



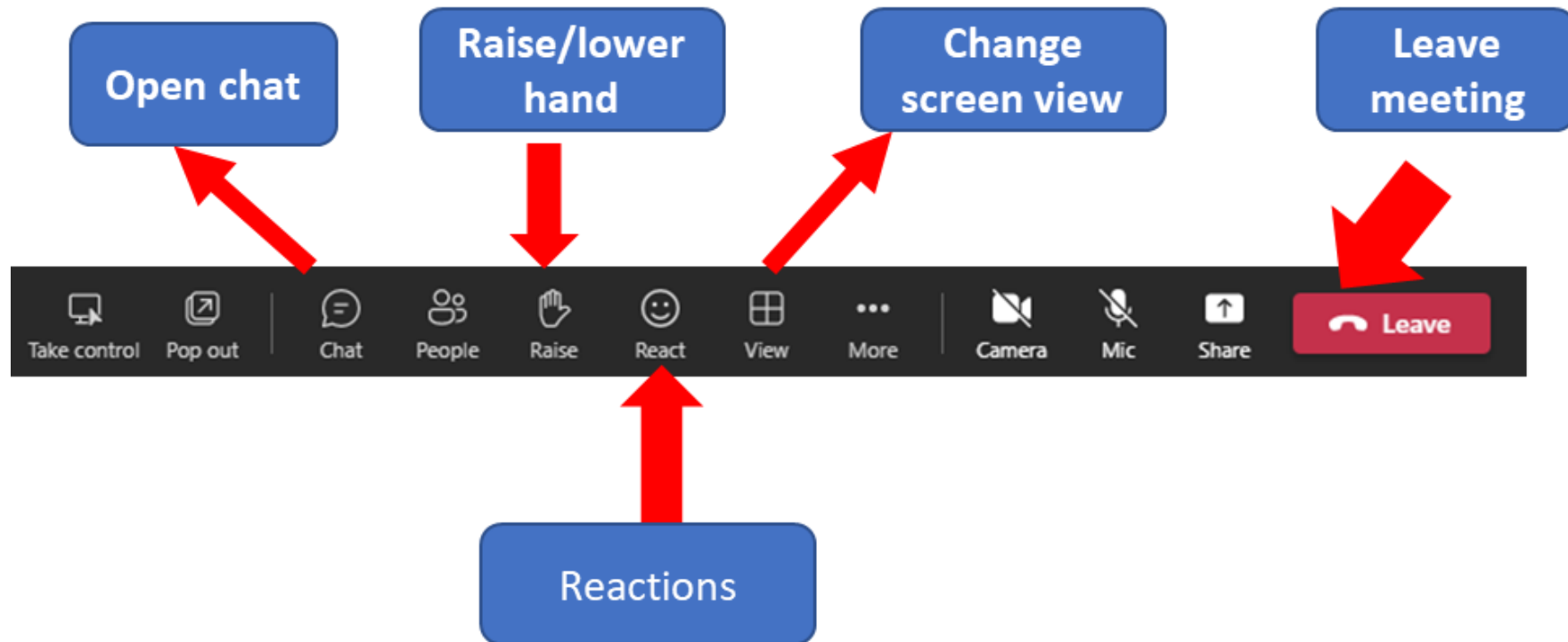
**Training Sessions**  
**Shifting Housing Potential: Transfer of Development Rights**  
**June 15, 2023**

**June McCartin, Outwith Studio**  
**Donna Benton, Director of Planning and Community Development, AICP, City of Dover**

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# Logistics

- Format: Presentation then Q+A
- During Q+A, raise your hand via Teams
- Feel free to ask questions in the chat as they come to you





# ABOUT





A collection of twenty **planning and zoning** strategies for **housing production** in New Hampshire communities.





Planning and zoning strategies for **housing production** in New Hampshire communities.

#### Community Revitalization Tax Relief (79-E)



City courthouse in 2021 (above) and a redevelopment (below). (Images via

43



#### Tax Increment Financing (TIF)

SA 162-K. These laws provide additional best practices.

master plan goals, such as revitalization in downtowns and village preservation.

TIF housing as a

and development strategy. Use this

in potential TIF districts, and development opportunities with

s, and build support for the city) and specific potential TIF districts and the general public to should be a public outreach development committee many

t, develop a TIF plan, which includes a program, and a finance

"Municipal Economic Development Act" legally do that before the hearing for the initial adoption of the act may be held concurrently. (Municipal Economic Development Act, etc.) must hold a

2-K, the hearing should be held locally, and a specific TIF

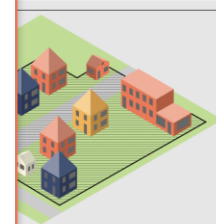
A 162-K, the hearing can be

an, with examples, should be held prior to a vote.

47



## g Community Zones



#### SING OPPORTUNITY ZONE



Untaxed value on new development: savings for up to 10 years

development

After new development

51





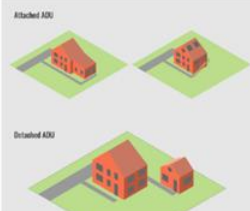
# NEW HAMPSHIRE HOUSING TOOLBOX PLANNING AND ZONING STRATEGIES FOR HOUSING PRODUCTION IN NEW HAMPSHIRE COMMUNITIES.



## HOUSING STRATEGIES

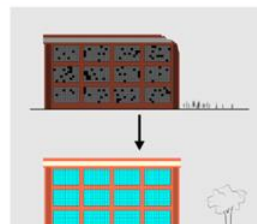
### FILTER BY ISSUES ADDRESSED

- All
- Affordable Housing
- Housing Costs
- Housing Options
- Infrastructure
- Multigenerational
- Redevelopment
- Sustainable Housing



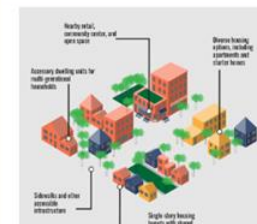
### Accessory Dwelling Units (ADUs)

Secondary homes or apartments on an existing single family lot.



### Adaptive Reuse

The practice of reusing old buildings for new purposes



### Age Friendly Neighborhoods

Places that address the needs of younger and older adults.



