

HB 631-FN - AS INTRODUCED

2025 SESSION

25-0683

06/11

HOUSE BILL **631-FN**

AN ACT permitting residential building in commercial zoning by right.

SPONSORS: Rep. A. Murray, Hills. 20; Rep. Berry, Hills. 44; Rep. Grill, Hills. 18; Rep. H. Howard, Straf. 4; Rep. Newell, Ches. 4; Rep. Pauer, Hills. 36; Rep. Schultz, Merr. 29; Rep. Seibert, Hills. 21; Rep. Sweeney, Rock. 25; Sen. Watters, Dist 4

COMMITTEE: Housing

ANALYSIS

This bill allows multifamily or mixed-use developments as a permitted use by right in certain urban municipalities, outlines specific zoning regulations that cannot be imposed on such developments, and provides definitions for key terms.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT permitting residential building in commercial zoning by right.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Multifamily or Mixed-Use Developments; Permitted Use. Amend RSA 674 by
2 inserting after section 59 the following new section:

3 674:59-a Multifamily or Mixed-Use Developments; Permitted Use.

4 I. As used in this section:

5 (a) "Adaptive re-use" means a development that retains at least 2 exterior walls of an
6 existing building.

7 (b) "Mixed-use development" means a development consisting of residential and
8 nonresidential uses in which the nonresidential uses are less than 50 percent of the total square
9 footage of the development and are limited to the first floor of buildings that are 2 or more stories.

10 (c) "Permitted use" means the ability to be approved without requiring a public hearing,
11 variance, conditional use permit, special permit, or special exception, or other discretionary zoning
12 action other than a determination that a site plan conforms with applicable zoning regulations.

13 (d) "Multifamily development" means a building designed for 5 or more dwelling units in
14 which the dwelling units share a common separation like a ceiling or wall and in which access
15 cannot be gained between units through an internal doorway, excluding common hallways.

16 (e) "Restricted-affordable dwelling unit" means a dwelling unit that, either through a
17 deed restriction or a development agreement with the municipality, shall be rented or sold to
18 households earning up to 80 percent of area median income.

19 (f) "Restricted-deeply-affordable dwelling unit" means a dwelling unit that, either
20 through a deed restriction or a development agreement with the municipality, shall be rented or sold
21 to households earning up to 60 percent of area median income.

22 II. In a municipality, any part of which is designated as an urban area by the United States
23 Census Bureau with a population over a set amount as of the most recent decennial census,
24 multifamily or mixed-use developments shall be allowed as a permitted use on a parcel or lot that:

25 (a) Is currently serviced by both a municipal water system and a municipal sewer
26 system; and

27 (b) Is located on a parcel zoned for commercial, office, retail, or parking uses.

28 III. Zoning regulations in municipalities meeting the requirements of paragraph II shall not
29 impose the following regulations on multifamily or mixed-use developments permitted under
30 paragraph II:

31 (a) Minimum or maximum residential density;

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1 (b) Limits on building height lesser than 65 feet;
2 (c) Limits on the building height of a development that includes restricted-affordable
3 dwelling units or restricted-deeply-affordable dwelling units which would prevent:

4 (1) Adding 2 additional dwelling units above what would otherwise be feasible for
5 each restricted-affordable dwelling unit included in the development; or

6 (2) Adding 3 additional dwelling units above what would otherwise be feasible for
7 each restricted-deeply-affordable dwelling unit in the development.

8 (d) Mandatory setbacks greater than the lesser of:

9 (i) Standard utility easements;

10 (ii) 10 feet; or

11 (iii) The existing setbacks of a building being converted to residential or
12 mixed-use through adaptive re-use.

13 (e) Restrictions on lot size or coverage;

14 (f) Mandatory walls, fences, or screening, or use of impervious pavement outdoors other
15 than if necessary for disability accommodation, or public health and safety based on the
16 preponderance of evidence.

17 (g) Mandatory non-public open space or common areas.

18 IV. A municipality as provided in paragraph II may require up to 20 percent of available
19 ground floor space be dedicated to retail uses.

20 V. A municipality as provided in paragraph II may require the development include on-site
21 vehicle parking. The property owner shall have full authority to determine the location and size of
22 the parking lot provided for residents, except as necessary to comply with federal law.

23 VI. A municipality as provided in paragraph II may regulate the siting and design of a
24 residential or mixed-use development that is required to be permitted under this section provided
25 that the regulations do not individually or cumulatively discourage the development through
26 unreasonable costs or delay.

27 2 Effective Date. This act shall take effect January 1, 2026.

LBA
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1/7/25

**HB 631-FN- FISCAL NOTE
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AN ACT permitting residential building in commercial zoning by right.

FISCAL IMPACT:

The Legislative Budget Assistant has determined that this legislation has a total fiscal impact of less than \$10,000 in each of the fiscal years 2025 through 2028.

AGENCIES CONTACTED:

New Hampshire Municipal Association