

## AFFORDABLE AND WORKFORCE HOUSING REGULATIONS

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# AFFORDABLE AND WORKFORCE HOUSING

## 1.0 Purpose and Intent

The intent of these regulations is to delineate the requirements pertaining to the provision of Affordable Housing (at or below 80 percent of Area Median Income) and Workforce Housing (above 80 percent and at or below 120 percent of Area Median Income) at the Naval Air Station (“NAS”) South Weymouth in order to develop and maintain 10 percent of the housing stock as reasonably priced for low-income households and an additional 10 percent of the housing stock as affordable for moderate-income households.

## 2.0 Authority

These regulations (“Regulations”) will be administered by the South Shore Tri-Town Development Corporation (the “Corporation”) in accordance with the authority established in Chapter 301 of the Massachusetts Acts and Resolves of 1998, as the same may now or hereafter be amended (the “Enabling Legislation”). All actions taken pursuant to these Regulations shall be consistent with the then-applicable Reuse Plan for NAS South Weymouth (the “Reuse Plan”) as well as any then-applicable Master Plan submitted by a master developer and approved by the Corporation.

The Special Permit Granting Authority shall ensure that all Affordable Housing and Workforce Housing requirements under these Regulations are met when issuing a Special Permit pursuant to **Section 11** of the Zoning and Land Use By-Laws for NAS South Weymouth (“Zoning Bylaws”) or approving a Development Plan pursuant to **Section 13** of the Zoning By-Laws or, to the extent a development is the subject of a Site Plan Review as part of an approved Development Plan, when conducting Site Plan Review pursuant to **Section 12** of the Zoning Bylaws.

Furthermore, the Corporation shall designate an agency, consultant or other agent to draft decisions and ensure that:

- A. Prices of Affordable Homeownership Units and Workforce Homeownership Units are properly computed and rental rates of Affordable Rental Units and Workforce Rental Units are properly computed;
- B. Income eligibility of households applying for Affordable Housing and Workforce Housing is properly and accurately determined, as defined in the Affordable and Workforce Housing Plan (see **Section 7.0**);
- C. The Affordable and Workforce Housing Plan conforms to all requirements of these Regulations and fair housing laws and is properly administered;
- D. Sales and rentals are made to Eligible Households chosen in accordance with the Marketing Plan (see **Section 7.5**) for Affordable Housing Units and Workforce Housing Units with appropriate unit size for each household being properly determined and proper preference being given, as determined in the Marketing Plan; and

- E. Affordable Housing Restrictions and any applicable Workforce Housing Restrictions meeting the requirements of these Regulations are recorded with the deed to the property at the applicable Registry of Deeds.

### **3.0 Definitions**

**AFFORDABLE AND WORKFORCE HOUSING PLAN:** A plan, to be developed by the Corporation, detailing how these Regulations will be implemented and monitored over time to ensure and maintain the appropriate percentage of Affordable Housing and Workforce Housing on NAS South Weymouth. This plan shall include, but is not limited to: minimum standards for Affordable Housing and Workforce Housing production; descriptions of the process for identifying Eligible Households, for certifying income and for allocating housing preferences; a Marketing Plan; and a model Affordable Housing Restriction and a model Workforce Housing Restriction.

**AFFORDABLE HOMEOWNERSHIP UNIT:** An Affordable Housing Unit required to be sold to an Eligible Household.

**AFFORDABLE HOUSING:** Dwelling units at a cost of no more than 30 percent of the gross annual income of households at or below 80 percent of the Area Median Income, adjusted for household size, as reported by HUD. For Affordable Rental Units, such costs shall include rent, heat and utilities. For Affordable Homeownership Units, such costs shall include principal, interest, real estate taxes, special assessments, insurance and condominium or homeownership association fees.

**AFFORDABLE HOUSING RESTRICTION:** A deed restriction and other restrictions requiring long term affordability and meeting statutory requirements in **M.G.L. c. 184 Sec.31** and the requirements of **Section 8.0** of these Regulations.

**AFFORDABLE HOUSING UNIT:** Affordable Homeownership Units and/or Affordable Rental Units.

**AFFORDABLE INCOME:** An individual or household earning at or below 80 percent of the Area Median Income, as reported by HUD.

**AFFORDABLE RENTAL UNIT:** An Affordable Housing Unit required to be rented to an Eligible Household.

**AREA MEDIAN INCOME (or AMI):** The area median income calculated using Household Income from the Boston Primary Metropolitan Statistical Area ("PMSA"), as defined by HUD, and adjusted for household size.

