

FERGUSON TOWNSHIP PLANNING COMMISSION
Regular Meeting Agenda
Monday, June 12, 2023, 6:00 PM

Hybrid Meeting

REMOTE PARTICIPANTS:

Join Zoom Meeting:

<https://us02web.zoom.us/j/81456701356>

Meeting ID: 814 5670 1356

[Zoom Access Instructions](#)

IN-PERSON PARTICIPANTS:

**Ferguson Township Municipal
Building**

**Main Meeting Room
3147 Research Drive
State College, PA**

I. CALL TO ORDER

II. CITIZENS INPUT

III. APPROVAL OF MINUTES

1. May 22, 2023, Regular Meeting Minutes

IV. OLD BUSINESS

V. NEW BUSINESS

**1. Chapter 27, Zoning, Section 716, Workforce Housing Ordinance Draft
Amendment**

Jenna Wargo, Director of Planning & Zoning

Provided in the agenda is the first draft amendment to §27-716—Workforce Housing. Staff is prepared to present the proposed amendments and answer any questions the Commission may have. Included below are summarized amendments being proposed.

- Applicability
- Area Median Income (AMI) Range for rentals and for-sale units
- Additional Workforce Housing options

Staff Recommendation: Review the materials provided by staff.

Recommended Motion: *This is a discussion item.*

VI. COMMUNICATIONS TO THE COMMISSION

VII. OFFICIAL REPORTS AND CORRESPONDENCE

1. Board of Supervisors Report
2. CRPC Report
3. Land Development Plans



Visit the Township's Web Site www.twp.ferguson.pa.us and sign up for *Notify Me!* to receive email notices about Township Information.

PLAN NAME	SUBMISSION DATE	REVIEW PERIOD	PLAN EXPIRATION
All Washed Up Auto Spa Preliminary Land Development Plan	September 12, 2022	First Review Comments returned September 29, 2022	July 24, 2023
Peace Center and Cemetery Preliminary Land Development Plan	May 18, ,2021	Second Review comments returned October 12, 2022	July 24, 2023
IMBT Preliminary Subdivision Plan	January 31, 2022	Conditionally Approved September 6, 2022	October 1, 2023
1004 West College Ave Vertical Mixed-Use Building	March 14, 2022	Third Review Comments returned March 6, 2023	July 28, 2023
Salvation Baptist Church Preliminary Land Development Plan	June 1, 2022	Conditionally Approved November 1, 2022	June 28 2023
125 East Pine Grove Road Preliminary Land Development Plan	October 12, 2022	Fifth Review Comments returned May 18, 2023/PC Review May 22, 2023	June 25, 2023
LeCrone Minor Subdivision Plan	October 21, 2022	Conditionally Approved January 17, 2023	June 26, 2023
1900 Circleville Road	January 3, 2023	Staff First Review Comments returned January 20, 2023	August 30, 2023
LeCrone Preliminary Land Development Plan	February 1, 2023	Second Review comments returned April 13, 2023	August 31, 2023
180 Science Park Court Minor Subdivision Plan	April 5, 2023	Second Review comments returned May 26, 2023	August 17, 2023

4. Staff Updates

VIII. ADJOURNMENT

**FERGUSON TOWNSHIP PLANNING COMMISSION
REGULAR MEETING MINUTES
MONDAY, MAY 22, 2023
6:00 PM**

ATTENDANCE

The Planning Commission held its first meeting of the month on Monday, May 22, 2023, as a hybrid meeting. In attendance:

Commission:

Jerry Binney – Chair
Dr. Ellen Taricani – Vice Chair
Jennifer Eccleston
Shannon Holliday
Bill Keough
Lisa Rittenhouse
Lewis Steinberg
Ralph Wheland

Staff:

Jenna Wargo – Director of Planning
Kristina Bassett – Community Planner

Others in attendance: Rhonda R. Demchak, Recording Secretary; Mike Vaow, Stahl Sheaffer Engineering

I. CALL TO ORDER

Mr. Binney called the Ferguson Township Planning Commission's regular meeting to order on Monday, May 22, 2023, at 6:00 p.m. and it has been advertised in accordance with the PA Sunshine Act as a hybrid meeting.

Ms. Wargo took roll call, and the Planning Commission had a quorum.

II. CITIZEN INPUT

There were no comments.

III. APPROVAL OF MINUTES

Mr. Keough moved that the Planning Commission **approve** the April 10, 2023, Regular Meeting Minutes. Mr. Wheland seconded the motion. The motion passed unanimously.

IV. NEW BUSINESS

1. 125 East Pine Grove Road Preliminary Land Development Plan

Ms. Bassett stated that Stahl Sheaffer Engineering has submitted, on behalf of their client, the 125 East Pine Grove Road Preliminary Land Development Plan, dated October 7, 2022, and last revised May 3, 2023. The 125 East Pine Grove Road Preliminary Land Development Plan proposed the conversion of a single-family home into a restaurant with indoor and outdoor dining areas. The property is located at 125 East Pine Grove Road (24-009A-30-0000) and is zoned Village (V). The property is approximately 0.537 acres.

Staff has reviewed the proposed plan and is recommending approval with conditions outlined in the Community Planner's memorandum, dated May 18, 2023.

Mr. Keough asked where the sensitive area applies and does not apply. Ms.₃ Wargo stated that the Township Engineer would be able to get that information.

Mr. Binney asked what a sumped inlet was. Mike Vaow, Stahl Sheaffer Engineering, explained that it is a typical inlet with the ground around it being higher.

Mr. Keough addressed the sidewalks comments/issues listed throughout the report. Mr. Vaow noted that the issues were worked out.

Mr. Crassweller moved that the Planning Commission **recommend** approval with conditions of the 125 East Pine Grove Road Preliminary Land Development Plan to the Board of Supervisors as outlined in the Community Planner's memorandum, dated May 18, 2023. Mr. Wheland seconded the motion. The motion passed unanimously.

V. COMMUNICATIONS TO THE COMMISSION

Ms. Wargo reminded the Planning Commission that on June 14, 2023, from 12:15 p.m. – 2:00 p.m. there will be a joint Board of Supervisors meeting and Planning Commission meeting. The first draft of the Terraced Streetscape District (TSD) rewrite will be reviewed. Ms. Wargo will provide the Planning Commission with the draft prior to the joint meeting. Ms. Bassett stated that the TSD will need to be renamed and are open to ideas.

VI. OFFICIAL REPORTS AND CORRESPONDENCES

A. Board of Supervisors

Ms. Wargo reported that the Board remained neutral on the Zoning Variance at 2616 Tadpole Road. The property owner was requesting a variance from the Rural Residential setback requirements to add an addition to a 20' x 30' existing structure. The Zoning Hearing Board will take place on May 23rd to hear this case along with the 1004 West College Avenue Land Development appeal and validity challenge of the Workforce Housing Ordinance. Ms. Wargo stated that the Township Solicitor will be attending.

B. CRPC Meeting

Dr. Taricani reported that they met on May 4, 2023, and discussed the vacant residential lots that are available in the region.

Mr. Keough discussed the swath of land at the Thompson Woods Nature Preserve that is partially owned by the Borough and College Township. Mr. Keough stated that there is the issue of managing the preserve and discussed the committees that were created. Mr. Keough was appointed to the Governance Committee since he is a non-resident of the Borough and College Township.

C. Land Development Plans

Ms. Bassett reviewed the following plans:

PLAN NAME	SUBMISSION DATE	REVIEW PERIOD	PLAN EXPIRATION
All Washed Up Auto Spa Preliminary Land Development Plan	September 12, 2022	First Review Comments returned September 29, 2022	July 24, 2023
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D. Staff Updates

Ms. Wargo reported that Mr. Jeff Ressler has been out attending conferences.

Ms. Holliday reported that there will be community wide events on Allen Street for Juneteenth from June 15-21, 2023.

Mr. Keough asked about Rutter’s. Ms. Wargo stated that it may be postponed a bit longer.

Ms. Rittenhouse reported that Fourth Fest has returned since the pandemic. There will be a 5K Walk/Run, parade, several events, and fireworks.

Mr. Keough reported that on June 8-10, 2023, the Centre Region and PSU will be hosting the Special Olympics Summer Games and they need volunteers.

Ms. Holliday added that for Juneteenth there will be an arts and crafts exhibition for children of all ages.

VII. Adjournment

Mr. Steinberg made a motion to **adjourn** the May 22, 2023, Planning Commission meeting at 6:45 p.m. Mr. Keough seconded the motion passed unanimously.

Respectfully Submitted,

Rob Crassweller, Secretary
 For the Planning Commission

The following Code does not display images or complicated formatting. Codes should be viewed online. This tool is only meant for editing.

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§ 27-716 Workforce Housing.
[Ord. No. 1049, 11/18/2019; as amended by Ord. No. 1065, 1/4/2021]

- 1. Purpose. The purpose of this section is to:
 - A. Provide a wide range of quality, workforce housing for households with ~~an~~ incomes of a certain 80% ~~to 120%~~ of area median income (AMI) in high opportunity neighborhoods, those with superior access to quality schools, services, amenities and transportation;
 - B. ~~To~~ Support the Centre Region Comprehensive Plan's goal of providing a wide range of sound, affordable and accessible housing consistent with the fair share needs of each municipality in the Centre Region;
 - C. Provide criteria for workforce housing including, but not limited to, design, construction, phasing, and location within a development;
 - D. ~~To~~ Facilitate and encourage development and redevelopment that includes a range of housing opportunities through a variety of residential types, forms of ownership, home sale prices and rental rates;
 - E. ~~To~~ Work in partnership and support local, state, and federal programs to create additional housing opportunities;
 - F. Responsibly allocate resources to increase housing opportunities for families and individuals facing the greatest disparities;
 - G. Ensure the opportunity of workforce housing for employees of businesses that are located in or will be located in the Township;
 - H. ~~To~~ Ensure affordable homeownership, is defined as a mortgage payment and housing expenses (principal, interest, taxes, insurance, and condominium or association fees, if any) costing no more than 30% of a family's gross monthly income, per the Department of Housing and Urban Development (HUD) definition; and
 - I. Effectively enforce and administer the provisions of the Workforce Housing Program.
- 2. Authority. Provisions for the workforce housing section are intended to comply with the following articles of the Pennsylvania Municipal Planning Code.

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A. Article VI, Zoning.

