

Housing Opportunities in Dover

1. What types of housing are most needed for the clientele you work with?

Overall: Variety, choice, and options

Affordable Apartments: Our greatest need is to increase the total portfolio of affordable apartments in Dover ([“affordable housing” as defined by HUD](#)).

Apartments with Disability Access: Within the category of affordable housing, we have a true lack of apartments with disability access – ~1% or fewer of all apartments (at any price point) have any accessibility features. In affordable housing, disability access is even more underrepresented. People with disabilities tend to have lower incomes relative to the rest of the population, and therefore a larger portion of affordable housing should have disability access built in.

Ideally, we’d want 2-3% of all apartments in Dover (with a larger proportion in the affordable housing category) to have disability accommodations specific for people with hearing/vision disabilities; and we’d want 5% of all apartments in Dover to have disability access that fully complies with all aspects of the Americans with Disabilities Act (again, with a larger proportion in the affordable housing category). The needs of those living with disabilities are varied and solutions that work for one person may not be ideal for another. ADUs, Community Residences, and apartment style units offer greater autonomy and are successful models when paired with supportive services.

Residents with Housing Choice Vouchers also struggle to deploy them in general due to the competitive market and persistent landlord misunderstandings surrounding the program. Enhanced Family Care (adult foster care) is not ideal due to the lack of oversight. Generally speaking, ADA compliance and units designed for disabled people are in very short supply.

Supportive Housing: We have a growing need for supportive housing, particularly for people with serious and persistent mental illness (SPMI) and for those with intellectual or developmental delay (IDD). These populations require supportive services, often in residence, in order to live full lives with the greatest possible independence and dignity. The group home model has fallen out of favor, but apartments with shared common spaces (sometimes referred to as single-room occupancy or SRO) with in-residence supportive services are a solution to a growing need. As the Baby Boomer generation continues to age out of their ability to care for their adult children with disabilities, we will continue to see a great need for supportive housing with dedicated services for residents.

Inter-generational housing: another growing need. As Baby Boomers continue to age and as housing prices remain at all-time highs, many families are forced into multi-generational housing scenarios where parents are living with adult children who also have school-aged children, often sharing housing. This is a growing need as financial constraints around the housing market and inflation have altered the path to independent retirement envisioned by many Dover residents born in the 1940s, 50s, and early 1960s.

“Attainable” and “workforce” housing would be the next priority. As these are terms of art vs. terms of governance, the definitions vary, but we are generally speaking of those who make 50-125% of the area median income (AMI), with rents based on no more than 30% of those incomes. The inventory of apartments in this category is low relative to the need, and this includes the need for disability access / ADA-compliant units for those earners in this AMI bracket who have disabilities.

Entry level homes: The need for single family homes combined with low inventory means fewer entry-level (lower price) homes are being built. “Entry-level” homes—the pricing of which (historically) meant mortgage payments did not exceed 30% of a family’s income, assuming they made 100% of the AMI. New homes at this price point are scarce, and the total inventory of single-family homes will never balance to the need unless the pace of construction increases.

Transitional housing: Finally, the needs of the unsheltered, unhoused, and housing insecure continue to grow while shelter beds and temporary or transitional housing is shrinking. The City needs a pipeline to help those in need of shelter or housing, which pairs social services with shelter or transitional housing spaces for those in need.

Other considerations: We need more low-income housing for both families as well as singles that do not look at credit scores. Even transitional housing that we could work with another agency to build and we manage. We need more Single Room Occupancy (SRO) for singles to go to long term or permanently, some are eligible for housing, but it is 2 years or more of a wait for them, others are not and are left with \$600 to \$1000 a month of income and no place to go from here. Same with Families. Right now, SROs are renting to people with \$3000 avg monthly income because they can, which is squeezing out the lower income candidate that maybe works at McDonalds or is on SSI. There is now no housing for them.

2. What actions would you like to see the City take to increase the overall supply of housing and/or create opportunities for specific types of housing?

