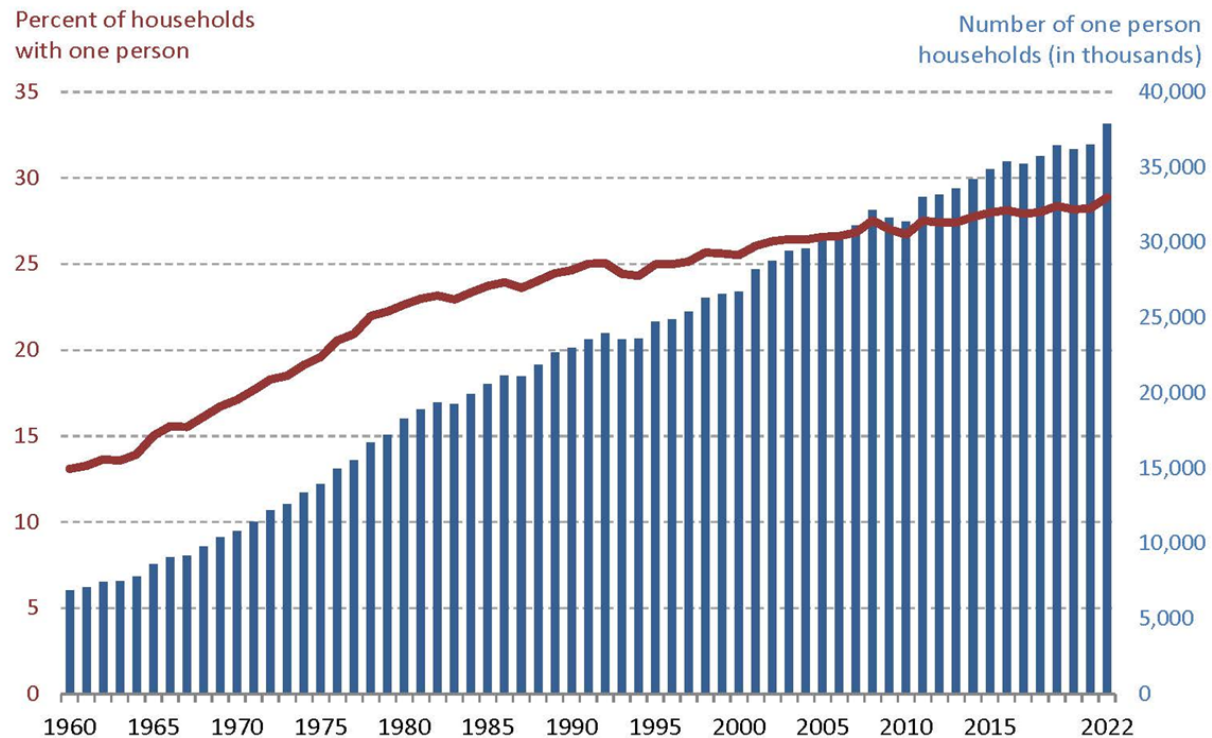
Source: U.S. Census Bureau. Current Population Survey, Annual Social and Economic (March) Supplement, 1992 and 2024. Analysis includes variables on labor force participation and age. Age data were recoded into five distinct age group categories for comparison.

Source: New Hampshire Department of Education, *State Totals: Ten Years Public and Private Fall Enrollments*. Only includes Preschool to Grade 12

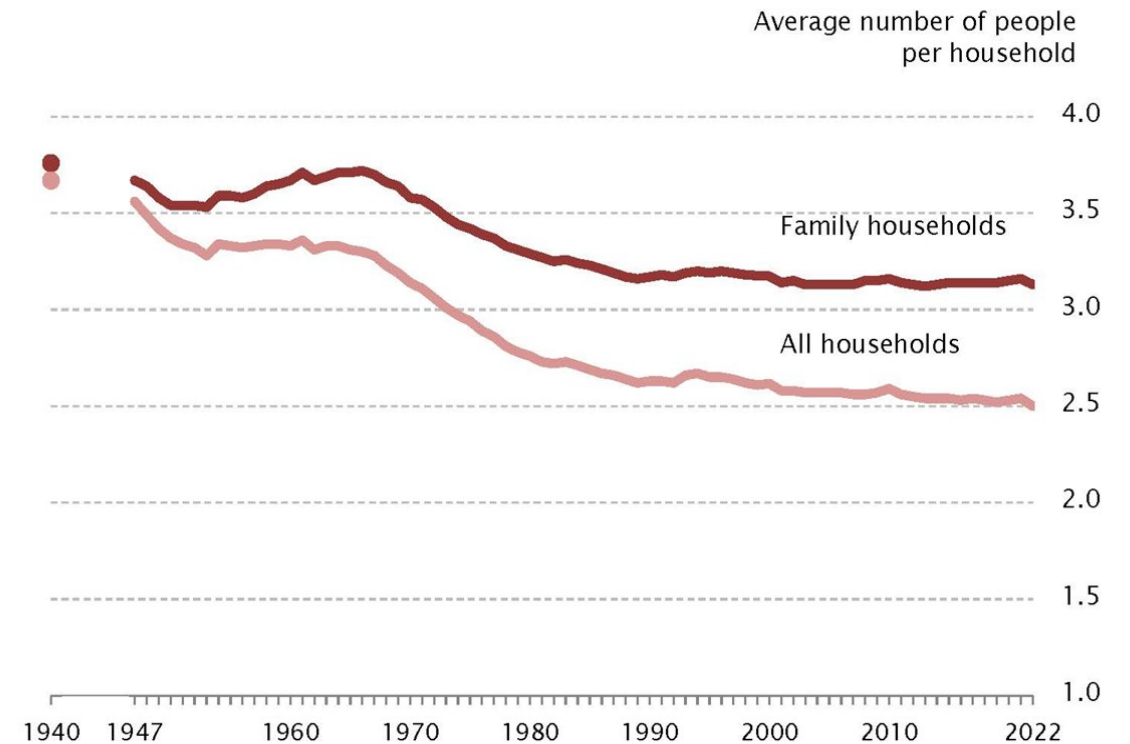
# HOUSEHOLD SIZE HAS CHANGED:

## Sarah Wrightsman

- Single-person households: 13% of all households in 1960, 29% of all households in 2022
- Average person per household: 3.33 in 1960, 2.50 in 2022. 2.46 in NH in 2022



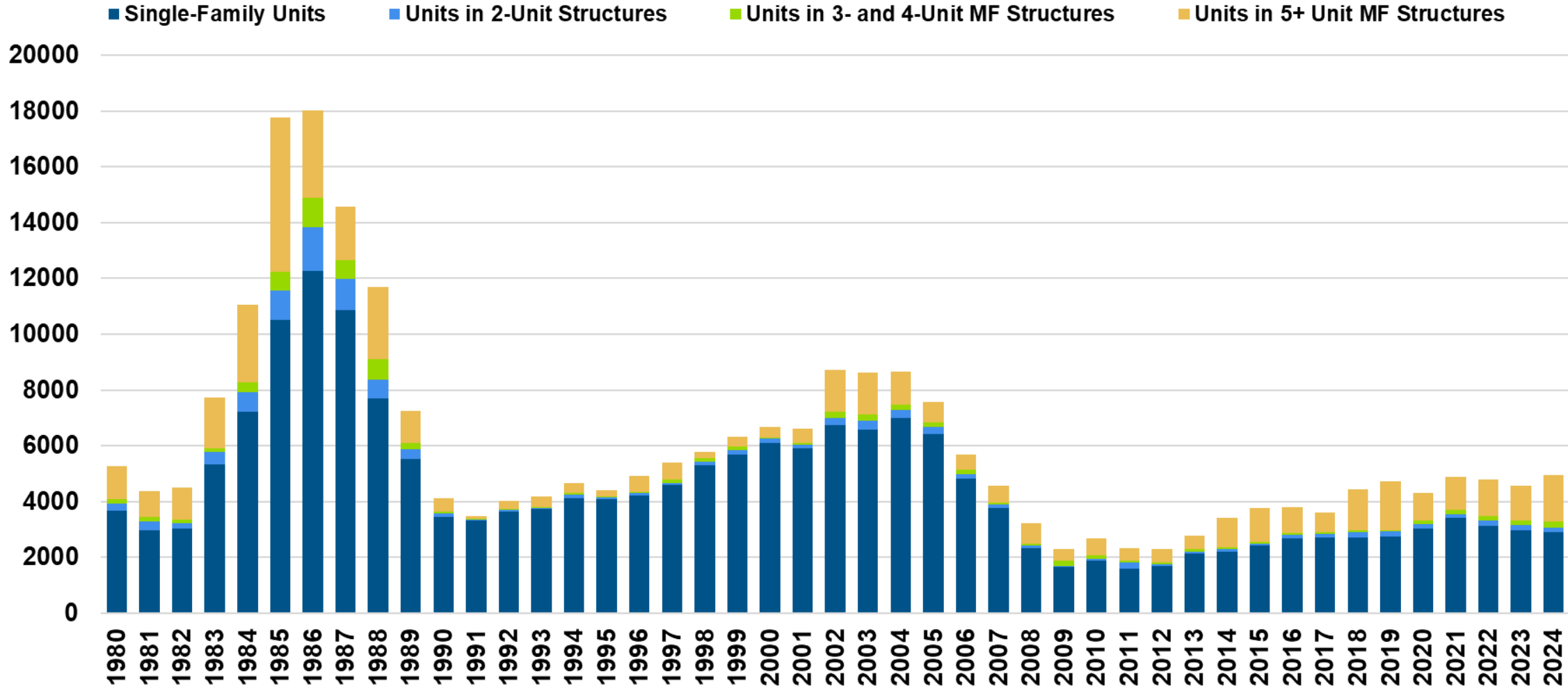
Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, 1960 to 2022.



Source: U.S. Census Bureau, Current Population Survey, Annual Social and Economic Supplements, 1940 and 1947 to 2022.

