

MEMORANDUM

Date: January 13, 2011, REV. 1/28/11

To: Jim Campbell, Director of Planning and Community Development
Durham Workforce Housing Committee

From: Jack Mettee, AICP
Mettee Planning Consultants

Re: Workforce Housing Program

At Present, Durham does not provided adequate opportunity for Workforce Housing

Over the past 8 months, the Workforce Housing Committee has considered the issue of workforce housing in Durham, and an approach to including amendments to the Zoning Ordinance (ZO) to provide incentives to develop such housing. As part of this discussion, we addressed the following issues:

- Durham's current housing situation with respect to providing a "reasonable and realistic" opportunity for workforce housing both from a local and regional perspective;
- Impact of potential student demand for workforce housing;
- The suitability of Durham's existing ZO to provide opportunity for workforce housing; and
- Potential locations within Durham for such housing.

In brief, we discovered that Durham's housing was not meeting either the local or regional needs for workforce housing, that dependent students would not likely be an issue since they could not meet income qualifications for workforce housing, that Durham's ZO did not provide opportunity for workforce housing and there were limited zones for such housing to be logically considered, especially for owner-occupied workforce housing.

Durham Has Limited Options for Providing Reasonable and Realistic Opportunities for Unsubsidized Workforce Housing

Durham does allow for limited multi-family uses and accessory apartments and dwelling units, which can address, in part, the need for workforce housing. However, these provisions are not enough to meet Durham's regional share for workforce housing or the state's workforce housing mandate of providing a "reasonable and realistic opportunity" (RSA 674: 58-61) for workforce housing.

For the most part Durham would need to provide some or all of the following to begin to address this need:

- Smaller lot sizes
- Increased density
- Flexible Open Space/Cluster Development
- Mixed Use
- Inclusionary Zoning

Committee Focused on Inclusionary Zoning. Workforce Housing Option for the Conservation Subdivision provides a model for amending the ZO to encourage workforce housing

The Workforce Housing Committee was charged with focusing on Inclusionary Zoning as a means to encourage greater opportunity for workforce housing. Inclusionary Zoning is a zoning tool that provides an incentive within the ZO to encourage the development of workforce or affordable housing. Because much of Durham is zoned low density residential (70%), the Committee decided that the most appropriate mechanism to establish an Inclusionary Zoning provision was through the Conservation Subdivision section of the ZO. This revised section would address the above options by allowing for greater density, smaller lot sizes and reduced infrastructure costs, thereby providing a more conducive opportunity for lower cost housing. By adding a significant bonus for providing workforce housing, there might be enough of an incentive to a developer to provide such housing.

Committee Proposes Supplementary Documents—Guidance Document and Sample Restrictive Covenant

In addition, to the inclusionary provisions in the ZO, the Committee also prepared a *Developer’s Guidance Document for Workforce Housing*. The purpose of this document is to provide additional guidance to developers interested in developing workforce housing. It includes information on:

- Application procedures for both the developer and the Planning Board
- Rules and requirements for ensuring affordability for designated workforce housing units, including assurance of long-term affordability
- Compliance and monitoring
- Affordable housing design

See the attached Developer’s Guidance Document for Workforce Housing.

The Committee realized that in order to maintain certain units as workforce units for an extended period, it would be necessary to have a Restrictive Covenant attached to the deed of ownership. To provide further information and insights on the legal aspects of maintaining workforce housing, the Committee prepared a sample restrictive covenant that deals with issues such as subletting, resale, etc.

See the attached sample Restrictive Covenant.

Committee Suggests Reconsideration of Conservation Subdivision and Wetland Overlay District Standards

Finally the Committee realized that the current Conservation Subdivision section in the ZO is relatively restrictive with respect to a market-rate subdivision, notwithstanding the potential for a subdivision with workforce housing. The Committee noted that the following provisions relating to the Conservation Subdivision section should be re-evaluated, if the town were to be realistic about providing workforce housing within this section of the ZO.

- The Usable Area Calculation to determine the amount of open space
- Better definition of what can constitute open space (e.g. wetlands, steep slopes, floodplains, etc.)
- The maximum area for structures within the open space
- The configuration of lots (dimensional requirements) to allow them to “fit” the landscape

Other considerations for the Conservation Subdivision:

- Reconsider the minimum size of a subdivision—now just more than 3 lots.
- Better define protected open space (and its uses) and a provision of a separate common area open space (and its uses) for community activities
- Identify the three possible ownership/easement options for open space—town, homeowners association or third party conservation group
- Consider design guidelines to minimize environmental/design impact and encourage energy efficiency.

Further, the Committee suggested reconsideration of certain provisions of the Wetland Conservation Overlay District, such as the inclusion of somewhat poorly-drained soils and the freshwater wetland setbacks in the Rural (R) Zone especially, if those setbacks are from moderately well-drained soils.

Finally, the Committee considered the establishment of a Durham Housing Commission as per RSA 673: 4-c. Such a Commission should be considered to assist in the development of a broad range of housing and address housing issues within Durham, including workforce housing.