NH RSA 674 Changes in 2025:

Chapter 674: Local Land Use Planning and Regulatory Powers

RSA 674:1, VII (HB2)

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VII. The planning board may vote to designate any property recommended to it as appropriate for development as a residential use by the select board pursuant to RSA 41:11-a, IV, as appropriate for development for residential use and forward a description of said property to the office of planning and development pursuant to RSA 12-O:55, VIII.

RSA 674:16, VII (SB284)

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I. In this section:
(a) "Residential use" means lands, buildings, or structures, or portions thereof, used, designed, or intended for non-transient occupancy.
(b) "On-site parking requirements" means the required number of on-site parking spaces, the maximum distance of the parking spaces from the proposed use, the dimensions of the parking spaces, the angle of the parking spaces, and the hours of the day the parking spaces must be available as required by a zoning ordinance, site plan review regulation, subdivision regulation, or innovative land use control.
(c) "Alternative parking solution" means a proposal by an applicant to meet the parking demand created by a proposed residential use which is a substitute for meeting the on-site parking requirements prescribed by a zoning ordinance, site plan review regulation, subdivision regulation, or innovative land use control. Alternative parking solutions shall include, but not be limited to: (1) an agreement for the provision of off-site parking spaces with another owner of real property during hours which the off-site parking spaces are not in use within a quarter of a mile of the proposed residential use, (2) agreement with a rideshare company to provide transportation to the occupants of the proposed residential use, (3) availability of public transportation including fixed-route bus service within a quarter of a mile of the proposed residential use, or (4) location in a district officially designated in a municipality's master plan, or by zoning ordinance, as a downtown, town center, central business district, or village center in which there is adequate walkability infrastructure. The planning board shall not be required to approve the alternative parking solution if the results of the third-party review under RSA 676:4-b, I, conclude that the proposed alternative parking solution will not meet the parking demand created by the proposed residential use. Planning boards shall have the authority under RSA 674:16-a to approve residential uses with alternative parking solutions which may be inconsistent with the requirements of their zoning ordinance.
(d) "Adequate walkability infrastructure" means sidewalks, density of development, bus

stops, bike lanes, mixed use neighborhoods, and other infrastructure that supports walkability.
II. If a proposed residential use proposes to meet the on-site parking requirements prescribed by a zoning ordinance adopted pursuant to RSA 674:16, prescribed by a site plan review regulation adopted pursuant to RSA 674:44, prescribed by a subdivision regulation adopted pursuant to RSA 674:36, or other innovative land use control adopted pursuant to RSA 674:21, with an alternative parking solution, in any of the above cases due to economic considerations, the planning board shall be required to consider such alternative parking solution.
III. If the applicant can demonstrate that the alternative parking solution will meet the parking demand created by the proposed residential use, a planning board shall be required to approve the alternative parking solution proposed by the applicant as a substitute for the proposed residential use meeting the on-site parking requirements.
IV. If a planning board during the review process of a subdivision plat, site plan, or other land use application for the proposed residential use doesn't agree with the applicant's determination that the alternative parking solution will meet the parking demand created by the proposed residential use, the planning board can request third-party review under RSA 676:4-b, I.

RSA 674:16, VIII (HB457)

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VIII. In its exercise of the powers granted under this subdivision, the legislative body of a city, town, village district, or county in which there are located unincorporated towns or unorganized places shall not adopt any ordinance that restricts the number of occupants of any dwelling unit to less than 2 occupants per bedroom, and the governing body thereof shall not enforce any such ordinance. Such legislative body shall not adopt any ordinance based on the familial or non-familial relationships or marital status, occupation, employment status, or the educational status, including but not limited to scholastic enrollment or academic achievement at any level among the occupants of the dwelling unit, including but not limited to college students, and the governing body thereof shall not enforce any such ordinance. Nothing in this section shall prohibit the enforcement of the state building code or state fire code.

