General Meeting Information

College Township offers both in-person and virtual meeting attendance for all public meetings. To attend in-person, meetings will be held at 1481 E. College Avenue, State College PA, 16801, 2nd floor meeting room. To attend virtually, please see the information below.

To Attend the LIVE Meeting Via Zoom on Computer or Smart Phone:
- Click here to REGISTER for the meeting via Zoom. Once registered, you will receive a confirmation email containing information about joining the meeting.

To Attend the LIVE Meeting Via Phone:
- Dial: 1 (646) 558-8656  ●  Meeting ID: 862 7222 5139  ●  Passcode: 107370

*Click Here for detailed instructions on how to participate via zoom.

VIRTUAL PUBLIC COMMENTS: Please use the raised hand feature to participate. The moderator will recognize those with their hands raised (either by name or phone number).

WRITTEN PUBLIC COMMENTS: For specific Planning Commission agenda items and for items not on the agenda, written public comments may be submitted in advance by emailing smeyers@collegetownship.org by noon the day of the meeting.

College Township is committed to making meetings accessible to everyone. If you require an accommodation or service to fully participate, please contact Jennifer Snyder at jsnyder@collegetownship.org or 814-231-3021.

CALL TO ORDER:

ZOOM MEETING PROTOCOL:

OPEN DISCUSSION (items NOT on the agenda):

CONSENT AGENDA: CA-1 February 20, 2024 Meeting Minutes (Approval)

PLANS: None

OLD BUSINESS: OB-1 Workforce Housing (Continued Discussion)

NEW BUSINESS: None

REPORTS: R-1 DPZ CoDesign Update

STAFF INFORMATIVES: None

OTHER MATTERS:

ANNOUNCEMENTS: Next regular meeting will be Tuesday, March 19, 2024 at 7:00pm
Next joint meeting with Council will be Tuesday, March 26, 2024 at 6:00pm
*Food and Refreshments in the Library at 5:30
Statement of Financial Interests – complete and return to Sharon Meyers ASAP

ADJOURNMENT:
CALL TO ORDER: Mr. Forziat called the meeting to order at 7:00 p.m.

ZOOM MEETING PROTOCOL: Mr. Forziat verified there were people present via Zoom, Ms. Schoch reviewed Zoom protocol.

ROLL CALL: Mr. Forziat verified Ms. Khoury and Mr. Toumayants were present on Zoom.

OPEN DISCUSSION: None presented.

CONSENT AGENDA:

   CA-1 February 6, 2024 PC Meeting Minutes

Mr. Darrah moved to approve the February 6, 2024 meeting minutes as written.
Mr. Fenton seconded. Motion carried unanimously.

PLANS:

   P-1 Maxwell Struble Road Storage Site Preliminary/Final Land Development Plan

Ms. Schoch introduced the plan and gave a brief presentation. She stated there was a rezoning request approved in 2023 to rezone an approximately three acre area of the Forrest District to General Industrial. The subdivision part of this plan shows the property line being moved to coincide with the zoning line. Ms. Schoch added there is a 3,500 square foot addition to the existing building as well, with the addition of approximately 150 evergreen trees and earthen berms. She also talked about the fee-in-lieu of sidewalks being requested and reminded the Planning Commission, the Municipal Planning Code does not allow conditions to be added to a plan for off-site improvements.

Mr. Franson gave a brief description of images provided detailing the issues with constructing a sidewalk in the area. He added that the Township has plans in the next three to five years to complete stormwater improvements along Struble Road. Any sidewalk constructed by the developer now would be removed during stormwater improvements, and replacement of these sidewalks would be at the expense of the Township. Ms. Schoch added that this plan scored a seventeen on the Prioritization Matrix.
Mr. Mark Torretti from Penn Terra Engineering, Inc. added the existing stormwater basin has recently been cleared and repaired and is working properly. He also discussed the grading involved in the project as well as the landscaping being proposed.

The floor was opened to questions and comments. There was discussion of general grading, the parking area, as well as the proposed retaining wall and if it will be engineered to codes specifications. There was also a question of what is to be stored on the property. Mr. Torretti stated that it is understood if storage expands to certain materials there is additional permitting required, currently the storage proposed is various construction materials and equipment which do not require additional permitting.

Mr. Forziat questioned how the installation of berms and landscaping will affect the stormwater for properties around the site. It was determined the surrounding properties will not be affected as the basin being proposed will detain the stormwater onsite and will not affect other stormwater infrastructure in the area.

The Planning Commission also discussed the sidewalk fee-in-lieu request. Mr. Fenton suggested deferring construction of the sidewalk until the Township completes the future stormwater project. Mr. Forziat stated there is also potential for a separate submission of a sidewalk plan.

Mr. Toumayants left the meeting at 7:58pm
Ms. Khoury left the meeting at 8:02pm

Mr. Darrah moved to recommend Council approve the Maxwell Struble Road Storage Site Preliminary/Final Land Development Plan dated January 16, 2024 and last revised February 5, 2024 subject to the following conditions:

1. Within ninety (90) days from the date of approval by Council, all conditions must be satisfied, final signatures must be obtained, and the plan must be recorded with the Centre County Recorder of Deeds Office. Failure to meet the ninety (90) day recordation time requirement will render the plan null and void.
2. Pay all outstanding review fees.
3. Address, to the satisfaction of the Township Engineer, any outstanding plan review comments.
4. Fully comply with College Township Code Section 180-12.
5. Post surety as approved by the Township Engineer prior to recording.
6. Recommend approval of the sidewalk fee-in-lieu request with a revision of the plan to include a sidewalk easement.
7. Provide proof of NPDES approval.
8. Record approved DSAME.
9. Recommend the consideration to add a filtration system to the on-site stormwater system.
10. All conditions must be accepted in writing within seven (7) days from the date of the conditional approval letter from the Township Engineer.

