

Workforce Housing Option for Conservation Subdivision—Rev. 1-28-11

Add this new section as Section 175-107-II contained within Article XIX, Conservation Subdivision, of the Durham Zoning Ordinance.

175-107-II Workforce Housing Option

A. Purpose

The purpose of this Section is to provide an option for including workforce housing in Conservation Subdivisions that is consistent with the requirements of RSA 674:58-61 and will:

1. provide reasonable and realistic opportunity for the development of workforce housing;
2. ensure the continued availability of a diverse supply of home ownership and rental opportunities;
3. meet the goal of providing an adequate supply of affordable housing in Durham as set forth in the town's Master Plan; and
4. address the regional need for workforce housing as documented in the Strafford Regional Planning Commission's Housing Needs Assessment, as updated.

B. Authority

This section is adopted under the authority of RSA 674:21, Innovative Land Use Controls, and is intended as an "Inclusionary Zoning" provision as defined in RSA 674:21(I)(k) and 674:21(IV)(a), as well as RSA 672:1, III-e.

C. Applicability

1. Development in accordance with the provisions of this Section is permitted as a Conditional Use in the Rural (R), Residential A (RA), Residential B (RB) and Office Research/Light Industry (ORLI) Districts as an option to Article XIX, Conservation Subdivision.
2. Permitted Uses

Single family, duplexes, multi-units not to exceed four (4) units, accessory apartments, and accessory dwelling units. A mix of housing types within the same subdivision is permitted within an application under this Section. Any housing type that exceeds more than two (2) units shall be designated as workforce housing.

D. Procedural Requirements

Any applicant, who applies to the Planning Board for approval of a development that is intended to qualify as workforce housing under this section, shall follow the same procedure as outlined in the Town of Durham Subdivision Regulations and as provided for in the *Developer's Guidance Document for Affordable Housing*, January, 2011 as updated. Any

such applicant shall also file a written statement of such intent as part of the application as per RSA 674:60.

E. Definitions: The following terms as used in this section shall have the following definitions:

1. Reasonable and Realistic Opportunities for the development of Workforce Housing: Opportunities to develop economically viable workforce housing within the framework of Durham’s municipal ordinances and regulations adopted pursuant to this chapter and consistent with RSA 672:1, III-e.
2. Workforce Conservation Subdivision: A Conservation Subdivision that provides rental or ownership housing opportunities to households based on the following standards: (1) **workforce rental housing** is defined as a housing unit that has a monthly rent not exceeding 30 percent of the gross income of a household earning no more than 60 percent of the Area Median Income for a 3-person household for the Portsmouth-Rochester Fair Market Rent Area as published annually by the United States Department of Housing and Urban Development consistent with RSA 674:58 II; (2) **workforce ownership housing** is defined as housing that can be purchased at a price, including the combination of mortgage loan debt service, property taxes and insurance, that does not exceed 30 percent of the gross income of a household earning no more than 100 percent of the Area Median Income for a 4-person household for the Portsmouth-Rochester Fair Market Rent Area as published annually by the United States Department of Housing and Urban Development consistent with RSA 674:58 II.
3. Area Median Income (AMI): the median income of the greater region, the HUD Fair Market Rent Area to which Durham belongs, as is established and updated annually by the US Department of Housing and Urban Development. Income considers both wage income and assets.

F. Density Incentive

Any Conservation Subdivision that seeks to include workforce housing shall be permitted to increase the number of market units by 20% above the Maximum Development Density as calculated per Section 175-107: II E (2) and that will guarantee an additional 20% of units above the Maximum Development Density to be designated as workforce housing.

G. General Requirements of Workforce Housing Units

1. The workforce housing units should be interspersed to the greatest extent possible throughout the overall development and not concentrated in a separate area of the Subdivision.
2. Phasing—The phasing plan for the development shall provide for the construction of workforce housing units concurrently with the market-rate units.
3. More than fifty percent of the workforce housing units in the development shall contain two or more bedrooms.

4. The subdivision plan must also adhere to the standards outlined in Section H and satisfactorily meet the following criteria:
 - a. The dwellings qualifying as workforce housing shall be compatible in exterior appearance and reasonably consistent with the market rate dwellings in the proposed Subdivision.
 - b. Incorporate the equivalent of the Energy Star rating in all building designs.
5. Alternative Lot Sizing: The Planning Board may authorize variations from the minimum lot sizes and lot dimensions specified by standards of the underlying zone through the Conditional Use Permit, provided the Planning Board determines that the following conditions are met:
 - a. All lots comply with the New Hampshire Department of Environmental Services requirements (RSA 485: A) for subsurface wastewater management (developments may utilize individual or community wells and/or septic systems) and private water wells within the decreased lot size; and
 - b. The objectives and standards of this article and the Subdivision Regulations are otherwise achieved.

H. Assurance of Affordability

1. Certification of Income Levels

All of the workforce housing units gained under this provision must meet the affordability requirements for workforce housing in Paragraph E (2) of this Section.

2. Assurance of Continued Affordability

Workforce ownership housing units must retain the development criteria and affordability standards herein for a minimum period of thirty (30) years through a suitable deed restriction, easement and/or mortgage deed instrument deemed acceptable to the Durham Planning Board and as monitored through reports provided to the Durham Planning Board by the a selected third-party agent prior to the time of unit sale or resale.

K. Administration

This Section shall be administered by the Planning Board in cooperation with a third party property management entity that will be responsible for income verification and ongoing affordability compliance.

L. Conflict

If any provision of this Section is in conflict with the provisions of any other provisions of this ordinance, the more restrictive provision shall apply, except for any provision relating to reductions in standards for lot size, setbacks, or density, in which case the provisions of this Section shall apply.