RSA 674:21, V (HB168)

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V. As used in this section "impact fee" means a fee or assessment imposed upon development, including subdivision, building construction, or other land use change, in order to help meet the needs occasioned by that development for the construction or improvement of capital facilities owned or operated by the municipality, including and limited to water treatment and distribution facilities; wastewater treatment and disposal facilities; sanitary sewers; storm water, drainage and flood control facilities; municipal road

systems and rights-of-way; municipal office facilities; public school facilities; public works facilities; the municipality's proportional share of capital facilities of a cooperative or regional school district of which the municipality is a member; public safety facilities; solid waste collection, transfer, recycling, processing, and disposal facilities; public library facilities; and public recreational facilities not including public open space. No later than July 1, 1993, all impact fee ordinances shall be subject to the following:

(a) The amount of any such fee shall be a proportional share of municipal capital improvement costs which is reasonably related to the capital needs created by the development, and to the benefits accruing to the development from the capital improvements financed by the fee. Upgrading of existing facilities and infrastructures, the need for which is not created by new development, shall not be paid for by impact fees.

(b) In order for a municipality to adopt an impact fee ordinance, it must have enacted a capital improvements program pursuant to RSA 674:5-7.

(c) Any impact fee shall be accounted for separately, shall be segregated from the municipality's general fund, may be spent upon order of the municipal governing body, shall be exempt from all provisions of RSA 32 relative to limitation and expenditure of town moneys, and shall be used solely for the capital improvements for which it was collected, or to recoup the cost of capital improvements made in anticipation of the needs which the fee was collected to meet.

(d) All impact fees imposed pursuant to this section shall be assessed at the time of planning board approval of a subdivision plat or site plan. When no planning board approval is required, or has been made prior to the adoption or amendment of the impact fee ordinance, impact fees shall be assessed prior to, or as a condition for, the issuance of a building permit or other appropriate permission to proceed with development. Impact fees shall be intended to reflect the effect of development upon municipal facilities at the time of the issuance of the building permit. Impact fees shall be collected at the time a certificate of occupancy is issued. If no certificate of occupancy is required, impact fees shall be collected when the development is ready for its intended use. Nothing in this subparagraph shall prevent the municipality and the assessed party from establishing an alternate, mutually acceptable schedule of payment of impact fees in effect at the time of subdivision plat or site plan approval by the planning board. If an alternate schedule of payment is established, municipalities may require developers to post bonds, issue letters of credit, accept liens, or otherwise provide suitable measures of security so as to guarantee future payment of the assessed impact fees.

(e) The ordinance shall establish reasonable times after which any portion of an impact fee which has not become encumbered or otherwise legally bound to be spent for the purpose for which it was collected shall be refunded, with any accrued interest. Whenever the calculation of an impact fee has been predicated upon some portion of capital improvement costs being borne by the municipality, a refund shall be made upon the failure of the legislative body to appropriate the municipality's share of the capital improvement costs

within a reasonable time. The maximum time which shall be considered reasonable hereunder shall be 6 years.

(f) Unless otherwise specified in the ordinance, any decision under an impact fee ordinance may be appealed in the same manner provided by statute for appeals from the officer or board making that decision, as set forth in RSA 676:5, RSA 677:2-14, or RSA 677:15, respectively.

(g) The ordinance may also provide for a waiver process, including the criteria for the granting of such a waiver.

(h) The adoption of a growth management limitation or moratorium by a municipality shall not affect any development with respect to which an impact fee has been paid or assessed as part of the approval for that development.

(i) Neither the adoption of an impact fee ordinance, nor the failure to adopt such an ordinance, shall be deemed to affect existing authority of a planning board over subdivision or site plan review, except to the extent expressly stated in such an ordinance.

