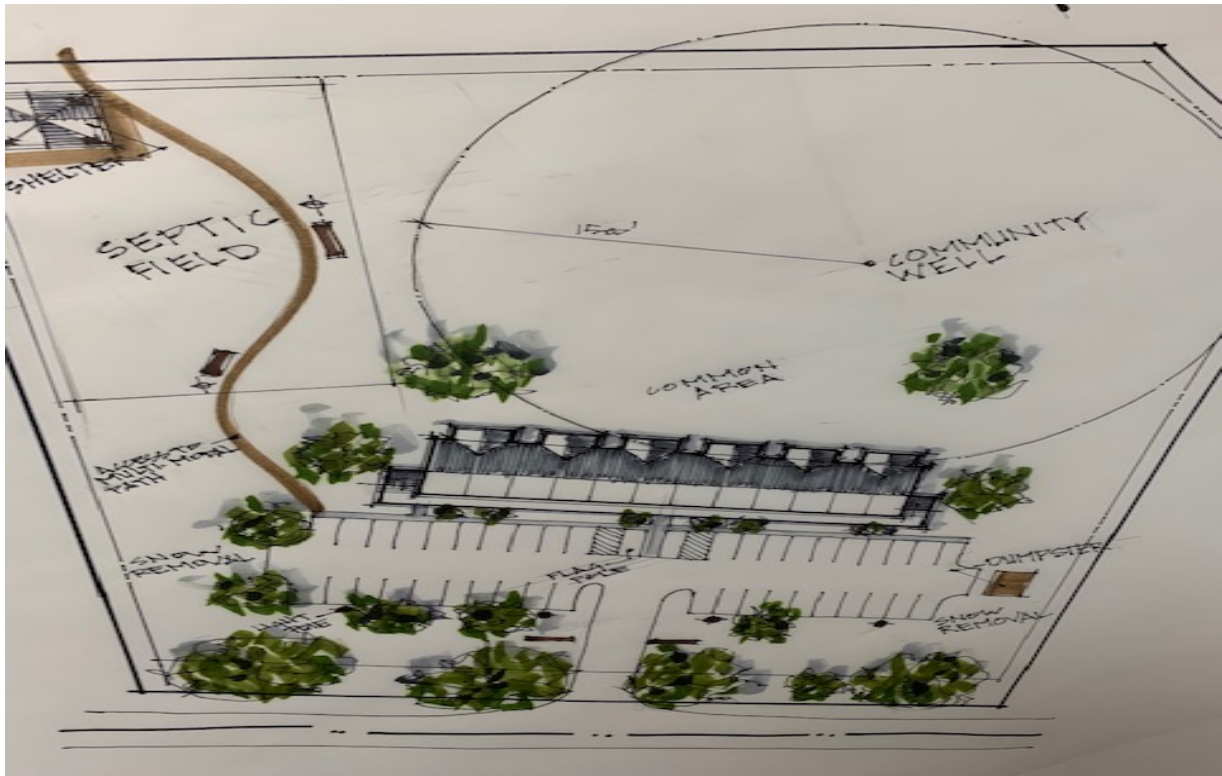


# MWV WORKFORCE HOUSING 2019 DESIGN CHARRETTE REPORT



*Building a Strong Foundation and Strengthening  
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The 2019 MWV Design Charrette was made possible by a grant from the National Association of Realtors and the generous support of our sponsors: Bank of NH, Northway Bank, Settlers Green Outlet Village Plus, The Memorial Hospital/Maine Health, Cormack Construction, Leone McDonnell and Roberts, Coldwell Banker Wright Realty, Pinkham Real Estate, Attitash Mountain Resort, Lupine Pet, HEB Engineers, Alpine Title, Gamwell Caputo & Kelsch, Hastings Malia and Great Bridge Properties

This guidebook was developed by the Mt. Washington Valley Workforce Housing Design Charrette Steering Committee. For more information about the MWV Workforce Housing Design Charrette or the Mt. Washington Valley Housing Coalition, please contact Victoria Laracy at [vlaracy@mwvhc.org](mailto:vlaracy@mwvhc.org) or visit our website at [www.mwvhc.org](http://www.mwvhc.org)