**CAPITAL IMPROVEMENTS:** The documented necessary maintenance improvements made to an Affordable Homeownership Unit or a Workforce Homeownership Unit, that if not done would compromise the structural integrity of the property, provided that such improvements are

approved by the Corporation or its agent and that the cost thereof is not previously included in the Resale Price for any prior sale of the unit and is not covered by any other fee.

**ELIGIBLE HOUSEHOLD:** An individual or household whose annual income is, (a) for Affordable Housing, at or below 80 percent of the Area Median Income and, (b) for Workforce Housing, above 80 percent and at or below 120 percent of the Area Median Income as determined by HUD, adjusted for household size, with income computed using HUD's rules for attribution of income to assets.

**HOUSEHOLD INCOME:** The estimated gross income for all household members eighteen years of age or older, over a period of twelve (12) months, based on the current annualized gross amounts of income from any source, both taxable income and non-taxable income, including, but not limited to: earnings, overtime, IRA distributions, part-time employment, bonuses, dividends, interest, annuities, pensions, Veterans Administration compensation, gross rental or lease income, commissions, deferred income, welfare payments, social security benefits, disability payments, alimony, support payments, public assistance, sick pay, unemployment compensation, and income received from trusts, business activities, and investments. The Affordable and Workforce Housing Plan (see **Section 7.0**) shall specify the required documentation to establish household income.

**HUD:** Federal Department of Housing and Urban Development.

**LOCAL INITIATIVE PROGRAM (or LIP):** The Commonwealth of Massachusetts' Local Initiative Program.

**RESALE PRICE:** The amount an Eligible Household may charge for the sale of an Affordable Homeownership Unit or Workforce Homeownership Unit.

**RESIDENT:** Any individual whose principal residence, (i.e. where he or she normally eats, sleeps and maintains his or her normal personal and household effects), is in the Town of Abington, the Town of Rockland, or the Town of Weymouth. The Affordable and Workforce Housing Plan (see **Section 7.0**) shall specify the required documentation to establish residency.

**WORKFORCE HOMEOWNERSHIP UNIT:** A Workforce Housing Unit required to be sold to an Eligible Household.

**WORKFORCE HOUSING:** Dwelling units available at a cost of no more than 30 percent of the gross annual income of households above 80 percent and at or below 120 percent of the Area Median Income, calculated for the household, as reported by HUD. For Workforce Rental Units, such costs shall include rent, heat and utilities. For Workforce Homeownership Units, such costs shall include principal, interest, real estate taxes, special assessments, insurance and condominium or homeowner's association fees.

**WORKFORCE HOUSING RESTRICTION:** A restriction or set of restrictions requiring affordability and meeting the requirements of **Section 9.0** of these Regulations.

**WORKFORCE HOUSING UNIT:** Workforce Homeownership Units and/or Workforce Rental Units.

**WORKFORCE INCOME:** An individual or household earning above 80 percent and at or below 120 percent of the Area Median Income, as reported by HUD.

**WORKFORCE RENTAL UNIT:** A Workforce Housing Unit required to be rented to an Eligible Household.

#### **4.0 Applicability**

These Regulations shall apply to residential development projects that require a Special Permit pursuant to **Section 11** of the Zoning By-Laws or Development Plan Review pursuant to **Section 13** of the Zoning By-Laws, but not to those projects subject **ONLY** to **Section 12** Site Plan Review.

#### **5.0 Mandatory Provision of Affordable and Workforce Units**

The Special Permit Granting Authority (SPGA), as a condition of approval of any development referred to in **Section 11** or **Section 13** of the Zoning By-Laws (and with respect to any development undergoing Site Plan Review referred to in **Section 12** of the Zoning By-Laws for which a Development Plan pursuant to **Section 13** of the Zoning By-Laws previously was approved), shall require that the development complies with the obligation to provide Affordable Housing or Workforce Housing pursuant to **Section 6.1** of these Regulations

