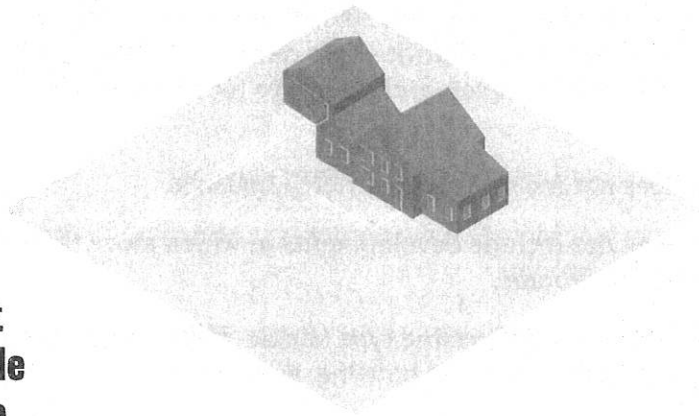




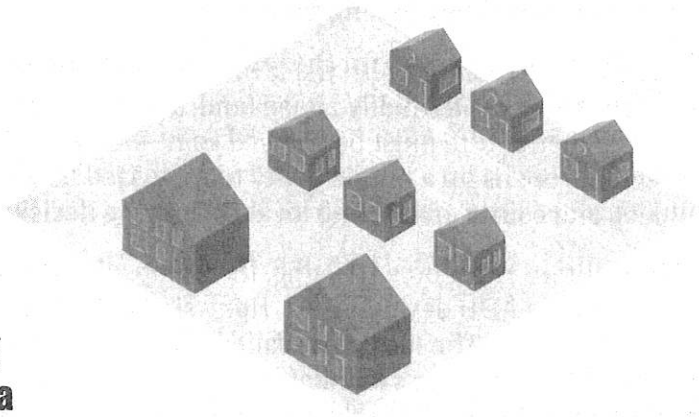
# Workforce Housing Ordinance



**Regulations cannot  
mandate unaffordable  
housing everywhere**



**Workforce housing  
must be allowed in a  
majority of  
residential areas**





## What is it?

Workforce Housing ordinances are local laws designed to allow for the development of housing that is affordable to a typical working household. These ordinances respond to a RSA 674:58-61, which was adopted in 2008, and which codifies a New Hampshire Supreme Court ruling that banned exclusionary zoning practices (see *Britton v. Town of Chester*, 134 N.H. 434 (1991)). That law requires each municipality to provide a “reasonable and realistic” opportunity for the development of workforce housing, as that is defined in the statute.

This “Workforce Housing” mandate includes a number of technical components:

- Workforce Housing must be *affordable* to a renter household of three making up to 60% of *Area Median Income* or a homeowner household of four making up to 100% of *Area Median Income*.
- “Area Median Income” (AMI) is the median income for a household in the region. Each municipality in New Hampshire falls into one of 14 regions, which are based on county borders. AMIs are calculated by the federal government.
- “Affordable” here means that no more than 30% of total household income should be spent on housing (rent and utilities for renter households; or mortgage principal and interest, taxes, and insurance for homeowner households)
- Workforce Housing does not include age-restricted housing.
- Workforce Housing does not include developments in which more than 50% of units have fewer than 2 bedrooms.
- Workforce Housing can be of any housing type (single-family, duplexes, accessory dwelling units, manufactured housing, apartments, etc.).
- Workforce Housing can be unrestricted homes that are affordable at their market price, or deed-restricted homes delivered in standalone affordable developments or as part of inclusionary zoning programs.

Practically speaking, for a community to comply with the law, Workforce Housing must be possible to build in more than half of residentially zoned land, and multi-family developments of at least 5 units per structure must be allowed somewhere in town. Not meeting the laws’ requirements opens up a municipality to increased litigation, expedited appeals from builders, and courts’ overruling local permitting decisions.

Many zoning rules could help facilitate Workforce Housing, including allowing small alternative housing types, encouraging ADU development, right-sizing zoning rules, inclusionary zoning provisions, and more. The local laws called “Workforce Housing Ordinances” that explicitly respond to the State’s mandate are typically similar to cluster housing or inclusionary zoning laws—with relaxed zoning rules in exchange for deed-restricted affordable units. A Workforce Housing Ordinance *could* include any zoning tools, as long as they enable Workforce Housing development.



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## How can it help?