<https://nhhousingtoolbox.org/>

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# Background

- Part of the RHNA process
- Funded through ARPA
- Led by a subcommittee of staff from RPCs and NH Housing; facilitated by OPD staff

- Consultant team:



Outwith Studio  
(planning content and  
visual identity)



Bocoup  
(web design and  
development)

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# The toolbox tries to answer these questions

- What is the tool?
- How can it help your community?
- How has it been used elsewhere?
- What does implementation look like?
- Where can you learn more?





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# Audience

- People working in and around local government
- Local government staff, Planning Board members, Select Board members, legislative body members, local advocates, etc.
- Save time on up-front research

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# Structure of each tool

- What is it?
- How can it help?
- Getting Started
- Considerations
- Resources
- Issues Addressed
- Related Tools
- State Law
- Case Studies



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# Sorting Tools by Issues Addressed

- Housing Options
- Housing Costs
- Affordable Housing
- Sustainable Housing
- Multigenerational
- Infrastructure
- Redevelopment

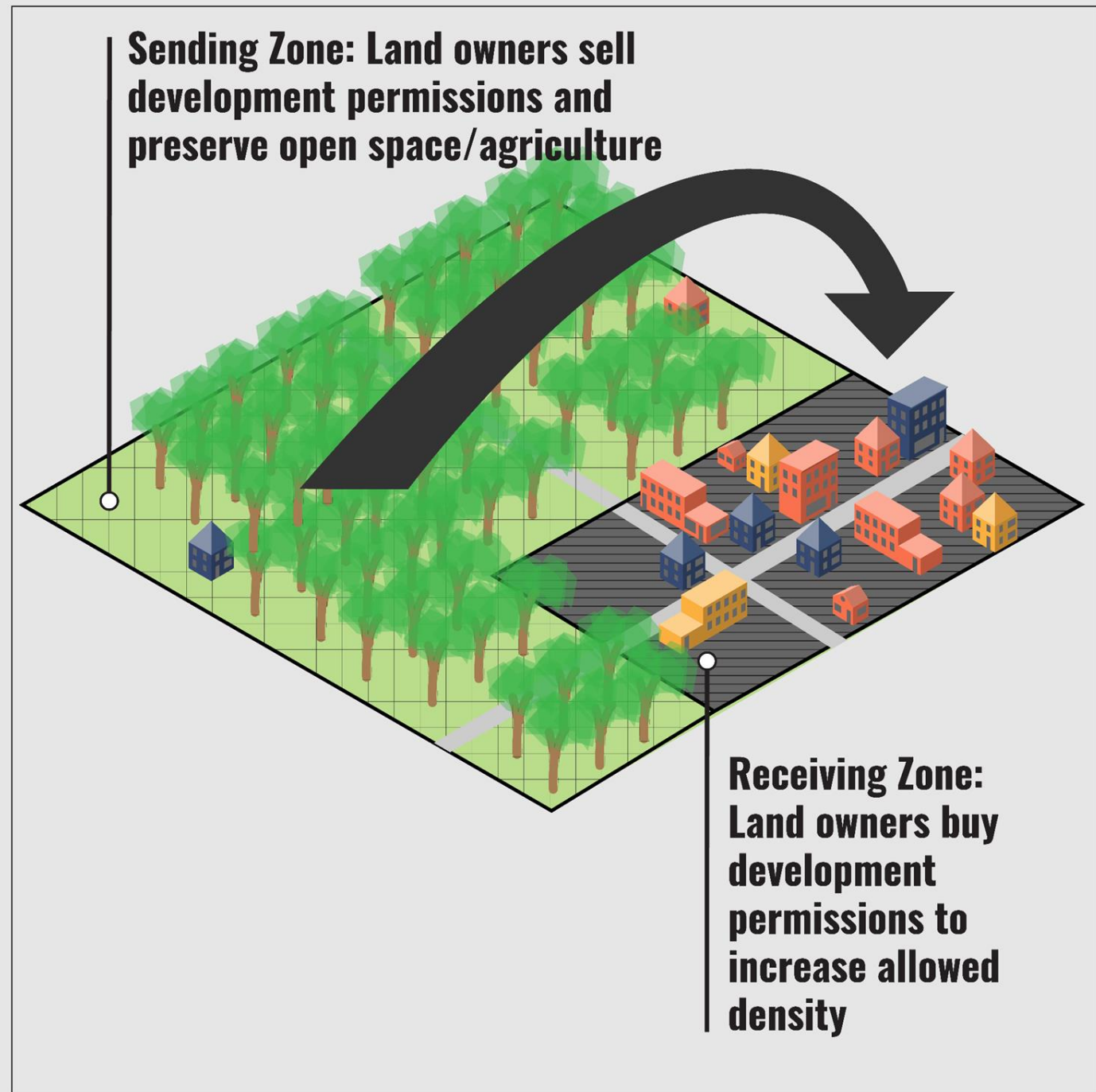


# TRANSFER of DEVELOPMENT RIGHTS



# Transfer of Development Rights

- Laws and processes that allow landowners to buy/sell allowed development capacity, concentrating housing where there is infrastructure and other amenities
- Typically there is a ( rural) sending zone and ( developed) receiving zoning
- Must be calibrated to ensure use
- Requires administrative capacity and predictable permitting practices
- Identified “Innovative Land Use Control” under RSA 674:21(d)



# How can it help?

- Co-locate housing with existing infrastructure and amenities.
- Preserve open space, agricultural, and low-density areas.
- Unlock housing potential from parcels that would otherwise be infeasible or lower capacity.
- Maintain community character by preventing sprawl
- Help transition from high-density to low-density areas.
- Distribute the financial benefits of development to open space, agricultural, and low-density residential areas, while also increasing financial benefits for built-out areas.
- Encourage small and alternative housing types without increasing the overall development in a community.



# Getting started with implementation (1/2)

1. Connect to existing Master Plan goals/ongoing Master Plan process
2. Identify ideal sending (rural, open space) and receiving (built-up) zones.
3. Conduct a real estate financial analysis to determine per-unit value of housing development and publish your findings.
4. Audit your regulations and ID any changes needed to make TDR work (e.g., the allowed density or building types in receiving zone).
5. Conduct a public engagement process to educate the public and landowners on TDR, the trade-offs involved, and to determine sending/receiving zones and TDR mechanics, like credit banking.

...



# Getting started with implementation (2/2)

6. Draft and adopt legislation that:
  - a. Allows TDR
  - b. Sets sending/receiving zones if needed
  - c. Set a TDR approval process
  - d. Makes any other changes (zoning, subdivision, etc.) that enable usage
7. Publicize the TDR option to property owners and developers.
8. If TDR are bankable, use local funds to purchase development rights to sell later when developments are on the table.





