TOWN OF AMHERST INDUSTRIAL DEVELOPMENT AGENCY
WORKFORCE HOUSING POLICY ADDENDUM

Policy Adoption

The Town of Amherst Industrial Development Agency (the "Agency") hereby adopts the following workforce housing policy addendum (the "Policy") effective as of July 17, 2026, pursuant to Section X of the Countywide IDA Uniform Tax Exemption Policy, amended and restated as of April 1, 2022 (the "UTEP").

Policy Justification

The Town of Amherst has identified a need for workforce housing within the Town. The Town of Amherst Strategic Economic Development Strategy, adopted by the Town Board in October 2023, recognizes the need for more housing in the Town, including units to fill affordable housing needs (defined as 30%-65% of the area median income ("AMI")) and workforce housing needs (defined as 80%-120% of AMI). Industrial development agencies, including this Agency, have assisted residential and mixed-use projects that include housing components that generate new property taxes and public infrastructure. More recently, the State of New York through the Governor's office has included initiatives to address housing in the State budget and has directed state agencies to enact policies to help alleviate the housing need. This policy seeks to prevent economic deterioration and promote employment opportunities by addressing the need for housing units in the Town of Amherst at an unmet price point.

In furtherance of these State of New York and Town of Amherst housing goals, the Agency desires to enact this Policy in order to encourage the development of new housing in the Town of Amherst that specifically includes workforce housing rental options priced at 80% of AMI, based on income thresholds developed regionally by the United States Department of Housing and Urban Development (HUD). Housing projects that do not include a workforce housing component, affordable housing component or housing in accordance with the Agency's Market Rate Senior Housing Policy, will generally be ineligible for Agency incentives.

Eligible Workforce Housing Projects

The Agency will evaluate the eligibility of housing projects for Agency assistance first with reference to the applicable provisions of the New York State General Municipal Law ("GML"), followed by the provisions of the UTEP and this Policy. The Agency will be guided in its review of proposed housing projects by New York State Comptroller Opinion No. 85-51, in which the New York State Comptroller opined that the determination as to whether a housing project constitutes a commercial activity within the meaning of the Industrial Development Agency Act (the "Act") is to be made based upon all of the facts relevant to the proposed project, and that any such determination should take into account the stated purpose of the Act to promote employment opportunities and prevent economic deterioration. Generally, applicants for incentives must demonstrate that a proposed housing project will promote employment opportunities and prevent economic deterioration in the Town of Amherst. The Agency Board of Directors will review and make appropriate findings with respect to a project's eligibility for incentives in accordance with GML, the UTEP, this Policy, and other applicable law and regulations.

The following types of multi-family housing projects may be eligible for Agency incentives: (i) adaptive reuse housing projects; (ii) housing projects located in a Neighborhood Enhancement Area within the Town of Amherst; (iii) mixed-use projects containing a housing component; and (iv) housing projects involving new construction outside a Neighborhood Enhancement Area. In addition to the findings discussed above, the eligibility criteria pursuant to the UTEP and this Policy for housing projects are outlined below.

Adaptive Reuse Projects: Housing projects that adapt an existing structure or site for new purposes must comply with Section I(C)(1) of the UTEP, and the Additional Criteria outlined below.

Neighborhood Enhancement Area Projects : Housing projects that are located within a designated Neighborhood Enhancement Area within the Town of Amherst must comply with Section I(C)(1) of the UTEP, and the Additional Criteria outlined below.

Mixed-Use Housing Projects: Housing projects that contain both housing and retail and/or other commercial components must comply with Section I(C) of the UTEP and the Additional Criteria outlined below. Projects in this category must provide a minimum of 20% of the units as Workforce Housing.

Housing Projects Involving New Construction Located Outside a Neighborhood Enhancement Area: Housing projects in this category shall comply with the requirements of the GML and the Additional Criteria below. Projects in this category must provide a minimum of 20% of the units as Workforce Housing. Consideration may be given to applicants that voluntarily commit substantial financial resources toward the construction, expansion, or improvement of off-site public infrastructure or other public-benefit capital improvements that provide a measurable benefit to the broader community.

Additional Criteria: A housing project must meet the following criteria and requirements in order to be considered eligible for Agency incentives:

(i) The project must have a minimum of twenty percent (20%) of units priced at 80% AMI based on figures developed in collaboration with the Town of Amherst Community Development Director and U.S. Housing and Urban Development guidelines. Attached to this Policy as <u>Exhibit A</u> is the Workforce Housing Exhibit for the 2026-2027 period. <u>Exhibit A</u> is revised annually in June and a new Workforce Housing Exhibit will be made available to prospective applicants on the Agency website;

(ii) The project must achieve the requisite number of points within the Agency's PILOT Determination Scoring Worksheet to qualify for Agency incentives in accordance with the UTEP;

(iii) If the project is seeking an abatement from real property taxes, the applicant must agree to maintain the project's designated workforce housing commitment beyond the PILOT schedule in which the project is qualified, as detailed below:

a. For a 5-year PILOT, designated workforce housing must be maintained for 7 years in total.
b. For a 7-year PILOT, designated workforce housing must be maintained for 10 years in total.
c. For a 10-year PILOT, designated workforce housing must be maintained for 15 years in total.

(iv) If the project is not seeking an abatement from real property taxes, the applicant must agree to maintain the project's designated workforce housing commitment for a period of five

(5) years following the date on which the project is completed and residential tenants occupy the project.

