



New Hampshire Department of
BUSINESS AND
ECONOMIC AFFAIRS

Housing Champion Designation Program Guidance

Program Overview

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Program Overview

CATEGORY	CRITERIA
Program Goal	This program will provide and encourage municipalities to become Housing Champions (HC), which enables communities to access additional funding opportunities that support the development of affordable housing.
Specific Need Addressed	HC Designation applicant shall demonstrate dedication to encouraging and establishing workforce housing and other types of housing necessary for the economic development of the State.
Funding	<p>There are no direct funds associated with the Housing Champion Designation Program, however upon receipt of the Housing Champion Designation, communities are eligible to apply for grant funding for infrastructure investment supporting housing and a per-unit housing production program modeled after the Municipal Per Unit (MPU) program in the federally funded InvestNH program.</p> <p>A total of \$5,000,000 has been appropriated to these grant programs in FY24-25: \$1,500,000 for Housing Production Municipal (HPM) Grant \$3,500,000 for Housing Infrastructure Municipal (HIM) Grant</p>
Administration	This program will be administered by the Department of Business and Economic Affairs (BEA) based on an established scoring system.
Definitions	See Bea 502 of the <u>Chapter Bea 500 Housing Champion Program Rules</u> .

Program Eligibility

CATEGORY	CRITERIA
Eligibility Criteria	<p>Municipalities within the State of New Hampshire shall be eligible to apply for HC Designation.</p> <p>The applicant must achieve a minimum of eighty (80) total points. Points may be awarded in six (6) categories, with the first four (4) categories required:</p> <ul style="list-style-type: none"> • Adoption of land use regulations and ordinances (max 40 points + 15 bonus points) • Training land use board members (max 25 points + 10 bonus points) • Implementation of water and sewer infrastructure improvements (max 25 points + 5 bonus points) • Implementation of transportation and walkability infrastructure (max 10 points + 4 bonus points) • Financial incentives (max 10 points) • Other activities supporting HC (max 10 points + 10 bonus points)
<p>Qualification for Adoption of Land Use Regulations & Ordinances Max 40 Points 10 Points per Regulation</p>	<p>Municipalities incorporated under RSA 49-C or D, must demonstrate that they meet the requirements of RSA 674:59 relative to workforce housing and must have adopted at least one of the eligible land use regulations and ordinances outlined in Bea 504.05(h), which must meet the minimum standards listed in the program guidance to be eligible for the HC Designation. To receive points, a municipality must provide a copy of the relevant sections of the land use regulations and ordinances which demonstrate they have met the minimum standards.</p> <p>Municipalities which have not adopted a zoning ordinance pursuant to RSA 674:16, but do not otherwise bar the development of workforce housing, or in fact encourage it, may be deemed to have met the criteria for scoring based on adoption of land use regulations and receive the maximum score of 40 points.</p> <p>1. A workforce housing ordinance shall:</p> <ul style="list-style-type: none"> • Allow for the development of multi-family workforce housing including rental housing containing 5 or more dwelling units as defined in RSA 674:58, II as a matter of right in a majority of the land area that is zoned to permit residential uses within the municipality; • Not place requirements on minimum lot size and other dimensional requirements including height and parking requirements that are more restrictive than other types of allowed residential uses; • Contain provisions which require the workforce housing units be subject to a deed restriction as defined in Bea 502.13, requiring a long-term affordability covenant of no less than 10 years with a provision for municipal or third-party monitoring