Workforce Housing Ordinances can help...

- Address the rising costs of housing.
- Provide more diversity of housing options.
- Aid young people and new families housing opportunities.
- Aid seniors looking to stay in their community.
- Allow families to live near each other.
- Aid economic growth and limit stagnation by providing housing for workers.
- Compliance with the requirements of state law (RSA 674:58-61 and Britton v. Chester).

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## Getting Started

1. Recognize and promote a Workforce Housing law's impact on common master plan goals, such as increased housing options, increased affordability, economic development, aging in place, community wellbeing, and more.
2. If undertaking a master plan, include adoption of a Workforce Housing Ordinance as a recommendation.
3. Identify leaders on the Planning Board who can spearhead the effort. Identify other stakeholders, including members of the governing body, housing advocacy groups, developers (nonprofit and for-profit).
4. Assess recent development trends. This will help determine if Workforce Housing is already economically viable in the majority of residentially zoned land.
5. If the development trend assessment suggests that there have been challenges to the actual development of Workforce Housing, audit local laws and regulations to identify development barriers.
6. Conduct a public engagement process to provide clarity about what the tool is, why it is needed, and how it is used, and to receive input on how to shape the ordinance.
7. If challenges are identified in the regulatory audit, a Workforce Housing Ordinance could be a beneficial amendment to the local zoning ordinance.
8. Draft and adopt a Workforce Housing ordinance to address barriers to development and meet the needs and desires of the community. If the law intends to operate as a modified cluster ordinance (as is common), the ordinance should specify the location where the law is applicable, a simple



density calculation, dimensional rules for both the parent parcel and any subdivisions, process for keeping the homes affordable.

9. Promote workforce housing development options to local property owners and developers.

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## Considerations

- Communities do not need to pass a Workforce Housing Ordinance per se to be compliant with the law. If a community is not already compliant, framing any zoning or regulatory changes as a “Workforce Housing Ordinance” can help community members understand the purpose of the law and build support for housing opportunities.
- A community cannot be compliant with the Workforce Housing mandate if it only nominally allows smaller, more affordable homes, without allowing them in practice. If dimensional and parking rules, subdivision rules, historic preservation rules, procedural rules, or other land use controls make Workforce Housing infeasible, the community is not compliant.
- Public engagement is vital to the adoption of a Workforce Housing Ordinance. Public outreach sessions should occur before the ordinance is developed. Main areas should focus on: 1) why such an ordinance is necessary; 2) who will be living there; 3) what the tool is and what it is not; and, 4) discuss the specific elements that can be included in the tool (i.e. where it should be located, if



A rendering of the Depot & Main Apartments, infill workforce housing in Salem, which was under construction in 2022. (Image via BusinessNH.)



some of the units should be market rate and some affordable, open space considerations and dimensions)

- Management of the deed restrictions is a second concern. One approach could be to work with NH Housing to set up the covenants and administer affordability controls.

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## Resources

- NH Municipal Association, “Legal Q&A: What Municipalities Need to Know About “Workforce Housing”, <https://www.nhmunicipal.org/town-city-article/legal-qa-what-municipalities-need-know-about-%E2%80%9Cworkforce-housing%E2%80%9D>
- NH Housing, “Workforce Housing Law Summary,” [https://www.nhhfa.org/wp-content/uploads/2019/06/NH\\_Workforce\\_Housing\\_Law\\_Summary.pdf](https://www.nhhfa.org/wp-content/uploads/2019/06/NH_Workforce_Housing_Law_Summary.pdf)
- NH Housing, “Meeting the Workforce Housing Challenge: A Guidebook for New Hampshire Municipalities,” [https://www.nhhfa.org/wp-content/uploads/2019/06/Workforce\\_Housing\\_Guidebook.pdf](https://www.nhhfa.org/wp-content/uploads/2019/06/Workforce_Housing_Guidebook.pdf)
- NH Housing, “New Hampshire’s Workforce Housing Law: A 10-Year Retrospective on the Law’s Impact on Local Zoning and Creating Workforce Housing,” <https://www.nhhfa.org/wp-content/uploads/2021/12/Workforce-Housing-Law-Report-12.2021.pdf>
- NH Housing, “Housing Solutions for NH,” [https://www.nhhfa.org/wp-content/uploads/2019/06/Housing\\_Solutions\\_for\\_NH.pdf](https://www.nhhfa.org/wp-content/uploads/2019/06/Housing_Solutions_for_NH.pdf)

