

# Housing

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**Overview:** The character of housing in a community is a reflection of its stability and prosperity and it is a good indicator of the overall quality of life.

For the most part, residents love Canterbury just the way it is. Its agricultural heritage is proudly displayed not just at Shaker Village, but throughout the countryside in town, with its many picturesque, historic farms. The community survey did suggest a growing unease with demographic trends and a concern about the availability and affordability of housing in town, especially for seniors and young families. The ideal vision for future housing in Canterbury, as relayed by residents, is described in this chapter. Various local and regional housing trends are explored that could significantly impact that vision and Canterbury's future. The town's current framework regulating housing construction is analyzed and from that analysis, a series of recommendations have been made.

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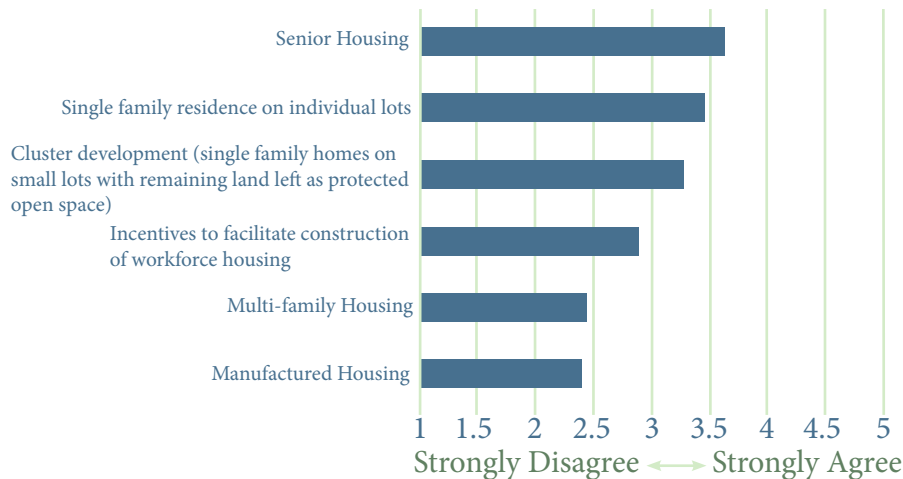
**Elements:** Overview of Canterbury's Housing Market — Discussion of Policies and Ordinances — Analysis and Recommendations

## The Town's Thoughts

Input received through the Community Survey indicated resident's appreciation of the Town's rural character and small-town feel, which includes a desire for housing that balances the needs of residents while preserving and protecting Canterbury's current landscape. Overall, there was strong support for housing that could help keep Canterbury accessible to all ages and incomes, including downsizing seniors wishing to remain in Canterbury as well as attracting young families and those in the workforce.

Respondents were most supportive of senior housing, single family residences on individual lots, and cluster developments that include protected open space.

### How could Canterbury encourage the construction of Workforce Housing?



## From the Community Survey



Opportunities for people who live here to work here”



Welcoming of new families”



Cluster development for workforce housing”



More in-law apartments for multi-generational habitation”



Senior housing options are absent”



Family-friendly, not over-developed



More density near I-93

## *Impacts of Housing*

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Affordable, comfortable, safe housing is a basic need for all residents with different income levels, including seniors and young families. An adequate supply of housing for current and future residents is essential to sustain a community. Otherwise, school enrollment will decline, employees for local businesses will be scarce, and volunteers needed for civic life will be absent.

In addition to simply addressing a basic need, changes to local housing policy can have far-reaching impacts. They can determine the pace of economic development, improve access to jobs, education, and healthcare, and help to conserve natural resources, to name a few. Current trends, like the ones described in this Chapter, do not necessarily predict the future. Rather, they can show the way for a new course.

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## *Key Findings*

Canterbury is similar to other rural towns in New Hampshire, but it does differ from surrounding towns in a number of respects. The following are some key findings regarding Canterbury's housing challenges:

Canterbury has one of the highest proportions of owner-occupied, single-family homes in the region. While this does add to its strong sense of community spirit, the lack of affordable options limits the availability of housing for young families and seniors who are looking to downsize.

When compared to surrounding towns, Canterbury has the highest median home value by far. This reflects the desirability of the town for prospective residents

Similar to statewide trends, Canterbury's population is growing older. There will continue to be need for a variety of housing to attract younger people, as well as to address the needs of seniors who would like to downsize, but still remain residents of the Town.