Listening, learning, soliciting feedback, and being open to change: Our Place is currently building a group facility in Dover. In going through the process, we

encountered some zoning barriers requiring a variance process to address the density and the proposed use. We were granted the variance, but the process was both expensive and time consuming. In the midst of that process, we worked with City staff to express the need for facilities like this and craft a new zoning definition, with input from DHHS, so that the next project like ours would go faster and more smoothly. We recognize that this was possible because the City has dedicated staff members working to understand resident needs, bridge gaps, and identify the resources and/or workarounds to get projects like ours off the ground. Disabled residents are members of the workforce too, and our facility will also be an employer. Sometimes it just takes a shift in perspective. We appreciate this resource in Dover and think it would be a great concept for the State to consider.

Reducing Fees: Another potential item to consider is the assorted fees associated with development. Reducing or eliminating impact fees would certainly help organizations like ours.

Economic Incentives: Data on low-income housing provides evidence of the City's greatest need, which is to build more affordable housing. With this in mind, the City should continue to add to its "toolbox" of economic incentives, which already includes many innovative and game-changing strategies that other municipalities in New Hampshire seek to emulate. Most important among these: an efficient and transparent Planning Board process, with a robust Technical Review Committee to ensure rigor in this process. Another gemstone in Dover's crown is the transfer of development rights process that provides targeted incentives for certain behaviors by developers and has provided a significant fund for the Conservation Commission.

The City should especially incentivize the building of ADA-compliant units, with even greater incentives for those who specialize in affordable housing and/or supportive housing for those with disabilities. Going forward, larger and longer-term financial incentives should be offered to developers who build all-affordable projects.

Housing Commission: To advise the City on these initiatives and to keep a pulse on the need for same, the City should form a Housing Commission, empowered with appropriations authority for housing-related funds. The Housing Commission, working closely with Dover's Housing Authority, should help overlay zones where affordable housing is most needed in Dover.

A portion of funding currently raised through the TDR process for the Conservation Commission should be redirected to fund a City Housing Trust Fund, with rulemaking for those funds determined by the Housing Commission, in concert with the Planning Board and City Council. Other monies raised through leases on City land or other developer concession made to the City should also go into the City's Housing Trust Fund.

The Housing Commission could also offer off-sets and other incentives to landowners with significant multifamily portfolios, for example: if a multifamily portfolio owner is willing to permanently or significantly (30+ years) deed-restrict a portion of their portfolio as affordable, they should enjoy the tax offset this enables by law and they should be able to take those credits to use within the TDR to offset other construction elsewhere in the City. In other words, if developers who own many units want to build luxury apartments, they can either pay significantly more through the TDR process (and those funds go into the City Housing Trust Fund) or they use the newly affordable-designated, deed-restricted units as an offset of those fees in the TDR process.

Accessory Dwelling Units: The City should continue to incentivize / remove barriers to construction of additional dwelling units, as they are an effective way to increase density without significantly altering the landscape of residential Dover. Allowing four units by right, with some restrictions in place related to affordable pricing for 2+ units, is a sensible next step in this process and one the City Council should adopt.

Public-private partnerships: The City's support for public-private partnerships between the City, Dover Housing Authority, non-profit developers and local lenders (especially credit unions) should be formalized, perhaps by empowering the Dover Business and Industrial Development Authority (DBIDA) with greater authorities and available incentives to support these initiatives.

Other considerations: Landlords and Developers need an incentive to create this type of housing. Again, right now the market is at a less than 1% vacancy rate, which defiantly gives the landlord the upper hand on who they will rent to, by requiring a 650 or more credit rating threshold, requiring a total income of at least three times the rent, etc. These requirements are definitely screening out our clients, which creates longer and longer stays, which keeps others out of shelter for longer periods of time.

3. If Dover were to enact additional incentives for affordable and workforce housing, where in Dover should they be located?

Near Public Transit and accessible sidewalks. Returning Coast service along the 108 corridor would be especially helpful. Increasing the availability of on-demand bus/transit services is needed. The City should also be mindful of people with disabilities during winter – there are often issues with sidewalks not being clear enough for those who use mobility devices.