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	<ol style="list-style-type: none"><li data-bbox="553 275 1534 558">2. An accessory dwelling unit ordinance shall:<ul style="list-style-type: none"><li data-bbox="597 310 1534 380">• Allow at least one attached ADU as a matter of right in all zoning districts that permit single-family dwellings;<li data-bbox="597 380 1534 485">• Allow detached ADUs as a matter of right, by conditional use permit pursuant to RSA 674:21, or by special exception pursuant to RSA 674:33, IV, in all zoning districts that permit single-family dwellings;<li data-bbox="597 485 1534 520">• Not require more than one off-street parking space per ADU; and<li data-bbox="597 520 1534 558">• Comply with the requirements of RSA 674:72;<li data-bbox="553 579 1534 1115">3. A cluster development ordinance, also known as an open space residential development ordinance or a conservation subdivision ordinance, shall:<ul style="list-style-type: none"><li data-bbox="597 695 1534 789">• Allow for cluster developments as a matter of right in a majority of the land area that is zoned to permit residential use within the municipality;<li data-bbox="597 789 1534 968">• Provide a density bonus which allows for at least a 20 percent density bonus above the total number of units allowed in a conventional subdivision in exchange for protecting more than the minimum amount of open space as required by the cluster development ordinance; and<li data-bbox="597 968 1534 1115">• Have a density formula or yield plan which allows for the applicant to determine the maximum number of homes that could be built under the cluster development ordinance at a design review phase conducted pursuant to RSA 676:4, II(b).<li data-bbox="553 1146 1534 1398">4. A form-based code shall allow:<ul style="list-style-type: none"><li data-bbox="597 1199 1534 1234">• A diverse range of house types;<li data-bbox="597 1234 1534 1270">• A minimum of 5 dwelling units per building; and<li data-bbox="597 1270 1534 1398">• The adaptive reuse of existing buildings into residential buildings in downtown and village centers or other areas where there is an existing concentration of development as outlined in a municipality's master plan by a matter of right.<li data-bbox="553 1419 1534 1776">5. An inclusionary zoning ordinance shall require:<ul style="list-style-type: none"><li data-bbox="597 1472 1534 1608">• That an economically viable percentage of the total number of housing units shall be workforce housing that is deed-restricted, but no less than 10 percent of the units for 10-plus unit developments; and<li data-bbox="597 1608 1534 1776">• The voluntary commitment of the property owner to provide deed-restricted workforce housing shall result in the property owner receiving a minimum 20 percent density bonus above the base density permitted in the zoning district or an allowance to build an extra story of housing.

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	<p>6. A manufactured housing ordinance shall, in accordance with RSA 674:32, I:</p> <ul style="list-style-type: none"> • Allow manufactured housing as defined in RSA 674:31 and RSA 205-A:1, I on individual lots in most land areas in districts zoned to permit residential uses within the municipality, with parking and density requirements no more restrictive than for other residential uses allowed in such districts; or • Provide reasonable and realistic opportunities for manufactured housing parks as defined in RSA 205-A:1, II in most land areas in districts zoned to permit residential uses within the municipality, with parking and density requirements no more restrictive than for other residential uses allowed in such districts; and • Provide reasonable and realistic opportunities for manufactured housing subdivisions in a majority of the land areas in districts zoned to permit residential uses within the municipality with parking and density requirements no more restrictive than for other residential uses allowed in such districts. <p>7. A missing middle housing ordinance shall allow as a matter of right in a majority of the land area that is zoned to permit residential uses that allow structures which contain as few as 2 housing units per structure and as many as 8 housing units per structure. Municipalities which enable higher density may allow for more than 8 units per structure as part of their missing middle housing ordinance;</p> <p>8. A mixed-use zoning ordinance shall:</p> <ul style="list-style-type: none"> • Provide reasonable and realistic opportunities for a mix of residential, commercial, and retail uses in the same building or on the same lot as a matter of right; • Allow multi-family housing containing 5 or more dwelling units as defined in RSA 674:58, II as a matter of right for new developments in the mixed-use zoning district; and • Allow the conversion of space in existing buildings or structure to residential use as a matter of right in the mixed-use zoning district without the need for a change of use permit; <p>9. A multi-family housing zoning ordinance shall:</p> <ul style="list-style-type: none"> • Allow multi-family housing that is not age-restricted housing as a matter of right in either all zoning districts that encourage higher-density mixed-use development or all multi-family base or overlay zoning districts; and • Not place a restriction on the number of housing units in a multi-family building or structure that meets the definition of multi-family housing.

Program Eligibility

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	<p>10. PUD: A planned unit development ordinance shall allow PUD as a matter of right in either a planned unit development base or overlay zoning districts or other zoning district that encourages higher-density mixed-use development, missing middle housing enabling zones, cluster development enabling zones, multi-family enabling zones, or in most land areas in districts zoned to permit residential uses within the municipality.</p> <p>11. Lot Size: A zoning ordinance shall require minimum lot sizes for residential uses in most land areas in districts zoned to permit residential uses within the municipality that are:</p> <ul style="list-style-type: none">• No greater than 43,560 square feet or one acre for lots with the best soil types and no slope if a majority of the lots in the zoning district do not have access to public water or sewer;• No greater than 10,890 square feet or ¼ of an acre if a majority of the lots in the zoning district have access to public water and sewer; or• No greater than 21,780 square feet or ½ of an acre if a majority of the lots in the zoning district have access to public water or sewer; <p>12. Dwelling Size: A zoning ordinance shall in most land areas in districts zoned to permit residential uses within the municipality:</p> <ul style="list-style-type: none">• Allow as a matter of right dwelling units that are as small as 220 square feet as long as they meet all requirements of the state fire code, RSA 153 and the state building code, RSA 155-A; and• Not place any limitations on the construction of tiny houses on foundations that are 400 square feet or less that meet the requirements of IRC Appendix Q as included in the state building code, RSA 155-A; <p>13. Parking: In most land areas in districts zoned to permit residential uses within the municipality, the zoning ordinance, site plan review regulation, subdivision regulation, or innovative land use control shall not require more than one off-street parking space for any housing unit; and</p>