#### **6.0 Permitting of Affordable and Workforce Units**

##### **6.1. Obligations of the Applicant**

A. Per the provisions of the Reuse Plan, it is the purpose of these Regulations that:

1. Ten (10) percent of the total housing units in each Phase (as defined in the Reuse Plan) are designated as Affordable Housing Units (at or below 80 percent AMI); and
2. Ten (10) percent of the total housing units in each Phase (as defined in the Reuse Plan) are designated as Workforce Housing Units (above 80 percent and at or below 120 percent AMI).
3. Ten (10) percent of the housing located within a Senior Residence Community, as defined in **Section 5** of the Zoning By-Laws, shall be affordable to eligible age-restricted persons (per **M.G.L. Chapter 151B, Article 4, Subsection 6**) earning at or below 80 percent AMI.
4. Ten (10) percent of the housing located within a Senior Residence Community, as defined in **Section 5** of the Zoning By-Laws, shall be affordable to eligible age-restricted persons (per **M.G.L. Chapter**

**151B, Article 4, Subsection 6)** earning above 80 percent and at or below 120 percent AMI.

- B. Each applicant shall include in the Project Review Application Form, pursuant to **Article III, Special Permits** and **Article V, Development Plan Review** of the Administrative Rules and Regulations for NAS South Weymouth, all information needed for the Special Permit Granting Authority to ensure compliance with these Regulations, including the total number of residential units proposed, the number and type of such units proposed to be Affordable Housing Units and the number and type of such units proposed to be Workforce Housing Units.
- C. In order to meet the requirements of these Regulations, pursuant to **Section 6.1.A**, an applicant may either:
  - a) Demonstrate in the Project Review Application Form that no less than 10 percent of the total number of residential units proposed will be Affordable Housing Units and no less than 10 percent of the residential units proposed will be Workforce Housing Units; or
  - b) Demonstrate to the satisfaction of the Corporation that the necessary Affordable Housing Units and/or Workforce Housing Units will be produced in another location in the Central Redevelopment Area in quantities sufficient to ensure that, when each Phase has been completed, 10 percent of all residential units built in each Phase shall be Affordable Housing Units and an additional 10 percent of all residential units built in each Phase shall be Workforce Housing Units. Such demonstration may be provided by showing any of the following:
    - 1. The applicant has obtained approval of a Development Plan or application for Special Permit for another location in the Central Redevelopment Area as to which more than 10 percent of all residential units are Affordable Housing Units and/or more than 10 percent of all residential units are Workforce Housing Units and such units have not already been counted towards the required Affordable Housing Units and Workforce Housing Units for this or any other application;
    - 2. The Corporation has an agreement, recorded with the applicable Registry of Deeds, with another applicant/developer who will produce the required additional Affordable Housing Units and Workforce Housing Units on another location in the Central Redevelopment Area;
    - 3. The applicant has entered into a Memorandum of Understanding or other agreement, recorded with the applicable Registry of Deeds, with the Corporation that the applicant will produce the required additional Affordable Housing Units and Workforce Housing Units at another location in the Central Redevelopment Area.

- D. With respect to applications for Special Permits or Site Plan Review (which previously was the subject of a Development Plan), applicants shall describe procedures that will be used to obtain Certification of Income, pursuant to **Section 10.1**, from all prospective purchasers and renters to ensure that Affordable Housing Units and Workforce Housing Units required to be offered for rent or sale shall be rented or sold to and occupied only by Eligible Households.
- E. Applicants shall demonstrate compliance with all applicable provisions of the Corporation's Affordable and Workforce Housing Plan developed pursuant to **Section 7.0** of these Regulations.

## 6.2. Phasing

- A. In order to meet the requirements pursuant to **Section 6.1.A** of these Regulations, Affordable and Workforce Housing shall follow the Phasing Plan below:
  - a) *Phase I*: By the end of Phase I, as defined in the Reuse Plan, 10 percent of all residential units developed must be Affordable Housing Units and 10 percent of all residential units developed must be Workforce Housing Units.
  - b) *Phase II*: By the end of Phase II, as defined in the Reuse Plan, 10 percent of all residential units developed must be Affordable Housing Units and 10 percent of all residential units must be Workforce Housing Units.
  - c) *Phase III*: By the end of Phase III, as defined in the Reuse Plan, the remaining required Affordable Housing Units and Workforce Housing Units must be provided.
- B. Any Affordable Housing Units or Workforce Housing Units provided beyond the minimum required units in **Section 6.2.A** of these Regulations shall be applied to minimum requirements for the next phase.

## 6.3. Calculation of Units

For purposes of calculating the number of Affordable Housing Units and Workforce Housing Units required, any fractional unit of 0.5 or greater shall be deemed to constitute a whole unit, providing that such rounding shall not increase the total number of Affordable Housing Units and Workforce Housing Units required overall or in any Phase.