- (1) Section 603, Ordinance Provisions, where:
 - (a) Zoning ordinances should reflect the policy goals of the statement of the community development objectives and give consideration to the character of the municipality, the needs of the citizens and the suitabilities and special nature of particular parts of the municipality.
 - (b) Zoning ordinances may contain:

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- 1) Provisions to encourage innovations and to promote flexibility, economy and ingenuity in development, including subdivisions and land developments as defined in this act;
- 2) Provisions authorizing increases in the permissible density of population or intensity of a particular use based upon expressed standards and criteria set forth in the zoning ordinance.
- (c) Zoning ordinances adopted by municipalities shall be generally consistent with the municipal or multi-municipal comprehensive plan or, where none exists, with the municipal statement of community development objectives and the county comprehensive plan.

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(2) Section 604, Zoning Purposes. The provisions of zoning ordinances shall be designed:

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- (a) To promote coordinated and practical community development and proper density of population.

(3) Section 605, Classifications.

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- (a) For the purpose of encouraging innovation and the promotion of flexibility, economy and ingenuity in development, including subdivisions and land developments as defined in this act, and for the purpose of authorizing increases in the permissible density of population or intensity of a particular use based upon expressed standards and criteria set forth in the zoning ordinance.

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B. These regulations are enacted under the authority of the Pennsylvania Human Relations Act (Act of October 27, 1995, P.L. 744, as amended), which guarantees fair housing.

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C. Posting of the fair housing practices notice is required pursuant to the Pennsylvania Human Relations Act.

3. Definitions. As used in this section, the following words and terms shall have the meanings specified herein:

AREA MEDIAN INCOME

The midpoint of combined salaries, wages, or other sources of income based upon household size in the State College Metropolitan Statistical Area.

CONVERSION

A change in a residential rental development or a mixed-use development that includes rental dwelling units to a development that contains only owner-occupied individual dwelling units or a change in a development that contains owner-occupied individual units to a residential rental development or mixed-use development.

DENSITY BONUS

An increase in the number of market-rate units on the site in order to provide an incentive for the construction of affordable housing pursuant to this chapter, also known as a bonus unit.

DESIGNATE EXISTING UNITS (DEU)

Workforce units, required to be constructed by this Section, that are designated in an existing

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residential development (receiving site) within Ferguson Township and the Regional Growth Boundary (RGB), to meet obligations required by a new development that is subject to this Section.

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DEVELOPMENT

The entire proposal to construct or place one or more dwelling units on a particular lot or contiguous lots, including, without limitation, a ~~traditional~~ Traditional town ~~Town development~~ Development (TTD) master plan, a ~~planned~~ Planned residential ~~Residential development~~ Development (PRD), land development or subdivision.

FEE-IN-LIEU

A payment of money to Ferguson Township's Affordable Housing Fund in-lieu of providing workforce housing units. This fee is updated annually within the Ferguson Township Schedule of Fees.

LOT

A designated parcel, tract or area of land established by a plat or otherwise as permitted by law and to be used, developed or built upon as a unit.

MEDIAN GROSS HOUSEHOLD INCOME

The median income level for the State College, PA Metropolitan Statistical Area (MSA), as established and defined in the annual schedule published by the Secretary of the U.S. Department of Housing and Urban Development, adjusted for household size.

MULTIFAMILY DWELLING

Three or more dwelling units, with the units stacked one above the other.

PHASE

The portions of an approved development, or, in the case of a master plan approval, a specific implementation plan (SIP), which are set out for development according to a Township-approved schedule.

RECEIVING DEVELOPMENT

A new development with transferred workforce housing obligations from a sending site.

RENOVATION

The physical improvement that adds to the value of real property, but that excludes painting, ordinary repairs, and normal maintenance.

SENDING DEVELOPMENT

A development which utilizes the off-site option to send its own workforce housing unit obligations to another development on a different site.

WORKFORCE HOUSING

Housing with a sales price or rental amount within the means of a household that may occupy moderate income housing. In the case of dwelling units for sale, affordable means housing in which mortgage, amortization, taxes insurance, and condominium or association fees, if any, constitute no more than 30% of such gross annual household income for a household of the size that may occupy the unit in question. In the case of dwelling units for rent, affordable means housing for which the rent and basic utilities constitutes no more than 30% of such gross annual household income for a household of the size that may occupy the unit in question. Utilities for rental units include: electric/gas, trash, water and condominium or association fees.

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WORKFORCE HOUSING DEVELOPMENT AGREEMENT

A written agreement duly executed between the applicant for a development, the Township, and, if applicable, the designated third-party administrator of the Workforce Housing Program. Said agreement shall include, at minimum, all of the provisions established in [§ 27-716, Subsection 7](#)this section.

WORKFORCE HOUSING DWELLING UNIT

A housing unit documented in an applicant's workforce housing development agreement as required in order to comply with the Workforce Housing Program requirements, subsidized by the federal or state government or subject to covenants and deed restrictions that ensure its continued affordability. When calculating the required percentage of workforce units in a development, any fractional result between 0.01 and 0.49 will be rounded down to the number immediately preceding it numerically, and any fractional result between 0.50 and 0.99 will be rounded up to the next consecutive whole number. However, the total workforce unit percentage shall not exceed 10% of the required total workforce housing units in the development.

WORKFORCE HOUSING FUND

The fund created by Ferguson Township to receive funds generated from the administration of fee-in-lieu payments to support workforce housing within Ferguson Township.

4. Applicability. Workforce Housing must be provided within all zoning districts for all of the following types of development that contain or result in 10 or more residential dwelling units, the following Developments and minor alterations within the Terraced Streetscape (TS) Zoning District and the Traditional Town Development (TTD) Zoning District that results in:

A. ~~New residential construction, regardless of the type of dwelling unit. Ten or more residential dwelling units;~~

B. ~~A new mixed-use development with a residential component, regardless of the type of dwelling unit.~~

C. ~~Renovation-Structural alteration of a building with a residential component, regardless of the type of dwelling unit, structure that results in 10 or more additional residential dwelling units within five years; and~~

~~C.D. ~~Conversion-Redevelopment of a nonresidential property to a residential property, regardless of the type of dwelling unit, that results in 10 or more residential dwelling units within five years.~~~~

E. Structural alteration of a residential structure, regardless of the type of dwelling unit.

F. Any Traditional Town Development (TTD) or Planned Residential Development (PRD).

5. General Requirements for Workforce Units. For all applicable developments listed in [§ 27-716, Subsection 4.4, Applicability, within the Terraced Streetscape \(TS\) Zoning District and the Traditional Town Development \(TTD\) Zoning District](#), projects must comply with the following requirements.

A. The permit application must include a Workforce Housing Program option selection.

B. Calculation of Workforce Units. To calculate the minimum number of workforce units required in

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any land development listed in Subsection 4, Applicability, the total number of proposed units shall be multiplied by 10%.

(1) When calculating the required percentage of workforce units in a development, any fractional result between 0.01 and 0.49 will be rounded down to the number immediately preceding it numerically, and any fractional result between 0.50 and 0.99 will be rounded up to the next consecutive whole number. However, the total workforce unit percentage shall not be required to exceed 10% of the total units in the development.

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BC. Accommodations.

(1) Developments that provide built workforce housing dwelling units, either built on-site, or built off-site, or designated in an existing residential building will be entitled to the following:

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(a) One additional equivalent unit (bonus unit) may be added to the development (sending development if built off-site) for each for-sale or leased workforce housing unit provided;

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(b) Multifamily dwellings may exceed the maximum height set forth in the underlying zoning district by one additional story to accommodate bonus units added to the development for building for-sale or leased workforce dwelling units; and

(c) Off-street parking may be provided but and is not required for any workforce unit built or designated within multifamily dwellings.

(d) For Planned Residential Developments:

i. Open space/parkland required within the development may be decreased to 2.0 acres, and

ii. Buffer plantings may be decreased by 50%.

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(e) Diversity Standards as outlined in § 27-303.3.B.(1) (Traditional Town Development (TTD) Zoning District) may be modified to the extent needed to accommodate all required workforce units and allowable bonus units.

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D. Workforce Housing Development Agreement. For developments required to contain workforce housing, no land development plan, subdivision plan, or specific implementation plan for a phase within a development, shall be recorded without having first duly executed a workforce housing development agreement for such development or phase. Ferguson Township, Township designee, and the applicant for the development, shall each be parties to the workforce housing development agreement, which shall, at minimum, contain the following provisions:

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(1) A. Concurrence by the designated administrator of the Workforce Housing Program that the workforce housing is being provided within the development or phase;

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B(2). The location(s), zoning designation(s) and ownership of the development or phase;

C(3). The number and type of workforce housing dwelling units that will be provided and the calculations used to determine the number of units provided;

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D(4). If a fee-in-lieu is proposed for the development or phase, in whole or part, the fee-in-lieu calculation methodology that will be applied to workforce housing dwelling units, within the development or phase;

E(5). Any accommodations provided in ~~§ 27-716, Subsection 6B.5.B.~~ that are being utilized for the project;

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F(6). A description of the development or phase proposed, including the name of the development project and marketing name;

G(7). A graphical depiction of the location of workforce housing units within the development or phase, and if ~~available~~ applicable, the lot numbers for the workforce housing dwelling units;

H(8). A schedule for the construction of the workforce housing dwelling units, consistent with that shown on the approved plans for the development or phase;

I(9). The proposed sale prices and affordability restrictions for each workforce housing dwelling unit and a copy of the applicable affordability deed restrictions and covenants;

J(10). The proposed marketing plan for the workforce housing;

K(11). Acknowledgement that ~~§ 27-716, Subsection 11.10.~~ Continued Affordability, Compliance and Reporting Requirements will be followed;

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L(12). Indication of which, if any, of the workforce housing dwelling units will be special needs housing for seniors, disabled, or other special needs populations and a description of the unique features or services for that population;

M(13). Indication as to whether the applicant or, for off-site construction, a third party will be constructing the workforce housing dwelling units. If a third party is to construct the workforce housing dwelling units, the third party shall join in and be bound by the terms and conditions of the workforce housing development agreement;

N(14). Within any given development or phase, certificate of occupancy permits for the last 10% of market-rate units that are offered for sale or rent within that development or phase shall be withheld by the Township until all of the workforce housing dwelling units within that development or phase have been issued certificates of occupancy or release by payment of a fee-in-lieu;

O(15). Acknowledgement that the designated workforce housing administrator of the Township's Workforce Housing Program shall have full authority to administer the provisions of the workforce housing development agreement;

P(16). The draft workforce housing development agreement shall be reviewed and approved by the Township Solicitor with approval as a condition of approval of the plans for the development or phase;

Q(17). The fully executed workforce housing development agreement shall be recorded concurrently with the plans for the development or phase.

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D.E. Limitations.

(1) To the extent permitted by federal law, priority will be given to residents of Centre County, or individuals employed by a business located in Centre County.