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	<p>14. A transfer of development rights ordinance shall:</p> <ul style="list-style-type: none">• Designate sending and receiving zones;• Include a formula or mechanism to purchase additional density in the receiving zone, with resulting funds dedicated to an affordable housing fund identified in Bea 504.09(c)(5) or a conservation fund;• Include a mechanism for the property owner to sell or donate the development rights to their property; and• Include a legal mechanism to ensure that land in the sending zone is conserved. <p>15. A municipality may substitute up to 2 other land use regulations or ordinances, including innovative land use controls adopted pursuant to RSA 674:21, which promote the development of workforce housing and other types of housing necessary for the economic development of the state, that are not included in the list of qualifying ordinances for an HC Designation application round for the purposes of satisfying the requirements of this section.</p> <p>Bonus Points (Max 15 Points)</p> <ol style="list-style-type: none">1. Communities with 5 or more qualified land use regulations are eligible for 10 bonus points.2. Communities with 10,000 or fewer residents per the most recent US Census are eligible for 15 bonus points.

Program Eligibility

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<p>Planning and Zoning Board Training Max 25 Points</p>	<ol style="list-style-type: none"> 1. 5 points if a municipality regularly distributes training materials to its land use board members. 2. 10 points if a municipality has and regularly facilitates its own-, or third-party training sessions with members. 3. 10 points if a municipality demonstrates a majority of members of planning and zoning land use boards including alternates have received 2 hours of training during the current term or training was completed in conjunction with initial orientation. <p>Participation by planning and zoning board members in the following sessions, which shall cover the processes, procedures, regulations, and statutes related to the board on which the member serves, may be used to qualify for training points:</p> <ul style="list-style-type: none"> • Planning Lunches at Noon (PLAN) webinar presented by the New Hampshire Office of Planning and Development. • Annual Spring Planning & Zoning Conference presented by the New Hampshire Office of Planning and Development. • New Hampshire Municipal Association Annual Land Use Law Conference. • A webinar presented by the New Hampshire Municipal Association. • A webinar or training presented by one of the nine Regional Planning Commissions. • New Hampshire Planners Association conference or workshop. <p>Bonus Points (Max 10 points)</p> <ol style="list-style-type: none"> 1. 5 points if a municipality provides evidence that a majority of its Planning Board members (including alternates) completed <u>OPD planning board handbook test</u>. 2. 5 points if a municipality provides evidence that a majority of its Zoning Board of Adjustment members (including alternates) completed <u>OPD handbook test</u>.

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Sewer and Water Infrastructure Improvements Max 25 Points	<p>Eligible infrastructure improvements which are completed, ongoing or in the planning stage which support workforce housing development shall include wastewater treatment plant, sewerage, water treatment plant, water distribution system, community wells, and interconnection of water or sewer systems as defined in BEA 502.</p> <ol style="list-style-type: none"> 1. 10 points: Completed eligible infrastructure improvements which were completed within 6 calendar years preceding the municipality's application for HC Designation. 2. 10 points: Ongoing investments in eligible infrastructure improvements if municipality is in the development or construction phase and will be completed within 6 years following HC Designation application. 3. 5 points: Planned eligible infrastructure improvements if municipality has completed a formal plan and has an obligation to move forward and complete the project within 9 years following HC Designation application. 4. 0 points: Planned eligible infrastructure improvement projects that lack sufficient funding to move forward and therefore are not obligated to move forward or would be reliant upon funding in subsequent HC designee award programs shall meet the requirements of HC designation. <p>Bonus Points (Max 5 Points)</p> <ol style="list-style-type: none"> 1. Adequate water and sewer capacity to accommodate a minimum 10% increase in total number of housing units above the total reported by the US Census; 2. Implemented water and sewer improvements in the 6 years preceding HC Designation in or adjacent to infill locations in downtown, town center, village center or other community centers (shown on the NH Community Center Area GIS layer on the New Hampshire Geodata Portal); or 3. Eligible water and sewer improvements that benefit an entire zone or district and enable within the zone or district the construction of workforce housing or other housing necessary for economic development.