## 7.0 Affordable and Workforce Housing Plan

The Corporation shall develop and revise, from time to time as may be necessary, an Affordable and Workforce Housing Plan which shall address the following issues:

### 7.1. Siting of Affordable Housing Units and Workforce Housing Units

All Affordable Housing Units and Workforce Housing Units constructed under these Regulations shall be dispersed within each application so as not to be concentrated in one area, not to be located in less desirable locations than market-rate units and shall, in general, be no less accessible to public amenities. An applicant may locate Affordable Housing Units and/or Workforce Housing Units in a multi-family residential building of twenty units or more without being found to be unduly concentrating those units so long as no more than 50 percent of any rental units and/or 40 percent of any condominium units are Affordable Housing Units and Workforce Housing Units.

### 7.2. Minimum design and construction standards for Affordable Housing Units and Workforce Housing Units

Affordable Housing Units and Workforce Housing Units shall be situated within mixed-income developments, shall be integrated with the rest of such developments and shall be comparable in design, appearance, construction and quality of materials with the market-rate units such that they are externally indistinguishable from market-rate units of the same type. In addition, the following standards shall apply:

- A. Mix of Units. Affordable Housing Units and Workforce Housing Units shall include the same proportional mix of bedroom counts as applicable to all residential development in NAS South Weymouth. Affordable Housing Units shall consist of apartment or condominium housing types. Workforce Housing Units shall include a mixture of apartment, condominium and townhouse housing types.
- B. Accessibility. In developments consisting of more than ten residential units, one or more units should comply with the Americans with Disabilities Act.
- C. Tenancy. Affordable Housing Units and Workforce Housing Units shall be a mix of rental units and homeownership units as specified in the Affordable and Workforce Housing Plan, provided that :
  - a. The Affordable and Workforce Housing Plan shall provide that up to 70 percent of the Affordable Housing Units will be Affordable Rental Units and the remainder shall be Affordable Homeownership Units.
  - b. The Affordable and Workforce Housing Plan shall provide that up to 50 percent of the Workforce Housing Units will be Workforce Rental Units and the remainder shall be Workforce Homeownership Units.

### 7.3. Timing of construction or provision of Affordable Housing Units and Workforce Housing Units

Under each Site Plan Review (which previously was the subject of a Development Plan) or Special Permit application, Affordable Housing Units and Workforce Housing Units shall be provided coincident to the development of market-rate residential units, where feasible, but in no event shall the certification of occupancy of Affordable Housing Units or Workforce Housing Units, within each approval, be delayed beyond the point that all market-rate residential units, within an approval, have received certification of

occupancy. Additionally, the timing of development shall occur in accordance with a construction schedule which shall be mutually agreed upon by the Corporation and the applicant and set forth in writing. The construction schedule must identify units as Affordable Housing Units, Workforce Housing Units, or market-rate residential units. This provision is intended to assure the inclusion and timely completion of the Affordable Housing Units and Workforce Housing Units.

#### 7.4. Preferences

The Affordable and Workforce Housing Plan shall specify what proportion of Affordable Housing Units and Workforce Housing Units shall be subject to specified preference requirements and how these preferences will be prioritized and allocated on the list of Eligible Households. No more than 70 percent of the Affordable Housing Units and Workforce Housing Units shall be allocated using the combined preference criteria. The Affordable and Workforce Housing Plan shall establish a mechanism for minimizing any disparate impact on underserved populations in the administration of these preferences.

Under the Affordable and Workforce Housing Plan, applicants for Affordable Housing Units and Workforce Housing Units within NAS South Weymouth shall be given preference, to the extent permitted by Department of Housing and Community Development (“DHCD”) regulations and state or federal laws, with respect to the following conditions:

1. Individual requiring handicapped accessible units (for fully built-out accessible units only).
2. Current resident of Abington, Rockland, Weymouth and NAS South Weymouth (in no particular order).
3. Current employee of Abington, Rockland and Weymouth and the Corporation (in no particular order).
4. Currently employed in the Central Redevelopment Area.
5. First-time homebuyer, as defined in the Affordable and Workforce Housing Plan.

#### 7.5. Marketing Plan for Affordable Housing Units and Workforce Housing Units

The Affordable and Workforce Housing Plan shall include an affirmative fair housing marketing plan(s), or other method, which describes how the Affordable Housing Units and Workforce Housing Units will be marketed to potential homebuyers and tenants. The Affordable and Workforce Housing plan shall include a description of the lottery or other process to be used for selecting homebuyers and tenants.