# Considerations

- Having TDR doesn't automatically yield adoption by developers. TDR should align to (potential) supply/demand and the value of development rights must be understood.
- If housing permitting processes are highly discretionary, the per-unit value of development might be difficult to pin down. If implementing TDR, try to make the whole development system predictable.
- “Bankable” TDR credits can add liquidity and predictability. For TDR banking to work (and not be exploited), local government or a trusted actor (housing/redevelopment authority) should be the bank.

# Considerations

- TDR frameworks face opposition, especially related to increased density in the receiving zone. Your framework should align TDR mechanism with community goals (like a vibrant village area, etc.). Public engagement is key.
- Staff capacity to promote, administer, and monitor the program is key to TDR success.

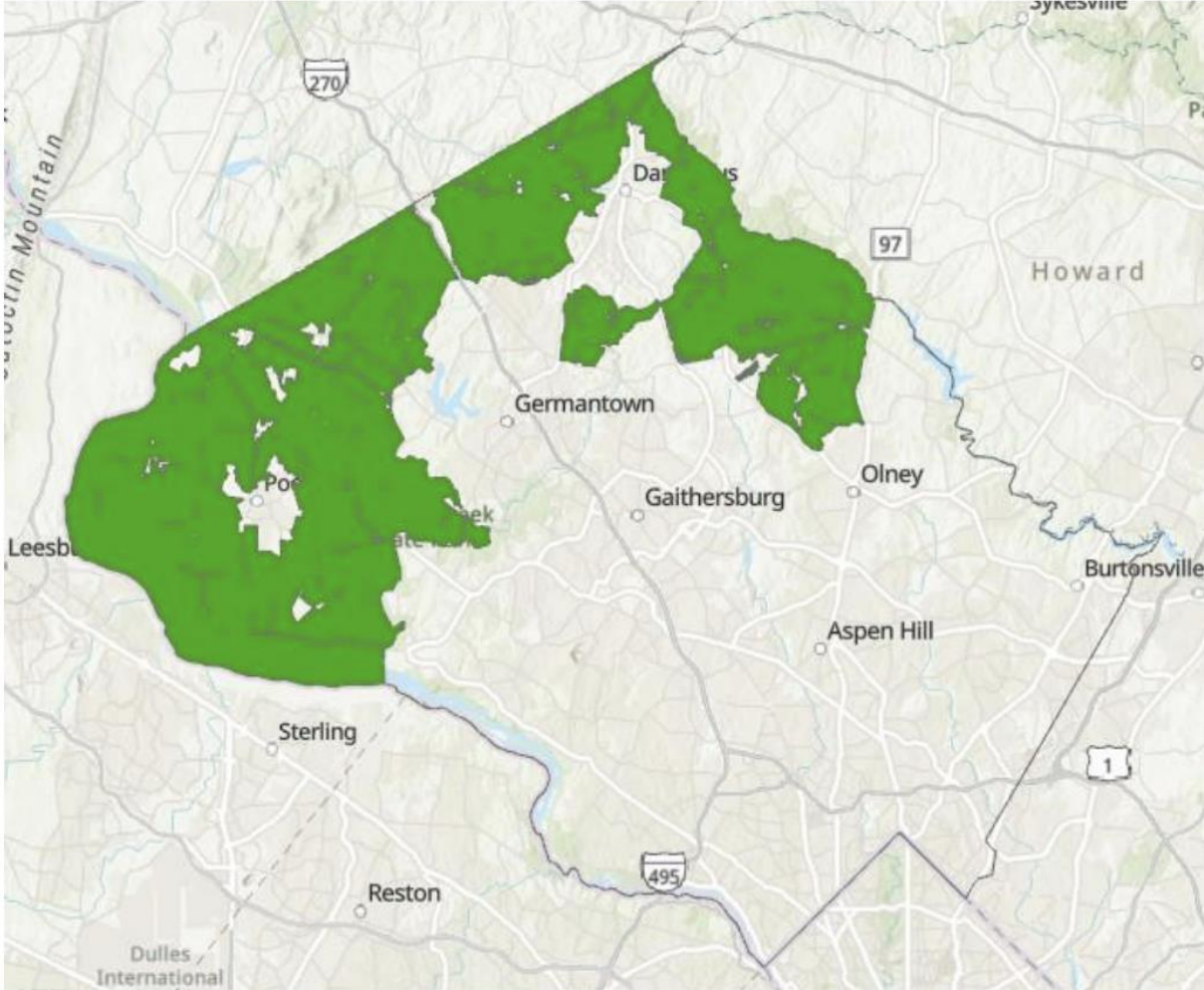


# CASE STUDIES

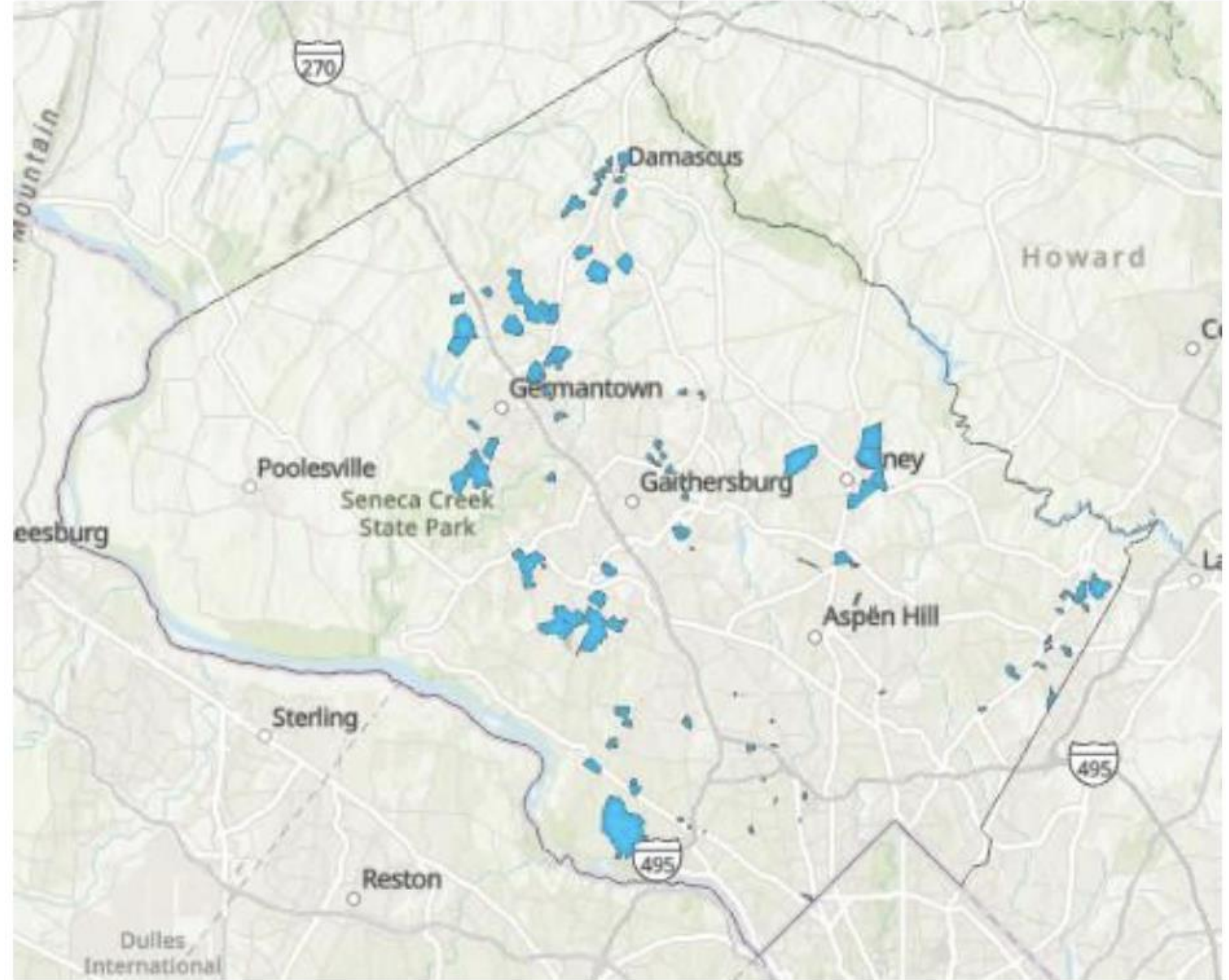


# Montgomery County, MD

The Agricultural Reserve Zone



TDR Overlay Zones as of February 2022