# BUILDING PERMITS ISSUED 1980-2024:

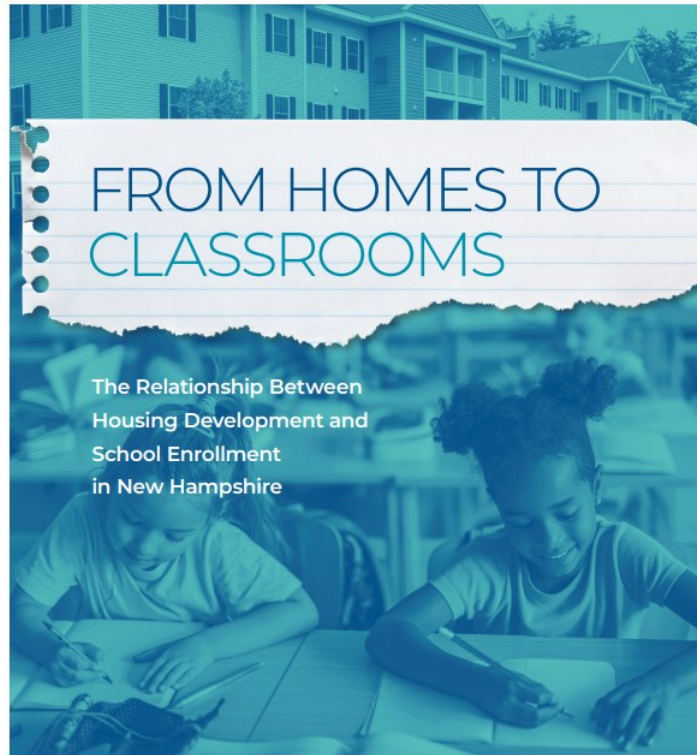
## Sarah Wrightsman



Source: U.S. Census Bureau, Construction Statistics Division

# HOUSING DEVELOPMENT AND SCHOOL ENROLLMENT:

## Sarah Wrightsman



SEPTEMBER 2024  
PREPARED BY URBANOMICS  
FOR NEW HAMPSHIRE HOUSING



### NEXUS OF BIRTHS, SCHOOL ENROLLMENT, & POPULATION GROWTH IN NEW HAMPSHIRE 1995-2023

ENROLLMENT  
↓  
**15.3%**  
DECREASE