Redevelopment Opportunities: The City should look to the Dover Housing Authority (along with the hopefully soon-to-be-created Housing Commission) to designate locations within the City that are underdeveloped, blighted, or in need of redevelopment. Incentives, offsets, credits, and other benefits should be extended to

developers who are willing to develop affordable and/or supportive housing in these designated locations.

Other considerations: Incentives for affordable housing should be offered to existing multifamily property owners, who should enjoy tax advantages of renting all-affordable units; as well as developers, who should enjoy swift approvals of plans, large up-front incentives for development of affordable or supportive units, and long-term benefits in the form of tax abatement, deferment, or other offsets. We must especially entice developers to build ADA-compliant units through both incentives to build and costs for those who do not include disability access in their plans.

4. Is there a greater need for a net increase in housing units in Dover, or for creation of specific housing types?

Yes. Models listed above. Also consider micro units (see attached) and manufactured homes designed for people with disabilities (i.e. walk-in shower, wider doors, lower counters, etc.)

We need both. We need a net increase of approximately 2,000 affordable and supportive housing units in Dover, ideally split 70/30 within that total; of that, 2% or more should have disability access for hearing/vision disabilities; and 5% or more should be fully ADA-compliant for mobility access. On top of that, we need hundreds of affordable single-family homes; we need hundreds of ADUs; and we need a net increase in apartments at all price points in walkable, mixed-used developments with child care and other resident services, as well as reliable connection to public transit to reduce traffic burdens.

I think we need more housing types and more creative ways, such as more SRO's, encouraging developers to contract with us or another provider who works with the homeless to case manage clients in the homes to help the renter succeed.

5. Please share any additional thoughts regarding housing and land use regulations in Dover that the City should consider.

Greater awareness of needs: Like everyone, we are experiencing a workforce shortage of supportive service providers and the impact of an increased cost of living. Housing for those with IDD is part of the broader workforce housing conversation and greater awareness is still needed.

Housing development and redevelopment: The consensus is that the US and in particular New England are in a housing crisis. Building more housing is the primary way out of this situation, followed by redevelopment and/or repurposing existing properties

into housing. The City of Dover is an affordable housing innovation laboratory; however, we must increase the completion percentage of approved permitted projects in Dover. This may require the City to offer cash incentives, or municipal bonding of larger projects, especially those done in partnership with the City. The public-private partnership model present in the development of the Cocheco Waterfront is another example of Dover getting it right.

Overall, the feedback I receive from residents and developers alike is that Dover is getting it the most right of any community on the Seacoast, and we are in a small group of truly innovative communities in New Hampshire who are trying to grow a community with equitable and dignified housing solutions for everyone.

City owned property: Provide land taken for back-taxes or other purposes to enable construction of SRO's or starter homes for low-income families. Give a developer a tax break on this property to build something like that and offer a percentage of their total units to clients screened or referred from a shelter. Taking their power to look at income but screen out for other things such as evictions, or credit so they get the cream of the low-income individuals.

Other considerations: More creative ideas around matching a shelter with developers or landlords giving them a tax break if they rent to our families or singles. We really need to start thinking outside of the box! Giving landlords a tax break for not only renting to these individuals but hiring a case manager to work with them or partnering with us to assist with some of the case management or supervise that position.

Landlord/Real Estate Investor Feedback:

1. **Lead Safety** – The 2018 revisions to RSA 130-A come into effect on July 1st, meaning that any new residential rental unit (ADU/multifamily conversion/adaptive reuse) or child care facility created within or attached to a building erected prior to 1978 will require a Lead-Safe Certificate issued by a licensed NH Risk Assessor. If the building is found to contain lead, it must be remediated prior to occupancy by a lead certified contractor. One of the attendees shared a personal story with me about a duplex they own in Rollinsford that was recently remediated. They moved into one half and intended to lease the other half to a family with children. I intend to follow up to clarify the intermediary details but long story short, they claimed that the remediation of the rented interior portion of the house and building exterior cost \$250,000.

They decided not to remediate the interior half where they reside due to cost. Complicating the matter further, the state funds set aside for these projects are minimal and prioritized for the remediation of units where children have been poisoned. In hindsight, this was probably the best outcome for them as the family had not yet signed

a lease to reside there. If they had, and subsequently raised a lead concern, the landlord would have not only had to pay for remediation, but for alternate accommodation for the tenant family as well. In the end, a unit they intended to lease for about \$2,000/mo is now being leased at \$3,200/mo in an effort to recoup the remediation cost over time.