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(2) The workforce housing dwelling units must be occupied by the income qualified individual and/or family and must be used as the principal place of residence;

EF. Except for household income, asset limitations and the primary residency requirement as set forth herein, occupancy of any workforce unit shall not be limited by any conditions that are not otherwise applicable to all units within the covered project;

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EG. Execution of a workforce housing development agreement shall be a condition of approval of a land development plan, or general master plan.

6. Standards for Workforce Housing Options. Workforce housing must be provided either on-site, off-site, designate existing residential units (DEU), through land donation or a fee-in-lieu of providing workforce housing must be paid, according to the following standards:

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A. Workforce units may be built on-site, paid fee in lieu, or built off site.

(1) Diversity Standards as outlined in § 27-303, Subsection 3B(1) (related to TTD developments) may be modified to the extent needed to accommodate all required workforce units and allowable bonus units.

(2) In the case of workforce housing dwelling units provided as a single-family dwelling, duplex, multiplex or townhouse:

(a) The units shall not be segregated or clustered within a development.

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(b) Except in the case of lots containing more than one unit, no more than two adjacent lots or units shall contain workforce housing dwelling units.

(3) Workforce housing dwelling units may be clustered within a multifamily dwelling (for sale or rent) and no more than 25% of the total units per floor can be designated as workforce units, excluding the top floor.

(4) Workforce housing dwelling units shall be like market rate units, exclusive of upgrades, with regard to number of bedrooms, amenities, and access to amenities, but may differ from market-rate units regarding interior amenities, provided that:

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(a) These differences, excluding differences related to size differentials, are not apparent in the general exterior appearance of the market-rate units;

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(b) These differences do not include insulation, windows, heating systems, and other improvements related to the energy efficiency and standard components of the unit;

(c) Amenities for workforce units are determined to be reasonably equivalent if the appliances have the same ENERGY STAR® rating as those in the market-rate units; and

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(d) Workforce units may be up to 10% smaller than the market rate units.

(5) In order to ensure an adequate distribution of workforce units by household size, the bedroom mix of workforce units in any project shall be in the same ratio as the bedroom mix of the market-rate units of the project. The applicant may pursue altering this provision through a conditional use process as outlined below:

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(a) For a multifamily or mixed-use building project to be eligible for this conditional use, the following conditions must be met:

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i. A preliminary land development plan is submitted.

ii. The project includes multifamily housing of ten or more units.

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iii. The bedroom mix of the workforce units may be different from the market rate units. Applicants can provide an alternative mix of workforce units based on the total number of bedrooms required by this section. A calculation must be performed to identify how many total market-rate bedrooms would be required in the development. Ten percent of the total number of units shall be workforce and the developer shall calculate the number of bedrooms that would result from the 10% requirement based on the bedroom mix. The bedroom mix then may be modified as part of the conditional use process so long as the resulting bedrooms are equal to the 10% requirement.

iv. The workforce unit(s) will be leased by the unit.

v. Alteration of the bedroom mix for the workforce units will not result in additional bonus units for a project.

(6) Workforce units required under this ~~chapter section~~ shall be offered for sale or lease to a qualified household to be used for its own primary residence, except for units purchased by the Township or its designee;

(7) The sale ~~or lease~~ of workforce housing dwelling units shall be limited to qualified households earning between ~~80~~60% and 120% area median income (AMI), adjusted for household size.

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(8) The lease of workforce housing dwelling units shall be limited to qualified households earning no more than 80% area median income (AMI), adjusted for household size. The workforce unit(s) shall be leased by the unit.

~~(8)~~ If the development contains phases, workforce housing shall be provided in all residential phases, according to the options set forth in ~~Subsection 86~~.

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~~(9)~~10) Owners of workforce housing dwelling units are required to sign an agreement of deed restriction, suitable for recording, providing that such unit is subject to the terms and conditions of this section.

~~(11)~~ Accommodations that will be provided to the developer as set forth in § 27-716.5.C, Subsection 6B, for the project will be included in the land development plan and the workforce housing development agreement.

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B. ~~C~~. Build Off-Site.

- (1) Workforce housing dwelling units may be constructed off-site, in a development (the "receiving development") within Ferguson Township that is separate from the development or phase (the "sending development") that is required to provide workforce housing.
- (2) The receiving development must be an approved development, and the applicant must obtain land development plan approval from the Township for the receiving development concurrently with the land development plan approval for the sending development.
- (3) The workforce units built in the receiving development must be reasonably equivalent in size and bedroom count to the units in the sending development.
- (4) The receiving development shall be an integrated development and not contain 100% workforce housing dwelling units.
- (5) The owner of the sending development must provide the following information to Township Staff and/or designee at the time the land development plan for the sending development has been submitted:
 - (a) Location of the receiving development;
 - (b) Concurrence of the owner of the receiving development to construct the workforce housing dwelling units; and
 - ~~(c)~~ The number of units and workforce housing dwelling units proposed within the receiving development.
- (6) The sending development will receive all bonus units and accommodations attributable to the workforce housing dwelling units.
- (7) The receiving development must be located within the regional growth boundary (RGB) as illustrated in the Centre Region Comprehensive Plan Council of Governments.
- (8) The owner or developer of the receiving development must enter into the sending development's workforce housing development agreement for the workforce housing dwelling units that are going to be provided on the receiving development.
- (9) The receiving development is subject to the Workforce Housing Program requirements outlined in ~~§ 27-716~~ this section.
- (10) The receiving development must develop the workforce housing dwelling units according to the schedule set forth in the workforce housing development agreement.
- (11) A violation to the sending development will be due to Ferguson Township if the workforce units in the receiving development are not made available as set forth in the workforce housing development agreement. Notice of violation procedures can be found in Chapter 27, Part 906, Violations and Penalties.

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C. Designate Existing Units (DEU).

(1) Workforce Units otherwise required to be constructed as specified under paragraph §27-716.4., may be designated in an existing residential development (“receiving development”) within Ferguson Township from the new development (“sending development”) that is subject to the Workforce Housing program requirements.

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(a) The amount of otherwise developed off-site units will be determined upon approval of any master plan, land development, and specific implementation plan (SIP) in accordance with the terms as provided hereafter and construction of the same will be as set forth in the Workforce Housing Development Agreement between the Township, Township designee, and developer.

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(2) To determine the total number of off-site units, multiply the number of proposed units in the sending development by 10 percent.

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(3) Township Staff and/or designee will determine whether the proposed existing residential building is compatible with the Workforce Housing Program requirements. If the proposed receiving site is determined to be incompatible, the applicant must choose one of the remaining Workforce Housing Program Options provided.

(4) The sending development may retain all bonus units.

(5) Receiving Site Requirements:

(a) The receiving site must be identified and approved by Township Staff and/or designee prior to zoning permit issuance for the sending development, specifying the following information:

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(i.) Location;

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(ii.) Proof of ownership or signed agreement from property owner of receiving development to be reviewed and approved by the Township;

(iii.) Number of workforce units and total units in the Receiving Site; and

(iv) Leasing Schedule.

(b) The receiving site must be located within the Regional Growth Boundary (RGB) as adopted by Centre Region Council of Government(c) The workforce units designated in the receiving site must be reasonably equivalent in size, quality, and bedroom count to the Workforce units required at the sending development.

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(d) The receiving site cannot be supported by an additional subsidy from Ferguson Township(e) The receiving site remains subject to any additional Workforce Housing Program requirements.

(f) The receiving site must receive a Certificate of Occupancy within three years of the sending development’s first issued zoning permit or be subject to financial penalties.

(g) A penalty to the sending development will be due to Ferguson Township if the Workforce Units in the receiving site are not made available as set forth in the Affordable Housing Development Agreement.

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D. Land Donation.

(1) Workforce Units required to be constructed as specified in §27-716.4. may be offset through land donation to the Township or its designee, with the Township's approval.

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(a) Terms for acceptance of the same shall be as agreed upon between the Board of Supervisors and the developer and set forth in the Workforce Housing Development Agreement.

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(2) The land value must be equal to or greater than the value of the fee-in-lieu payment. The value of the land will be determined by an appraisal completed by a certified appraiser and shall be submitted to the Township. If the submitted appraisal is in question, the value of the land will be determined as outlined in the policy and procedures manual.

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(a) The land to be donated must be located within Ferguson Township and the Regional Growth Boundary (RGB) as adopted by the Centre Region Council of Governments.

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(b) The land to be donated must meet all applicable zoning and land development standards to construct the required units.

(c) The land donation must occur prior to the issuance of zoning permit of the Sending Development.

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E. B. Fee-In-Lieu.

(1) A fee-in-lieu may be paid to the Workforce Housing Fund to offset the construction of one or more workforce housing dwelling units as follows:

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(a) Up to 40% of the workforce housing dwelling units attributable to for-sale units within the development can be offset by a fee-in-lieu; and

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(b) Up to 100% of the workforce housing dwelling units attributable to rental units within the development or phase can be offset by a fee-in-lieu.

(2) Board of Supervisors shall establish by resolution the amount of the workforce housing fee-in-lieu as part of the Township's Schedule of Fees.

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(3) For single-phased development projects, the fee-in-lieu shall be paid prior to issuance of the zoning permit.

(4) For development projects with phases (specific implementation plans), the fee-in-lieu shall be paid on a phase-by-phase basis based upon the number of workforce housing units being released in that phase with payment made prior to the issuance of the zoning permit for each phase.

(a) The current fee-in-lieu amount in place at the time of submission approval will be applied to the workforce housing units being released in that phase.

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(5) The Township shall create and administer a Workforce Housing Fund into which all fee-in-lieu payments shall be deposited. All funds received pursuant to this chapter section shall be used to further the Township's mission to maintain and further workforce housing within Ferguson Township.

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(6) Upon payment of the fee-in-lieu amount for one or more workforce housing dwelling units, the applicant has no additional workforce housing requirements relative to such units. Upon payment, the Township and applicant shall execute a recordable instrument indicating that the workforce housing requirements have been met for those units and that the units are no longer workforce housing dwelling units subject to the terms and conditions of this section.