Comments from residents from the Community Survey and at the visioning sessions suggest that there is a growing awareness and acceptance of the need for a greater diversity of housing in Town.

Accessory Dwelling Units can have an important role in providing flexible and affordable housing options in Canterbury. ADUs are permitted as an accessory use to a business, as well as by special exception anywhere in town that a single-family dwelling is allowed.

Canterbury's Workforce Housing Ordinance provides structure for addressing the Town's housing needs, but it could be updated to make it more effective in achieving its stated goals.

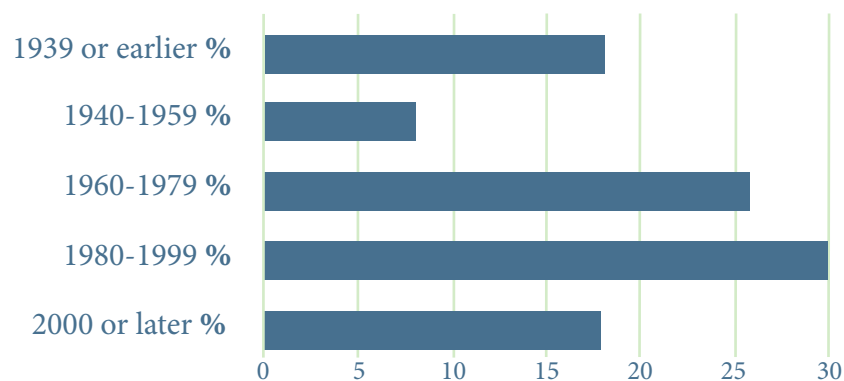
Cluster subdivisions can also be used to address housing affordability, as well as open space preservation. The Town's current regulations could be revised to provide incentives to encourage its use.

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## Housing Trends

Similar to population, the number of housing units has grown substantially in Canterbury in the last forty years. Shown in the first figure, nearly half of the town's housing stock has been built since 1980, with approximately three quarters of the homes built since 1960. Almost all of these have been single-family homes with multiple bedrooms.

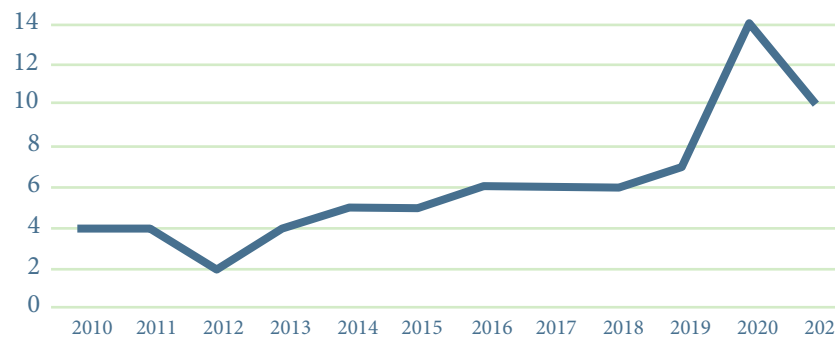
### Occupied Housing Stock by Year Built



Data: American Community Survey 2017-2021

Looking specifically at recent annual data for the years between 2010 and 2021, 71 residential building permits were issued, with a recent peak in 2020 with 14 permits. It should be noted that this information in the second figure represents a net gain and takes into account any demolition permits that were approved over the same time period.

