

E. INCENTIVES:

In order to achieve the purpose of the IIHO, an applicant may propose to incorporate any of the following restrictions and amenities which have been determined to be desirable to the Town in accord with the Amherst Master Plan.

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Restrictions/Amenities		Add to
Demographics		
	Senior	15%
	55+	15%
	65+	30%
	Income Restricted Housing - See Section 4.16	
Housing type		
	Attached Housing	10%
Unit Type		
	Single Floor Unit	10%
	Handicap Accessible (ADA compliant)	15%
Unit size -Bedrooms		
	0 Bedroom (Studio)	10%
	1 Bedroom	15%
	2 Bedrooms	10%
Amenities		
	Walkability (Internal sidewalks, footpaths)	10%
	Improved Access to Public Places	10%
	Community Space Open to Public	25%
	Community Space Restricted to Residents	10%
	Open Space under Restrictive Covenant	20%
	Open Space Improved & Open to Public	15%
	Open Space Improved Non-Public	10%
Type of		
	Rental (deed restricted)	30%
Redevelopment of existing structures		
	Where feasible with parking/septic/water	400%
Voluntary Public Infrastructure		
	Utilities Betterments	10%
	Public Way Betterments	10%

Insert in Article IX Section 9.1 Definitions:

Amenities (Within the Integrated Innovative Housing Ordinance)

Community Space Public: indoor (clubhouse, meeting room) or outdoor (garden, park, trail-network) space which is available to the public, subject to acceptance by the Planning Board and Board of Selectmen.

Community Space Restricted: same as above but restricted to use by residents of the development

Improved Access to Public Places: footpaths or sidewalks connecting to local sidewalk networks/community spaces, access to transportation services, or a fair share contribution determined by rational nexus evaluation to improve access to public places.

Open Space - Improved & Accessible to Public: park, ball field, court, playground, or similar facility open to public use, subject to acceptance by the Planning Board and Board of Selectmen.

Open Space - Improved Non-Public: same as above but restricted to use by residents of the development

Open Space under Restrictive Covenant: Conservation/agricultural Land, "unimproved" open space. May be under easement/deed restriction to third party or town.

Public Infrastructure Betterment – Improvements to infrastructure including off-site access improvements, bicycle lanes, extension of public utility infrastructure or other improvements beyond those required to meet minimum NRSP criteria, or an in lieu contribution determined by rational nexus evaluation to improve public infrastructure.

Redevelopment – Conversion of an existing structure into housing units or mixed use (where permitted).

Walkability Internal (sidewalks, footpaths): infrastructure designed to enable and encourage residents to walk from place to place within the development.

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application of such general or specific standards causes the project to be economically infeasible to construct and,

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v. The project design is such that it complies with all applicable standards related to environmental protection, water supply, sanitary disposal, traffic safety, and fire, and life safety protection; and,

vi. The applicant has provided a suitable mechanism to ensure that the proposed housing stock as constructed will be available to persons of the target income group for a period not less than twenty-five (25) years.

d. The Planning Board may withdraw any regulatory allowances including lot size, density, setback, and other zoning or regulatory allowances for Workforce Housing before final Site Plan approval upon its determination that revocation of its voluntary measures is reasonable due to the following:

- i. A material reduction in project cost that renders the basis for density or other allowances granted to promote Economic Viability are unwarranted;
- ii. Fraud, misrepresentation of facts, or other deliberate actions that abuse or violate the intent of this ordinance;

e. Projects that are to be constructed in a phased manner shall include construction of a proportional mix of units and amenities upon which allowances were based.

f. Expiration of provision shall occur subject to the following:

- i. Any failure to implement development of a Workforce Housing project following site plan approval within a time frame set and approved by the Planning Board;
- ii. Any failure to complete a Workforce Housing project within a timeframe set and approved by the Planning Board.

H. RULES AND REGULATIONS. The Planning Board may adopt appropriate rules and regulations to implement the review process contemplated hereunder. Such rules shall provide for the developer and subsequent owners to restrict the sale or lease of the units through appropriate recorded covenants to those who qualify, pursuant to the definition of affordable housing contained in this Ordinance.

Existing housing units previously designated as "Affordable Housing" units that do not have appropriate recorded covenants may elect to present to the Zoning Administrator appropriate covenants, to be approved by Planning Board, in exchange for a written waiver that allows such existing residential units to legally exceed the previously mandated 1,300 SF size limitation.

I. DEFINITIONS. "Workforce Housing," as used in this ordinance, shall constitute qualifying housing, which is for sale or lease, and is affordable.