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~~B. Accommodations.~~

- ~~(1) Developments that provide built workforce housing dwelling units, either built on site or built off site, will be entitled to the following:~~
- ~~(a) One additional equivalent unit (bonus unit) may be added to the development (excluding development if built off site) for each for sale workforce housing unit provided;~~
- ~~(b) Multifamily dwellings may exceed the maximum height set forth in the underlying zoning district by one additional story to accommodate bonus units added to the development for building for sale workforce dwelling units; and~~
- ~~(c) Off street parking may be provided but is not required for any workforce unit built or designated within multifamily dwellings.~~

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~~C. Ferguson Township's Option to Purchase.~~

~~(+)A. The following provisions apply to the initial offering of workforce units for sale by the developer:~~

- ~~(a1) As a condition of land development approval, the applicant shall notify the Township or its designee of the prospective availability of any workforce units at the time the design and pricing are being established for such units.~~
- ~~(b2) From the time of building permit issuance, the Township or its designee shall have an exclusive option for 60 days to enter into a purchase and sales agreement at the workforce unit pricing for each workforce unit offered for sale by the applicant. The Township may waive or assign this option.~~
- ~~(c3) If the Township fails to exercise its option for the workforce units, or if the Township or its designee declares its intent not to exercise its option, the applicant shall offer the workforce units for purchase to income qualified households per § 27-716, Subsection 6A(5) this section. If requested, by the applicant, the Township or its designee shall execute documents that may be recorded with the Centre County Office of Recorder of Deeds to evidence said waiver of option.~~
- ~~(d4) Closing on workforce units purchased by the Township or its designee occurs within 30 days after issuance of the certificate of occupancy. If the Township or its designee fails to close on these workforce units within such 30 days, the applicant shall offer the unit for purchase or rent to income qualified households per § 27-716, Subsection 6A(5) this section.~~
- ~~(e5) The Township may assign its options under this section, section; in which event it shall notify the applicant of the agency to which it has assigned the option, ~~which.~~ The agency shall work directly with the applicant, and applicant and shall have all of the authority of the Township as provided under this section.~~
- ~~(f6) At any point after the initial option period, Subsection 6C(1)(b) above, the applicant may offer the workforce housing dwelling units to the Township or its designee for purchase at the workforce unit pricing. The Township or its designee then shall have 30 days to enter into a purchase and sales agreement and close within 30 days thereafter.~~

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~~D. Limitations:~~

- ~~(1) To the extent permitted by federal law, priority will be given to residents of Centre County, or individuals employed by a business located in Centre County.~~
- ~~(2) The workforce housing dwelling units must be occupied by the income-qualified individual and/or family and must be used as the principal place of residence;~~

~~E. Except for household income, asset limitations and the primary residency requirement as set forth herein, occupancy of any workforce unit shall not be limited by any conditions that are not otherwise applicable to all units within the covered project;~~

~~F. Execution of a workforce housing development agreement shall be a condition of approval of a land development plan, or general master plan.~~

~~7. Workforce Housing Development Agreement. For developments required to contain workforce housing, no land development plan, subdivision plan, or specific implementation plan for a phase within a development, shall be recorded without having first duly executed a workforce housing development agreement for such development or phase. Ferguson Township, Township designee, and the applicant for the development, shall each be parties to the workforce housing development agreement, which shall, as minimum, contain the following provisions:~~

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~~A. Concurrence by the designated administrator of the Workforce Housing Program that the workforce housing is being provided within the development or phase;~~

~~B. The location(s), zoning designation(s) and ownership of the development or phase;~~

~~C. The number and type of workforce housing dwelling units that will be provided and the calculations used to determine the number of units provided;~~

~~D. If a fee in lieu is proposed for the development or phase, in whole or part, the fee in lieu calculation methodology that will be applied to workforce housing dwelling units, within the development or phase;~~

~~E. Any accommodations provided in § 27-716, Subsection 6B, that are being utilized for the project;~~

~~F. A description of the development or phase proposed, including the name of the development project and marketing name;~~

~~G. A graphical depiction of the location of workforce housing units within the development or phase, and if available, the lot numbers for the workforce housing dwelling units;~~

~~H. A schedule for the construction of the workforce housing dwelling units, consistent with that shown on the approved plans for the development or phase;~~

~~I. The proposed sale prices and affordability restrictions for each workforce housing dwelling unit and a copy of the applicable affordability deed restrictions and covenants;~~

~~J. The proposed marketing plan for the workforce housing;~~

~~K. Acknowledgement that § 27-716, Subsection 11, Continued Affordability, Compliance and Reporting Requirements will be followed;~~

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~~L. Indication of which, if any, of the workforce housing dwelling units will be special needs housing for seniors, disabled, or other special needs populations and a description of the unique features or services for that population;~~

~~M. Indication as to whether the applicant or, for off site construction, a third party will be constructing the workforce housing dwelling units. If a third party is to construct the workforce housing dwelling units, the third party shall join in and be bound by the terms and conditions of the workforce housing development agreement;~~

~~N. Within any given development or phase, certificate of occupancy permits for the last 10% of market rate units that are offered for sale or rent within that development or phase shall be withheld by the Township until all of the workforce housing dwelling units within that development or phase have been issued certificates of occupancy or release by payment of a fee in lieu;~~

~~O. Acknowledgement that the designated workforce housing administrator of the Township's Workforce Housing Program shall have full authority to administer the provisions of the workforce housing development agreement;~~

~~P. The draft workforce housing development agreement shall be reviewed and approved by the Township Solicitor with approval as a condition of approval of the plans for the development or phase;~~

~~Q. The fully executed workforce housing development agreement shall be recorded concurrently with the plans for the development or phase;~~

~~8. Workforce Housing Options. Workforce housing may be provided within a development or phase using one or more of the following options selected by the applicant:~~

~~A. On Site Construction.~~

~~(1) Accommodations that will be provided to the developer as set forth in § 27-716, Subsection 6B, for the project will be included in the land development plan and the workforce housing development agreement.~~

~~B. Fee In Lieu.~~

~~(1) A fee in lieu may be paid to the Workforce Housing Fund to offset the construction of one or more workforce housing dwelling units as follows:~~

~~(a) Up to 40% of the workforce housing dwelling units attributable to for-sale units within the development can be offset by a fee in lieu; and~~

~~(b) Up to 100% of the workforce housing dwelling units attributable to rental units within the development or phase can be offset by a fee in lieu;~~

~~(2) Board of Supervisors shall establish by resolution the amount of the workforce housing fee in lieu as part of the Township's Schedule of Fees;~~

~~(3) For single-phased development projects, the fee in lieu shall be paid prior to issuance of the zoning permit.~~

~~(4) For development projects with phases (specific implementation plans), the fee in lieu shall be paid on a phase by phase basis based upon the number of workforce housing units being released in that phase~~

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~~with payment made prior to the issuance of the zoning permit for each phase.~~

- ~~(a) The current fee in lieu amount in place at the time of submission will be applied to the workforce housing units being released in that phase.~~
- ~~(5) The Township shall create and administer a Workforce Housing Fund into which all fee in lieu payments shall be deposited. All funds received pursuant to this chapter shall be used to further the Township's mission to maintain and further workforce housing within Ferguson Township.~~
- ~~(6) Upon payment of the fee in lieu amount for one or more workforce housing dwelling units, the applicant has no additional workforce housing requirements relative to such units. Upon payment, the Township and applicant shall execute a recordable instrument indicating that the workforce housing requirements have been met for those units and that the units are no longer workforce housing dwelling units subject to the terms and conditions of this section.~~

~~C. Build Off-Site.~~

- ~~(1) Workforce housing dwelling units may be constructed off site, in a development (the "receiving development") within Ferguson Township that is separate from the development or phase (the "sending development") that is required to provide workforce housing.~~
- ~~(2) The receiving development must be an approved development, and the applicant must obtain land development plan approval from the Township for the receiving development concurrently with the land development plan approval for the sending development.~~
- ~~(3) The workforce units built in the receiving development must be reasonably equivalent in size and bedroom count to the units in the sending development.~~
- ~~(4) The receiving development shall be an integrated development and not contain 100% workforce housing dwelling units.~~
- ~~(5) The owner of the sending development must provide the following information to Township Staff and/or designee at the time the land development plan for the sending development has been submitted:~~
 - ~~(a) Location of the receiving development;~~
 - ~~(b) Concurrence of the owner of the receiving development to construct the workforce housing dwelling units; and~~
 - ~~(c) The number of units and workforce housing dwelling units proposed within the receiving development.~~
- ~~(6) The sending development will receive all bonus units and accommodations attributable to the workforce housing dwelling units.~~
- ~~(7) The receiving development must be located within the regional growth boundary (RGB) as illustrated in the Centre Region Comprehensive Plan.~~
- ~~(8) The owner or developer of the receiving development must enter into the sending development's workforce housing development agreement for the workforce housing dwelling units that are going to be provided on the receiving development.~~
- ~~(9) The receiving development is subject to the Workforce Housing Program requirements outlined in § 27-~~

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~~(10) The receiving development must develop the workforce housing dwelling units according to the schedule set forth in the workforce housing development agreement.~~

~~(11) A violation to the sending development will be due to Ferguson Township if the workforce units in the receiving development are not made available as set forth in the workforce housing development agreement. Notice of violation procedures can be found in Chapter 27, Part 006, Violations and Penalties.~~

98. Policy and Procedures Manuals for Administration of Workforce Housing Dwelling Units for Sale and Rent. Ferguson Township Planning Department and/or designee shall provide an administrative manual to offer guidance to applicants regarding compliance with the terms and conditions of this section. Applicants are encouraged to follow the terms set forth therein.

- A. Owners or their property managers are encouraged to use the same systems for attracting potential tenants for leasing up workforce housing dwelling units as are used for market rate units. Applicants and their agents are expected to work closely and in cooperation with Township Staff and/or designee to make the workforce marketing and sales process as efficient and equitable as possible.
- B. The Workforce Housing Program has no rules or guidelines about the method owners, or their property managers, use to determine the order in which tenants are offered workforce housing dwelling units.
- C. These documents will include clarifying information and procedures when requested by the Township. These procedures may be updated from time to time to increase the effectiveness of the Workforce Housing Program.

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109. Inability to Rent or Sell Workforce Housing Units to Qualified Households.

A. By Developer. If the developer meets or exceeds the marketing guidelines set forth in its workforce housing development agreement for a period of one year from final certificates of occupancy issuance and is still unable to sell or rent such a unit to a qualified household, the developer shall notify the Township. The Township or its designee shall have 30 days from the date notice was given to enter into a contract to purchase the unit at its workforce marketed price, with closing to take place within 30 days thereafter. After which, the Township, or its designee shall market and sell the unit as a workforce housing dwelling unit. If the Township or its designee does not purchase the workforce dwelling unit, it shall be conclusively demonstrated that there is no market for such unit being a workforce dwelling unit.

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- (1) For-Sale Dwelling Units: The developer shall pay the Township ~~60~~80% of the original per unit fee-in-lieu and may remove the unit as a workforce housing dwelling unit and the unit shall become a market-rate unit, no longer subject to the terms and conditions of this section.
- (2) Rental Dwelling Units: The developer shall pay the Township ~~60~~80% of the original per unit fee-in-lieu and may remove the unit as a workforce housing dwelling unit and the unit shall become a market-rate unit, no longer subject to the terms and conditions of this section.