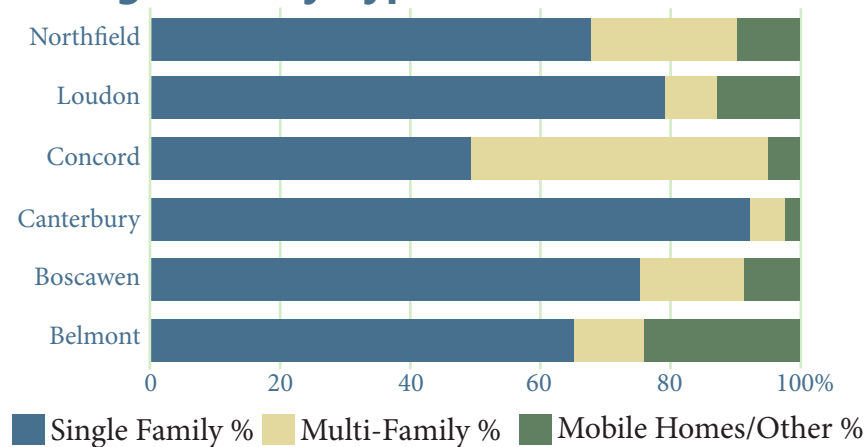
### Permits for New Residences



Data: Annual Canterbury Town Reports

The third figure below shows the units by type in Canterbury and adjoining communities. Canterbury has the highest proportion of single-family homes by a significant margin, and the lowest for multi-family units and mobile homes. As reported by the U.S. Census Bureau, the majority of homes in Canterbury (62.9%) have two or three bedrooms, while 30.3% have four or more.

### Housing Stock by Type



Data: American Community Survey 2017-2021

**Housing Occupancy for Owner and Renter Occupied Units**

Community	Percent Owner Occupied	Average Household Size, Owner Occupied	Percent Renter Occupied	Average Household Size, Renter Occupied
Belmont	85.0%	2.46	15.0%	2.12
Boscawen	81.3%	2.80	18.7%	1.44
Canterbury	92.9%	2.48	7.1%	2.00
Concord	55.9%	2.56	44.1%	1.98
Loudon	88.2%	2.51	11.8%	1.68
Northfield	75.4%	2.73	24.6%	2.10

*Data: American Community Survey 2017-2021*

**Median Home Values**

Community	Median Value
Belmont	\$199,800
Boscawen	\$223,000
Canterbury	\$297,000
Concord	\$245,800
Loudon	\$247,100
Northfield	\$196,300

*Data: American Community Survey 2017-2021*

The table on the left documents housing occupancy characteristics for both owner and renter occupied units in Canterbury and adjoining communities. The majority of occupied units are by owner in Canterbury and all abutting communities, though some communities have higher percentages than others. Canterbury has a significantly higher proportion of owner-occupied residences than surrounding towns. As shown, approximately 93% of Canterbury’s occupied units are by the owner, leaving 7% as renter occupied. Average household sizes are much smaller for renter-occupied units and the average size of households in Canterbury is similar to those in many surrounding communities.

According to 2017-2021 American Community Survey data, Canterbury’s median home value of \$297,100 is much higher than all surrounding towns, as shown in the table on the right. High home values are certainly a reflection of Canterbury’s high household income levels, when compared to its neighbors. A limited supply has an impact on home values as well. Canterbury has a smaller number of housing units than all abutting communities.

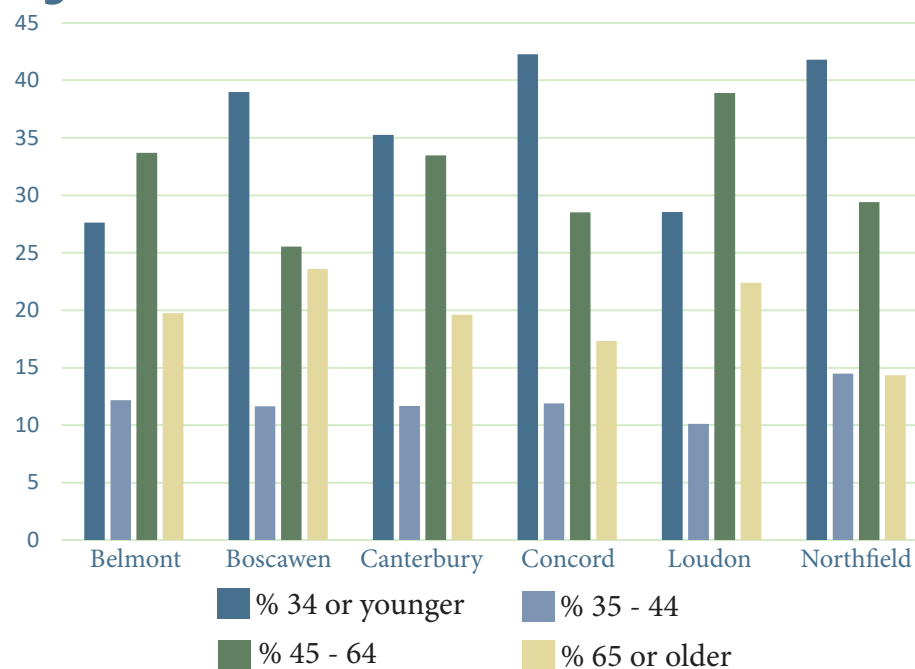
## Demographic Demands and Current Housing Supply