POPULATION  
↑  
**28.6%**  
INCREASE



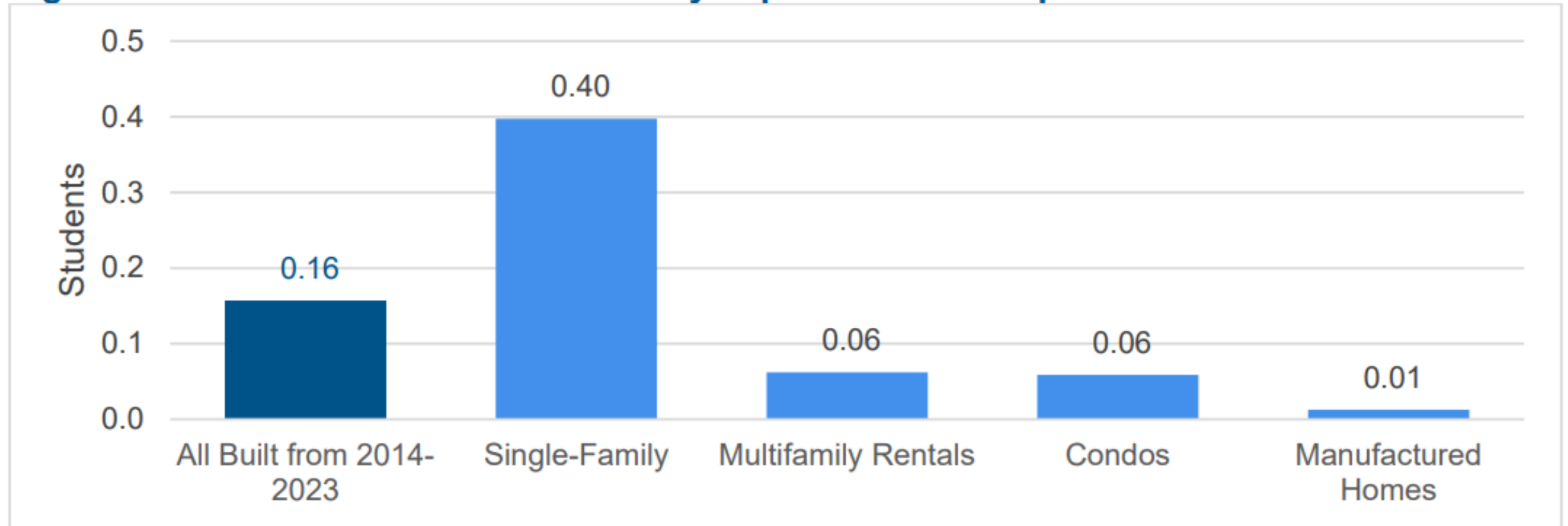
BIRTHS  
↓  
**14.7%**  
DECREASE



# STUDENTS PER UNIT:

## Sarah Wrightsman

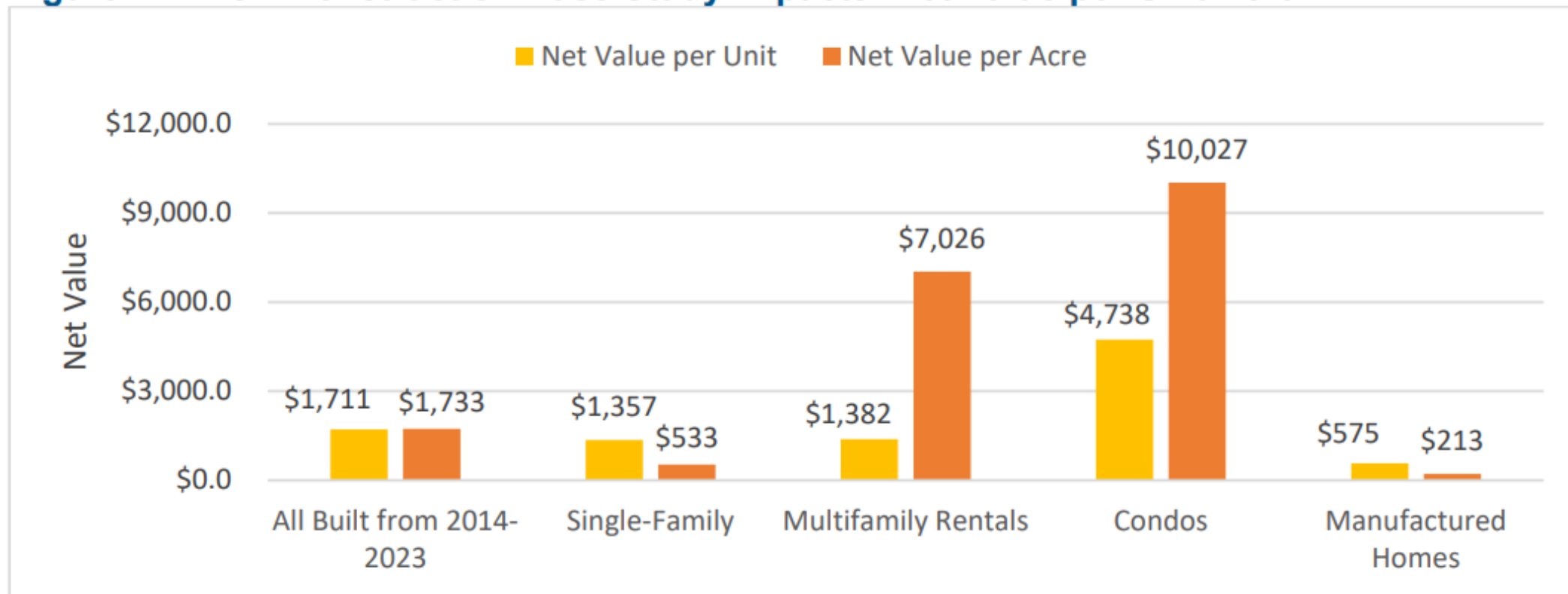
Figure 1.1: New Construction Case Study Impacts: Students per Unit



# NET VALUE PER UNIT/ACRE:

## Sarah Wrightsman

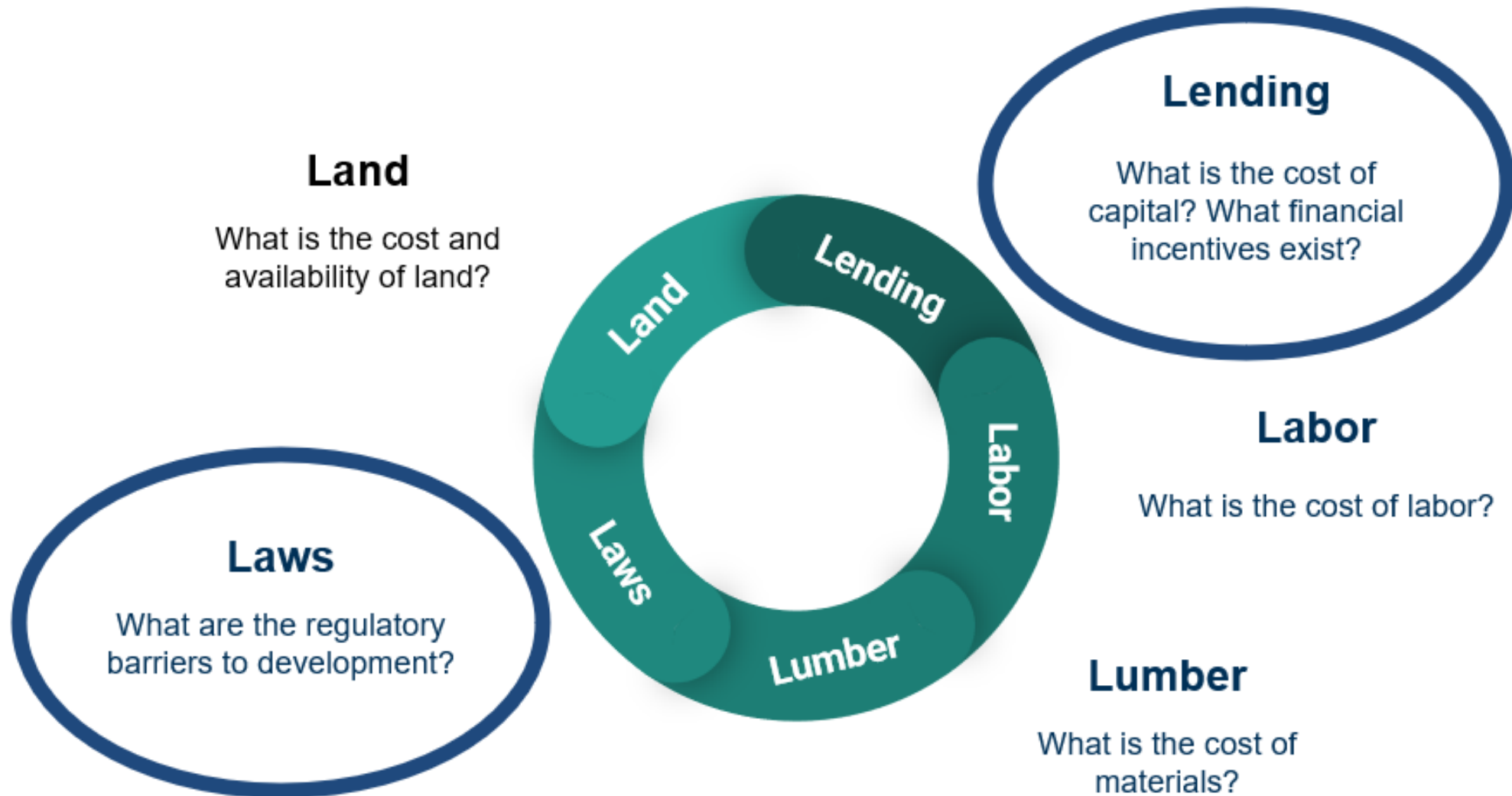
Figure 1.2: New Construction Case Study Impacts: Net Value per Unit/Acre