Mr. Hoffman seconded.
Motion carried with a vote of four to one, with Mr. Fenton voting nay.

OLD BUSINESS:

OB-1  Workforce Housing

Ms. Schoch reviewed the remand and the boxes the Planning Commission has checked thus far, then briefly introduced the portion of the ordinance being discussed. She added that the document was put in ordinance format and that the General Requirements and Mandatory sections were left alone as these seem to be working.

There was a spelling error brought to the attention of staff to be corrected. Moving forward, Ms. Schoch stated that the incentives for parkland and open space and sidewalks were removed as discussed previously. Setbacks and minimum lot sizes were discussed. The Planning Commission requested visuals to demonstrate various minimum lots sizes and what a dwelling unit could look like within those limits. It was questioned if shrinking setbacks and/or decreasing the minimum lot size would be much of an incentive for developers. The Commissioner’s recommended reaching out to realtors and developers to
gather information such as average square footage of homes and if there would be a desire for smaller lot sizes.

Mr. Forziat questioned why incorporating income for an accessory dwelling unit had been stricken. Ms. Schoch explained the reasoning and the Planning Commission agreed the statement should remain in the ordinance until further clarification and designation of rental duration of the accessory dwelling is determined. Consistency of impervious coverage language was discussed as well.

The Planning Commission encouraged staff to consider increasing overall building height as an incentive in the workforce housing ordinance as well.

**NEW BUSINESS:** None presented.

**REPORTS:**

R-1 Council Report

Mr. Fenton gave a brief update of the Council meeting and offered to answer any questions. Mr. Forziat questioned the zoning violation which ultimately lead to the issue being added to a future Council meeting for further discussion. Mr. Gabrovsek explained the violation and options Council has, which could potentially be remanded to Planning Commission for a discussion and recommendation.

R-2 DPZ CoDesign Update

Ms. Schoch stated there are no further updates and added that DPZ CoDesign will be present during the March 26th joint meeting with Council.

**STAFF INFORMATIVES:**

SI-1 Council Minutes Approved

No further discussion presented.

SI-2 February EZP Update

No further discussion presented.

**OTHER MATTERS:** None presented.

**ANNOUNCEMENTS:**

Mr. Forziat announced the next meeting will be held on Tuesday, March 5, 2024 at 7:00 p.m., the next joint meeting with Council will be held on Tuesday, March 26, 2024 at 6:00pm, and the Statement of Financial Interests are to be completed and returned to Sharon Meyers as soon as possible.

**ADJOURNMENT:** Mr. Fenton moved to adjourn. Mr. Darrah seconded. Motion carried unanimously.

Meeting adjourned at 9:16 p.m.

**Draft**

Sharon E. Meyers
Senior Support Specialist – Engineering/Planning
MEMORANDUM

To: College Township Council
Thru: Adam Brumbaugh, Township Manager
From: Lindsay K. Schoch, AICP | Principal Planner
Date: March 1, 2024
RE: Workforce Housing Ordinance

Introduction:
A full Draft Workforce Housing Ordinance is included in the Planning Commission’s (PC) March 5, 2024 packet. During the February 20 meeting, the Planning Commission offered comments to staff, with the expectation that staff would make changes to the ordinance as per their comments and present it back to the PC at the March 5 meeting. The PC’s input is included in the attached Draft.

What to Expect:
During the March 5 meeting the PC should anticipate reviewing the remainder of the Ordinance, including the changes PC requested in late February. All elements of the ordinance should be carefully considered, giving attention to Incentives and Area Median Income for rentals.

End of Memo.
COLLEGE TOWNSHIP  
CENTRE COUNTY, PENNSYLVANIA  

ORDINANCE NO. O-24-___  
AMENDMENT TO CHAPTER 200 – ZONING  

AN ORDINANCE OF THE TOWNSHIP OF COLLEGE, CENTRE COUNTY, PENNSYLVANIA,  
AMENDING CHAPTER 200 ARTICLE II §200-7 (DEFINITIONS) TO INCLUDE TERMS SPECIFIC TO  
WORKFORCE HOUSING  
AND  
REPEALING AND REPLACING CHAPTER 200 ARTICLE VIII §200-38.4 (WORKFORCE HOUSING)  
AND  
AMENDING CHAPTER 180.16.1 (SIDEWALKS) REMOVING SECTION B(3), A REFERENCE TO  
CHAPTER 200.38.4 WHICH HAS BEEN REMOVED.  

GENERAL REFERENCES  
Planned Residential Development – See Chapter 145  
Subdivision and Land Development – See Chapter 180  

Additions  
+Deletions  
Existing Language/no change proposed  

PART 1  
Chapter 200 Article II §200-7 Definitions (the following definitions will be added and incorporated in  
alphabetical order)  

Affordable Housing  
In general, housing for which the occupants are paying no more than 30 percent of their income  
for gross housing costs, including utilities.  

Area Median Income  
The midpoint of a specific area’s income distribution, calculated on an annual basis by the  
Department of Housing and Urban Development (HUD).  

Building Coverage  
The percentage of the lot area that is covered by building area, which includes the total horizontal  
area when viewed in plan.  

Certification of Buyers  
Regarding workforce housing, prior to the executing a purchase contract for any workforce unit,  
the prospective buyer shall be certified as meeting income requirements for the specified unit.  
Process involves ensuring the understanding of any deed restrictions, restrictive covenants, and/or  
liens that are placed on the workforce housing unit to ensure long-term affordability.  