# Stowe, VT





# King County (Seattle), WA



<u>TDRs available</u>	<u>Type</u>	<u>Price/TDR</u>	<u>Status of TDRs</u>	<u>Date posted</u>
2	rural	negotiable	certified	9/18/2022
78	rural	Negotiable	qualified	5/24/2022
1	rural	negotiable	certified	3/9/2022
2	rural	Negotiable	certified	2/15/2022
11	rural	Negotiable	certified	6/7/2021
14	urban	\$9,500 each	certified	11/17/2020
2	rural	\$20,000	certified	10/13/2020
6	rural	\$19000	certified	3/4/2020
3	rural	\$20,000	certified	1/23/2018
1	rural	\$22,000	certified	3/11/2010
0.50	rural	negotiable	certified	11/23/2009
2.50	rural	NEGOTIABLE	certified	4/29/2009

Each **Urban TDR** allows 1 additional lot/unit in urban receiving areas.  
 Each **Rural TDR** allows 2 additional lots/units in urban receiving areas.



# Cottages at Back River Road, Dover

- TDR used with cottage zoning (small detached SFRs with shared open space)
- Workforce housing with capped rents and income eligibility





# DOVER





# CASE STUDY: DOVER, NH TDR ORDINANCE IN PRACTICE

Guest Presenter:

Donna Benton, AICP Director of Planning and Community Development, City of Dover, NH

