



January 30, 2026

Her Excellency, Governor Kelly A. Ayotte  
Office of the Governor

The Honorable Sherman Packard  
Speaker of the NH House of Representatives

The Honorable Sharon Carson  
President of the Senate

State House  
Concord, NH 03301

Re: New Hampshire Housing Champion Designation Program – Annual Report

**INFORMATIONAL ITEM**

Pursuant to RSA 12-O:71, VII, the Department of Business and Economic Affairs (BEA) shall develop a report which describes all actions taken related to the operation of the New Hampshire housing champion designation program in the preceding state fiscal year and assesses the overall impact of the New Hampshire housing champion designation program, including an assessment of the additional housing units produced in the state as a result of the program's operation and incentives.

In accordance with this statute, BEA is pleased to submit the enclosed Annual Report for Fiscal Year 2025. This report describes program implementation, municipal participation, incentives awarded, and the program's role in supporting local efforts to increase housing supply across the state.

The Housing Champion Designation Program recognizes and incentivizes municipalities that undertake meaningful regulatory and planning reforms to expand housing opportunities. The enclosed report provides an overview of those efforts and documents measurable progress toward addressing New Hampshire's housing needs.

Please let us know if we can provide any additional information or further detail regarding the program or its outcomes.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "James Key-Wallace".

James Key-Wallace  
Interim Commissioner

**Housing Champion Designation & Grant Program**  
**Legislative and Public Impact Report**  
**Reporting Period: Fiscal Year July 2024 – June 2025**

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### **Executive Summary**

The Housing Champion (HC) Designation and Grant Program, authorized under RSA 12-O:71-76 and administered by the New Hampshire Department of Business and Economic Affairs (BEA), supports municipalities in expanding housing opportunities through coordinated land use reform, infrastructure investment, and workforce housing production. The program provides communities with a voluntary framework to modernize local regulations while accessing targeted grant resources that align infrastructure and housing development.

Following adoption of program rules in July 2024, BEA launched the Housing Champion initiative statewide. In October, the first designation application round opened to all municipalities. Eighteen communities earned Housing Champion status, making them eligible for Housing Production and Infrastructure grants beginning in January 2025.

During the first full program year:

- **18 municipalities earned Housing Champion designation**
- **\$5 million in grants were deployed statewide**
- **\$1.5 million supported workforce housing production**
- **\$3.5 million supported infrastructure necessary for housing growth**
- **Infrastructure investments support capacity for approximately 2,280 housing units**
- **Production grants recognized 373 completed workforce housing units**

Collectively, the program demonstrates how local regulatory reform combined with strategic infrastructure investment can improve housing readiness while respecting local planning priorities.

### **Program Purpose and Structure**

Established by the Legislature, the Housing Champion Program encourages municipalities to voluntarily adopt housing-supportive policies and align infrastructure planning with housing demand. Communities that earn the Housing Champion designation gain access to dedicated grant programs designed to reduce barriers to housing production.

The program focuses on three integrated objectives:

1. **Regulatory Readiness** – updating zoning, training boards, and creating predictable development pathways
2. **Infrastructure Capacity** – ensuring water, sewer, transportation, and utility systems can support growth
3. **Housing Production** – recognizing and incentivizing completed workforce housing units

### **Housing Champion Designation Criteria (Bea 504)**

Municipalities are evaluated across six categories, four of which are required:

- Adoption of housing-supportive land use regulations
- Training for land use board members
- Investment in water and sewer infrastructure
- Investment in transportation and walkability
- Financial incentives for housing
- Other supporting housing activities

Communities without zoning are not excluded, and smaller municipalities receive bonus consideration.

### **Grant Programs**

#### **Housing Planning and Regulation Municipal (HPRM)**

Supports third-party planning and technical services to modernize local land use regulations.

#### **Housing Production Municipal (HPM)**

Provides per-unit recognition grants based on completed, deed-restricted workforce housing units.

#### **Housing Infrastructure Municipal (HIM)**

Supports construction or expansion of infrastructure including water, sewer, stormwater, roads, telecommunications, electrical systems, and fire suppression.