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B. By Unit Owner. The owner of a workforce housing dwelling unit may remove the unit by subsequent sale to a non-qualifying owner by paying a fee-in-lieu to the Workforce Housing Fund as follows: Unit owner shall pay the Township 60% of the current per unit fee-in-lieu and may remove the unit as a workforce housing dwelling unit and the unit shall become a market-rate unit,

no longer subject to the terms and conditions of this section.

10. Continued Affordability, Compliance and Reporting Requirements.

A. For Sale Workforce Units.

- (1) The continuity of a workforce housing dwelling unit that is sold shall be ensured for a period of 99 years commencing on the date the certificate of occupancy is issued for the unit. To provide for this, a restriction shall be place on the deed of the workforce housing dwelling unit, which shall read as follows: "This property is to remain affordable for a period of 99 years from its initial date of sale for persons earning between ~~80~~60% and 120% of the area median income (AMI) for State College, PA Metropolitan Statistical Area (MSA) as established by the most recently published income guidelines defined in the annual schedule published by the Secretary of the United States Department of Housing and Urban Development."
- (2) Prospective buyers shall enter into a legally binding agreement with the designated administrator of the Workforce Housing Program that will stipulate the process for certifying subsequent buyers of workforce housing dwelling units for the applicable ninety-nine-year period, and the amount of equity able to be recouped by the homeowner upon sale of the workforce housing dwelling unit. The designated administrator of the Workforce Housing Program shall have the authority to require additional stipulations in the agreement, including, but not limited to, the requirement of prospective buyers to participate in financial counseling in accordance with the procedures and requirements of the designated administrator.
- (3) The Township shall require resale conditions in order to maintain the availability of workforce units in perpetuity be specified in the affordability instrument, including resale calculations.
 - (a) At the time of purchase, the owners of any workforce unit shall execute a resale restriction agreement and option to purchase provided by the Township, stating the restrictions imposed pursuant to this resale restrictions section, including but not limited to all applicable resale controls and occupancy restrictions. This resale restriction agreement and option to purchase shall be recorded in the Centre County Office of Recorder of Deeds and shall afford the Township or its assignee the right to enforce the declaration of restrictions.
 - (b) The Township or its designee shall be responsible for monitoring and facilitating the resale of workforce units.
- (4) Provisions for continued affordability of workforce units shall provide that the Township have an exclusive option to purchase any workforce unit when it is offered for resale.
 - (a) The owner shall notify the Township or its designee of the prospective availability of any workforce unit for sale.
 - (b) Upon being notified by the owner of the workforce unit, the Township or its designee shall have an exclusive option for 30 days to enter into a purchase and sales agreement at the workforce unit pricing the unit being offered for sale by the owner. The Township may waive or assign this option.
- (5) If the Township fails to exercise its option for the workforce unit, or if the Township or its designee declares its intent not to exercise its option, the owner shall notify the Director of

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Planning and Zoning by certified mail that the deed restriction will be removed from the property and consequently, the unit will be removed from the Workforce Housing Program. Upon notification, the owner may sell the workforce unit to a nonqualifying owner by paying a fee-in-lieu to the Workforce Housing Fund as outlined in § 27-716, ~~Subsection 10B.9~~. If requested, by the owner, the Township or its designee shall execute documents that may be recorded with the Centre County Office of Recorder of Deeds to evidence said waiver of option.

- (6) Closing on workforce units purchased by the Township or its designee occurs within 30 days of notifying the owner of the Township or its designee's intent to exercise its option. If the Township or its designee fails to close on this workforce unit within such 30 days, the owner shall notify the Director of Planning and Zoning by certified mail that the deed restriction will be removed from the property and consequently, the unit will be removed from the Workforce Housing Program. Upon notification, the owner may sell the workforce unit to a nonqualifying owner by paying a fee-in-lieu to the Workforce Housing Fund as outlined in § 27-716, ~~Subsection 10B.9~~. If requested, by the owner, the Township or its designee shall execute documents that may be recorded with the Centre County Office of Recorder of Deeds to evidence said waiver of option.

B. Leasing/Rental Developments.

- (1) Static Data, Unit Composition and Rent Schedule.

- (a) This information is required both prior to lease up and annually that ~~includes~~includes total units, bedroom size, tenant incomes and rents, unit locations within the development, and square footage.

- (2) Tenant Incomes and Rent Determination.

- (a) Measurement of household income is determined using the Housing and Urban Development's (HUD) annually published area median income and rent chart based upon household size in the State College Metropolitan Statistical Area (MSA).

- (3) Incomes Rising in Place.

- (a) Households that have initially qualified for a workforce housing unit are permitted to remain in that unit and not be subject to market rate rents until their incomes reach or exceed the income limits contained in this chapter. After qualifying at lease-up, a tenant's income may increase ~~above the affordability restrictions of a development to 80% AMI~~ and still have the unit fulfill the development's workforce housing requirements, ~~based on the following schedule:~~

- ~~1) Tenants in units restricted at 80% of AMI levels, may have income increase up to 120% of AMI.~~

- (b) The owner or property manager may revise the expiring leases with tenants who, upon recertification, no longer meet the income requirements. Tenants may continue living in a workforce housing dwelling unit at market rate rent. The market rate rent level must be comparable to reasonably equivalent units within the development, or a comparable development. Tenants must not be required to submit additional deposits or fees.

- 1) Un-Constructed Units. If units within the phase or development (for single phase

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developments) are not yet constructed, another unit must be designated from such un-constructed units in the phase or development as a workforce housing dwelling unit in order to maintain the affordability requirements as described in the vacancy section below.

2) Constructed Units. For developments that are completely constructed, another unit must be designated in the development as a workforce housing unit in order to maintain the affordability requirements as described in the vacancy section below.

(4) Vacancies.

(a) The following shall apply when, through the annual tenant income certification reporting cycle, a tenant's income is above what's allowable for the workforce housing dwelling unit:

- 1) Owner or their property manager will check the reported income against that allowed by the incomes rising in place policy.
- 2) When a tenant's income is at or below the ~~incomes~~ income rising in place policy, there is no action required by the owner or their property manager. The owner or their property manager at their discretion may raise tenant rent up to the maximum allowed for the tenant's household according to the current Housing and Urban Development's (HUD) annually published AMI and rent chart based upon household size in the State College (MSA), taking into account any applicable laws, rules, or policies regarding rent increases.
- 3) In the case that a tenant no longer qualifies for a workforce housing unit, the owner or their property manager must give at least 240-day written notice to the tenant and Ferguson Township and/or designee prior to an increase in the unit's rent. This information must be included in the lease or lease addendum for each workforce housing unit and an executed copy provided to Ferguson Township and/or designee as the development is leased up and at unit takeover.

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C. Annual Reporting and Review.

(1) Developments with rental units will be subject to Ferguson Township and/or designee annual reporting requirements as set forth in the workforce housing development agreement. Owners or their property managers on an annual basis will submit information on workforce housing dwelling units and the tenants living in such units.

(2) The Township and/or designee reserves the right to physically inspect developments containing workforce housing dwelling units at least once every three years. Inspections will also include an audit of workforce housing related files such as the tenant income compliance. Developments that are determined to be out of compliance may be inspected more frequently or until they are brought back into compliance.

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1211. Administration. The Ferguson Township Planning and Zoning Department and/or designee shall administer and monitor activity under this chapter and shall report periodically to the Board of Supervisors, setting forth its findings, conclusions and recommendations for changes that will render the program more effective.

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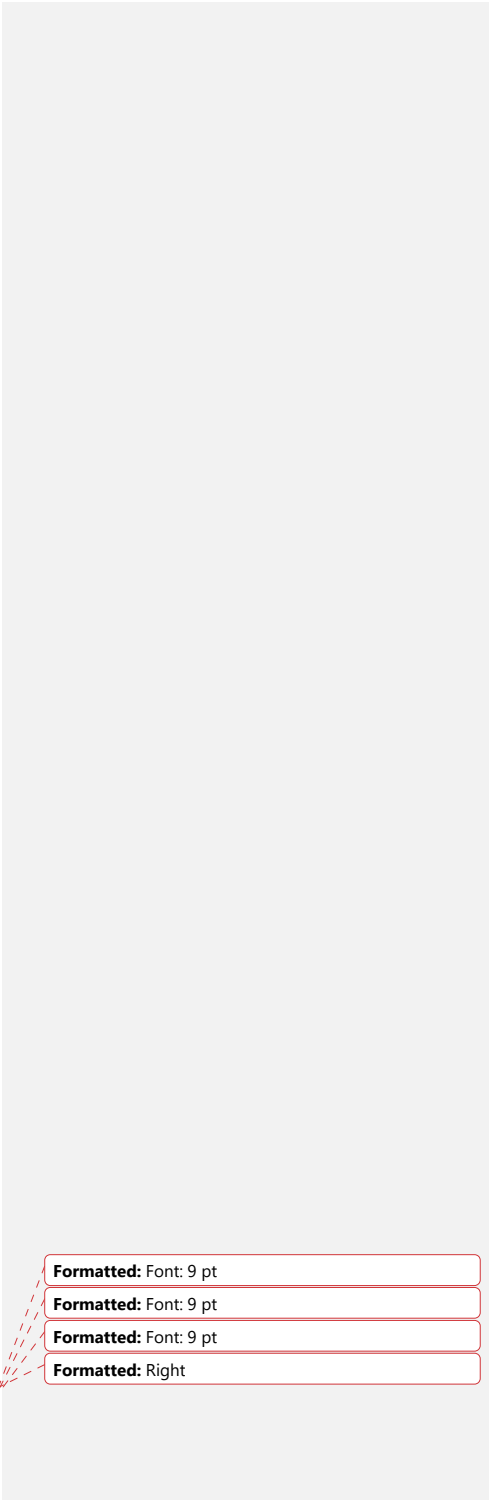
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1312. Implementation. The Ferguson Township Planning and Zoning Department and/or designee may

establish procedures, and prepare forms for the implementation, administration and compliance monitoring consistent with the provisions of this chapter.

413. — Fees. Fees to administer the program such as a monitoring fee, refinance fee, or resale fee, may be established by resolution by the Board of Supervisors, following written recommendation by the Township Manager and adopted as part of the Township's schedule of fees.



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§ 27-716 Workforce Housing.