There are several demographic indicators that impact housing needs. The average age of a community's population has an important effect on the type of housing desired by residents. Individuals or couples sometimes look for smaller residential units, while young families may require larger, but affordable single-family homes. Seniors often plan to downsize and need housing with features such as single floor living, smaller living space, and lower costs. Another important statistic is average household size. A reduction in household size might suggest a decrease in the number of children, while an increase could suggest an increasing birth rate or that adults are choosing to live together. Data specific to Canterbury is explored further below and helps to illuminate demographic trends and their potential ramifications.

As with much of New Hampshire, the median age in Canterbury has continued to increase. US Census data in 2000 indicated a median age of 42.4 years. By 2010, that figure had risen to 44.2 years. The most recent decennial census in 2020 indicated that the median age in Canterbury was 47.4. As shown in the table on the right, residents over the age of 45 make up the largest proportion by far in towns in the region, including Canterbury.

As the median age has increased, the average household size of residences in Canterbury has declined. According to the American Community Survey 2009-2013, the average household size of owner-occupied units in Canterbury was 2.65. That figure had declined to 2.48 in the most recent American Community Survey of 2017-2021.

### Age of Householders



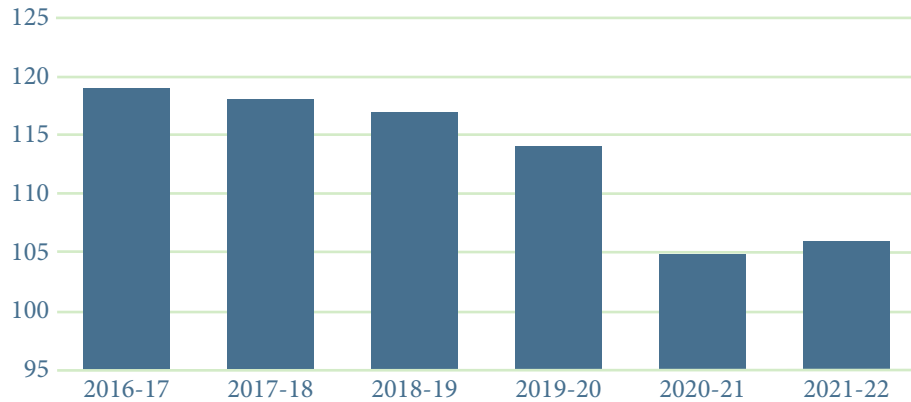
Data: American Community Survey 2017-2021

When compared to surrounding towns, Canterbury is in the middle range of average household age. Belmont and Loudon had a higher percentage of residents over the age of 45, while Boscaawen, Concord, and Northfield had a lower percentage. According to the American Community Survey from ten years before, less than half of Canterbury's population was under the age of 45; today that figure is 53.1%.

Changes in demographics can alter the need for municipal services, as well as demand for certain types of housing. This has become particularly evident when examining school enrollment trends for many New Hampshire towns.

## Fair Share Analysis

### Canterbury Elementary School Enrollment



Data: NH Department of Education

The Canterbury Elementary School was originally constructed in the 1950s. A major addition was completed in 1991 and the school had an enrollment of over 140 students in 2006. In the early 2000’s enrollment was at an all-time high, but in recent years it has declined, as shown below. Over the past six years, school enrollment has decreased by almost 11%. It should be noted that in the Community Survey, respondents by a large margin strongly agreed with the statement that “it is important that Canterbury continues to have its own elementary school.”

What is a “Fair Share Analysis?” At its most basic level, the Fair Share Analysis is a set of statistics that help illustrate housing needs projected to 2040. Such an analysis is part of the “Regional Housing Needs Assessment” which regional planning commissions are required to develop every 5 years according to state law, RSA 36:47.II:

*For the purpose of assisting municipalities in complying with RSA 674:2, III(m), each regional planning commission shall compile a regional housing needs assessment, which shall include an assessment of the regional need for housing for persons and families of all levels of income. This regional housing need assessment shall be updated every 5 years and made available to all municipalities in the planning region.*

The Fair Share Analysis considers the existing housing and population trends and estimates how many units will be needed in the future based on population projections. It considers rental and owner-occupied units and affordability. The owner/renter splits are determined by looking at current US Census ACS data and projecting it in the future. NH RSA 674:58(IV) uses area median income (AMI) to define affordability. The analysis of the data is presented both in the Regional Housing Needs Assessment, and at the local level in municipal Master Plans.