(v) *Reasonableness Assessment*. The Agency will engage a third-party firm to prepare a written reasonableness assessment for financial assistance. The third-party assessment, which shall be paid for by the project applicant at the time of application, will: (i) evaluate whether the operating assumptions for the project such rent, expenses and vacancies are within the norms for the region; (ii) consider whether the assistance is necessary for the project to be financially feasible; (iii) consider whether the project applicant's rate of return on investment is similar to market expectations for similar projects in the region and is therefore reasonable.

(vi) The applicant may seek a lower percentage of workforce housing units if redevelopment costs impact the financial feasibility of the project, as determined by the Reasonableness Assessment for: (i) Adaptive Reuse Projects; (ii) Neighborhood Enhancement Area Projects; and/or (iii) Mixed-Use Housing Projects.

(vii) For Housing Projects involving New Construction outside of a Neighborhood Enhancement Area, the applicant may seek a lower percentage of workforce housing units if the applicant will voluntarily commit substantial financial resources towards the construction, expansion, or improvement of off-site public infrastructure or other public benefit capital improvements that provide measurable benefit to the broader community.

a. For purposes of this criterion, eligible improvements shall be limited to those that exceed the minimum requirements imposed by applicable laws, regulations, permit conditions, development approvals, or Town Code provisions necessary to adequately serve the proposed development. Improvements that are required solely to mitigate project impacts or to satisfy development standards shall not be considered eligible contributions under this criterion.

b. Examples of eligible off-site public-benefit improvements may include, but are not limited to:
    i. Construction, expansion, or widening of public roadways beyond project-specific requirements;
    ii. Regional transportation improvements, including intersection upgrades, traffic signal installations, transit amenities, or multimodal facilities;
    iii. Extension or upsizing of public water, sanitary sewer, or stormwater infrastructure that provides additional capacity for existing or future development beyond the applicant's project;
    iv. Public parks, trails, sidewalks, greenways, recreational facilities, or open space improvements;
    v. Streetscape enhancements, including landscaping, street trees, pedestrian lighting, benches, and other public realm improvements;
    vi. Sidewalk, bicycle, and pedestrian connectivity projects that serve a broader neighborhood or district;
    vii. Public parking facilities or shared-use parking improvements;
    viii. Flood mitigation, drainage, stream restoration, or other resiliency projects that provide community-wide benefits;
    ix. Public utility improvements that increase service reliability or capacity for the surrounding area;
    x. Dedication, preservation, or improvement of publicly accessible open space, natural areas, greenways, conservation lands, or recreational lands; and

xi. Other capital improvements determined by the Town to provide a substantial and lasting public benefit beyond that required to support the proposed development.

c. The Amherst Town Attorney, in consultation with the Amherst Planning Director, Town Engineer, and such other Town department heads or officials as may be appropriate based on the nature of the proposed improvement, shall have the discretion to determine whether a proposed improvement qualifies as an eligible public-benefit contribution under this criterion. Such determination shall include consideration of whether the improvement provides a substantial public benefit beyond that required by applicable laws, regulations, permit conditions, development approvals, or Town Code provisions necessary to support the proposed development. Notwithstanding the foregoing, projects that incorporate qualified off-site public benefit improvements remain subject to review and approval by the Agency's Board of Directors for Agency incentives.

In cases where an approved public-benefit improvement is to be designed, procured, or constructed by the Town of Amherst as part of a larger municipal capital project, rather than by the housing project developer, any required financial contribution from the developer shall be remitted to the Town Attorney and deposited by the Town Comptroller into a Trust and Agency Account designated for such purpose. Such funds shall be held by the Town until they are needed for the planning, design, acquisition, construction, or other approved costs associated with the eligible public-benefit improvement. Funds deposited pursuant to this provision shall be used solely for the approved improvement project for which the contribution was accepted.

Eligible housing projects that meet the criteria outlined above may receive Agency incentives in the form of: (i) an exemption from mortgage recording tax; (ii) an exemption from sales and use tax for qualified purchases; and (iii) an abatement from real property taxes.

<u>Other Policies Not Affected</u>

This Policy does not apply to projects that are otherwise eligible for Agency incentives under the Agency's Market Rate Senior Housing Policy or as low-income/affordable housing projects eligible for assistance from the Agency or its affiliated corporation, the Town of Amherst Development Corporation.

<u>Annual Review</u>

This Policy may be amended, supplemented or withdrawn, in whole or in part, by vote of the Agency Board of Directors.

[Exhibit A follows on next page]

Exhibit A

Workforce Housing Income Requirements
For Period June 1, 2026 – May 31, 2027

WORKFORCE HOUSING AREA MEDIAN INCOME (AMI) CHART			
Rent Limits*	**1 BEDROOM**	**2 BEDROOM**	**3 BEDROOM**
80% of AMI	$1,421	$1,625	$1,828
Income Limits*	**1 Person**	**2 Person**	**3 Person**
100%	$71,100	$81,200	$91,400

*Rent and income limits for individual workforce housing units are determined by the lease start date and are updated annually based on data from the U.S. Department of Housing and Urban Development. Landlords may adjust unit rents to align with revised limits when the lease term expires. For income limits on household sizes above 3 persons, contact Town of Amherst Community Development.

DEFINITIONS:

"Workforce Housing" – project consisting of for rent multi-family units whereby a specific percentage of the units are designated to an 80% household area median income (AMI) as identified in this exhibit and maintained on the Agency's website. Household income levels for persons living in specified Workforce Housing units shall not exceed 100% of AMI.

This Exhibit A shall be annually reviewed and updated by the Agency's Board of Directors based on updates to income requirements made by the Town of Amherst Community Development Director and U.S. Housing and Urban Development.

If you have questions regarding this information, please contact the Town of Amherst Industrial Development Agency at 716-688-9000.