For more information about the White Mountain Board of Realtors please contact: Anne Merrow at [anne@whitemountainboard.com](mailto:anne@whitemountainboard.com)

## MWV Workforce Housing Design Charrette Steering Committee

**Kerri Richards:** Coldwell Banker Wright Realty, MWV Housing Coalition

**Theresa Bernhardt:** Keller Williams Realty, WMBR

**Earl Sires:** MWV Housing Coalition, Pinkham Vacation Rentals

**Victoria Laracy:** MWV Housing Coalition

**Lee Ann O'Hara:** Verani Realty, WMBR

**Joe Mori:** Keller Williams Realty

**Greydon Turner:** Pinkham Real Estate, WMBR



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# Charrette Design Team

## Former Conway Recreation Property | Center Conway, NH

**Michael Couture:** Designer Architect North Conway, NH

**Josh McAllister:** HEB Engineers, North Conway NH

**Gordan Cormack:** Cormack Construction, Madison, NH

**Claude Pigeon:** retired builder/project manager, Berlin, NH

**Ed Harrigan:** Northway Bank

**Allen Gould:** TD Bank

**Greydon Turner:** Pinkham Real Estate, North Conway NH

**Theresa Bernhardt:** Keller Williams Realty, North Conway NH

**Mary Carey Seavey:** Conway Selectman, Conway NH



Members of the 2019 Charrette Design Team - Pictured from left to right: Victoria Laracy, Gordon Cormack, Mary Seavey, Michael Couture, Ed Harrigan, Theresa Bernhardt, Dan Luchetti, Josh McAllister, Joe Mori, and Allen Gould. Photo credit Meghan Moody of HEB



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## Charrette Mission and Process

The MWV Workforce Housing Design Charrettes are dedicated to transforming the way people work together by broadening community's capacity for collaboration. Each charrette is a hypothetical thought exercise that harnesses the talents and energies of volunteer architects, engineers, and other housing industry professionals. The charrette process relies on the realistic challenges presented by a real site, but allows the community and volunteers to ask "what if?". We ask community members to describe their vision for the property and our volunteers to bring these ideas to life. The charrette process is intended to be catalyst, helping host communities identify and change local land-use regulations that aren't conducive to the development of financially feasible workforce housing. Volunteers are encouraged to push the community's existing land-use regulations and present a design that will inspire change.

The lack of an adequate and balanced supply of housing poses a threat to the regions economic health. Addressing this issue requires that a broad range of individuals, organizations, and public officials become engaged in efforts to change attitudes toward housing development, and to identify and amend local land-use regulations in order to better facilitate the development of financially feasible workforce housing. For two days, planners, architects, engineers, developers, bankers, business leaders, elected officials, property owners, and community members join forces to cooperatively discuss creative plans for solutions around workforce housing.





## Workforce Housing Overview

Workforce housing is a term that is used to describe a broad range of owner occupied and rental housing that is affordable to the individuals and families that represent a majority of a diverse workforce. New Hampshire statute R.S.A. 674:58, "...housing which is intended for sale and which is affordable to a household with an income of no more than 100 percent of the median income for a 4-person household...(or) rental housing which is affordable to a household with an income of no more than 60 percent of the median income for a 3-person household..."

Workforce housing is permanent, quality housing intended as a primary year-round residence, and is available to households regardless of age. Options that are affordable to moderate- and low- income households include single or multi family homes, townhouses, condominiums, and apartments. Workforce housing is based on good design and minimal impact. The housing includes small, mixed income developments that are distributed throughout a town. Developments in suburban settings are clustered to leave areas of open space is much more efficient and attractive.

A healthy and vibrant community with strong ecosystems is filled with all generations of the workforce: young professionals to empty-nesters. The face of the workforce often includes healthcare workers, teachers, firefighters, hospitality and skilled laborers. These workers provide the benefits and services we associate with a desirable place to live. Ensuring that there are housing options available to provide the opportunity for them to establish roots and become part of the community where they work will create healthy social, cultural and economic systems.





# Our Community



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## ***Community comments:***

*Q1: Will the current building be able to be renovated for housing?*

**Answer:** No. The original building is a very old building that carries with it the concerns of asbestos and lead paint. The newer structure sits in the middle of the property, making construction of affordable housing difficult.