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### **Housing Champion Designation – Round One Results**

#### **Application Timeline**

• Applications opened	October 4, 2024
• Informational webinar	October 16, 2024
• Applications closed	November 15, 2024
• Review/Award	November 15 – December 1, 2024
• Awards Ceremony	December 18, 2024

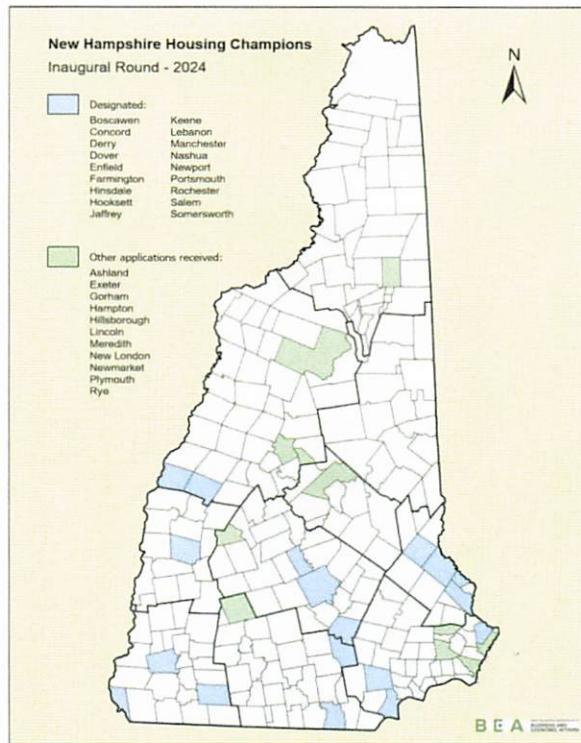
#### **Application Activity**

Activity	Communities
Opened Applications	29
Submitted Applications	21
Completed Applications	19
Awards (minimum 80 points)	18

Applications were reviewed by BEA staff using criteria established in rule (Bea 504). A minimum score of 80 points was required for designation.

### Designated Communities

Municipality	County
Boscawen	Merrimack
Concord, City of	Merrimack
Derry	Rockingham
Dover, City of	Strafford
Enfield	Grafton
Farmington	Strafford
Hinsdale	Cheshire
Hooksett	Merrimack
Jaffrey	Cheshire
Keene, City of	Cheshire
Lebanon, City of	Grafton
Manchester, City of	Hillsborough
Nashua, City of	Hillsborough
Newport	Sullivan
Portsmouth, City of	Rockingham
Rochester, City of	Strafford
Salem	Rockingham
Somersworth, City of	Strafford



## Examples of Local Progress

Housing Champion communities demonstrated practical, locally driven reforms:

- **Boscawen** modernized zoning to allow Accessory Dwelling Units (ADU) and duplexes by-right, paired with flexible cluster development standards.
- **Concord** adopted a conditional use permit allowing increased height downtown when housing is included.
- **Dover** expanded by-right ADU provisions and second-unit opportunities.
- **Derry** created the Southern NH Regional Water Plan, a regional infrastructure partnership to expand adjacent towns' growth opportunities.
- **Enfield** created a Tax Incremental Financing (TIF) District.
- **Farmington** increased allowable densities and created bonuses tied to water and sewer access.
- **Hinsdale** reduced minimum lot sizes to broaden housing options.
- **Hooksett** advanced water infrastructure planning to open new areas for development.
- **Jaffrey** expanded multifamily opportunities in business districts and added workforce housing bonuses.
- **Keene** adopted cottage court overlay districts.
- **Lebanon** provided extensive land use board education and training.
- **Manchester** created a municipal Affordable Housing Trust Fund supported by surplus land sales.
- **Newport** amended its general residential district allowing multi-family housing by right, reducing regulatory hurdles.
- **Nashua** created a mixed-use overlay district and transit-oriented districts expanding multi-family housing opportunities.
- **Portsmouth** expanded multi-family density and rezoned underutilized commercial properties for housing.
- **Rochester** Keene adopted a Cottage Court Overlay District Conditional Use Permit.
- **Salem** created a Depot Village Overlay District, allowed for mixed use zoning and innovative land use ordinance.
- **Somersworth** created a Business District with no parking requirements, no minimum lot size, and no density restrictions.