Certification of Renters  
Prior to renting a workforce housing unit, renters shall be certified as meeting income  

requirements. Some restrictions apply, such as the rental unit must be used as the principal place of residence, students enrolled in post-secondary program, college, or university are eligible if the student does not meeting the IRS definition of a dependent, and the student can be classified as an independent student.

Certificate of Occupancy

A document issued by a local government or building department that certifies a building’s compliance with applicable building codes and regulations and declares it suitable for occupancy. This certificate is typically required before a building or part of a building can be used or inhabited.

Consumer Price Index

Measures the average change overtime in the prices paid by urban consumers for a basket of goods and services. The CPI provides a way to track inflation by examining the price changes of a representative set of goods and services commonly purchased by households.

Cost Off-sets

Mechanisms or strategies used to balance financial burdens imposed by zoning requirements on property owners or developers. Used as zoning incentives, including increased density, reduced setbacks, height allowances, in exchange for features like affordable housing, public open space, or other community benefits.

Density

Measures the number of housing units per acre.

Density Calculation

Pertaining to workforce housing, to determine residential density: Density of a development containing residential dwelling units shall be equal to the number of proposed dwelling units divided by the gross site area inclusive of proposed rights-of-way or any other portion of the site to be dedicated to the Township or homeowners association; only those residences which meet the definition of applicable residential dwellings shall be used to calculate the total number of dwelling units in a development; and the residential density within a planned residential development shall not include areas devoted to nonresidential uses noted in Chapter 145 (Planned Residential Developments).

Fee-in-lieu

In the context of land use, typically refers to a financial arrangement where a developer or landowner pays a fee to a local government or relevant authority in lieu of providing certain required amenities or facilities on-site as part of a development project. Typically associated with land development regulations and zoning requirements.

Inclusionary Housing

Refers to strategies that mandate or incentivize the inclusion of affordable housing units within market-rate residential developments. The goal is to create mixed-income communities and prevent the segregation of socioeconomic groups.

Incentive

Something that encourages or motivates an individual to take a particular course of action or to
behave in a certain way.

Mandatory
Regarding workforce housing, developments where the residential density is five or more dwelling units per acre, the provisions of workforce housing is required.

Market-rate Unit
A dwelling unit other than mobile homes as defined, which sells on the market at a price which is affordable to those households which make above 100% of the area median income.

Mean
Average obtained by summing values and dividing by the number of values.

Median
Middle value in an ordered dataset or the average of the two middle values in an even dataset.

Mode
Value(s) that occur most frequently in a dataset.

Nonresidential Use
Offices; medical and dental offices and clinics, excluding animal hospitals and veterinary offices; places of assembly; libraries, museums, art galleries and reading rooms; retail establishments for the sale and service of goods; eating and drinking establishments, excluding fast-food establishments; research, engineering or testing offices and laboratories; health clubs and athletic and recreational facilities; child and adult day-care centers.

Regulatory Relief
Refers to the easing or relaxing of certain zoning regulations or restrictions imposed by local governments on property use and development. To address housing shortages or promote affordable housing, municipalities may grant relief from certain zoning requirements for developers building affordable housing developments.

Occupancy (limit)
The number of individuals that can reside in a particular unit.

US Department of Housing and Urban Development (HUD)
Established in 1965, HUD’s mission is to increase homeownership, support community development, and increase access to affordable housing free from discrimination. To fulfill this mission, HUD will embrace high standards of ethics, management and accountability and forge new partnerships – particularly with faith based and community organizations that leverage resources and improve HUD’s ability to be effective on the community level.

Workforce Housing Dwelling Unit
A dwelling unit which is affordable to those making up to 100% of the area median income (AMI).

PART 2
Chapter 200 Article VIII §200-38.4 Workforce Housing (the following is intended to replace the repealed ordinance §200-38.4 Workforce Housing in its entirety)


A. Intent. The intent of the workforce housing section of the zoning ordinance, as established by Township Council is:

(1) To recognize the importance of socioeconomic diversity in nurturing more inclusive and dynamic neighborhoods; and

(2) To facilitate the provision of affordable and attainable rental and owner-occupied workforce housing options within College Township; and

(3) To place a strong emphasis on crafting sustainable, enduring solutions to housing challenges, including the implementation of long-term affordability requirements; and

(4) To foster collaborative efforts with neighboring municipalities to establish regional consistency in workforce housing ordinances; and

(5) To promote private sector investments in affordable housing through partnerships between local government and private developers aimed at constructing affordable housing units; and

(6) To implement incentives to promote the creation and maintenance of workforce housing; and

(7) To safeguard rental and owner-occupied workforce housing options within the community, enabling individuals and families with moderate to middle incomes to reside proximate to their work places; and

(8) To continuously monitor the Housing and Urban Development (HUD) Area Median Income (AMI), adjusting the AMI thresholds in the ordinance to accommodate annual increases or decreases.

B. Applicability. The regulations contained herein shall apply upon the designation of dwelling units as workforce housing and shall be applicable as follows:

(1) General. A developer of residential dwelling units shall receive regulatory relief from zoning of land regulations as an incentive for providing workforce housing dwelling units. Such relief shall be based upon the type and amount of dwelling units designated as workforce housing in accordance with the regulations contained in this section:

(2) Mandatory Requirement.