*Comment: Our community is aging. I would like to see more a universal design for housing on this property with 2 plus bedrooms and focused on multigenerational.*

*Comment: Since it is a commercial property it would be nice to have a daycare, store, restaurant or coffee shop on the property. Might bring some life to this section of town.*

*Q2: Will these be houses, apartments or townhouses. For sale or rental?*

**Answer:** While there is a great need for both affordable homes for rent and purchase, this exercise is designed to attract the free market to help solve housing issues. With past Charrettes we have recognized that it is often very difficult to attract a developer to construct rental property that doesn't come with some type of subsidy.

*Comment: It would be great to incorporate solar into this project and a community garden.*

*Q3: How do you change zoning?*

**Answer:** The zoning ordinances changes are accomplished by passing articles at town meeting. The best way to get an article passed is to work with the planning board because it is the entity charged with ensuring that the zoning ordinance meets the needs of the community.





# **Design Day**

## **MWV Tech Center, October 22, 2019**

### **9 a.m. – 4p.m.**

#### **PRESENT:**

Theresa Bernhardt, Gordon Cormack, Mike Couture, Ava Frechette, Alan Gould, Ed Harrigan, Tom Irving, Theresa Kennett, Victoria Laracy, Dan Lucchetti, Josh McAllister, Joe Mori, Claude Pigeon, Kerrie Richards, Mary Seavey, Greydon Turner

Local regulations can be a major obstacle for developing affordable housing. Lot size, set backs, and road requirements increase the cost of development to such a degree that the urgent need often goes unanswered.

#### **DESIGN-DAY GOAL:**

To host an intensive workforce housing design session to address workforce housing development using a subject site with the potential for re-use, revitalization, and land development (right sized rural).

#### **PROJECT OBJECTIVES:**

- Test the financial feasibility of workforce housing design concepts on an identified site.
- Highlight potential barriers to affordable housing.
- Identify possible ways to overcome barriers so that the free market sees the development of affordable housing as an attractive investment.

Designs can test local zoning constraints on density, set backs, etc. because the voters control local zoning ordinance, however, State of NH standards must be followed.

#### **SUBJECT SITE:**

Conway Recreation Center in Center Conway (Old Pine Tree Elementary School)



## **SITE DESCRIPTION:**

Josh McAllister, Team Leader, defined the site:

- 4.3 acres with a building, constructed in 1901 and an addition constructed in 1977.
- Serviced by private water and septic. The water was shut off last year because of contamination coming from pipes in the building.
- Given the age of existing infrastructure, the assumption is that a new well and septic installations will be part of any new use of the property.
- The interior of the original building (constructed in 1901) is a very old wooden structure and carries with it concerns about asbestos and lead paint. The addition consists of a gym constructed in 1977.

## **CURRENT ZONING STANDARDS:**

LOCAL:

- The local (Town of Conway) standard for the number of units allowed by right on the subject site is four. The local ordinance also includes a special exception, which allows construction of 34 units, provided that 9 units remain long-term rental units for 20 years. Bank financing is at odds with the exception, making it very difficult to use.

STATE:

- State standards, which are based on soils, identify the number of bedrooms that can be exist on a site verses the number of unit. The current standard allows for 34 bedrooms on the subject sites.

## **TEAM DISCUSSION #1: To Tear Down or Incorporate Existing Structure.**

The design team was in agreement that the building should be torn down at a cost estimated at \$100,000 to \$150,000. The decision was unanimous for the following reasons:

- The original structure, constructed in 1901, poses a number of hazardous issues; it has been a very sick building for a very long time. Trying to rehabilitate the building would come at a tremendous cost, and undermine affordability for any future endeavor.
- Although the gym might possibly be used for a social or commercial enterprise, it sits in the middle of the property, making construction of affordable housing very difficult.
- In order to be true to the mission of the day, it was clear that tearing the building down, in its entirety, was the most productive and cost efficient way to move forward.



## TEAM DISCUSSION #2: To Build Units for Rent or Purchase.

The design team was in agreement that the focus should be on affordable sale units for families for the following reasons:

- While every town in MWV is in dire need of both affordable homes for rent and purchase, this exercise is designed to attract the free market to help solve housing issues and it is very difficult to attract a developer to construct rental property that doesn't come with some type of subsidy.
- The purchase of home provides has a stabilizing effect on the workforce and the community.