Note: Net value refers to the overall fiscal impact of new housing on a school district, calculated as the difference between the additional tax revenue generated and the total cost of providing educational services to new students. It can be positive if revenue exceeds costs or negative if costs exceed revenue.

# FIVE KEY AREAS DRIVING CONSTRAINTS:

Nick Taylor



# RECENT HOUSING INITIATIVES

# 2025 LEGISLATIVE SESSION BROUGHT VARIOUS REGULATORY CHANGES:

Nick Taylor

- Accessory dwelling units (ADUs) by right
- Homes near jobs
- Parking requirement reform
- Single stair construction
- Streamlined permitting process



**Detached ADU**

The ADU is detached from the primary structure.



**Attached ADU**

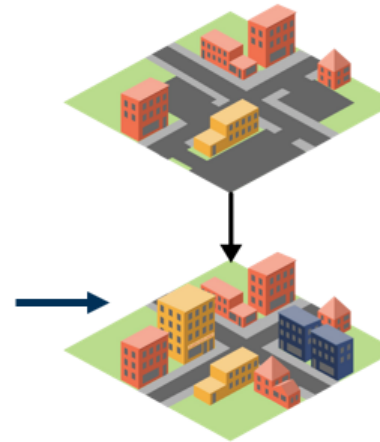
The ADU is connected to the primary structure.



## What It Looks Like

**Mixed Use Development:** This is development where commercial (often ground floor) and residential uses are in the same building.