(a) For those development where the residential density is five or more dwellings units per acre, the provision of workforce housing is required. A development which exceeds this density threshold shall designated a percentage of its total dwelling units as workforce housing units in accordance with the minimum levels listed in the table below.
<table>
<thead>
<tr>
<th>Density of Proposed Development</th>
<th>Percentage of Required Workforce Housing Units *</th>
</tr>
</thead>
<tbody>
<tr>
<td>5 to 5.99</td>
<td>5%</td>
</tr>
<tr>
<td>6 to 6.99</td>
<td>6%</td>
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<tr>
<td>7 to 7.99</td>
<td>7%</td>
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<td>8 to 8.99</td>
<td>8%</td>
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<tr>
<td>9 to 9.99</td>
<td>9%</td>
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<tr>
<td>10 or more</td>
<td>10%</td>
</tr>
</tbody>
</table>

*Reflects a percentage of total number of dwelling units within a development that are to be designated as workforce housing. In case of a fraction, the required number of units shall be rounded to the next highest whole unit.

(b) Developers can exceed the minimum levels of mandatory workforce housing listed above and shall receive any additional incentives in accordance with the regulations below.

(c) Any residential development which proposed 10 or less dwelling units shall be exempt from this mandatory requirement.

- **All workforce housing units within the residential development will have safe, reasonable access via sidewalks, shared-use paths, or bike paths to parkland or open space located within or near the subject residential development.**

(3) Calculation of Density. To determine the residential density, the following shall apply:

(a) Density of a development containing residential dwelling units shall be equal to the number of the proposed dwelling units divided by the gross site area inclusive of proposed rights-of-way or any Township of Homeowners Association.

(b) For the purposes of this section, only those residences which meet the definition of applicable residential dwellings in Subsection C. below, shall be used to calculate the total number of dwelling units within a development.

(c) The residential density within a planned residential development shall not include areas devoted to nonresidential uses as noted in 145-17B.

C. **Incentives:** The incentives provided to a residential developer are on a per-dwelling unit basis unless otherwise noted within the regulations. The incentives offered below will differ depending on the type of dwelling that is being designated as workforce housing.

(1) Single-Family house and duplex. All single-family houses, duplexes and/or any structure containing two or less dwelling units in which at least one is designated as workforce housing shall be permitted to the following regulatory reductions:

(a) Minimum lot size and density: 5,000 square feet per dwelling unit or that permitted under existing zoning, whichever is less with one exception: In the Single-Family Residential Zoning District (R-1), only those lots two (2) acres or greater in size can be developed within multiple duplexes not to exceed a
density of seven (7) dwelling units per acres. This calculation shall be inclusive of all land proposed for
development including all proposed rights-of-way, parkland/open space areas, stormwater management

(b) Minimum lot width: 40 feet per unit

(c) Maximum impervious coverage: 55%

(d) Side setback. The side yard setback for a lot containing workforce housing dwelling unit(s) may be
reduced to seven (7) feet. Side yard setbacks may also be reduced to seven (7) feet for market-rate
housing units for those side yards that directly abut lots containing workforce housing dwelling units.

Parkland and open-space requirements. The parkland and open-space requirements of § 180-26B may be waived for
dwelling units designated as workforce housing. Those subdivisions or land developments which thereby reduce the
parkland and open space requirements by more than 50% shall only be permitted to do so under the following conditions:

No workforce housing unit shall be more than 1/4 mile from parkland or open space in or near the subject development as
measured between the two closest points of property lines of the workforce housing unit and park or open space
perimeter.

For the purposes of this Subsection B(1)(e) of § 200-38.4, parkland and open space shall be considered as that designated
as "existing parks" or "recreation land owned by others" and available for public use. In addition, land owned by the State
College Area School District may also be considered as parkland and open space if such land contains recreation facilities
that can be used by the public.

Sidewalk. The amount of sidewalks required pursuant to § 180-16.1 may be reduced in an amount equal to the total street
frontage of all lots containing dwelling units defined as workforce housing units pursuant to the following:

NOTE: See also §§ 180-16, Streets, and 180-16.1, Sidewalks.

The reduction may take place anywhere within the subdivision or land development containing workforce housing units.

Any collector or arterial streets within the residential development should have a sidewalk on both sides of the street. All
other streets (public or private) shall have a sidewalk on at least one side of the street.

Sidewalks shall provide access to any parkland, open space or school within or adjacent to the development.

In instances where a development of single-family houses and/or duplexes developed with multiple dwellings on a single
lot in which the development contains workforce housing units, the reduction in sidewalks shall be calculated as follows:

The reduction in required sidewalk may be in an equal proportion to the percentage of the total proposed dwelling units
which are designated as workforce housing.

Regardless of the amount of sidewalk permitted to be reduced as calculated above, a sidewalk shall be provided along an
adjacent public street as noted above in § 200-38.4B(1)(f)[2] and [3].

The sidewalk reduction is not guaranteed upon the provision of workforce housing. Approval of such reduction by
Council will be based upon ability to meet the conditions set forth § 200-38.4B(1)(f)[2] and [3].

NOTE: See §§ 180-16, Streets, and 180-16.1, Sidewalks.

(e) Additional Bonus. The reduced lot requirements noted in 200-38.4C(1)(a) through (d) may also be
applied to market-rate housing units in addition to that of the designated workforce housing units based
on the following rations or fractions thereof rounded to the nearest whole number:
For every two workforce housing units which are affordable to those households with incomes between 80% and 120% of AMI, one market-rate housing unit shall be permitted to have similar lot requirements noted above in §200-38.4C(1)(a) through (d).

For every one workforce housing unit which is affordable to those households making less than or equal to 80% of AMI, one market-rate housing unit shall be permitted to have similar requirements noted above in________

(f) Accessory Dwelling Units: Single-family houses designated as workforce housing may be permitted to contain accessory dwelling units pursuant to 200.11.A.1. If the accessory dwelling unit is to be rented, then the anticipated income from renting the accessory dwelling unit shall be included in calculating a household’s total income when certifying income of potential buyers of a workforce housing unit. When an Accessory Dwelling Unit is rented, either on a long-term basis or a short-term basis, the proper permitting is required through College Township and Centre Region Code. To ensure compliance and proof of Accessory Dwelling Unit income, a 1099 Form is required when certifying income.

