# HB 215-FN-LOCAL - AS INTRODUCED

## 2013 SESSION

13-0018 06/10

HOUSE BILL 215-FN-LOCAL

AN ACT relative to workforce housing and the definition of community.

SPONSORS: Rep. Flanagan, Hills 26; Rep. Jasper, Hills 37; Rep. Burt, Hills 6; Rep. Baldasaro,

Rock 5; Rep. Roberts, Ches 4; Sen. Carson, Dist 14

COMMITTEE: Municipal and County Government

### **ANALYSIS**

This bill requires municipalities that adopt land use ordinances to allocate no less than 5 percent of their dwelling units to workforce housing and defines "community" for purposes of planning and zoning laws.

.....

Explanation: Matter added to current law appears in **bold italics**.

Matter removed from current law appears [in brackets and struckthrough.]

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

### STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT relative to workforce housing and the definition of community.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 Workforce Housing Opportunities. Amend RSA 674:59, I to read as follows:
- I. In every municipality that exercises the power to adopt land use ordinances and regulations, such ordinances and regulations shall provide reasonable and realistic opportunities for the development of workforce housing, including rental multi-family housing. No less than 5 percent of the dwelling units in the municipality shall be allocated as workforce housing. In order to provide such opportunities, lot size and overall density requirements for workforce housing shall be reasonable. A municipality that adopts land use ordinances and regulations shall allow workforce housing to be located in a majority, but not necessarily all, of the land area that is zoned to permit residential uses within the municipality. Such a municipality shall have the discretion to determine what land areas are appropriate to meet this obligation. This obligation may be satisfied by the adoption of inclusionary zoning as defined in RSA 674:21, IV(a). This paragraph shall not be construed to require a municipality to allow for the development of multifamily housing in a majority of its land zoned to permit residential uses.
  - 2 Procedure. Amend RSA 674:60, IV to read as follows:
- IV. A municipality [may] shall require that an applicant record restrictive covenants acceptable to the land use board that the workforce housing may not be rented to or sold to any household whose income is greater than that specified in RSA 674:58, IV. The covenant shall be for the term specified in the regulations of the land use board. The municipality may adopt regulations to insure compliance with the covenants, which regulations may include requirements for the monitoring of the project by the municipality or by a suitable third party agency qualified to carry out such requirements, including but not limited to requiring the production of annual income verification for renters and non-owner occupiers. The land use board may consider the existence of recorded covenants or income qualification and occupancy criteria as satisfying the purpose of this paragraph if such covenants or criteria are administered by a state or federal entity.
- 3 New Section; Planning and Zoning; Words and Phrases Defined; Community. Amend RSA 672 by inserting after section 3 the following new section:
  - 672:3-a Community. "Community" means the area within the boundaries of any municipality.
  - 4 Effective Date. This act shall take effect 60 days after its passage.

## HB 215-FN-LOCAL - FISCAL NOTE

AN ACT

relative to workforce housing and the definition of community.

# FISCAL IMPACT:

The New Hampshire Municipal Association states this bill, <u>as introduced</u>, will have an indeterminable impact on local revenues and expenditures in FY 2013 and each year thereafter. There is no fiscal impact on state and county revenues or expenditures.

## **METHODOLOGY:**

The New Hampshire Municipal Association states this bill amends municipal land use planning statutes to require that "no less than 5 percent of the dwelling units in the municipality shall be allocated as workforce housing." The Association states it is unsure how the requirement is to be achieved, since it is cannot determine how a municipality would control the number of housing units that qualify as workforce housing. For this reason, the Association states the bill will have an indeterminable impact on municipal revenues and expenditures. The Association also states the bill requires municipalities to require restrictive covenants ensuring that approved workforce housing developments will continue to qualify as workforce housing. The Association states it does not expect this change to impact municipal revenues or expenditures.