#### 7.6. Participation in Commonwealth Programs

When providing Affordable Housing Units, applicants are encouraged to use Massachusetts LIP documents (deeds and resale restrictions) to avoid delays and additional costs. The Corporation may require applicants providing Affordable Housing Units to comply with LIP. LIP does not apply to Workforce Housing Units.

## 8.0 Affordable Housing Restrictions

Each Affordable Housing Unit shall be subject to an Affordable Housing Restriction, defined in **Section 3.0**, which is recorded with the applicable Registry of Deeds and which contains the following:

- (a) Specification of the term of the Affordable Housing Restriction, which shall be in perpetuity;
- (b) The name and address of the Corporation or its agent with a designation of its power to monitor and enforce the Affordable Housing Restriction;
- (c) A description of the Affordable Housing Unit by address, map and parcel number or plan location, and number of bedrooms;
- (d) Reference to the Affordable and Workforce Housing Plan, developed by the Corporation pursuant to **Section 7.0** of these Regulations, to which the Affordable Housing Unit is subject;
- (e) A requirement that residents will be selected at the initial sale or initial rental and upon all subsequent sales and rentals from a list of Eligible Households compiled in accordance with the Affordable and Workforce Housing Plan;
- (f) Reference to the formula pursuant to which rent of a rental unit or the maximum resale price of a homeownership unit will be set;
- (g) Reference to the Corporation's option to purchase the unit in the event that an Eligible Household cannot be located to purchase the unit following reasonable marketing efforts, and details regarding the length of time and required documentation applicable to the option to purchase (see **Section 11.3**);
- (h) Designation of the priority of the Affordable Housing Restriction over other mortgages and restrictions;
- (i) A requirement that only an Eligible Household may reside in an Affordable Housing Unit, as defined in **Section 3.0**, and that notice of any lease of any unit of Affordable Housing shall be given to the Corporation or its agent;
- (j) Provision for effective monitoring and enforcement of the terms and provisions of the Affordable Housing Restriction by the Corporation or its agent;
- (k) Provision that the restriction on an Affordable Housing Unit shall run in favor of the Corporation or its agent, in a form approved by the Corporation, and shall limit sale and resale or rental to, and occupancy by, an Eligible Household;
- (l) Provision that the owner(s) or manager(s) of Affordable Rental Unit(s) shall file an annual report to the Corporation, in a form specified by the Corporation or its agent, certifying compliance with the provisions of these Regulations and containing such other information as may be reasonably requested in order to ensure affordability; and

- (m) A requirement that residents in an Affordable Housing Unit provide such information as the Corporation or its agent may reasonably request in order to ensure affordability.

## 9.0 Workforce Housing Restrictions

Each Workforce Housing Unit shall be subject to a Workforce Housing Restriction, defined in **Section 3.0** and further detailed in the Affordable and Workforce Housing Plan developed by the Corporation pursuant to **Section 7.0** of these Regulations. Such Workforce Housing Restrictions either shall be recorded with the applicable Registry of Deeds or shall be enforced by such other mechanism as shall be specified in the Affordable and Workforce Housing Plan and which contains the following:

- (a) Specification of the term of the Workforce Housing Restriction;
- (b) The name and address of the Corporation or its agent with a designation of its power to monitor and enforce the Workforce Housing Restriction;
- (c) A description of the Workforce Housing Unit by address, map and parcel number or plan location, and number of bedrooms;
- (d) Reference to the Affordable and Workforce Housing Plan, developed by the Corporation pursuant to **Section 7.0** of these Regulations, to which the Workforce Housing Unit is subject;
- (e) A requirement that residents will be selected at the initial sale or initial rental and upon subsequent sales and rentals during the term of the Workforce Housing restriction from a list of Eligible Households compiled in accordance with the Affordable and Workforce Housing Plan;
- (f) For Workforce Rental Units, reference to the method pursuant to which rent will be set and for Workforce Homeownership Units, reference to the method that will be used to ensure that the unit is affordable to an Eligible Household, which method may include but is not limited to setting a maximum sale or resale price, provision of financing assistance to subsidize the cost of the unit or such other mechanisms as may be specified in the Affordable and Workforce Housing Plan to ensure the affordability of Workforce Homeownership Units;
- (g) Reference to the Corporation's option to purchase the unit in the event that an Eligible Household cannot be located to purchase the unit following reasonable marketing efforts, and details regarding the length of time and required documentation applicable to the option to purchase (see **Section 11.3**);
- (h) Designation of the priority of any Workforce Housing Restriction, which is included in a deed, over other mortgages and restrictions;
- (i) A requirement that only an Eligible Household may reside in a Workforce Housing Unit during the term of the Workforce Housing Restriction and that notice of any lease of any unit shall be given to the Corporation or its agent;