(g) **Waiver of Application Fee or Review Fees: Subdivision and Land Development fees may be waived by College Township Council for development proposals containing workforce housing units.**

(2) Townhouse and multi-family units. All townhouses, multi-family units, and/or any other structure containing three or more dwelling units in which some or all are designated as workforce housing units shall be permitted to the following regulatory reductions:

(a) Maximum Impervious Coverage. The maximum impervious coverage for a development containing workforce housing units may be increased above that permitted in the zoning district by an amount equal to the total gross floor area of those units designated as workforce housing units. However, in no instance shall the impervious coverage exceed 55%, regardless of the number of workforce housing units.

P that allowed for single-family houses and duplexes as noted in §200-38.4B(1)(e).

(b) Occupancy Limit. The occupancy of unrelated individuals as established in 200.11Z may be increased from three to five individuals as follows:

[1] For each unit designated as workforce housing, one unit in the development may be permitted to have up to five unrelated individuals residing within it.

[2] The unit which is permitted to have the increased occupancy, as noted above, does not have to be designated as workforce housing and can be located anywhere within the residential development containing the workforce housing.

(c) Permitted Height. The permitted height of a building may be increased by 10 feet above that permitted in the zoning district regulations, if the building contains either two dwelling units or 10% of the total dwelling units, whichever is greater, are designated as workforce housing.
Planned Residential Developments. The workforce housing regulations herein are also applicable to planned residential developments as permitted in Chapter 145, Planned Residential Developments, with the following incentives:

(a) **Maximum building coverage.** The total ground floor area of all buildings and structures shall be permitted to exceed 30% of the total land area of the planned residential development in a manner equal to an increase of coverage by 1% for every 1% of total number of dwelling units which are designated as workforce housing. However, regardless of the number of dwellings designated as workforce housing, the total building coverage shall not exceed 40% of the total land area of a planned residential development.

(b) **Maximum total impervious coverage.** The maximum impervious surfaces shall be permitted to exceed 50% of the total area of the planned residential development in a manner equal to an increase of impervious coverage by 1% for every 1% of the total number of dwelling units which are designated as workforce housing. However, regardless of the number of dwellings designated as workforce housing, the total impervious coverage shall not exceed 60% of the total planned residential development.

(c) **Permitted Height.** The permitted height of a building may be increased by 10 feet above that permitted in the zoning district regulations, if the building contains either two dwelling units or 10% of the total dwelling units, whichever is greater, are designated as workforce housing.

Open space. The minimum amount of open space required in § 145-18A may be decreased below 30% of the total area of the planned residential development in a manner equal to a decrease of 1% for every 1% of the total number of dwelling units which are designated as workforce housing. However, regardless of the number of dwellings designated as workforce housing, the total open space required may not be decreased beyond 20% of the total area of the planned residential development.

(d) **Additional bonus.** The maximum amount of land devoted to nonresidential uses within a planned residential development shall be permitted to exceed 20% in a manner equal to an increase in nonresidential land by 1% for every 1% of the total number of dwelling units which are designated as workforce housing for households earning less than 80% of the area median income. However, regardless of the number of dwellings designated as such, the maximum area of land devoted to nonresidential uses shall not exceed 30%.

D. **Provision of workforce housing.** All workforce housing units proposed in a land development and/or subdivision are required to be built on site covered by such plan unless one of the following options enumerated below is utilized. In such instances, the developer shall continue to retain the incentives applied to on-site development for the number of workforce housing units being provided for under the options listed below:

(1) **Fee in lieu.** An applicant may pay a fee in lieu of constructing some or all of the workforce housing units which it is receiving incentives for given the following regulations:

   (a) College Township Council shall establish by resolution the amount of the fee-in-lieu payment per unit, which shall be based on actual construction costs and inclusion of land purchase costs.
(b) To determine the total fee-in-lieu payment, the per-unit amount established by the Township shall be multiplied by the number of workforce housing units otherwise required to be constructed or as desired by the developer to be eligible for the incentives.

(c) The Township shall be required to establish and administer a workforce housing fund into which all fee-in-lieu payments shall be deposited. The Township shall then be required to use such funds to further its mission of providing workforce housing as defined herein.

(2) Land donation. Land within College Township may be donated to the Township or its designee in place of workforce housing dwelling units being built within a proposed development pursuant to the following:

(a) The value of the land must be equal to or greater than the value of the fee-in-lieu payment noted above in Subsection D(1) to be calculated as follows:

[1] The value of the land will be determined by an appraisal completed by a certified appraiser. Each party (developer and the Township) shall submit an appraisal.

[2] If the lower appraised value is 90% or greater of the other appraisal, the two appraised values shall be averaged.

[3] If the lower appraisal value is less than 90% of the other appraisal, then each appraiser shall, within 15 days of notice from the Township, agree on a third appraiser, the cost of which is to be shared equally by the Township and the developer. Within 30 days of notice of his appointment, the third appraiser shall submit an appraisal. The middle of the three appraised values shall be used to determine the value of the land to be donated.

[4] If both the Township and the developer agree, the requirement for the appraisal process above in whole or in part may be waived upon mutual agreement between the Township and the developer.

(b) The land to be donated must meet all applicable zoning, land development and subdivision requirements to construct the desired type and amount of units.