These actions illustrate how communities align local policy with housing demand while maintaining planning control.

## Award Ceremony

On December 18, 2024, BEA hosted an award ceremony at the Atrium at 7 Eagle Square, Concord, where each community was recognized and presented with a plaque in recognition of their accomplishments.



### **Municipality Reporting Requirements**

All 18 communities submit annual reports within the prescribed 180 days (June 17, 2025) following receipt of the Housing Champion Designation, (Bea 504.12).

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### **Housing Production Municipal Grants (HPM)**

The HPM program recognizes municipalities for verified production of deed-restricted workforce housing.

#### **Application Timeline**

- Applications opened January 17, 2025
- Applications closed March 1, 2025
- Review/Award March 2025-May 2025
- Governor/Council June 4, 2025

#### **Application Activity**

Activity	Communities
Submitted Applications	4
Completed Applications	4
Awards	4

Funds were distributed proportionally based on completed units with certificates of occupancy and minimum 10-year deed restrictions.

#### **Awards:**

- Manchester – \$205,500
- Nashua – \$828,000
- Salem – \$297,000
- Newport – \$169,500

Municipalities may use funds flexibly to support infrastructure, revolving loan funds, planning, or matching requirements for other programs.

#### **Award Fund Uses Examples**

##### **Manchester**

Of this allocation, \$55,500 was directed to the Welfare Department to support eviction prevention, fund temporary housing, and assist in rehousing individuals experiencing homelessness. The remaining \$150,000 supports a shelter serving aged or infirm individuals

experiencing homelessness. The shelter is operated by the city and focuses on stabilizing residents and helping them transition toward more permanent housing solutions.

#### **Nashua**

Funds were used to replenish its Housing Revolving Loan Fund, which was originally capitalized with \$10 million in ARPA funding. The fund provides gap financing to advance affordable housing development and related initiatives throughout the city.

#### **Salem**

The town recently updated its master plan, which emphasizes the need to expand affordable housing opportunities. Housing Champion funds will be used to retain a consultant to update the zoning ordinance to align with the goals and recommendations of the new master plan.

#### **Newport**

Production Grant funds will be combined with Infrastructure Funds totaling \$234,375 to complete a feasibility study, which will evaluate the expansion of the sewer system north to support additional affordable housing development.

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### **Housing Infrastructure Municipal Grants (HIM)**

The HIM program supports infrastructure improvements that enable housing development.

#### **Application Timeline**

- Applications opened January 17, 2025
- Applications closed March 1, 2025
- Review/Award March 2025-May 2025
- Governor/Council June 4, 2025

#### **Application Activity**

	<b>Activity</b>	<b>Communities</b>
Submitted Applications		9
Projects Funded		7
Total Funding		\$3,500,000
Housing Unit Creation Supported		2,280

Eligible activities include water, sewer, stormwater, highways, utilities, telecommunications, and fire suppression systems. A 25 percent local match is required.

#### **Infrastructure Investment Outcomes**

##### **Awards:**

MUNICIPALITY	INFRASTRUCTURE	HOUSING UNITS	REQUESTED	AWARD
Concord	Sewer Expansion and Pump Station Upgrade	1,220	\$1,750,000	\$859,689
Dover	New and Upgraded Water Project	850	\$1,500,000	\$859,689
Lebanon	Site Improvements	5	\$158,805	\$158,805
Manchester	Elec/Fire Suppression	14	\$116,753	\$116,753
Newport	Sewer System Expansion Planning	n/a	\$234,375	\$234,375
Rochester	New Sewer & Water Project Expansion	120	\$411,000	\$411,000
Salem	Water System Expansion and Upgrade	85	\$1,750,000	\$859,689
<b>Totals</b>		<b>2,280</b>	<b>\$10,820,933</b>	<b>\$3,500,000</b>

These projects increase long-term capacity while reducing development risk and cost for housing projects statewide.