[Ord. No. 1049, 11/18/2019; as amended by Ord. No. 1065, 1/4/2021]

1. Purpose. The purpose of this section is to:
 - A. Provide a wide range of quality, workforce housing for households with incomes of a certain area median income (AMI) in high opportunity neighborhoods, those with superior access to quality schools, services, amenities and transportation;
 - B. Support the Centre Region Comprehensive Plan's goal of providing a wide range of sound, affordable and accessible housing consistent with the fair share needs of each municipality in the Centre Region;
 - C. Provide criteria for workforce housing including, but not limited to, design, construction, phasing, and location within a development;
 - D. Facilitate and encourage development and redevelopment that includes a range of housing opportunities through a variety of residential types, forms of ownership, home sale prices and rental rates;
 - E. Work in partnership and support local, state, and federal programs to create additional housing opportunities;
 - F. Responsibly allocate resources to increase housing opportunities for families and individuals facing the greatest disparities;
 - G. Ensure the opportunity of workforce housing for employees of businesses that are located in or will be located in the Township;
 - H. Ensure affordable homeownership, is defined as a mortgage payment and housing expenses (principal, interest, taxes, insurance, and condominium or association fees, if any) costing no more than 30% of a family's gross monthly income, per the Department of Housing and Urban Development (HUD) definition; and
 - I. Effectively enforce and administer the provisions of the Workforce Housing Program.
2. Authority. Provisions for the workforce housing section are intended to comply with the following articles of the Pennsylvania Municipal Planning Code.
 - A. Article VI, Zoning.
 - (1) Section 603, Ordinance Provisions, where:
 - (a) Zoning ordinances should reflect the policy goals of the statement of the community development objectives and give consideration to the character of the municipality, the needs of the citizens and the suitabilities and special nature of particular parts of the municipality.
 - (b) Zoning ordinances may contain:

- 1) Provisions to encourage innovations and to promote flexibility, economy and ingenuity in development, including subdivisions and land developments as defined in this act;
 - 2) Provisions authorizing increases in the permissible density of population or intensity of a particular use based upon expressed standards and criteria set forth in the zoning ordinance.
- (c) Zoning ordinances adopted by municipalities shall be generally consistent with the municipal or multi-municipal comprehensive plan or, where none exists, with the municipal statement of community development objectives and the county comprehensive plan.
- (2) Section 604, Zoning Purposes. The provisions of zoning ordinances shall be designed:
- (a) To promote coordinated and practical community development and proper density of population.
- (3) Section 605, Classifications.
- (a) For the purpose of encouraging innovation and the promotion of flexibility, economy and ingenuity in development, including subdivisions and land developments as defined in this act, and for the purpose of authorizing increases in the permissible density of population or intensity of a particular use based upon expressed standards and criteria set forth in the zoning ordinance.
- B. These regulations are enacted under the authority of the Pennsylvania Human Relations Act (Act of October 27, 1995, P.L. 744, as amended), which guarantees fair housing.
- C. Posting of the fair housing practices notice is required pursuant to the Pennsylvania Human Relations Act.
3. Definitions. As used in this section, the following words and terms shall have the meanings specified herein:

AREA MEDIAN INCOME

The midpoint of combined salaries, wages, or other sources of income based upon household size in the State College Metropolitan Statistical Area.

CONVERSION

A change in a residential rental development or a mixed-use development that includes rental dwelling units to a development that contains only owner-occupied individual dwelling units or a change in a development that contains owner-occupied individual units to a residential rental development or mixed-use development.

DENSITY BONUS

An increase in the number of market-rate units on the site in order to provide an incentive for the construction of affordable housing pursuant to this chapter, also known as a bonus unit.

DESIGNATE EXISTING UNITS (DEU)

Workforce units, required to be constructed by this Section, that are designated in an existing

residential development (receiving site) within Ferguson Township and the Regional Growth Boundary (RGB) to meet obligations required by a new development that is subject to this Section.

DEVELOPMENT

The entire proposal to construct or place one or more dwelling units on a particular lot or contiguous lots, including, without limitation, a Traditional Town Development (TTD) master plan, a Planned Residential Development (PRD), land development or subdivision.

FEE-IN-LIEU

A payment of money to Ferguson Township's Affordable Housing Fund in-lieu of providing workforce housing units. This fee is updated annually within the Ferguson Township Schedule of Fees.

LOT

A designated parcel, tract or area of land established by a plat or otherwise as permitted by law and to be used, developed or built upon as a unit.

MEDIAN GROSS HOUSEHOLD INCOME

The median income level for the State College, PA Metropolitan Statistical Area (MSA), as established and defined in the annual schedule published by the Secretary of the U.S. Department of Housing and Urban Development, adjusted for household size.

MULTIFAMILY DWELLING

Three or more dwelling units, with the units stacked one above the other.

PHASE

The portions of an approved development, or, in the case of a master plan approval, a specific implementation plan (SIP), which are set out for development according to a Township-approved schedule.

RECEIVING DEVELOPMENT

A new development with transferred workforce housing obligations from a sending site.

RENOVATION

The physical improvement that adds to the value of real property, but that excludes painting, ordinary repairs, and normal maintenance.

SENDING DEVELOPMENT

A development which utilizes the off-site option to send its own workforce housing unit obligations to another development on a different site.

WORKFORCE HOUSING

Housing with a sales price or rental amount within the means of a household that may occupy moderate income housing. In the case of dwelling units for sale, affordable means housing in which mortgage, amortization, taxes insurance, and condominium or association fees, if any, constitute no more than 30% of such gross annual household income for a household of the size that may occupy the unit in question. In the case of dwelling units for rent, affordable means housing for which the rent and basic utilities constitutes no more than 30% of such gross annual household income for a household of the size that may occupy the unit in question. Utilities for rental units include: electric/gas, trash, water and condominium or association fees.

WORKFORCE HOUSING DEVELOPMENT AGREEMENT

A written agreement duly executed between the applicant for a development, the Township, and, if applicable, the designated third-party administrator of the Workforce Housing Program. Said agreement shall include, at minimum, all of the provisions established in this section.

WORKFORCE HOUSING DWELLING UNIT

A housing unit documented in an applicant's workforce housing development agreement as required in order to comply with the Workforce Housing Program requirements, subsidized by the federal or state government or subject to covenants and deed restrictions that ensure its continued affordability. When calculating the required percentage of workforce units in a development, any fractional result between 0.01 and 0.49 will be rounded down to the number immediately preceding it numerically, and any fractional result between 0.50 and 0.99 will be rounded up to the next consecutive whole number. However, the total workforce unit percentage shall not exceed 10% of the required total workforce housing units in the development.

WORKFORCE HOUSING FUND

The fund created by Ferguson Township to receive funds generated from the administration of fee-in-lieu payments to support workforce housing within Ferguson Township.

4. Applicability. Workforce Housing must be provided within all zoning districts for all of the following types of development that contain or result in 10 or more residential dwelling units.
 - A. New residential construction, regardless of the type of dwelling unit.
 - B. A new mixed-use development with a residential component, regardless of the type of dwelling unit.
 - C. Structural alteration of a building with a residential component, regardless of the type of dwelling unit.
 - D. Redevelopment of a nonresidential property to a residential property, regardless of the type of dwelling unit.
 - E. Structural alteration of a residential structure, regardless of the type of dwelling unit.
 - F. Any Traditional Town Development (TTD) or Planned Residential Development (PRD).
5. General Requirements for Workforce Units. For all applicable developments listed in § 27-716.4., projects must comply with the following requirements.
 - A. The permit application must include a Workforce Housing Program option selection.
 - B. Calculation of Workforce Units. To calculate the minimum number of workforce units required in any land development listed in Subsection 4, Applicability, the total number of proposed units shall be multiplied by 10%.
 - (1) When calculating the required percentage of workforce units in a development, any fractional result between 0.01 and 0.49 will be rounded down to the number immediately preceding it numerically, and any fractional result between 0.50 and 0.99 will be rounded up to the next consecutive whole number. However, the total workforce unit percentage shall not be required to exceed 10% of the total units in the development.
 - C. Accommodations.

- (1) Developments that provide built workforce housing dwelling units, either built on-site, built off-site, or designated in an existing residential building will be entitled to the following:
 - (a) One additional equivalent unit (bonus unit) may be added to the development (sending development if built off-site) for each for-sale or leased workforce housing unit provided;
 - (b) Multifamily dwellings may exceed the maximum height set forth in the underlying zoning district by one additional story to accommodate bonus units added to the development for building for-sale or leased workforce dwelling units; and
 - (c) Off-street parking may be provided and is not required for any workforce unit built or designated within multifamily dwellings. (d) For Planned Residential Developments:
 - i. Open space/parkland required within the development may be decreased to 2.0 acres, and
 - ii. Buffer plantings may be decreased by 50%.
 - (e) Diversity Standards as outlined in § 27-303.3.B.(1) (Traditional Town Development (TTD) Zoning District) may be modified to the extent needed to accommodate all required workforce units and allowable bonus units.

D. Workforce Housing Development Agreement. For developments required to contain workforce housing, no land development plan, or specific implementation plan for a phase within a development, shall be recorded without having first duly executed a workforce housing development agreement for such development or phase. Ferguson Township, Township designee, and the applicant for the development, shall each be parties to the workforce housing development agreement, which shall, at minimum, contain the following provisions:

- (1). Concurrence by the designated administrator of the Workforce Housing Program that the workforce housing is being provided within the development or phase;
- (2). The location(s), zoning designation(s) and ownership of the development or phase;
- (3). The number and type of workforce housing dwelling units that will be provided and the calculations used to determine the number of units provided;
- (4). If a fee-in-lieu is proposed for the development or phase, in whole or part, the fee-in-lieu calculation methodology that will be applied to workforce housing dwelling units, within the development or phase;
- (5). Any accommodations provided in § 27-716.5.B., that are being utilized for the project;
- (6). A description of the development or phase proposed, including the name of the development project and marketing name;
- (7). A graphical depiction of the location of workforce housing units within the development or phase, and if applicable, the lot numbers for the workforce housing dwelling units;
- (8). A schedule for the construction of the workforce housing dwelling units, consistent with that shown on the approved plans for the development or phase;

- (9). The proposed sale prices and affordability restrictions for each workforce housing dwelling unit and a copy of the applicable affordability deed restrictions and covenants;
- (10). The proposed marketing plan for the workforce housing;
- (11). Acknowledgement that § 27-716.10, Continued Affordability, Compliance and Reporting Requirements will be followed;
- (12). Indication of which, if any, of the workforce housing dwelling units will be special needs housing for seniors, disabled, or other special needs populations and a description of the unique features or services for that population;
- (13). Indication as to whether the applicant or, for off-site construction, a third party will be constructing the workforce housing dwelling units. If a third party is to construct the workforce housing dwelling units, the third party shall join in and be bound by the terms and conditions of the workforce housing development agreement;
- (14). Within any given development or phase, certificate of occupancy permits for the last 10% of market-rate units that are offered for sale or rent within that development or phase shall be withheld by the Township until all of the workforce housing dwelling units within that development or phase have been issued certificates of occupancy or release by payment of a fee-in-lieu;
- (15). Acknowledgement that the designated workforce housing administrator of the Township's Workforce Housing Program shall have full authority to administer the provisions of the workforce housing development agreement;
- (16). The draft workforce housing development agreement shall be reviewed and approved by the Township Solicitor with approval as a condition of approval of the plans for the development or phase;
- (17). The fully executed workforce housing development agreement shall be recorded concurrently with the plans for the development or phase.