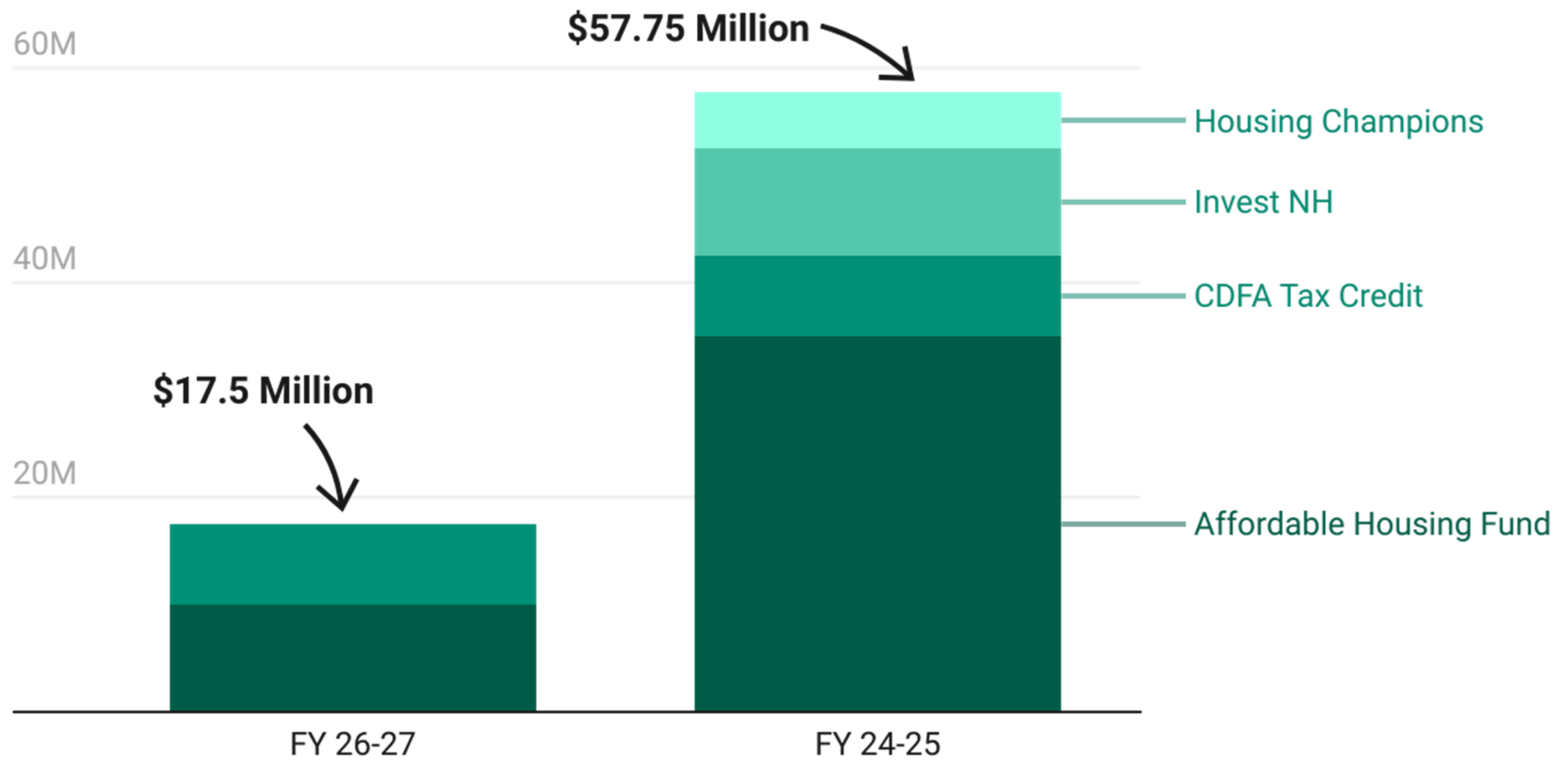
**Infill Development:** This is development that occurs in already built-up parts of town, often on vacant land or underutilized buildings.



Images are from the NH Housing Toolbox

# BOTH FINANCIAL INVESTMENT AND REGULATORY REFORM ARE IMPORTANT:

Nick Taylor



# HOW HAVE COMMUNITIES BENEFITED?:

Sarah Wrightsman

- 18 communities named as Housing Champions, implementing zoning and infrastructure changes under the Housing Champions and Designation Program
- Housing Opportunity and Planning (HOP) Grants from InvestNH have helped increase housing development opportunities