- (j) Provision for effective monitoring and enforcement of the terms and provisions of the Workforce Housing Restriction by the Corporation or its agent;
- (k) Provision that the restriction on a Workforce Housing Unit shall run in favor of the Corporation or its agent, in a form approved by the Corporation, and shall limit sale and resale or rental to and occupancy by an Eligible Household during the term of such restriction;
- (l) Provision that the owner(s) or manager(s) of a Workforce Rental Unit(s) shall file an annual report to the Corporation, in a form specified by the Corporation or its agent, certifying compliance with the provisions of these Regulations and containing such other information as may be reasonably requested in order to ensure affordability; and
- (m) A requirement that residents in a Workforce Housing Unit provide such information as the Corporation or its agent may reasonably request in order to ensure affordability.

## **10.0 Maximum Incomes and Selling Prices; Initial Sale**

### **10.1. Certification of Income**

To ensure that only Eligible Households rent or purchase Affordable Housing Units or Workforce Housing Units, the purchaser/renter shall be required to establish the Household Income by submitting proof of income as required by the Affordable and Workforce Housing Plan. The Household Income of Renters shall be re-certified every year.

### **10.2. Maximum Sale & Rental Prices**

- A. For either an Affordable Rental Unit or a Workforce Rental Unit, the monthly rent payment, including heat and utilities, shall not exceed 30 percent of the maximum monthly income permissible for an Eligible Household, assuming the first bedroom is occupied by two persons and all other bedrooms at one person per bedroom, except in the event of an Eligible Household with a Section 8 voucher, in which case such program's rent limits shall apply.
- B. For either an Affordable Homeownership Unit or Workforce Homeownership Unit the monthly housing payment, including mortgage principal and interest, real estate taxes, special assessments, condominium and/or homeowner's association fees, insurance, shall not exceed 30 percent of the maximum monthly income permissible for an Eligible Household, assuming the first bedroom is occupied by two persons and all other bedrooms at one person per bedroom.
- C. The maximum sales price for an Affordable Homeownership Unit or Workforce Homeownership Unit created under these Regulations is as established by the Corporation, or its agent.

## **11.0 Preservation of Affordability; Restrictions on Resale**

Each Affordable Homeownership Unit and Workforce Homeownership Unit created in accordance with these Regulations shall have limitations governing its resale. The purpose of these limitations is to preserve the long-term affordability of the unit and to ensure its continued availability to Eligible Households. The resale controls shall be established through a restriction on the property, recorded at the applicable Registry of Deeds, and shall be in force in perpetuity subject to the terms of the restriction.

### **11.1. Resale Price**

The resale price for sales beyond the initial sale to an Eligible Household shall be determined using a formula, to be specified in the Affordable and Workforce Housing Plan, set to ensure that the unit remains affordable to an Eligible Household. The depreciated value of Capital Improvements may be added as discussed in **Section 11.2**.

### **11.2. Capital Improvements**

Capital Improvements may be included in the Resale Price upon review and approval by the Corporation. Examples of Capital Improvements may include:

1. new roof;
2. replacement of windows due to wear and tear;
3. replacement of siding, shingles, or clapboard due to damage or long-term wear and tear;
4. heating or plumbing replacement;
5. structural deficiencies such as termite or other pest damage, water damage or other damage caused by forces beyond the owner's control; and,
6. other improvements identified by the owner and reviewed and approved by the Corporation.

The process for approving a Capital Improvement will be established in the Affordable and Workforce Housing Plan.

### **11.3. Option to Purchase**

The purchaser of an Affordable Homeownership Unit and Workforce Homeownership Unit developed as a result of these Regulations shall execute a deed rider prepared by the Corporation, consistent with model riders prepared by the DHCD or its successor, granting, among other things, the Corporation's option to purchase the unit in the event that a subsequent Eligible Household cannot be located to purchase the unit following reasonable marketing efforts.

## **12.0 Severability**

If any provision of these Regulations is held invalid by a court of competent jurisdiction, the remainder of these Regulations shall not be affected thereby.