This particular scenario would not have been impacted by the change in the law, but it does provide some insight into the financial implications many of our 'gentle density' solutions – especially in historical districts or our own Heritage Residential zone.

2. **Housing Choice Vouchers** – There were a few landlords present whose tenants utilize Housing Choice Vouchers. At lease renewal, the issuing authorities default the rent rate to the previous year's (tenant's current) rate instead of the most recently published FMR. There are processes to update it, but they apparently take some time to process and result in lost income and further disillusionment with the HCV program. They suggested that issuing authorities issue lease terms that reflect current market conditions at the time of renewal. Because the tenant always pays 30% of their income with the voucher covering the remainder, such a change would have no tenant impact.
3. **Commercial/Office Conversions to Residential** – This was less an issue in Dover but remains a limiting factor for adaptive reuse. They suggest simplifying the process in general and working to make sure that perceived added parking demand not preclude such redevelopment.
4. **Parking Requirements** – There should be no more than 1 space required per bedroom. Requiring 2 or more dedicated spaces for every 1BR/Studio is expensive, limiting site potential, and creates additional impervious space that is largely unutilized.
5. **Condo Conversion Process** – The administrative process for converting existing multifamily homes to condos should be simplified. Such conversions require a stamped survey, which apparently was not always the case, that adds upwards of \$10,000 per building converted. Theoretically, these conversions would enable the 'creation' of more entry-level affordable units for first time home buyers. I don't think this is a planning solution but may be worth investigating.



Micro Unit Proposal

Prepared for The Town of Stow & Mark O'Hagan of MCO & Associates

The Increasing Need for Micro Units

According to Medicaid, an estimated one million households in the U.S. include an adult with intellectual and developmental disabilities (I/DD) living with and supported by aging caregivers, and this number is growing. In 2/3 of these families, there is no plan in place for the future. While the transition from living at home to independent living has always been a challenge for families, this is even more difficult yet more crucial for those families providing support at home for a loved one with I/DD. The majority of families with an I/DD member are faced with the overwhelming task of finding suitable housing for their loved one and determining how to fund it for the family member's life time. In fact, only 15% of Massachusetts adults with I/DD receive Priority 1 housing that is funded by the state. That leaves 85% of families tasked with the development of independent living skills for their children with I/DD while also developing housing opportunities. Unfortunately, unlike students going off to college in a safe, structured environment (dining hall, Resident Advisor, etc.), opportunities are rare for individuals with I/DD to use and further their skills. As a result, these individuals often stay at home until their parents are no longer capable of assisting them. At that point, the state prioritizes the individual and the next available bed in a group home somewhere within Massachusetts will be their only option. This often leads to placing those who have been loved and cared for by their parents all of their lives in a foreign environment where no one and nothing is familiar. This situation would be challenging for any adult but it is so much more challenging for those that have cognitive challenges and can't fully understand why this is happening to them. Micro Units can positively change this often, last resort, living arrangement.

Vision

The micro unit model has been developed for individuals with I/DD as a positive path toward independent living. Micro units are modified one-bedroom apartments with a bed, sitting area, kitchenette and bathroom. The typical size for these units can range from 400 to 600 square feet. Micro units are clustered around a central social space and possibly a full central kitchen which can be used for group meals as well as instruction. This social space also allows residents to learn from and support their peers. A full one-bedroom apartment is also centrally located to the micro units and provides a home for an overnight support person ("safe neighbor").

The goal of micro units is to provide an opportunity to maximize independent living skills safely while providing "guardrails". These guardrails include the safe neighbor mentioned above along with a day mentor and an independent living specialist described below. Residents will also be encouraged to look out for each other. While some residents will develop sufficient independence to move on to an apartment, those that are not capable of "graduating" to an independent apartment will not be forced out. This is not an "up or out" arrangement as long-term residencies are permitted for those who have achieved their highest level of independence in a micro unit.