Program Eligibility

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<p>Public Transportation, Sidewalks and Walkability Infrastructure 10 Points Max</p>	<p>Eligible transportation infrastructure improvements for completed, ongoing or planned projects which support workforce housing development shall include fixed bus service; intercity bus service; on-demand transit service (not Uber); sidewalks; complete street; share-use path; rail trail; recreation trail; and activities funded under U.S. Department of Transportation Alternatives Program (TAP).</p> <ol style="list-style-type: none"> 1. 2 points: Completed eligible improvements which were completed within 6 calendar years preceding the municipality's application for HC Designation. 2. 2 points: Ongoing investments in eligible infrastructure improvements if municipality is in the development or construction phase and will be completed within 6 years following HC Designation application. 3. 2 points: Planned or future eligible improvements if municipality has completed the planning stage and has an obligation to move forward and complete the project within 9 years following HC Designation application. <p>Bonus Points (Max 4 Points)</p> <ol style="list-style-type: none"> 1. 2 points: Adoption of Complete Streets Policy or Program 2. Implemented qualifying transportation improvements in 6 years preceding HC Designation in or adjacent to infill locations in downtown, town center, village center or other community centers (shown on the <u>NH Community Center Area GIS layer.</u>)

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<p>Financial Tools that Incentivize Workforce Housing Development (Not required) 10 points Max</p>	<ol style="list-style-type: none"> 1. 5 points: Adoption of Community Revitalization Tax Relief Incentive (RSA 79-E) in downtown, town center, central business district or village center and guidelines which extend the period of tax relief for 2 years if project results in new residential units and extends 4 years if project includes affordable housing 2. 5 points: Adopt a Municipal Revitalization and Economic Development District (RSA 162-K) to establish at least one development district. <ul style="list-style-type: none"> • Establish a development program which includes within its purpose acquiring, constructing, reconstructing, improving, altering, extending, operating, maintaining or promoting residential development aimed at increasing the available housing stock. • Establish a development program which includes within its purpose the acquisition of real property to construct workforce housing units within the municipality. • Establish a tax increment financing plan (RSA 162-K:9-10) 3. 5 points: Acquisition or sale of real property by the Municipality for the development of workforce housing within the 6 years preceding the municipality’s application for HC designation: <ul style="list-style-type: none"> • Acquisition of land or buildings as enabled by statute, such as through RSA 41:14-a, RSA 80:76, or RSA 162-G, which is intended for the development of workforce housing • Acquisition of State-owned real property declared as surplus by the State intended for development workforce housing; • Sale of municipal land or building intended for development of workforce housing; or • Publishing of RFP for the development of workforce housing on municipally owned land in the 6 years preceding the HC application. 4. 5 points: Adoption of Affordable Housing Revolving fund (RSA 31:95-h) by municipality’s governing body 5. 5 points: Establish a non-capital reserve fund or non-capital reserve trust fund for the purpose of creating affordable or workforce housing.

Program Eligibility

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<p>Other Activities which create or incentivize Workforce Housing Development (Not required) 10 points Max</p>	<ol style="list-style-type: none"> 1. 5 points: Establish a Housing Commission (RSA 674:44-h) or appointing members to commission (RSA 673:4-c); with regular meetings 2. 5 points: Interconnect community water systems for residential use 3. 5 points: Joint municipal development and revitalization district (RSA 162-K TIF District) with an adjacent municipality; implementation of development program 4. Joint agreement with an adjacent municipality for shared infrastructure or services to support workforce housing 5. Receipt of an InvestNH Housing Opportunity Planning (HOP) Grant or HPRM 6. Construction of units of workforce housing that resulted in a minimum of 5% increase in total housing units above those reported by the U.S. Census in the most recent decennial census during the preceding 3 years 7. Provide a narrative that supports the municipality’s request for inclusion of activities which create or incentivize workforce housing and other housing necessary to the economic development of the State <p>Additional Bonus Points (Max 10 Points)</p> <ol style="list-style-type: none"> 1. In addition to other bonus points made available to smaller communities in other qualifying categories, municipalities with populations of 10,000 or fewer people, according to the most recent U.S. Census Bureau decennial census, who also participate in and complete - or are in the process of completing - the InvestNH-funded Housing Opportunity Planning (HOP) / Municipal Planning and Zoning Grant Program, shall receive the following bonus points: <ul style="list-style-type: none"> • 10 points toward their initial HC Designation application; or • 5 points for each additional phase of planning or regulation reform - up to 10 points total – completed or underway during the 3 years preceding the municipality’s HC Designation renewal application.

Application Process and Requirements

SUBJECT	DETAILS
Application Period	Applications for Housing Champion Designation is open and will be accepted until November 15, 2024. All Applications will be reviewed and scored on a rolling basis.
Essential Program Information	Housing Champion Designation Application and Award is required prior to any HC Grant Application. HC Designations are effective for 3 years following the date of Designation.
Required Documentation	Completed HC Application Form and all associated documentation.

Award Determination

SUBJECT	DETAILS
Award Structure	Applicants must receive a minimum of 80 points with qualifying points in first 4 categories required.