(c) The land donation must occur prior to the completion of the market-rate units. The certificate of occupancy will be withheld pursuant to the requirements of Subsection E(1) below until the land donation occurs.

(3) Off-site development (new dwellings). Workforce housing units otherwise required to be constructed or as desired by the developer to be eligible for the incentives listed above may be constructed off site given the following regulations:

(a) Location. The dwelling units to be utilized to satisfy the workforce provisions shall be located within College Township.

(b) Number of. The total number of units provided off site shall be equal to those which would have been provided on site.
(c) Approval. The applicant must obtain off-site development plan approval from the Township at the same time the applicant obtains plan approval for the proposed market-rate units within the covered development. The off-site development plan must include, among other land development plan requirements, documentation of site control, necessary financing in place to complete the off-site development, architectural designs and elevations, and any other documentation deemed necessary by the Township to ensure compliance with the regulations contained herein.

(d) Each of the off-site dwellings designated as workforce housing shall meet all of the supplemental regulations stipulated in § 200-38.4E.

(4) Existing dwellings. A developer may designate dwelling units which have already been constructed as workforce housing units to meet his obligation (whether voluntary or mandatory) to obtain the incentives listed in § 200-38.4C for a particular development. Such off-site, existing dwelling units shall meet the regulations listed above in § 200-38.4D(3) and the following additional regulations:

(a) The units must be inspected and rehabilitated to meet current building codes.

(b) The proposed dwellings to be designated as workforce housing units shall be considered market-rate units. Utilizing this provision shall result in the conversion of market-rate dwellings to income-restricted workforce housing dwelling units.

(5) Credits for existing workforce housing. A developer of a new development may be given credit for previously built dwelling units which could be defined as workforce housing given the following regulations:

(a) The existing dwelling units in which a developer is seeking credit shall not have previously been created or in any way developed utilizing the regulatory relief provided herein.

(b) The developer shall only receive credit in whole or in part to relieve him of the mandatory obligation of providing workforce housing units as stipulated in § 200-38.4B(2). If the number of dwelling units being credited toward a developer's mandatory obligation is less than that required under § 200-38.4B(2), then the developer shall be required to provide workforce housing units equal to the difference of the credit and the mandatory requirement.

(c) In order for a previously built dwelling unit(s) to be credited towards a development's workforce housing obligation, each credited unit must:

[1] Have received its certificate of occupancy no more than five years prior to the date of the developer's submission of the new subdivision or land development plan; and

[2] Be designated as workforce housing upon land development and/or subdivision approval of the development seeking said credits and therefore meet all workforce housing unit regulations stipulated in § 200-38.4D.
E. **Supplemental workforce housing regulations.** In addition to the regulations above, all workforce housing units shall have the following requirements:

1. **Amenities.** Workforce housing units may differ from the market-rate units in a development with regard to interior amenities and gross floor area, provided that:
   
   - (a) The differences, excluding differences related to building size differentials, are not apparent in the general exterior appearance of the development;
   
   - (b) The gross floor area of the habitable space within workforce housing dwelling units is not less than the following minimum requirements:

<table>
<thead>
<tr>
<th>Category</th>
<th>Minimum Requirement</th>
</tr>
</thead>
<tbody>
<tr>
<td>One bedroom</td>
<td>750 square feet</td>
</tr>
<tr>
<td>Two bedrooms</td>
<td>1,000 square feet</td>
</tr>
<tr>
<td>Three bedrooms</td>
<td>1,200 square feet</td>
</tr>
<tr>
<td>Four bedrooms</td>
<td>1,400 square feet</td>
</tr>
<tr>
<td>Five or more</td>
<td>Add an additional 150 square feet per additional bedroom.</td>
</tr>
</tbody>
</table>

2. **Timing of construction.** Workforce housing units shall be made available for occupancy at approximately the same rate as the market units, except that certificates of occupancy for the last 15% of the market-rate units shall be withheld until certificates of occupancy have been issued for all of the workforce units.

3. **Cost offsets.** The Township may discount or defer municipal fees associated with the approval process of a subdivision/land development. Any developer of workforce units may submit a request for a discount or deferment of fees. The request must also contain information detailing how real costs will be reduced and how the savings will be passed on to the workforce housing units. The Township Council's decision on a discount or deferment of municipal fees will be based upon Council determining that such savings will be appropriate and directly proportionate to the reduction in unit sales or rental costs. The Township shall review the request and provide an answer to the developer within 30 days of receipt of the request.

4. **Certification of buyers.** Prior to executing a purchase contract for any workforce unit, the prospective workforce unit buyer shall be certified as meeting income requirements for the specified unit by the Township or its designee. Developers and workforce housing unit buyers may execute only purchase agreements that are approved as to form by the Township or its designee. The purchase agreement shall include language attached as an addendum provided by the Township or its designee which shall require that an appropriate disclosure form be provided to and explained to the workforce housing unit buyer prior to execution of the contract. The disclosure form shall explain any deed restrictions, restrictive covenants, and/or liens that are placed on the workforce housing unit to ensure long-term affordability.

   - (a) In addition to the foregoing, if the workforce housing unit contains an Accessory Dwelling Unit, a 1099 form reporting non-employment income shall be submitted with the documentation necessary to certify buyers.
Certification of renters. Prior to renting a workforce unit, the prospective renter shall be certified as meeting income requirements by the Township or its designee. The following limitations shall apply to the certification of renters:

(a) The rental unit must be used as the principal place of residence.

(b) Students enrolled in a post-secondary program, college or university are eligible only if they can meet the following two conditions:

[1] The student does not meet the Internal Revenue Service's definition of a "dependent,“ and

[2] The student can be classified as an "independent student" as defined by § 480(d) of the Higher Education Act of 1965.