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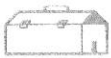
## Issues Addressed

Affordable Housing, Housing Costs, Housing Options, Multigenerational

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## Related Tools

Cluster Housing, Accessory Dwelling Units, Missing Middle Housing Types



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## State Law

- RSA 674:58-61, <https://www.gencourt.state.nh.us/rsa/html/LXIV/674/674-mrg.htm>

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## Case Studies

### Wakefield, NH

Wakefield responded to the Workforce Housing mandate by passing a so-called Workforce Housing Ordinance that explicitly invokes the Inclusionary Housing zoning tool authorized by the State. Under Wakefield's ordinance, residential Workforce Housing developments are allowed by Conditional Use Permit in most of the land zoned for residential and agriculture uses. Single-family, duplex, and multifamily housing (up to eight units per structure) are allowed. Base density and dimensional requirements carry over from base districts, with density bonuses of 15% offered to developments with at least 30% of units qualifying as Workforce Housing.

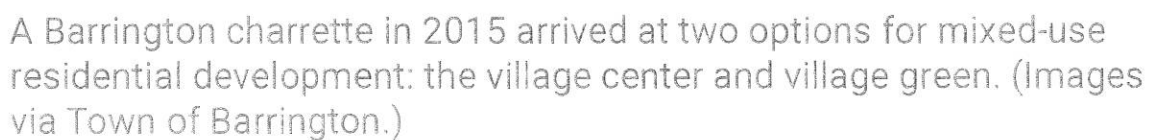
- Wakefield Zoning Ordinance, [https://www.wakefieldnh.com/sites/g/files/vyhlif1366/f/uploads/2020\\_wakefield\\_zoning\\_ordinance\\_with\\_amendments\\_through\\_march\\_2020\\_002\\_2.pdf](https://www.wakefieldnh.com/sites/g/files/vyhlif1366/f/uploads/2020_wakefield_zoning_ordinance_with_amendments_through_march_2020_002_2.pdf)

### Barrington, NH

Barrington passed a Workforce Housing ordinance in response to the mandate. Barrington's law does not specifically invoke Inclusionary Housing, though it functions similarly. Workforce Housing developments are allowed in most residential areas by Conditional Use Permit, and developments keeping at least 20% of units affordable receive density bonuses and dimensional relief, at the discretion of the Planning Board.

- Barrington Zoning Ordinance, [https://www.barrington.nh.gov/sites/g/files/vyhlif2766/f/uploads/zo\\_2022\\_v1\\_7\\_as\\_amended\\_3-8-2022\\_withmap2\\_1.pdf](https://www.barrington.nh.gov/sites/g/files/vyhlif2766/f/uploads/zo_2022_v1_7_as_amended_3-8-2022_withmap2_1.pdf)









**Town of Canterbury**

**Housing Opportunity Planning (HOP) Program  
Community Engagement Plan**

**May 29, 2025**

<b>Engagement Strategy</b>	<b>Timeline</b>	<b>Person's Responsible</b>	<b>Action Steps</b>
Meet with other Town Boards/ Committees/Organizations	August – September 2025	Planning Board CNHRPC	Canterbury Elementary School PTO Conservation Commission Agricultural Commission Historic District Commission
Newsletter articles/Facebook posting	July 2025 – March 2026	Planning Board CNHRPC	Develop and publish updates on the process in the Canterbury Community Newsletter and the Canterbury Facebook page.
Online Survey	June - August 2025	Planning Board CNHRPC	Develop, distribute and analyze an online survey as a follow up to the housing and planning related questions from the Plan for Tomorrow update survey.
Community Events/Outreach Materials	August - September 2025	Planning Board CNHRPC	Attend events such as the Canterbury Fair and Old Home Day. Materials will also be developed for display at the Town Office.
Host Public Meetings	June – November 2025	Planning Board CNHRPC	Hold meetings organized in a similar fashion to the four very well attended public outreach events in the Fall 2023.  Schedule the meetings to begin at 6pm to allow for parents of young children to attend. Provide pizza, etc. if possible. Host at least one meeting on Zoom.
Community Open House/Workshop	September 2025	Planning Board CNHRPC	Invite members of the community to attend a workshop with several stations that are manned by Planning Board members and CNHRPC staff.