1. "Affordable" in this context, for purposes of housing intended for sale, shall mean:

a. Housing for sale with combined mortgage loan debt services, property taxes, and required insurance shall not exceed thirty percent (30%) of household gross annual income;

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i. Such annual gross income for homebuyers shall be no more than one hundred percent (100%) of the median income for a four (4) person household for the metropolitan area or county in which the housing is located as published annually by the United States Department of Housing and Urban Development or as otherwise modified by state or federal law. (3-11-14).

b. For purposes of housing intended for lease, means housing with combined rental and utility costs that do not exceed thirty percent (30%) of household gross annual income;

i. Such annual gross income for rental housing shall be no more than sixty percent (60%) of the median income for a three (3) person household for the metropolitan area or county in which the housing is located as published annually by the United States Department of Housing and Urban Development or as otherwise modified by state or federal law. (3-11-14).

4. "Workforce Housing" may include "Affordable" housing as defined above, but shall not include housing developments that exclude minor children from more than twenty percent (20%) of the units, or in which more than fifty percent (50%) of the dwelling units have fewer than two (2) bedrooms, shall not constitute workforce housing for the purposes of this subdivision, unless the WFH development incorporates elderly housing in accordance with section 4.xx. "Workforce Housing" shall also include "multi-family housing," as that term is defined in RSA 674:58, (II), (as amended) which means a building or structure containing five (5) or more dwelling units, each designed for occupancy by an individual household.

"Economic Viability" is the cost-benefit relationship of an economic endeavor expressed as an Annualized Return on Investment (ROI). An Annualized ROI shall be the sole measure of Economic Viability.

Application approvals *without* "Phasing Term" shall employ the Simplified Annual ROI expressed formulaically as follows:

$$\text{Simple Annual ROI} = \left\{ \frac{\text{"Market Value" of "Completed Project"}}{\text{Total Cost of "Completed Project"}} \right\} - 1$$

Application approvals *with* a "Phasing Term" shall employ the Compound Annual ROI expressed formulaically as follows:

$$\text{Compounded Annual ROI} = \frac{\text{ROI}}{\text{Phasing Factor}}$$

Where:

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$$\text{ROI} = \left\{ \frac{\text{"Market Value" of "Completed Project"}}{\text{Total Cost of "Completed Project"}} \right\}$$

$$\text{Phasing Factor} = \left\{ \frac{\text{"Market Value" of "Completed Project"}}{\text{"Completed Project" Total Cost}} \right\}^{\left(\frac{1}{\text{Phasing Term}} \right)} - 1$$

The applicant shall validate to the Planning Board at the time of application that the project ROI is consistent with and proportional to the median Annualized ROI of competing and comparable properties regionally. Market analysis shall include appropriate economic adjustments for land characteristics, location, time, market conditions and other relevant project factors. The applicant shall document and present actual or projected cost of production to include, but not be limited to the true cost of land, labor, material, capital, coordination, entrepreneurial risk, and restrictiveness of covenants necessary under this ordinance.

Economic Viability shall be further subject to the following limitations by project type:

- a. One-to-four family Workforce Housing units per structure, or multifamily Workforce Housing consisting of five (5) or more units per building within projects having 24 units or less that are available for rental or sale:
 - i. The analysis shall, irrespective of the number of structures that are for sale and/or rental, treats rental units as condominium units available for sale within one year of project completion and are subject to phasing.
 - ii. The applicant shall derive and support the requisite Annualized ROI and may, as an alternative to a "real estate appraisal report", demonstrate and support an opinion of "Market Value" through "Market Analysis" together with a "Feasibility Analysis," "Cash Flow Analysis," and/or "Investment Analysis;"
 - iii. The applicant shall provide and present quality market-derived project information of sufficient quantity, which is relevant, reliable, timely, and verifiable, in a format that is suitable and useful for Planning Board determinations.
- b. Multifamily Workforce Housing consisting of five (5) or more units per building within projects having 25 units or more, having both residential rental units or residential units for sale with or without commercial suites for rent or sale, shall support the requisite Annualized ROI with a "real estate appraisal report" as defined in RSA 310-B: 2, II, as amended.
 - i. The applicant shall derive and support the project's requisite "Market Value" by at least one or by several of the following valuation models:
 - 1. Direct Sale Comparison method;
 - 2. Cost-of-Development method, or;
 - 3. Direct Capitalization of Net Operating Income method;

Updated Continuously

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