For Canterbury, the Fair Share Analysis identifies that **a total of 178 housing units would be needed by 2040**; this would break down to about **9 new units per year**. The cumulative number of units, broken down by affordability, that are estimated to be needed by 2040 are shown in the table below.

**Cumulative Number of Housing Units Needed, 2020-2040**

Owner Occupied Units			Renter Occupied Units			2020-2040
Below 100% AMI	Above 100% AMI	Total owner Occupied	Below 60% AMI	Above 60% AMI	Total Renter Occupied	Total Fair Share Target
34	84	118	19	41	62	178

It is important to note that, while the assessment is essentially an estimate of needed housing, it is not a mandate to build such units. The analysis is merely a tool to describe future housing needs. Lastly, there is no penalty if the Town is unable to meet the housing unit target goals as described in the analysis.



## Zoning Framework

Canterbury has eight zoning districts: **Agriculture/Conservation (A)**, **Rural (RU)**, **Residential (R)**, **Commercial (C)**, **Industrial (I)**, **Natural Resource (NR)**, **Center Historic (CHD)**, and **Shaker Village Museum Preservation (SVMPD)**. Almost half of the total land area in town is zoned Agriculture/Conservation. Single family detached dwellings are permitted in the five residential districts by right and one district by special exception. Single family detached dwellings are not permitted in the Commercial and Industrial Zone Districts.

Two family dwellings are permitted by right in the RU and R Districts, and by special exception in the NR, CHD, and SVMPD zoning designations; they are not permitted in other districts. Multi-family dwellings are permitted by special exception in the RU and R Districts.

### Accessory Dwelling Units (ADUs)

ADUs can help increase the supply of affordable housing in a community without the need for subdivision or additional infrastructure. They can offer flexible housing options for seniors to stay in their homes and age in place, as they all for multi-generational living. ADU are also a tool that allows the creation of new housing without changing the character of a neighborhood.

Article 18 of the Canterbury Zoning Ordinance regulates ADUs. They are allowed by special exception in all districts that permit single-family residences. An ADU that is accessory to a business is also allowed in the Commercial Zone District. Restrictions include a maximum of one ADU per lot with no more than 1,000 square feet of gross floor area. Either the primary unit or the ADU must be owner-occupied. Both attached and detached ADUs are allowed with some limitations.

## Cluster Residential Development

The clustering of houses, such as in Canterbury Center and Shaker Village, is a common historical settlement pattern. Modern zoning often aspires to re-create this pattern with cluster development regulations. Such rules usually reduce minimum dimensional standards for new lots, which in turn reduces the overall development footprint. It is a tool used to preserve open space and farmland, while limiting the need for new infrastructure which can help to lower housing costs.

The requirements for residential cluster subdivisions are found in Article 6 of the Canterbury Zoning Ordinance. They are permitted for single-family homes as a use by right in the RU, R, CHD, and SVMPD Zone Districts, but are not permitted at all in other zone districts. Cluster developments with multi-family buildings are permitted by special exception in the RU and R Zone Districts. A reduction in lot size to 1 acre, and in road frontage to 100 feet are allowed, but no increase to the density of the underlying zone district is permitted. Sizable buffers of 200 feet on the front and 50 feet on the perimeter are also required.

### Dimensional Standards

The minimum lot standards found in Article 5 of the Zoning Ordinance:

District	Minimum Lot Acreage	Minimum Lot Depth	Minimum Lot Width
Agriculture/Conservation	5 acres	300 feet	300 feet
Rural	3 acres	250 feet	300 feet
Residential	2 acres	200 feet	300 feet
Commercial	1 acre	150 feet	200 feet
Industrial	2 acres	150 feet	200 feet
Center Historic	2 acres	200 feet	300 feet
Natural Resource	10 acres	300 feet	300 feet
Shaker Village	See art. 5.4	See art. 5.4	See art. 5.4

A minimum front setback of 50 feet is required for all lots and all residential properties must have 300 feet of road frontage. Minimum dimensional standards such as these do not match what has been built in Canterbury's historic villages. Excessive minimum standards may also add to the overall cost of housing in a community.