### **TEAM DISCUSSION #3: Type of structure(s) to be built.**

The design team considered two different types of development. The first was a big box design to include several units. The second was a townhouse development with units dispersed among several buildings around the property. Although everyone was aware that constructing the former would be a much more affordable type of construction, everyone was in agreement that the team would design and then price out the latter to determine affordability.

The square foot cost of the 2-3 bedroom townhouse model was \$176 with an average unit price of \$259,000. Although an affordable price for some families, it requires an annual income of \$70,000.

The design team developed a schematic and priced out the 2-3 bedroom big box version with a square foot cost of \$100 and an average unit price of \$157,000. See the associated costs of both designs on the attached excel sheet.

The big box version was attractive to the design team because it allowed for quality affordable construction. An estimated sales price of \$157,000 with 3% (\$4710 down) results in a loan amount of \$152,290.

While the design team was successful in meeting the objective, a developer could not achieve the above scenario because zoning regulations will not allow it. If and when zoning is aligned with community needs, affordable housing will become a profitable business opportunity, homeownership rates will increase, and the regional workforce will become more stable.



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## *Townhouse Design*



## *Big Box Design*





## CHARRETTE DESIGN COST ANALYSIS

<b>DESIGN &amp; PERMITTING</b>	<b>BIG BOX DESIGN</b>	<b>TOWNHOUSE DESIGN</b>
Survey Existing Features	\$ 15,000.00	\$ 15,000.00
Schematic Design	\$ 5,000.00	\$ 5,000.00
ZBA Permitting	\$ 3,000.00	\$ 3,000.00
Design Engin.	\$ 15,000.00	\$ 25,000.00
Design Archit	\$ 5,000.00	\$ 10,000.00
TOC Sub DV/Site Plan	\$ 12,000.00	\$ 12,000.00
NHDES Alteration Terrain	\$ -	\$ 12,000.00
NHDES Septic	\$ 5,000.00	\$ 5,000.00
NHDES Water	\$ 25,000.00	\$ 25,000.00
NHDES Sub Dv	\$ 5,000.00	\$ 5,000.00
NH DOT Driveway	\$ 2,000.00	\$ 2,000.00
Construction Docs:	\$ 17,500.00	\$ 35,000.00
<b>TOTAL DESIGN &amp; PERM.</b>	<b>\$ 109,500.00</b>	<b>\$ 154,000.00</b>

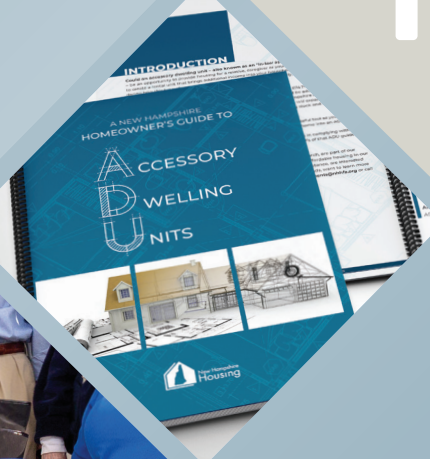
<b>TOTAL PROJECT COSTS</b>	<b>BIG BOX COST</b>	<b>TOWNHOUSE COST</b>
Design & Permitting	\$ 109,500.00	\$ 154,000.00
Acquisition	\$ 150,000.00	\$ 150,000.00
Demolition	\$ 150,000.00	\$ 150,000.00
Design/Permitting	\$ 109,500.00	\$ 154,000.00
Site Construction	\$ 430,000.00	\$ 535,000.00
Eng. Const. Admin	\$ 5,000.00	\$ 10,000.00
Arch. Const. Admin	\$ 10,000.00	\$ 10,000.00
Building Constructions	\$ 2,000,000.00	\$ 3,700,000.00
Developer Fees(20%)	\$ 570,900.00	\$ 941,800.00
<b>SUBTOTAL Commission</b>	<b>\$ 3,534,900.00</b>	<b>\$ 5,804,800.00</b>
Expense (12%)	\$ 353,490.00	\$ 580,480.00
<b>TOTAL COST</b>	<b>\$ 3,888,390.00</b>	<b>\$ 6,385,280.00</b>

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