Ensuring affordability. To ensure that any unit created under this section of the Zoning Ordinance (rented or owner-occupied) remains affordable over time, the owner of said unit(s) shall be required to maintain affordability based upon a legally binding agreement with either the Township or its designee, to be recorded at the Centre County Recorder of Deeds. Said agreement shall include:

(a) The period for which the units shall remain affordable, which at a minimum should be at least 30 years from the date of initial occupancy of a workforce housing unit;

(b) The process for certifying subsequent buyers of workforce housing dwelling units for the duration of the specified period of affordability;

(c) The level of affordability, including the amount of equity able to be recouped by the homeowner or owner of a rental property containing workforce housing units upon sale of the property; and

(d) A provision allowing the Township or its designee to first be offered the right to purchase a workforce housing unit prior to selling said unit without income restrictions if such sale is to occur after the affordability period noted above in § 200-38.4E(6)(a) with the following stipulations:

[1] The resale price which the Township or its designee shall pay the owner of the workforce housing unit(s) shall be no less than that calculated in § 200-38.4E(10) below;

[2] The Township or its designee shall be given a period of 90 days to execute a purchase agreement for said unit(s).

[3] Upon reaching the end of the ninety-day resale period or upon notice by the municipality or its designee that there is no interest in the workforce housing unit, the owner will be free to sell the unit.

Calculation of rental prices. Workforce housing units which are to be rented shall have a rental price which is affordable to households which earn 65% or less of the area median income, with the exception of those housing units which have a rent-to-own option pursuant to § 200-38.4E(12). Affordability shall be determined as monthly housing expenses being no greater than
30% of the household gross monthly income based upon household size assumptions noted in § 200-38.4E(11). Monthly housing expenses shall be calculated as the sum total of the monthly rent, plus the current utility allowance per the Housing Authority of Centre County.

(8) Rental price increases. Annual rent increases shall be limited to the percentage increase in the median household income within the State College Metropolitan Statistical Area. Centre County pursuant to the Department of Housing and Urban Development (HUD) Income Limits.

(9) Calculation of sales prices. Workforce housing units which are to be sold shall have a sale price which is affordable to households which earn 100% - 120% of the area median income. Affordability shall be determined as monthly housing expenses being no greater than 30% of the household gross monthly income based upon household size assumptions. Monthly housing expenses shall be calculated as the sum total of the principal and interest of the mortgage plus all property taxes, homeowners' insurance, homeowners' association fees, and any other fees approved for inclusion by the Township.

(10) Resale value of workforce housing units. The resale value of a workforce housing unit(s) during the affordability period stipulated in § 200-38.4E(6)(a) shall be limited to the lowest of:

(a) The purchase price plus an increase based on the percentage increase in the Consumer Price Index for the State College Metropolitan Statistical Area (MSA) for all urban consumers since the date of previous purchase; or

(b) The purchase price plus an increase, based on the percentage increase in the area median income since the date of purchase; or

(c) The purchase price plus an increase, based upon the compound average growth rate of Centre Region average house sale prices since the date of purchase; or

(d) The fair market value.

(11) Household size assumption. In calculating rent or sales price of a workforce housing unit, the following maximum relationship between unit size and assumed household size to determine income affordability shall apply:

(a) Efficiency units: one-person household.

(b) All other units: one plus number of bedrooms equal number of persons per household.

(12) Rent to own. Workforce housing units which are part of a rent-to-own program may be rented to households who earn more than 65%, but less than 100% - 120% of the AMI subject to the following:

(a) The minimum duration of the initial term of a lease for renting the workforce housing unit shall be for no less than an initial 18 months followed by the ability to be annually renewed. In addition the duration of the lease may be shortened upon the tenant entering into an option to purchase the workforce housing unit.

(b) The owner of the workforce housing unit(s) must also enter into an agreement with the tenant of the rent-to-own unit which will specify the terms of the program.
(c) The rent-to-own agreement between the owner and the renter of the workforce housing unit shall include provisions for a percentage of the rent to be set aside and utilized towards the purchase of the unit by the renter.

(d) The rent-to-own agreement shall be provided to the Township for review to determine if the rent-to-own terms will lead to an acceptable number of renters succeeding in obtaining ownership of the workforce housing unit.

E. **Administration.** College Township and/or its designee shall ensure compliance with all regulations contained herein and/or Chapter 180, Subdivision of Land, and Chapter 200, Zoning. The developer shall draft and submit for approval a legally binding agreement which states the responsibilities of all entities involved with the ongoing administration, and marketing of, and compliance with these regulations upon approval of a development containing workforce housing units. College Township shall reserve the right to designate another legal entity for the purpose of administrative needs of this section of who should be a party in all legally binding agreements required in this section.
MEMORANDUM

To: College Township Planning Commission
From: Dustin Best, Council Chair
Re: Council Remand: Workforce Housing Ordinance
Date: November 16, 2023

OBJECTIVES:
As a practice, Township Staff provides Council with periodic reviews of both the interpretation and application of pertinent ordinances. This exercise is done to ensure these ordinances meet their desired intent and continue to be appropriate for current community development needs. The most recent ordinance to undergo such a review is Chapter 200 Zoning, Section 38.4, Workforce Housing Ordinance.

Ensuring that our workforce has access to affordable housing is a key policy of this Council. This ordinance’s application is intended to do so in a way that provides a meaningful impact on the community and economic development needs of both College Township and the Centre Region.