## *Growth Management*

Residential building permits are limited annually under Article 11 of the Zoning Ordinance to no more than 3 % of the total year-round dwelling units in town. For multi-family dwellings, only one permit may be issued annually with no more than 1 % of the total year-round dwelling units to be built in any given year. This ordinance is in effect until 2025 and the Planning Board is required to review growth rates every two years. The threshold for permits has not been reached in recent years.

## *Impact Fees*

Article 15 of the Zoning Ordinance authorizes the Planning Board to assess impact fees. The following is the definition of an impact fee as found in the ordinance:

“Impact Fee” means a fee or assessment imposed upon development, including subdivision, building construction or other land-use change, in order to help meet the needs occasioned by the development for the construction or improvement of capital facilities owned or operated by the municipality, including and limited to water treatment and distribution facilities; wastewater treatment and disposal facilities; sanitary sewers; storm water, drainage and flood control facilities; public road systems and rights-of-way; municipal office facilities; public school facilities; the municipality's proportional share of capital facilities of a cooperative or regional school district of which the municipality is a member; public safety facilities; solid waste collection, transfer,

recycling, processing and disposal facilities; public libraries; and public recreation facilities, not including public open space.

The amount of any impact fee must be a proportional share of a capital cost that is reasonably related to the capital needs created by the development, and funds must be used within six years or returned to the developer with accrued interest. Canterbury has no current impact fee assessments.

## *Manufactured Housing*

New manufactured homes are prohibited in all zone districts, but Manufactured Housing Parks are permitted in the RU and R Zone Districts under Article 7 of the Zoning Ordinance. Manufactured Home Parks require site plan approval from the Planning Board and a permit from the Board of Selectmen. Lot sizes may be reduced to a half-acre, but the same density is required as that in the underlying zone district.

## *Workforce Housing*

Workforce Housing regulations have been adopted by many communities in response to a state law that requires municipalities to provide a “reasonable and realistic” opportunity for housing to be developed that is affordable. Many of these ordinances have fallen far short and have failed to generate many new affordable housing units.

Canterbury adopted Article 16 of its Zoning Ordinance to address the State law. It is tied to the Regional Housing Needs Assessment, and it is only in effect if it is determined that the Town is not meeting its regional fair share of workforce housing. A conditional use permit is required, and the process is complicated and cumbersome, without a predictable outcome. To date, no projects have been approved under this ordinance.

## *Objectives and Recommendations*

This chapter has focused on the Town's current housing inventory and zoning framework and has described the needs generated from changing demographics. There are many opportunities available to enhance and diversify Canterbury's housing inventory while preserving the character of the Town and quality of life that is so highly valued by residents.

*The following objectives and recommendations were developed to address the housing needs for Canterbury's current and prospective residents and to alter current demographic trends:*

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### *Objective 1*

Support a mix of housing densities and types in Canterbury.

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Consider the development of mixed-use zones in the vicinity of Exits 17 and 18 to accommodate a mix of housing and small-scale retail/office uses.

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## *Objective 2*

Promote the use of cluster subdivisions and other zoning tools to increase the availability of housing.

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1 Update the Zoning Ordinance and Subdivision Regulations to meet the goals, policies and objectives described in the Plan for Tomorrow by utilizing but not being limited to the Innovative Land Use Controls granted by New Hampshire law to the Towns under RSA 674:16.II. and the methods contained in RSA 674:21.

2 Update the Workforce Housing Ordinance to simplify and better promote Workforce Housing at an appropriate scale.

3 Encourage the use of the Cluster Subdivision Ordinance by simplifying the ordinance and the consideration of a range of density incentives.

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## *Objective 3*

Encourage the development of additional residential units that are smaller and more affordable to accommodate downsizing seniors and young families.

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1 Revise the Zoning Ordinances and Subdivision Regulations as necessary to support accessory apartments, elderly housing, and bed and breakfasts.

2 Continue to periodically reevaluate the existing “building permit cap” and adjust a rate of growth that will enable Canterbury to assume its regional responsibilities while not unduly straining existing and planned Town services, schools, and roads. This growth rate should not lead to an adverse impact on the quality of life in Canterbury or unreasonable increases in Canterbury’s property taxes.