E. Limitations.

- (1) To the extent permitted by federal law, priority will be given to residents of Centre County, or individuals employed by a business located in Centre County.
- (2) The workforce housing dwelling units must be occupied by the income qualified individual and/or family and must be used as the principal place of residence;

F. Except for household income, asset limitations and the primary residency requirement as set forth herein, occupancy of any workforce unit shall not be limited by any conditions that are not otherwise applicable to all units within the covered project;

G. Execution of a workforce housing development agreement shall be a condition of approval of a land development plan, or general master plan.

6. Standards for Workforce Housing Options. Workforce housing must be provided either on-site, off-site, designate existing residential units (DEU), through land donation or a fee-in-lieu according to the following standards:

A. Workforce units may be built on-site.

- (2) In the case of workforce housing dwelling units provided as a single-family dwelling, duplex, multiplex or townhouse:
 - (a) The units shall not be segregated or clustered within a development.
 - (b) Except in the case of lots containing more than one unit, no more than two adjacent lots or units shall contain workforce housing dwelling units.
- (3) Workforce housing dwelling units may be clustered within a multifamily dwelling (for sale or rent) and no more than 25% of the total units per floor can be designated as workforce units, excluding the top floor.
- (4) Workforce housing dwelling units shall be like market rate units, exclusive of upgrades, with regard to number of bedrooms, amenities, and access to amenities, but may differ from market-rate units regarding interior amenities, provided that:
 - (a) These differences, excluding differences related to size differentials, are not apparent in the general exterior appearance of the market-rate units;
 - (b) These differences do not include insulation, windows, heating systems, and other improvements related to the energy efficiency and standard components of the unit;
 - (c) Amenities for workforce units are determined to be reasonably equivalent if the appliances have the same ENERGY STAR[®] rating as those in the market-rate units; and
- (5) In order to ensure an adequate distribution of workforce units by household size, the bedroom mix of workforce units in any project shall be in the same ratio as the bedroom mix of the market-rate units of the project. The applicant may pursue altering this provision through a conditional use process as outlined below:
 - (a) For a multifamily or mixed-use building project to be eligible for this conditional use, the following conditions must be met:
 - i. A preliminary land development plan is submitted.
 - ii. The project includes multifamily housing of ten or more units.
 - iii. The bedroom mix of the workforce units may be different from the market rate units. Applicants can provide an alternative mix of workforce units based on the total number of bedrooms required by this section. A calculation must be performed to identify how many total market-rate bedrooms would be required in the development. Ten percent of the total number of units shall be workforce and the developer shall calculate the number of bedrooms that would result from the 10% requirement based on the bedroom mix. The bedroom mix then may be modified as part of the conditional use process so long as the resulting bedrooms are equal to the 10% requirement.
 - iv. The workforce unit(s) will be leased by the unit.
 - v. Alteration of the bedroom mix for the workforce units will not result in additional bonus units for a project.

- (6) Workforce units required under this section shall be offered for sale or lease to a qualified household to be used for its own primary residence, except for units purchased by the Township or its designee;
- (7) The sale of workforce housing dwelling units shall be limited to qualified households earning between 60% and 120% area median income (AMI), adjusted for household size.
- (8) The lease of workforce housing dwelling units shall be limited to qualified households earning no more than 80% area median income (AMI), adjusted for household size. The workforce unit(s) shall be leased by the unit.
- (9) If the development contains phases, workforce housing shall be provided in all residential phases, according to the options set forth in Subsection 6.
- (10) Owners of workforce housing dwelling units are required to sign an agreement of deed restriction, suitable for recording, providing that such unit is subject to the terms and conditions of this section.
- (11) Accommodations that will be provided to the developer as set forth in § 27-716,5.C. will be included on the land development plan and the workforce housing development agreement.

B. Build Off-Site.

- (1) Workforce housing dwelling units may be constructed off-site, in a development (the “receiving development”) within Ferguson Township that is separate from the development or phase (the “sending development”) that is required to provide workforce housing.
- (2) The receiving development must be an approved development, and the applicant must obtain land development plan approval from the Township for the receiving development concurrently with the land development plan approval for the sending development.
- (3) The workforce units built in the receiving development must be reasonably equivalent in size and bedroom count to the units in the sending development.
- (4) The receiving development shall be an integrated development and not contain 100% workforce housing dwelling units.
- (5) The owner of the sending development must provide the following information to Township Staff and/or designee at the time the land development plan for the sending development has been submitted:
 - (a) Location of the receiving development;
 - (b) Concurrence of the owner of the receiving development to construct the workforce housing dwelling units; and
 - € The number of units and workforce housing dwelling units proposed within the receiving development.
- (6) The sending development will receive all bonus units and accommodations attributable to the

workforce housing dwelling units.

- (7) The receiving development must be located within the regional growth boundary (RGB) as illustrated in the Centre Region Council of Governments.
- (8) The owner or developer of the receiving development must enter into the sending development's workforce housing development agreement for the workforce housing dwelling units that are going to be provided on the receiving development.
- (9) The receiving development is subject to the Workforce Housing Program requirements outlined in this section.
- (10) The receiving development must develop the workforce housing dwelling units according to the schedule set forth in the workforce housing development agreement.
- (11) A violation to the sending development will be due to Ferguson Township if the workforce units in the receiving development are not made available as set forth in the workforce housing development agreement. Notice of violation procedures can be found in Chapter 27, Part 906, Violations and Penalties.

C. Designate Existing Units (DEU).

- (1) Workforce Units otherwise required to be constructed as specified under paragraph §27-716.4., may be designated in an existing residential development ("receiving development") within Ferguson Township from the new development ("sending development") that is subject to the Workforce Housing program requirements.
 - (a) The amount of otherwise developed off-site units will be determined upon approval of any master plan, land development, and specific implementation plan (SIP) in accordance with the terms as provided hereafter and construction of the same will be as set forth in the Workforce Housing Development Agreement between the Township, Township designee, and developer.
- (2) To determine the total number of off-site units, multiply the number of proposed units in the sending development by 10 percent.
- (3) Township Staff and/or designee will determine whether the proposed existing residential building is compatible with the Workforce Housing Program requirements. If the proposed receiving site is determined to be incompatible, the applicant must choose one of the remaining Workforce Housing Program Options provided.
- (4) The sending development may retain all bonus units.
- (5) Receiving Site Requirements:
 - (a) The receiving site must be identified and approved by Township Staff and/or designee prior to zoning permit issuance for the sending development, specifying the following information:
 - (i.) Location;
 - (ii.) Proof of ownership or signed agreement from property owner of receiving development to be reviewed and approved by the Township;

(iii.) Number of workforce units and total units in the Receiving Site; and

(iv) Leasing Schedule.

- (b) The receiving site must be located within the Regional Growth Boundary (RGB) as adopted by Centre Region Council of Government
- (c) The workforce units designated in the receiving site must be reasonably equivalent in size, quality, and bedroom count to the Workforce units required at the sending development.
- (d) The receiving site cannot be supported by an additional subsidy from Ferguson Township
- (e) The receiving site remains subject to any additional Workforce Housing Program requirements.
- (f) The receiving site must receive a Certificate of Occupancy within three years of the sending development's first issued zoning permit or be subject to financial penalties.
- (g) A penalty to the sending development will be due to Ferguson Township if the Workforce Units in the receiving site are not made available as set forth in the Affordable Housing Development Agreement.

D. Land Donation.

- (1) Workforce Units required to be constructed as specified in §27-716.4. may be offset through land donation to the Township or its designee, with the Township's approval.
- (a) Terms for acceptance of the same shall be as agreed upon between the Board of Supervisors and the developer and set forth in the Workforce Housing Development Agreement.
- (2) The land value must be equal to or greater than the value of the fee-in-lieu payment. The value of the land will be determined by an appraisal completed by a certified appraiser and shall be submitted to the Township. If the submitted appraisal is in question, the value of the land will be determined as outlined in the policy and procedures manual.
- (a) The land to be donated must be located within Ferguson Township and the Regional Growth Boundary (RGB) as adopted by the Centre Region Council of Governments.
- (b) The land to be donated must meet all applicable zoning and land development standards to construct the required units.
- (c) The land donation must occur prior to the issuance of zoning permit of the Sending Development.

E. Fee-In-Lieu.

- (1) A fee-in-lieu may be paid to the Workforce Housing Fund to offset the construction of one or more workforce housing dwelling units as follows:
- (a) Up to 40% of the workforce housing dwelling units attributable to for-sale units within the development can be offset by a fee-in-lieu; and
- (b) Up to 40% of the workforce housing dwelling units attributable to rental units within the development or phase can be offset by a fee-in-lieu.

- (2) Board of Supervisors shall establish by resolution the amount of the workforce housing fee-in-lieu as part of the Township's Schedule of Fees.
- (3) For single-phased development projects, the fee-in-lieu shall be paid prior to issuance of the zoning permit.
- (4) For development projects with phases (specific implementation plans), the fee-in-lieu shall be paid on a phase-by-phase basis based upon the number of workforce housing units being released in that phase with payment made prior to the issuance of the zoning permit for each phase.
 - (a) The current fee-in-lieu amount in place at the time of approval will be applied to the workforce housing units being released in that phase.
- (5) The Township shall create and administer a Workforce Housing Fund into which all fee-in-lieu payments shall be deposited. All funds received pursuant to this section shall be used to further the Township's mission to maintain and further workforce housing within Ferguson Township.
- (6) Upon payment of the fee-in-lieu amount for one or more workforce housing dwelling units, the applicant has no additional workforce housing requirements relative to such units. Upon payment, the Township and applicant shall execute a recordable instrument indicating that the workforce housing requirements have been met for those units and that the units are no longer workforce housing dwelling units subject to the terms and conditions of this section.