### **Summary by Towns Awarded Funds**

#### **City of Concord**

##### **Concord Heights – Sewer Upgrade Project**

Total Project Cost: \$25,050,000

Merrimack County; population 43,976

##### **Project Summary**

- Replace and upgrade the existing Heights Sewer Pump Station at Loudon Road Branch Turnpike Road, Pembroke Road, and Grover Street
- Replace 10,000 linear feet of sewer line
- Increase capacity from 91,000 gals/per day to 256,000 gals/per day

##### **Timeline**

- Design completion by 06/30/2025
- Construction begins 9/15/2025
- Project completion by 6/30/2027

##### **Housing Impact**

Sewer improvements will facilitate the development of 1,220 new housing units:

- 1,160 market-rate
- 60 affordable

#### **City of Dover**

##### **Central Avenue and Broadway – New and Upgrade Drinking Water Project**

**Total Project Cost: \$2,500,000**

**Strafford County; population 32,758**

#### **Project Summary**

Water main replacement along Central Avenue and Abbey Sawyer Memorial Highway.

- Replace outdated 1880s cast iron water main to improve reliability and performance.
- Increase water flow capacity and strengthen the connection between the southern part of Dover and its well supply pumps and storage tanks.
- Enhance the city's ability to support future residential development.
- Ensure long-term sustainability and resilience of the water distribution system.
- Support the rehabilitation of the Garrison Hill Water Storage Tank, the only storage facility serving the main pressure zone in Dover.

#### **Timeline**

- Design completion: Fall/winter 2025
- Construction: Spring 2026
- Project completion: Late 2027 -- early 2028

#### **Housing Impact**

- Supports housing development in downtown Dover and Waterfront.
- Accommodating this growth in the Urban Density Multi-Residential (RM-U) District

### **City of Lebanon**

#### **Barrows Street Cottage Housing – Site Improvements**

**Total Project Cost: \$211,740**

**Grafton County; population 14,282**

#### **Project Summary**

- City is the developer for housing project at Barrows Street.
- Construction of five new single-family homes
- Scope of work for the HIR grant application is limited to Phase 1, site improvements
- Project part of a larger community and infrastructure plan to use city-owned land to facilitate public-private partnerships in developing new housing

#### **Timeline**

- Design completed
- Site construction: Summer/fall 2025
- Building construction: Spring 2026

#### **Housing Impact**

- Affordable housing: Five new single-family homes at lower-than-market price.
- Public land: Using municipal property maximizes land value and reduces housing costs.
- Funds will help sustain the city's revolving funds for new housing.

### **City of Manchester**

#### **231 Merrimack Street – Fire Suppression/Electrical Project**

**Total Project Cost: \$155,670**

**Hillsborough County; population 115,141**

#### **Project Summary**

Installation of a new fire suppression system required to meet the state fire code.

**Timeline**

- Project installation: April 2025
- Project completion: October 2025

**Housing Impact**

The project will nearly double the number of allowable occupancies, from 16 to 30 affordable units.

**Town of Newport****North Main Street – Sewer Feasibility Study Project (Expansion)**

Total project cost: \$312,500

Sullivan County; population 6,299

**Project Summary**

Assess the feasibility and design of expanding its sewer infrastructure to support future housing development.

**Timeline**

Project start: May 2025

- Feasibility study and site assessment: June – September 2025
- Project completion: June 2026

**Housing Impact**

The study will create a roadmap for infrastructure development that lowers costs for developers, facilitates new housing projects, and meets the needs of a growing workforce.