Council is appreciative of Planning Commission’s experience and expertise. As such, we are remanding the Workforce Housing Ordinance with the intent that Planning Commission will take their time and offer careful consideration on both the “why” and “how” behind the ordinance’s eventual application. Council is providing the following Objectives that are to be addressed during the development of any recommendations pertaining to the ordinance:

Objectives:

<table>
<thead>
<tr>
<th>Objectives</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) Ensure that current ordinance and any recommended revisions thereof are both consistent and upholding of the new Purpose and Intent Statements.</td>
<td></td>
</tr>
<tr>
<td>2) The current ordinance addresses development of both rental and owner-occupied workforce housing, but does not provide a clear distinction in terms of ordinance implementation between those two specific housing types. Evaluate and, where appropriate, provide recommendations on how to better provide for separate, but parallel, paths for development of rental and owner-occupied workforce housing units under the ordinance.</td>
<td></td>
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<tr>
<td>3) The Area Median Income (AMI) in the region has increased over the past two years, which has a direct impact on the development of units for the targeted demographic and overall implementation of the ordinance. Review the current AMI data and application of ranges within the Workforce Housing Ordinance to ensure that it is appropriately allowing for development of units for the targeted demographic in both the rental and owner-occupied paths.</td>
<td></td>
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<tr>
<td>4) When originally adopted, the ordinance was crafted to offer incentives in terms of reductions in open space requirements and necessary infrastructure to encourage development of workforce housing units. However, when the ordinance was amended to become inclusionary, the incentives remained without any revisions. Review the incentives outlined in the current ordinance and offer recommendations on whether those incentives should be altered given the ordinance’s inclusionary nature and goal to ensure that neighborhoods remain equitable in terms of basic amenities.</td>
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</tbody>
</table>

The balance of this remand letter will serve to provide Planning Commission additional context on the newly developed Purpose and Intent Statements and provide a recommended process to aid in completion of the Objectives.
PURPOSE & INTENT STATEMENTS:
While the intent was implied during the original passage of the Workforce Housing Ordinance in 2009 and its subsequent amendment, it is nevertheless notable that the current ordinance is lacking both a Purpose and Intent Statement.

As with the revisions to the Residential Rental Ordinance, College Township Council recently established the new Purpose and Intent Statements below for the Workforce Housing Ordinance:

**Purpose Statement:**
Consistent with College Township’s adopted Vision, Mission, and Goals Statements, the purpose of the Workforce Housing segment (Section 200.38.4) of the Zoning Ordinance is to establish and maintain housing affordability within College Township.

**Intent Statement:**
The Intent of the Workforce Housing segment (Section 200.38.4) of the Zoning Ordinance is to:

1) Recognize the importance of socioeconomic diversity in nurturing more inclusive and dynamic neighborhoods.
2) Facilitate the provision of affordable and attainable rental and owner-occupied workforce housing options within College Township.
3) Place a strong emphasis on crafting sustainable, enduring solutions to housing challenges, including the implementation of long-term affordability requirements.
4) Foster collaborative efforts with neighboring municipalities to establish regional consistency in workforce housing ordinances.
5) Promote private sector investments in affordable housing through partnerships between local government and private developers aimed at constructing affordable housing units.
6) Implement incentives to promote the creation and maintenance of workforce housing.
7) Safeguard rental and owner-occupied workforce housing options within the community, enabling individuals and families with moderate to middle incomes* to reside proximate to their workplaces. *Specific targeted ranges to be determined for both rental and owner-occupied options, but will likely fall somewhere between 65-120% AMI.
8) Continuously monitor the Housing and Urban Development (HUD) Area Median Income (AMI), adjusting the AMI thresholds in the ordinance to accommodate annual increases or decreases.

RECOMMENDED PROCESS:
Recognizing the complexity of both the topic of this ordinance and the work being requested through this remand letter, Council suggests the following review tasks be undertaken prior to commencing work on the Objectives:

**Suggested tasks to be completed prior to ordinance evaluation:**

1) Review the Purpose and Intent Statements as developed by Council and seek clarification from Council as needed.
2) Review the specific terms and definitions applicable within the current ordinance and consider new definitions that should be incorporated.
3) Conduct a detailed review the “continuum of affordable housing” to fully understand the distinctions between attainable, affordable and workforce housing.
4) Review the various applications of Area Median Income (AMI) as it pertains to the respective segments of the continuum of housing. Please note that Council is targeting this ordinance toward development of units for the workforce or “missing middle” demographic.
5) Review the definition of “inclusionary” and how it applies to College Township’s Workforce Housing Ordinance.

**SCHEDULE:**
Upon completion of the recommended review tasks outlined above, Council requests that Planning Commission and staff begin working on the Objectives, as outlined on Page 1 of this letter, with the goal to provide recommendations on the Workforce Housing Ordinance prior to end of the first quarter of 2024.
<table>
<thead>
<tr>
<th>Date</th>
<th>Topic</th>
<th>Status</th>
<th>Next Steps</th>
<th>Staff/Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week Ending March 1, 2024</td>
<td>Interim Zoning Changes in Dale Summit</td>
<td>Ordinance enacted.</td>
<td>Newly enacted code can be found here.</td>
<td>Staff</td>
</tr>
<tr>
<td></td>
<td>Dale Summit Area Plan Preparation</td>
<td></td>
<td></td>
<td></td>
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<tr>
<td></td>
<td>Joint Meeting #1 Held Wednesday, January 24, 2024 C-Net Recording</td>
<td>Provide any edits/changes to Plan to DPZ.</td>
<td></td>
<td>Staff / PC / CTC</td>
</tr>
<tr>
<td></td>
<td>Dale Summit Form Based Code Preparation</td>
<td></td>
<td>Coordinate with DPZ, regarding meeting logistics.</td>
<td>Staff / PC / CTC</td>
</tr>
</tbody>
</table>