7. Ferguson Township's Option to Purchase.

- A. The following provisions apply to the initial offering of workforce units for sale by the developer:
 - (1) As a condition of land development approval, the applicant shall notify the Township or its designee of the prospective availability of any workforce units at the time the design and pricing are being established for such units.
 - (2) From the time of building permit issuance, the Township or its designee shall have an exclusive option for 60 days to enter into a purchase and sales agreement at the workforce unit pricing for each workforce unit offered for sale by the applicant. The Township may waive or assign this option.
 - (3) If the Township fails to exercise its option for the workforce units, or if the Township or its designee declares its intent not to exercise its option, the applicant shall offer the workforce units for purchase to income qualified households per this section. If requested, by the applicant, the Township or its designee shall execute documents that may be recorded with the Centre County Office of Recorder of Deeds to evidence said waiver of option.
 - (4) Closing on workforce units purchased by the Township or its designee occurs within 30 days after issuance of the certificate of occupancy. If the Township or its designee fails to close on these workforce units within such 30 days, the applicant shall offer the unit for purchase or rent to income qualified households per this section.
 - (5) The Township may assign its options under this section; in which event it shall notify the applicant of the agency to which it has assigned the option. The agency shall work directly with the applicant and shall have all of the authority of the Township as provided under this section.

- (6) At any point after the initial option period, the applicant may offer the workforce housing dwelling units to the Township or its designee for purchase at the workforce unit pricing. The Township or its designee then shall have 30 days to enter into a purchase and sales agreement and close within 30 days thereafter.
8. Policy and Procedures Manuals for Administration of Workforce Housing Dwelling Units for Sale and Rent. Ferguson Township Planning Department and/or designee shall provide an administrative manual to offer guidance to applicants regarding compliance with the terms and conditions of this section. Applicants are encouraged to follow the terms set forth therein.
 - A. Owners or their property managers are encouraged to use the same systems for attracting potential tenants for leasing up workforce housing dwelling units as are used for market rate units. Applicants and their agents are expected to work closely and in cooperation with Township Staff and/or designee to make the workforce marketing and sales process as efficient and equitable as possible.
 - B. The Workforce Housing Program has no rules or guidelines about the method owners, or their property managers, use to determine the order in which tenants are offered workforce housing dwelling units.
 - C. These documents will include clarifying information and procedures when requested by the Township. These procedures may be updated from time to time to increase the effectiveness of the Workforce Housing Program.
9. Inability to Rent or Sell Workforce Housing Units to Qualified Households.
 - A. By Developer. If the developer meets or exceeds the marketing guidelines set forth in its workforce housing development agreement for a period of one year from final certificates of occupancy issuance and is still unable to sell or rent such a unit to a qualified household, the developer shall notify the Township. The Township or its designee shall have 30 days from the date notice was given to enter into a contract to purchase the unit at its workforce marketed price, with closing to take place within 30 days thereafter. After which, the Township, or its designee shall market and sell the unit as a workforce housing dwelling unit. If the Township or its designee does not purchase the workforce dwelling unit, it shall be conclusively demonstrated that there is no market for such unit being a workforce dwelling unit.
 - (1) For-Sale Dwelling Units: The developer shall pay the Township 80% of the original per unit fee-in-lieu and may remove the unit as a workforce housing dwelling unit and the unit shall become a market-rate unit, no longer subject to the terms and conditions of this section.
 - (2) Rental Dwelling Units: The developer shall pay the Township 80% of the original per unit fee-in-lieu and may remove the unit as a workforce housing dwelling unit and the unit shall become a market-rate unit, no longer subject to the terms and conditions of this section.
 - B. By Unit Owner. The owner of a workforce housing dwelling unit may remove the unit by subsequent sale to a non-qualifying owner by paying a fee-in-lieu to the Workforce Housing Fund as follows: Unit owner shall pay the Township 60% of the current per unit fee-in-lieu and may remove the unit as a workforce housing dwelling unit and the unit shall become a market-rate unit, no longer subject to the terms and conditions of this section.
10. Continued Affordability, Compliance and Reporting Requirements.
 - A. For Sale Workforce Units.

- (1) The continuity of a workforce housing dwelling unit that is sold shall be ensured for a period of 99 years commencing on the date the certificate of occupancy is issued for the unit. To provide for this, a restriction shall be placed on the deed of the workforce housing dwelling unit, which shall read as follows: "This property is to remain affordable for a period of 99 years from its initial date of sale for persons earning between 60% and 120% of the area median income (AMI) for State College, PA Metropolitan Statistical Area (MSA) as established by the most recently published income guidelines defined in the annual schedule published by the Secretary of the United States Department of Housing and Urban Development."
- (2) Prospective buyers shall enter into a legally binding agreement with the designated administrator of the Workforce Housing Program that will stipulate the process for certifying subsequent buyers of workforce housing dwelling units for the applicable ninety-nine-year period, and the amount of equity able to be recouped by the homeowner upon sale of the workforce housing dwelling unit. The designated administrator of the Workforce Housing Program shall have the authority to require additional stipulations in the agreement, including, but not limited to, the requirement of prospective buyers to participate in financial counseling in accordance with the procedures and requirements of the designated administrator.
- (3) The Township shall require resale conditions in order to maintain the availability of workforce units in perpetuity be specified in the affordability instrument, including resale calculations.
 - (a) At the time of purchase, the owners of any workforce unit shall execute a resale restriction agreement and option to purchase provided by the Township, stating the restrictions imposed pursuant to this resale restrictions section, including but not limited to all applicable resale controls and occupancy restrictions. This resale restriction agreement and option to purchase shall be recorded in the Centre County Office of Recorder of Deeds and shall afford the Township or its assignee the right to enforce the declaration of restrictions.
 - (b) The Township or its designee shall be responsible for monitoring and facilitating the resale of workforce units.
- (4) Provisions for continued affordability of workforce units shall provide that the Township have an exclusive option to purchase any workforce unit when it is offered for resale.
 - (a) The owner shall notify the Township or its designee of the prospective availability of any workforce unit for sale.
 - (b) Upon being notified by the owner of the workforce unit, the Township or its designee shall have an exclusive option for 30 days to enter into a purchase and sales agreement at the workforce unit pricing the unit being offered for sale by the owner. The Township may waive or assign this option.
- (5) If the Township fails to exercise its option for the workforce unit, or if the Township or its designee declares its intent not to exercise its option, the owner shall notify the Director of Planning and Zoning by certified mail that the deed restriction will be removed from the property and consequently, the unit will be removed from the Workforce Housing Program. Upon notification, the owner may sell the workforce unit to a nonqualifying owner by paying a fee-in-lieu to the Workforce Housing Fund as outlined in § 27-716.9. If requested, by the owner, the Township or its designee shall execute documents that may be recorded with the

Centre County Office of Recorder of Deeds to evidence said waiver of option.

- (6) Closing on workforce units purchased by the Township or its designee occurs within 30 days of notifying the owner of the Township or its designee's intent to exercise its option. If the Township or its designee fails to close on this workforce unit within such 30 days, the owner shall notify the Director of Planning and Zoning by certified mail that the deed restriction will be removed from the property and consequently, the unit will be removed from the Workforce Housing Program. Upon notification, the owner may sell the workforce unit to a nonqualifying owner by paying a fee-in-lieu to the Workforce Housing Fund as outlined in § 27-716.9. If requested, by the owner, the Township or its designee shall execute documents that may be recorded with the Centre County Office of Recorder of Deeds to evidence said waiver of option.

B. Leasing/Rental Developments.

(1) Static Data, Unit Composition and Rent Schedule.

- (a) This information is required both prior to lease up and annually that includes total units, bedroom size, tenant incomes and rents, unit locations within the development, and square footage.

(2) Tenant Incomes and Rent Determination.

- (a) Measurement of household income is determined using the Housing and Urban Development's (HUD) annually published area median income and rent chart based upon household size in the State College Metropolitan Statistical Area (MSA).

(3) Incomes Rising in Place.

- (a) Households that have initially qualified for a workforce housing unit are permitted to remain in that unit and not be subject to market rate rents until their incomes reach or exceed the income limits contained in this chapter. After qualifying at lease-up, a tenant's income may increase to 80% AMI and still have the unit fulfill the development's workforce housing requirements.
- (b) The owner or property manager may revise the expiring leases with tenants who, upon recertification, no longer meet the income requirements. Tenants may continue living in a workforce housing dwelling unit at market rate rent. The market rate rent level must be comparable to reasonably equivalent units within the development, or a comparable development. Tenants must not be required to submit additional deposits or fees.
 - 1) Un-Constructed Units. If units within the phase or development (for single phase developments) are not yet constructed, another unit must be designated from such un-constructed units in the phase or development as a workforce housing dwelling unit in order to maintain the affordability requirements as described in the vacancy section below.
 - 2) Constructed Units. For developments that are completely constructed, another unit must be designated in the development as a workforce housing unit in order to maintain the affordability requirements as described in the vacancy section below.

(4) Vacancies.

- (a) The following shall apply when, through the annual tenant income certification reporting cycle, a tenant's income is above what's allowable for the workforce housing dwelling unit:
 - 1) Owner or their property manager will check the reported income against that allowed by the incomes rising in place policy.
 - 2) When a tenant's income is at or below the income rising in place policy, there is no action required by the owner or their property manager. The owner or their property manager at their discretion may raise tenant rent up to the maximum allowed for the tenant's household according to the current Housing and Urban Development's (HUD) annually published AMI and rent chart based upon household size in the State College (MSA), taking into account any applicable laws, rules, or policies regarding rent increases.
 - 3) In the case that a tenant no longer qualifies for a workforce housing unit, the owner or their property manager must give at least 240-day written notice to the tenant and Ferguson Township and/or designee prior to an increase in the unit's rent. This information must be included in the lease or lease addendum for each workforce housing unit and an executed copy provided to Ferguson Township and/or designee as the development is leased up and at unit takeover.

C. Annual Reporting and Review.

- (1) Developments with rental units will be subject to Ferguson Township and/or designee annual reporting requirements as set forth in the workforce housing development agreement. Owners or their property managers on an annual basis will submit information on workforce housing dwelling units and the tenants living in such units.
 - (2) The Township and/or designee reserves the right to physically inspect developments containing workforce housing dwelling units at least once every three years. Inspections will also include an audit of workforce housing related files such as the tenant income compliance. Developments that are determined to be out of compliance may be inspected more frequently or until they are brought back into compliance.
11. Administration. The Ferguson Township Planning and Zoning Department and/or designee shall administer and monitor activity under this chapter and shall report periodically to the Board of Supervisors, setting forth its findings, conclusions and recommendations for changes that will render the program more effective.
 12. Implementation. The Ferguson Township Planning and Zoning Department and/or designee may establish procedures, and prepare forms for the implementation, administration and compliance monitoring consistent with the provisions of this chapter.
 13. Fees. Fees to administer the program such as a monitoring fee, refinance fee, or resale fee, may be established by resolution by the Board of Supervisors, following written recommendation by the Township Manager and adopted as part of the Township's schedule of fees.