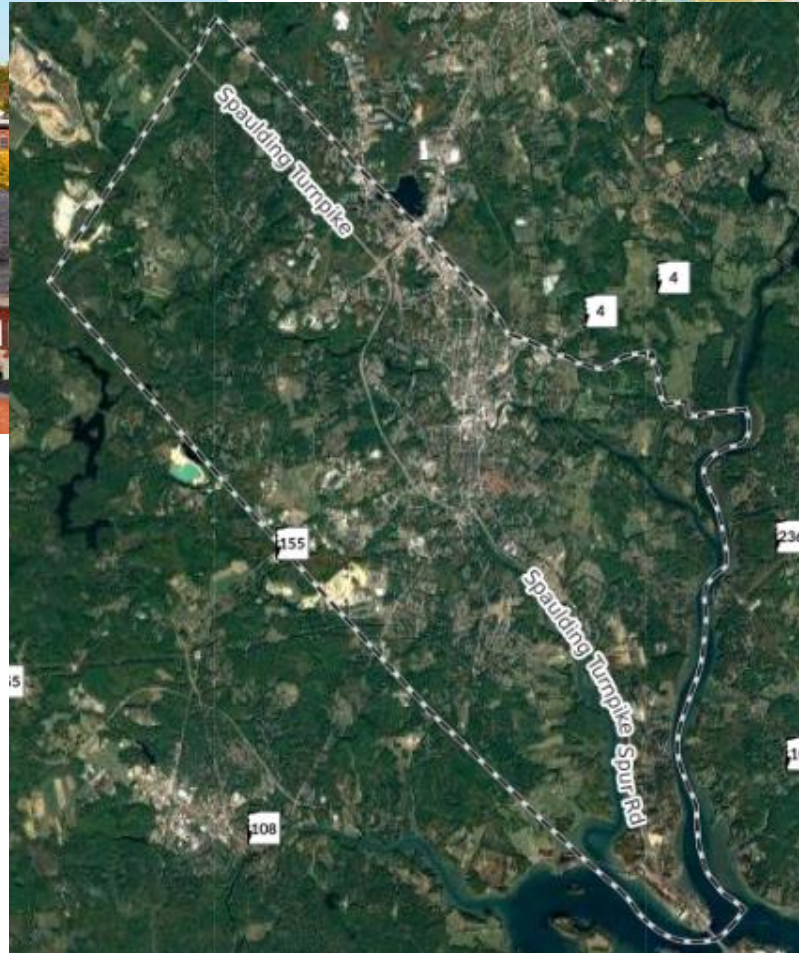
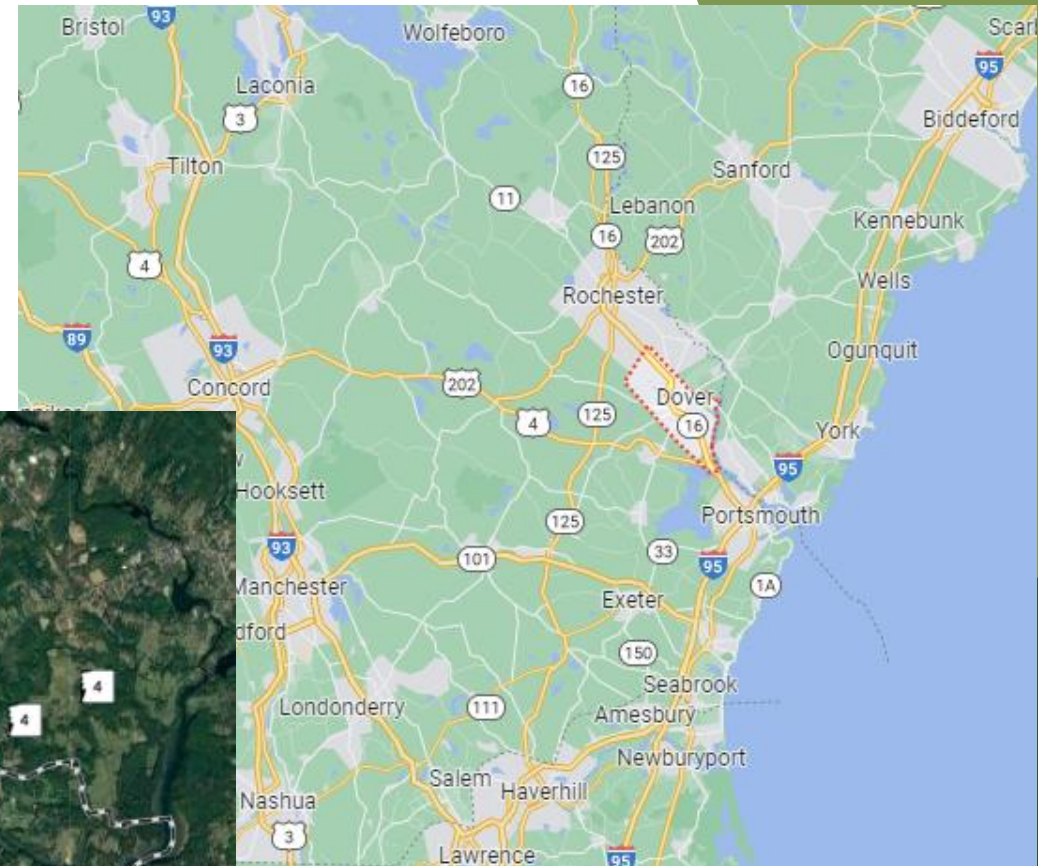
June 15, 2023



New Hampshire Department of  
BUSINESS AND  
ECONOMIC AFFAIRS

# Dover, NH

- Population ~33,000



# Discussion Points/Outcomes

- Dover's TDR Ordinance in the 90s, 2018 and 2020
- Mixing conservation, housing affordability, and industrial use incentives
- Example: Cottages at Back River Roads Project
- Key Takeaways
- Q& A

# What Dover does:

## •Density Changes

- No density calculation required downtown since 2010
- Gateway district now offers range of density (2K – 4K sf per unit vs 5K)
- No density if you rent restrict to HUD limits
- Low density to be created (1 unit/2000 sf of commercial built) in industrial zones
- Through TDR we allow density increase that is by unit and not just by unit size
- Allow building height increases if the resulting units are rent restricted

# Recent Changes

- Allow non-conforming lots to be developed if house size is restricted
- Allow more than one ADU, if rent restricted
- Allow conversion of any SF home to two-family
  - Remove restriction in place (pre-1964)
- Allow two family by right in all residential districts
  - Must look like SF home from the street
- Remove ZBA criteria for 3/4 family, if rent restricted



# Major History of TDR Ordinance

- 1990** Added TDR into our Zoning Regulations  
Receiving area east of the Spaulding (in R20 & R-40) and sending area West of the Spaulding Turnpike (all non-R20 or R-40)
- 2018** Added in opportunity to pay into Conservation fund at a rate reviewed each year related to acre into conservation with size restrictions
- 2020** Added in option for HUD-restricted rentals to have \$0 TDR fee.  
Made the 2018 changes a bit more user friendly  
Added in residential density bonus for new industrial uses over 40k s.f
- 2023** Posted/recommended amendments for the criteria of TDR and waiver process



# How TDR Works

Allows for purchase of units in exchange for funding conservation activities

Restrictions on size of units

1,400 sf

1,000 sf

600 sf

Restrictions on additions

Formula to create baseline of units, then purchase is above baseline

Create 1 unit per 2,000 sf created of assembly or manufacture over 40,000 sf

• Formula:

- SF of parent lot – Environ constraints: BASE
- BASE – \* .85: Net
- Net \* .85 [sliding]: Developable Area
- Developable Area/Min lot size: base units

• 99 Sixth

- 90,322 sf – 15,225 sf: 75,097 sf
- 75,097 sf – \*.85: 63,832.45 sf
- 63,832.45 sf \*.85: 54,257.58 sf
- 54257.57 sf/12,000 sf: 4.52