The micro unit model is not brand new. Micro units have been developed for other populations, such as those with acquired brain injuries and those who were previously unhoused. It's also not new to



the I/DD community as organizations have successfully developed micro units in other states, such as Cass Housing in Fort Wayne, Indiana and Rochester Housing Solutions which is developing communities in Michigan. Our Place NH is a non-profit that recently closed on a property in Dover, NH which will be developed into 7 micro units with an 8th unit for overnight staff. The Stow Acres Development could be the first financially sustainable micro unit development in Massachusetts.

Details

Two pillars are integral to the success of the Micro Unit model: structure and staff support.

Structure

Overview: The micro unit model consists of a cluster of 3-4 modified one-bedroom apartments and a full one bedroom apartment. These modified apartments include a bedroom, a bathroom, a sitting area and a kitchen with a refrigerator, sink, microwave and countertop oven. For safety reasons, a full stove and oven is not included in the unit. Typical units range from 400-600 square feet. The total size of the cluster would be 2,000 – 2,400 square feet. Note that siting two clusters of micro units on adjacent sites enhances the benefits, including increased social interaction for residents and staffing efficiencies. The full one bedroom apartment is the residence of the safe neighbor. Larger safe neighbor units can also be developed to accommodate a family. The appendix to this document includes blueprints for the Indiana version of the micro unit model which includes two bedrooms in the safe neighbor unit.

Example Layout: See Appendix

Ownership: The initial owner of the property will be CIL, a 501(c)(3) real estate developer that has worked with Minute Man Arc on a pair of group homes in Sudbury. CIL has been around for over 40 years and has worked with dozens of agencies in Massachusetts, Connecticut, New York and elsewhere to develop over 2,000 homes for people with I/DD. Minute Man Arc will work with CIL to design and build the cluster of micro units. Minute Man Arc will also sign a master lease with CIL and then residents will sign a lease with Minute Man Arc for their individual unit. Each individual will pay a monthly service fee which includes household and program supplies, utilities, agency oversight, professional weekly cleaning, safe neighbor stipend if needed and group dinner contribution. The safe neighbor will also sign a contract with Minute Man Arc to confirm reduced or free rent in exchange for services provided. Minute Man Arc will be responsible for maintenance and upkeep of the property. In the future, when CIL has repaid their lenders, ownership of the property will be transferred to Minute Man Arc.

Affordability: Due to their disability, residents will have limited income. Therefore, affordability is crucial to the success of the micro unit model. To provide long-term financial sustainability, most residents will be utilizing rental vouchers. For 2024, the HUD Fair Market Rent for a one bedroom in Stow is \$2,377 so monthly rent will need to be below this amount. Minute Man Arc will work with the property owner to determine whether the units will be deeded affordable or rented at an affordable rate.



Staff Support -

Micro Unit staffing consists of multiple roles:

Day Mentor - primarily responsible for the safety and wellbeing of residents on weekdays when the residents are home. This includes:

- Helping residents begin the day, welcoming them home in the afternoon and potentially providing evening support.
- Supervising breakfast & dinner preparation and lunch packing while reinforcing independent living goals.
- Working with residents to identify and facilitate opportunities for community involvement.
- Facilitating communication between residents within the cluster through weekly house meetings.
- Serving as a contact for the safe neighbor.
- Staffed by Minute Man Arc.

An independent living specialist will begin to work with an individual three months before move-in to ensure a successful transition.

- Provides one-on-one training, such as meal prep, food shopping, money management and cleaning.
- Included in the resident's Individual Service Plan, funded by the Department of Developmental Services and staffed by Minute Man Arc.

Safe Neighbor

- Lives in an independent, but adjacent apartment.
- Provides an overnight presence as well as tuck-in and wake-up service dependent on the needs of the residents.
- Receives free or subsidized rent.
- Staffed by Minute Man Arc.

Summary

The increasing population of adults with I/DD combined with limited state funding for only 15% of the community creates a significant demand for a new housing model. Micro Units offer those with I/DD a path to further develop their independent living skills with support and peers to live their fullest life. Providing this path is long overdue.