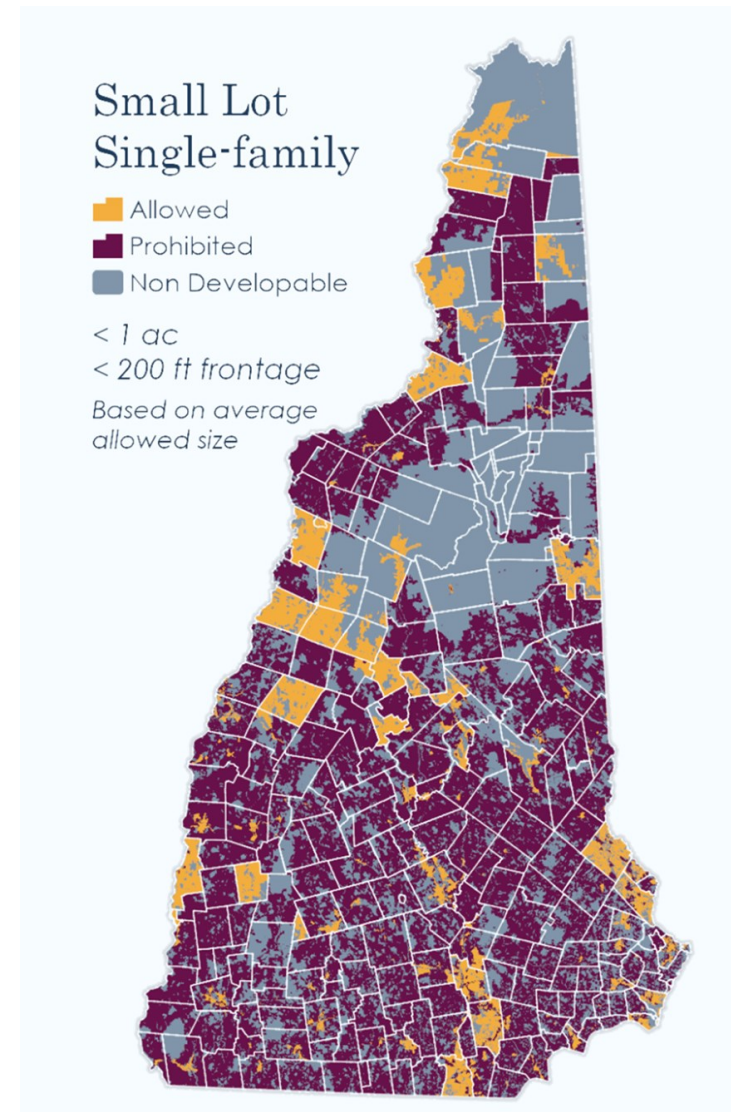
# POSSIBLE SOLUTIONS TO ADDRESS CHALLENGES AND HIGH COSTS

# POSSIBLE HOUSING REFORM:

## Nick Taylor



- Lot size requirements
- Duplexes and “middle housing”
- Manufactured housing



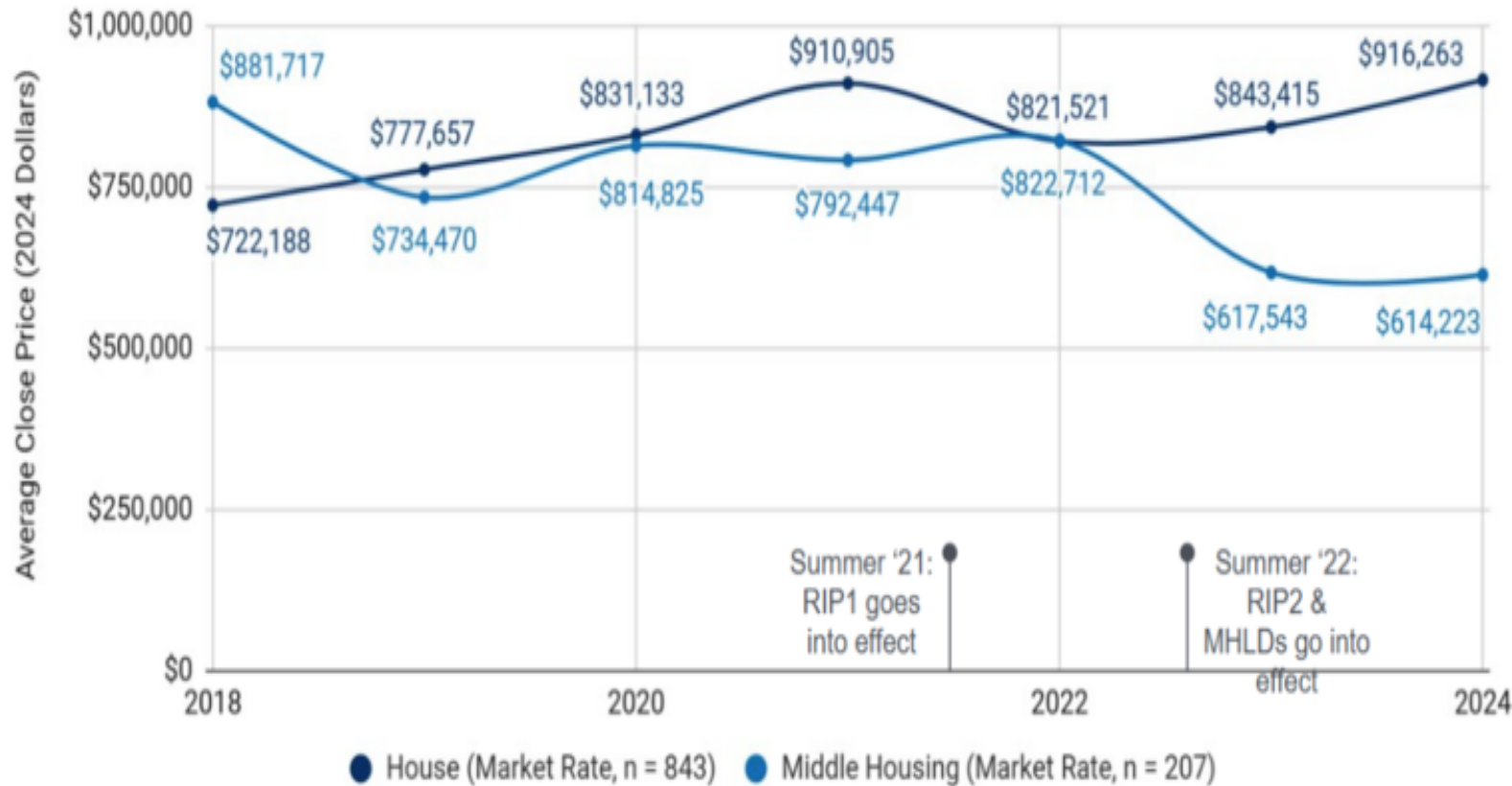
# POSSIBLE SOLUTIONS TO ADDRESS THE CRISIS:

## Natch Greyes

- Allow the invisible hand of the market to work by changing the governmental regulations that create the framework within which the market must operate



# BOOSTING SUPPLY AND LOWERING COSTS IN PORTLAND, OR: Natch Greyes



- Single-family homes prices rose about 20% from 2019 to 2020
- Middle housing prices stayed fairly consistent, until two reforms resulted in the legalization of their construction, boosting their supply
- Middle housing prices dropped 25% after those reforms