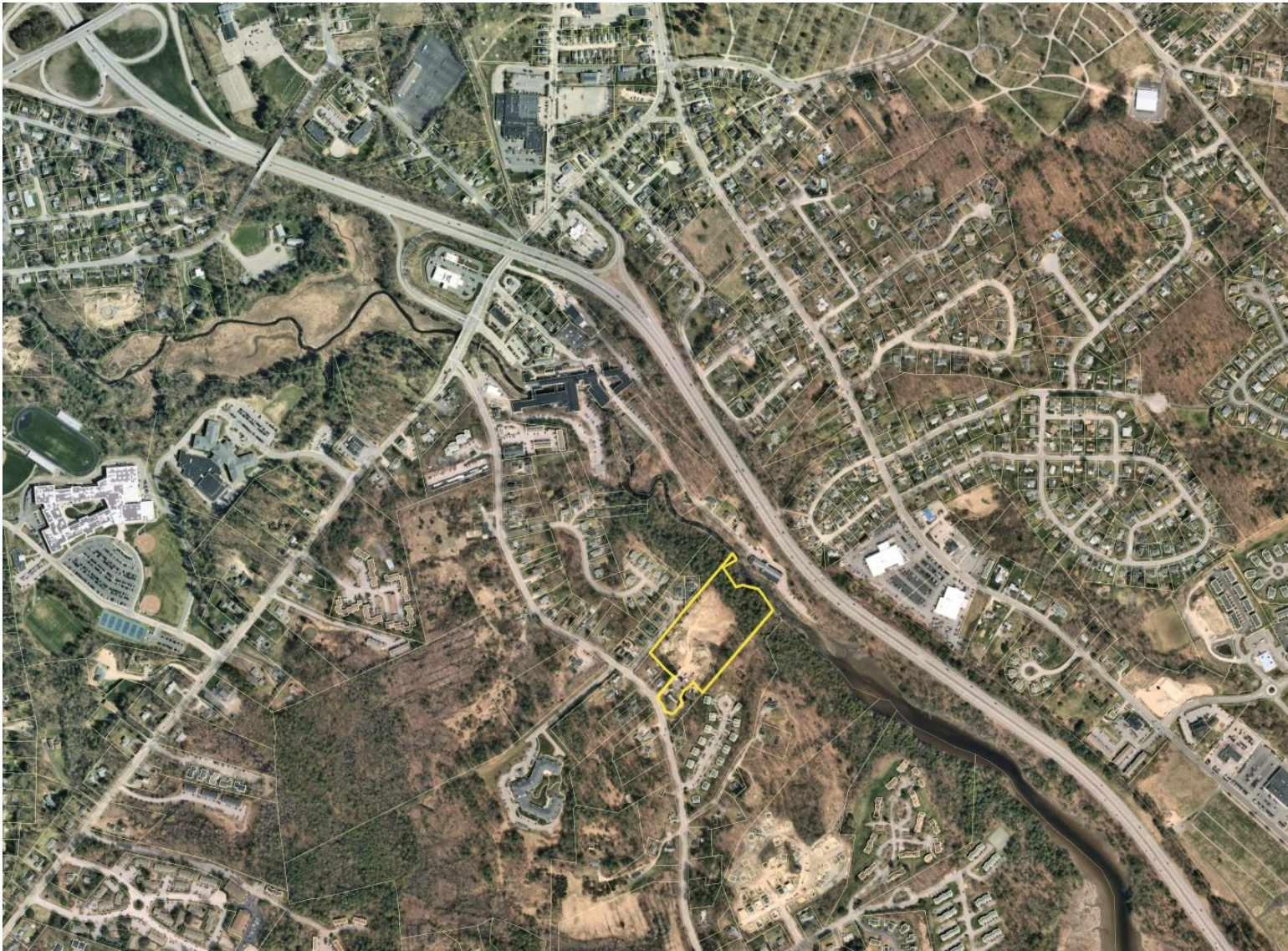
Think "Uncommon"ly

The Cottages  
*at*  
Back River Road



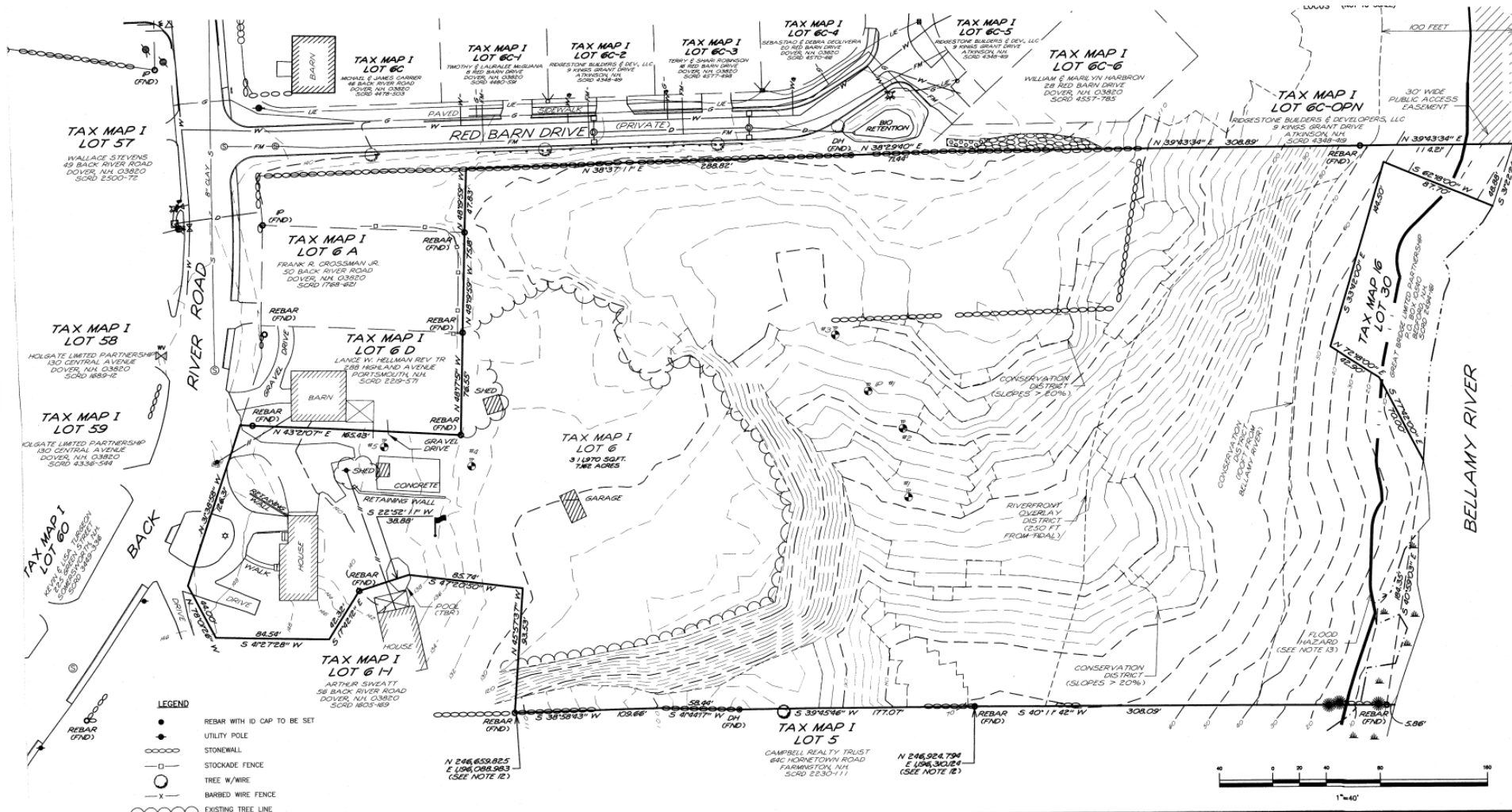


# 54 Back River Road

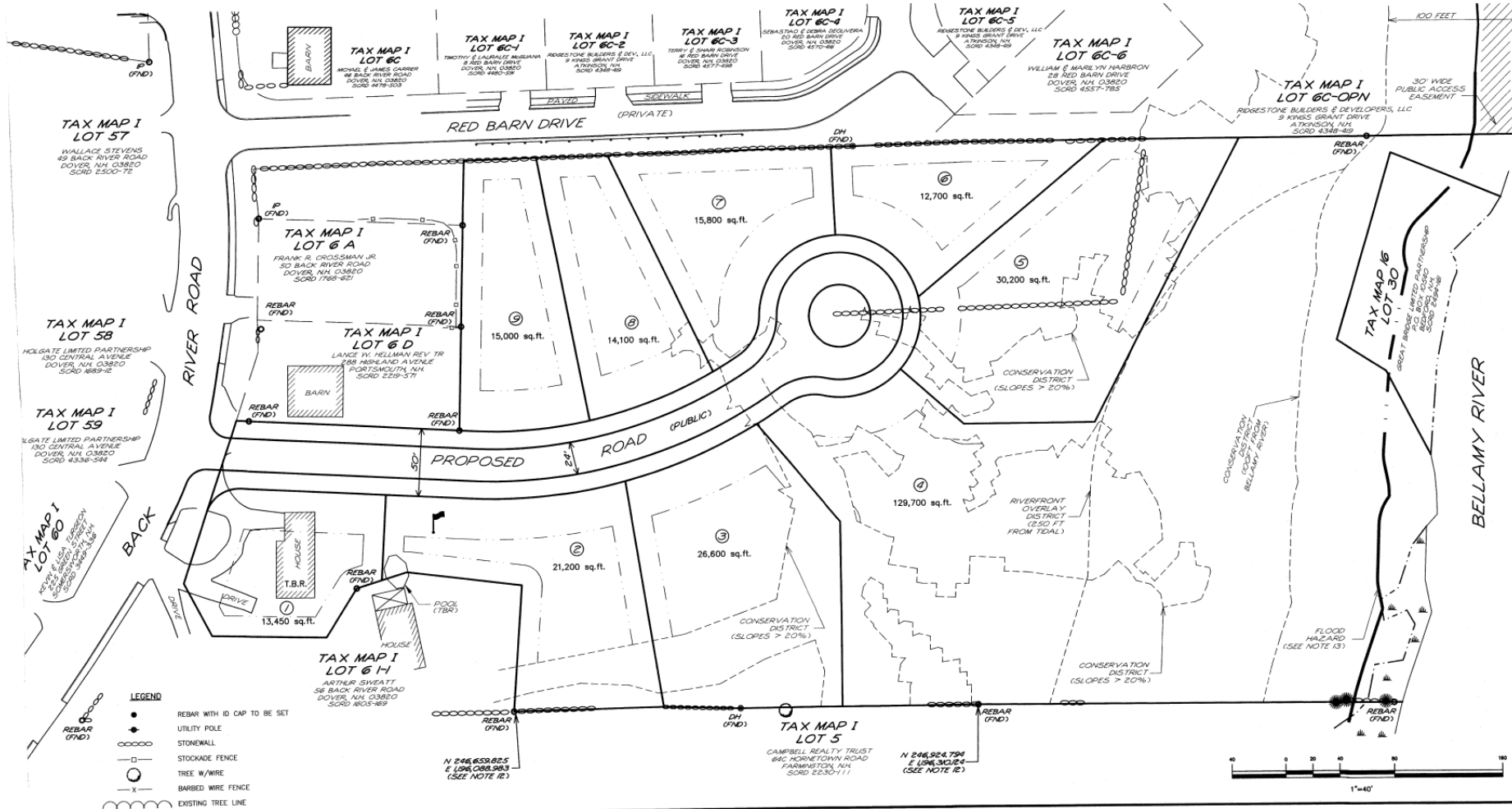




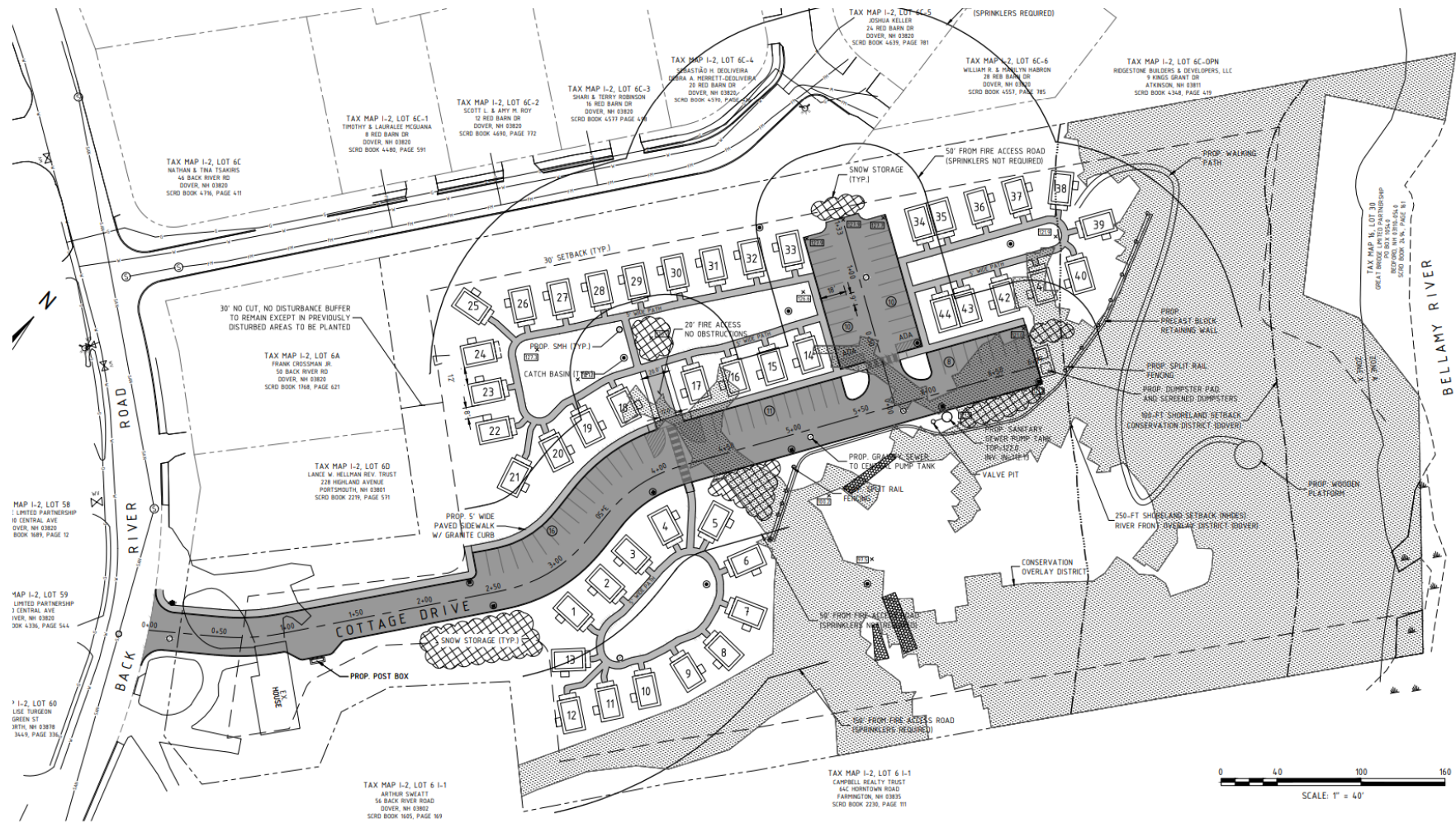
# 54 Back River Road



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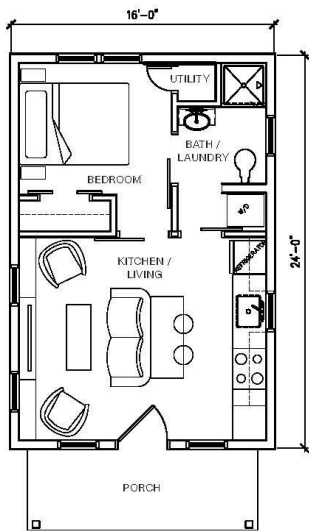
**BEA**

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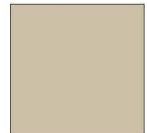




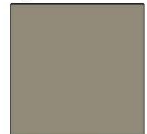
**FLOOR PLAN - 384 SF**  
SCALE: 1/4"=1'-0"



**RENDERING & PROPOSED PALETTE**



BLEEKER BEIGE  
*Benjamin Moore or similar*



COPLEY GRAY  
*Benjamin Moore or similar*



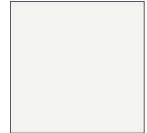
NIMBUS  
*Benjamin Moore or similar*



NORMANDY  
*Benjamin Moore or similar*



SAYBROOK SAGE  
*Benjamin Moore or similar*



DISTANT GRAY  
*Benjamin Moore or similar*



