

**Hollis Planning Board
Workforce Housing Administration, Compliance and Monitoring Rules:
Assurance of Continued Affordability
Adopted – July 16, 2019**

Amendment – Sept. 17, 2019

Providing opportunities for workforce housing is mandatory under the statutory provisions of RSA 674:58 – 61. As such, the Hollis Planning Board has adopted these Administrative Rules to govern such developments. All Workforce Housing Units must comply with the provisions of the Town Of Hollis's Workforce Housing Zoning Ordinance, Section XVIII (the "Workforce Housing Ordinance"), the Conditional Use Permit Criteria detailed therein, and all other relevant subsections. As outlined in H, all workforce housing projects shall provide assurances of continued affordability as follows: *In order to qualify as workforce housing under this section, the application shall make a binding commitment that the workforce housing units will remain affordable for a period of years. This shall be enforced through a deed restriction, restrictive covenant, or some other contractual arrangement through a local, state or federal housing authority or other non-profit housing trust or agency selected by the Planning Board to administer this provision. No workforce housing unit shall be occupied until written confirmation of the income eligibility of the tenant or buyer of the unit has been documented and all required legal documents outlined in the administrative rules have been completed and recorded.*

The following administrative rules of the Planning Board shall detail the parameters to enforce this binding commitment.

1. Each workforce housing lot or dwelling unit in a subdivision, multi-family residential development, mixed use residential development, or any other workforce housing approval as authorized under the Workforce Housing Ordinance shall remain affordable, as defined in RSA 674:58-61, for a period of not less than 30 years.
2. The Planning Board has the authority to review and amend any proposed workforce housing restrictive covenant/restriction to ensure the Purpose of the Workforce Housing Ordinance is upheld. If a covenant/restriction is amended after recording, the Planning Board shall have the ability to review any such amendment to ensure compatibility with the Workforce Housing Ordinance.

A. For-Sale Owner Occupied Workforce Housing:

1. No Certificate of Occupancy shall be issued for a Workforce Housing unit without written confirmation of the income eligibility of the household and the selling price of the Workforce Housing unit. The Workforce Housing Unit shall be the owner's primary address. The selling price shall be documented by (1) an executed purchase and sale agreement, along with any amendments to the agreement, and (2) a deed recorded in accordance with the terms of the executed purchase and sale agreement. Income eligibility of the household shall be certified by a qualified third-party entity with expertise in determining the eligibility of the prospective owners to purchase Workforce Housing, and provided to the Town in the form of an affidavit of compliance, executed by the third party entity, prior to closing on the unit. The workforce housing income criteria specified in RSA 674:58 IV, may be modified by the Board should economic conditions exist that create a barrier to the sale of a workforce force housing unit. Such economic conditions may include the inability to sell the unit (over 120 days on the market for a price point consistent with the workforce housing statute), a recession (as determined by the Federal Reserve) impacting the region, or other reasons deemed acceptable to the Planning Board.

2. There shall be a limitation on the resale price of an affordable housing unit consistent with the definitions of Workforce Housing and Affordable as outlined in definition section of RSA 674:58 (Workforce Housing) and in every transfer of the unit's ownership. A restriction of resale to an income-eligible household is required by means of legally enforceable deed restrictions, restrictive covenants, contractual arrangements established to meet these continued affordability requirements, or other suitable methods specified in a legally enforceable document, applicable to the development and to each affordable dwelling unit, found by the Planning Board to be appropriate and effective for ensuring such affordability, and recorded with the Hillsborough County Registry of Deeds. For each sale or re-sale of a Workforce unit, the deed shall reflect submission of an affidavit of compliance from the third-party entity to the Town certifying income eligibility and qualifying selling price. In addition, the covenants and restrictions shall clearly note the prohibition of leasing workforce housing units, however, the Planning Board may allow for the leasing of an affordable unit if the owner presents reasonable facts justifying such action including: job relocation, an inability to sell the unit within a reasonable time period (120 days), financial difficulties or other related facts. Any such leasing shall be overseen by a third party entity to review the income eligibility of any tenant.

3. The documents specifying such legally enforceable methods shall provide that the Town of Hollis has legal rights of its own volition, or through its duly designated agent, to monitor and ensure the continuing validity of such covenant

or document and to renew or cause renewal of such covenant or document for the purpose of extending for as many times as necessary the continuing affordability of lots or dwelling units as originally approved by the Planning Board.

B. Rental Workforce Housing:

1. The property owner, successor, or assign, shall be responsible for the continued affordability of Rental Workforce Dwelling Units consistent with RSA 674:58-61 and aforementioned covenants and documents. Annual reports shall be submitted to the Planning Board by December 31st of each year, certified by the owner or a qualified third-party entity, that all occupants of workforce housing units meet maximum income guidelines. Leases may be renewed if all other requirements are met, but a single lease term shall not exceed one year. Tenants whose income should increase to a point where they exceed workforce housing income limitations shall be able to remain in the unit until their existing lease expires.
2. Annual rent increases for Workforce Housing units shall not exceed the amount calculated based on any increase in Area Median Income as reported by the US Department of Housing and Urban Development, the New Hampshire Housing Finance Authority and as outlined in RSA 674:58-61.
3. Those applicants who wish to own workforce housing rental units shall be provided with an affordable unit development covenant to use as a guide in developing a rental covenant document.
4. Rental workforce housing affordable covenants shall remain in place for at least 30 years.

These Rules may be waived, for good cause, by the Planning Board.

The attached affordable housing restrictive covenant is an example of typical language the Planning Board finds acceptable for owner occupied properties.

Approved by the Hollis Planning Board, this day September 17, 2019.