# CHANGING FRAMEWORKS CHANGE RESULTS: Natch Greyes

## *Housing Market Characteristics in Texas' Five Most Populous Cities*

Municipality	2022 Median Home Price	Minimum Lot Size Requirement	THAI Ratio
Austin	\$501,000	5,750 sq. ft.	1.21
Dallas	\$425,000	5,000 sq. ft.	1.12
Fort Worth	\$365,000	3,500 sq. ft.	1.23
Houston	\$335,000	1,400 sq. ft.	1.25
San Antonio	\$320,000	1,250 sq. ft.	1.25

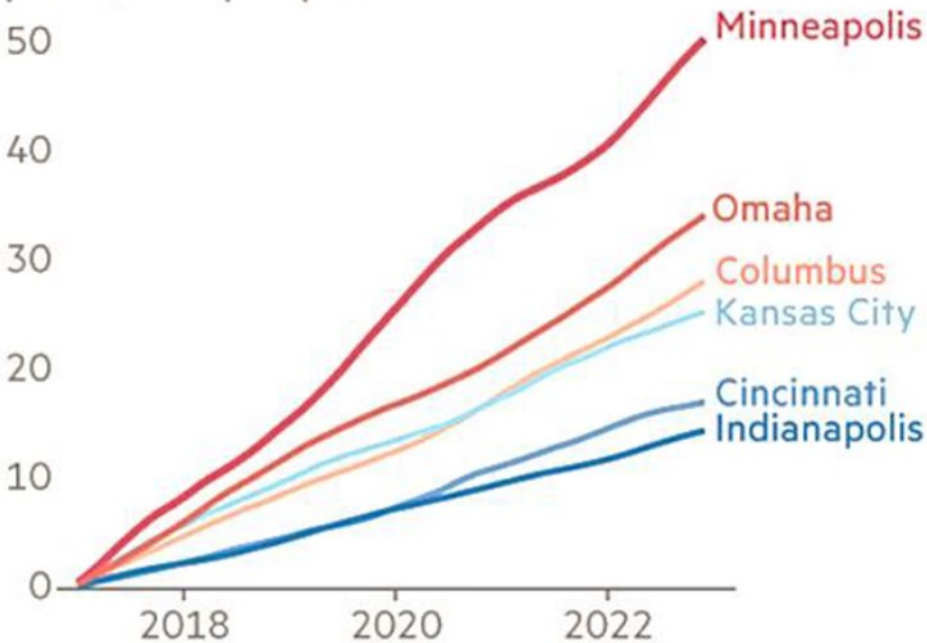
*Note.* Data from *Texas Housing Affordability Index (THAI) Q3 2023*, by Texas A&M Texas Real Estate Research Center, 2023 (<https://www.recenter.tamu.edu/data/housing-affordability#!/thai-dp4qr35>). Data from *Housing Activity* by Texas A&M Real Estate Research Center, 2022 (<https://www.recenter.tamu.edu/data/housing-activity#!/activity/MSA>).

# DOES ZONING REFORM WORK?:

Sarah Wrightsman

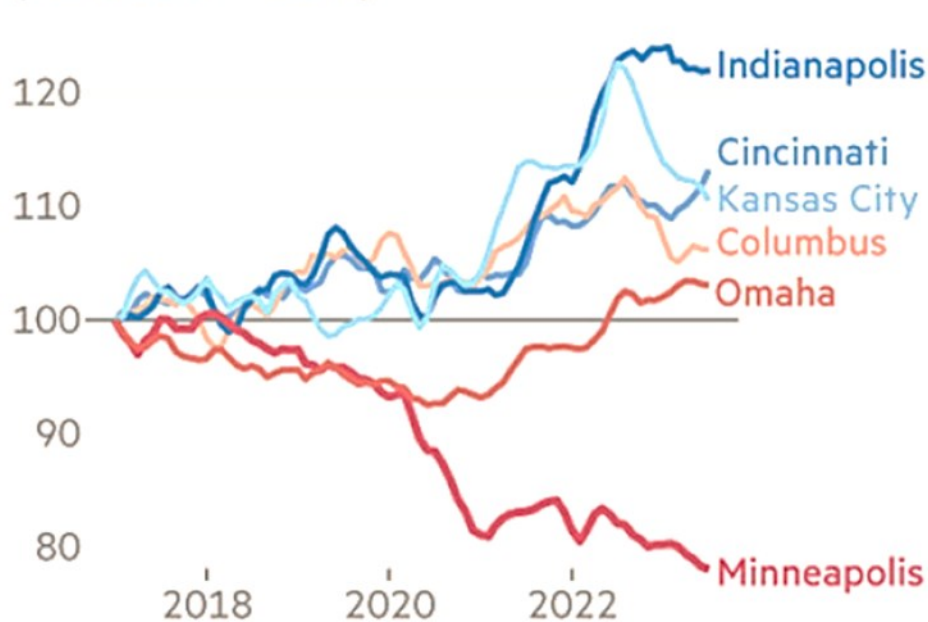
- Research from Pew: Rent growth is lower where housing has been added and where zoning reform has taken place

Cumulative new dwelling approvals per 1,000 people



Sources: Financial Times analysis of data from State of the Cities Data Systems, Apartment List, BLS, Census Bureau

Real-terms change in median rent (Jan 2017 = 100)



\*Rents deflated by average incomes



# AUDIENCE Q&A