**City of Rochester****Nutter Woods – New Sewer & Water Project**

**Total Project Cost:** \$548,000

Strafford County; population of 43,976

**Project Summary**

Replace existing sewer and water mains at McKinley St. required for new development

**Timeline**

Completion: Spring 2026

**Housing Impact**

- Construction of 120 one-bedroom senior living apartments within four buildings
- Upgrades promote and sustain future residential development in the downtown district

**Town of Salem****Brady Avenue – Water New/Upgrade/Expansion Project**

**Total Project Costs:** \$3,506,000

Rockingham County; population 30,089

**Project Summary**

Water project to improve water quality conditions and water supply capabilities at Brady Avenue

**Timeline**

- Design: August 2024 - January 2025

- Project bidding: January - March 2025
- Water main construction: May 2025 - May 2026

### **Housing Impact**

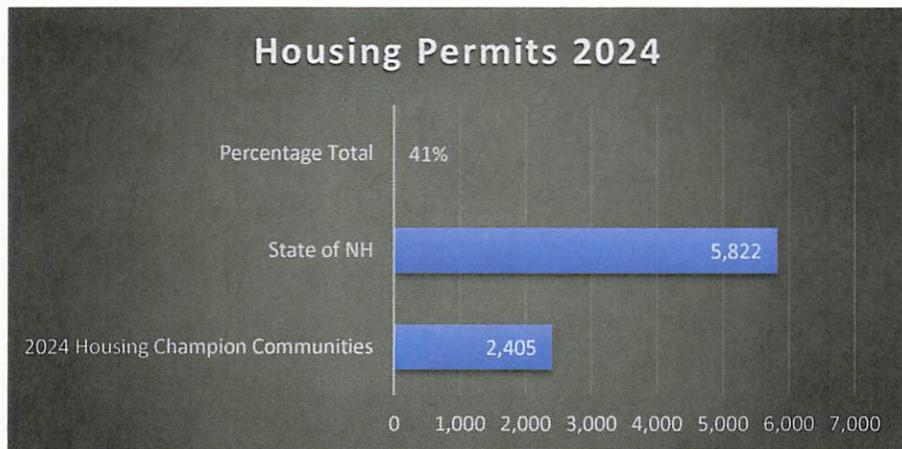
This will benefit a 10-unit single family open space development and redevelopment of the golf course to yield 50-75 residential units.

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### **Housing Readiness Indicators**

In 2024, Housing Champion communities permitted **2,405 housing units**, reflecting the relationship between regulatory readiness, infrastructure capacity, and housing activity in participating municipalities.

<b>Communities</b>	<b>Units</b>
Boscawen	35
Concord	147
Derry	155
Dover	500
Enfield	9
Farmington	11
Hinsdale	6
Hooksett	30
Jaffrey	15
Keene	15
Lebanon	218
Manchester	364
Nashua	159
Newport	26
Portsmouth	249
Rochester	266
Salem	40
Somersworth	160
<b>Total</b>	<b>2405</b>




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#### **Housing Champion Designation – Round Two release**

##### **Application Timeline**

- Applications opened: April 15, 2025
- Applications closed: May 31, 2025
- Review: In progress
- Awards: Anticipated fall 2025

##### **Application Activity**

Activity	Communities
Opened Applications	12
Submitted Applications	11
Completed Applications	11

Applications under review using criteria established in rule (Bea 504) for designation in the fall 2025.

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##### **Looking Ahead**

The Housing Champion Program expansion continues with additional application rounds and ongoing technical assistance.

Future priorities include:

- Increasing geographic participation statewide

- Aligning State infrastructure investment with emerging housing markets
- Strengthening local planning capacity
- Leveraging municipal reform to attract private housing investment

The program demonstrates that coordinated state and local action can improve housing conditions while preserving municipal autonomy and planning integrity

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## Conclusion

The Housing Champion Designation and Grant Program provides a structured, results-oriented approach to housing readiness in New Hampshire. By pairing regulatory reform with infrastructure investment and production incentives, the program supports municipalities responding to workforce housing demand in ways consistent with local character and long-term economic development goals.

The program's success stems from its ability to lower development costs, encourage infrastructure investment, and create new housing options for workers. This increase in workforce housing not only helps meet current labor needs but also strengthens local economies by attracting and retaining businesses creating a more robust workforce. Additionally, it ensures that future generations who want to live and work in New Hampshire will have access to affordable housing.

The first year of implementation shows measurable progress in policy modernization, infrastructure capacity, and housing production across diverse communities statewide.