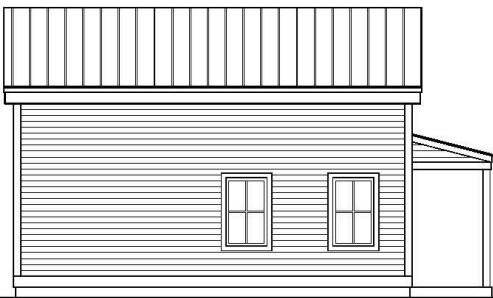
STONINGTON GRAY  
*Benjamin Moore or similar*



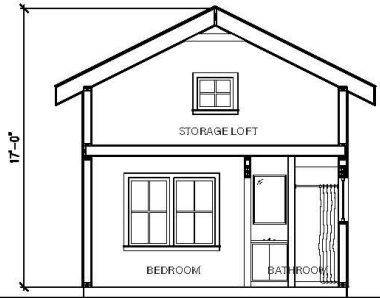
WHALE GRAY  
*Benjamin Moore or similar*



**ELEVATION**  
SCALE: 1/4"=1'-0"



**ELEVATION**  
SCALE: 1/4"=1'-0"



**SECTION**  
SCALE: 1/4"=1'-0"



NO.		DESCRIPTION	DATE

**NOT FOR CONSTRUCTION**



DESIGNED BY: MWR  
DRAWN BY: MWR  
PROJECT: 200302.01

**54 BACK RIVER ROAD  
DOVER, NEW HAMPSHIRE  
COTTAGE CONCEPT  
PLANS & RENDERINGS**

SCALE: AS NOTED  
DATE: 02.01.2021  
DRAWING NO.:

**A1.1**













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# Benefits of TDR in this case study

- Healthy Living
- Community Building
- The Environment
- Economic Development
- Creativity and Diversity
- Ties into our Master Plan

# Takeaways

- Don't be afraid to revisit the regulations
- Get creative
- Bring key players together early
- Create buy in
- Understand concerns to help create solutions
- Site plan/subdivision elements such as traffic study, stormwater analysis, etc. still reviewed
- Go back to your vision/master plan for your community

# Questions?

## Contact Information

Donna P Benton, City of Dover NH,

[D.Benton@dover.nh.gov](mailto:D.Benton@dover.nh.gov)

603-516-6008

•TDR Ordinance: Chapter 170.27.2 found here:

<https://ecode360.com/D00878>



# QUESTION + ANSWER





# UPCOMING TRAININGS



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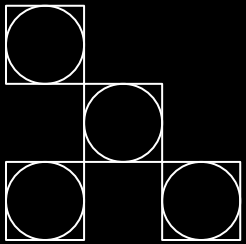
# Training Schedule

- ~~June 1 – Toolbox Overview~~
- ~~June 8 – Housing in Nature: Open Space/Cluster Housing Ordinances~~
- ~~June 15 – Shifting Housing Potential: Transfer of Development Rights~~
- June 22 – Tax Relief for Housing: RSA 79-E
- June 29 – Intuitive Zoning for Housing: Form-Based Codes

Register at [nhhousingtoolbox.org/training](https://nhhousingtoolbox.org/training)







thanks!