(j) The failure to adopt an impact fee ordinance shall not preclude a municipality from requiring developers to pay an exaction for the cost of off-site improvement needs determined by the planning board to be necessary for the occupancy of any portion of a development. For the purposes of this subparagraph, "off-site improvements" means those improvements that are necessitated by a development but which are located outside the boundaries of the property that is subject to a subdivision plat or site plan approval by the planning board. Such off-site improvements shall be limited to any necessary highway, drainage, and sewer and water upgrades pertinent to that development. The amount of any such exaction shall be a proportional share of municipal improvement costs not previously assessed against other developments, which is necessitated by the development, and which is reasonably related to the benefits accruing to the development from the improvements financed by the exaction. As an alternative to paying an exaction, the developer may elect to construct the necessary improvements, subject to bonding and timing conditions as may be reasonably required by the planning board. Any exaction imposed pursuant to this section shall be assessed at the time of planning board approval of the development necessitating an off-site improvement. Whenever the calculation of an exaction for an off-site improvement has been predicated upon some portion of the cost of that improvement being borne by the municipality, a refund of any collected exaction shall be made to the payor or payor's successor in interest upon the failure of the local legislative body to appropriate the municipality's share of that cost within 6 years from the date of collection. For the purposes of this subparagraph, failure of local legislative body to appropriate such funding or to construct any necessary off-site improvement shall not operate to prohibit an otherwise approved development.

(k) Revenue from impact fees imposed upon development and collected by a municipality under RSA 674:21, V for construction of or improvement to municipal road systems may be expended upon state highways within the municipality only for improvement costs that are

related to the capital needs created by the development. Such improvements may include items such as, but not limited to, traffic signals and signage, turning lanes, additional travel lanes, and guard rails. No such improvements shall be constructed or installed without approval of the state department of transportation. In no event shall impact fees be used for any improvements to roads, bridges, or interchanges that are part of the interstate highway system. Nothing in RSA 674:21, V shall be construed as allowing or authorizing additional impact fees merely by virtue of having approved the expenditure of collected fee revenue for construction of or improvement of state highways, nor shall it be construed as allowing the adoption of new impact fees devoted to assessing impacts to state highways.

(l) No later than 60 days following the end of the fiscal year, any municipality having adopted an impact fee ordinance shall prepare a report listing all expenditures of impact fee revenue for the prior fiscal year, identifying the capital improvement project for which the fees were assessed and stating the dates upon which the fees were assessed and collected. The annual report shall enable the public to track the payment, expenditure, and status of the individually collected fees to determine whether said fees were expended, retained, or refunded.

RSA 674:39 (SB413)

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I. Every subdivision plat approved by the planning board and properly recorded in the registry of deeds and every site plan approved by the planning board and properly recorded in the registry of deeds, if recording of site plans is required by the planning board or by local regulation, shall be exempt from all subsequent changes in subdivision regulations, site plan review regulations, impact fee ordinances, and zoning ordinances adopted by any city, town, or county in which there are located unincorporated towns or unorganized places, except those regulations and ordinances which expressly protect public health standards, such as water quality and sewage treatment requirements, for a period of 7 years after the date of approval; provided that:
(a) Active and substantial development or building has begun on the site by the owner or the owner's successor in interest in accordance with the approved subdivision plat within 3 years after the date of approval, or in accordance with the terms of the approval, and, if a bond or other security to cover the costs of roads, drains, or sewers is required in connection with such approval, such bond or other security is posted with the city, town, or county in which there are located unincorporated towns or unorganized places, at the time of commencement of such development;
(b) Development remains in full compliance with the public health regulations and ordinances specified in this section; and
(c) At the time of approval and recording, the subdivision plat or site plan conforms to the subdivision regulations, site plan review regulations, and zoning ordinances then in effect at the location of such subdivision plat or site plan.
II. Once substantial completion of the improvements as shown on the subdivision plat or site plan has occurred in compliance with the approved subdivision plat or site plan or the

terms of said approval or unless otherwise stipulated by the planning board, the rights of the owner or the owner's successor in interest shall vest and no subsequent changes in subdivision regulations, site plan regulations, or zoning ordinances, except impact fees adopted pursuant to RSA 674:21 and 675:2-4, shall operate to affect such improvements.
III. The planning board may, as part of its subdivision and site plan regulations or as a condition of subdivision plat or site plan approval, specify the threshold levels of work that shall constitute the following terms, with due regard to the scope and details of a particular project:
(a) "Substantial completion of the improvements as shown on the subdivision plat or site plan," for purposes of fulfilling paragraph II; and
(b) "Active and substantial development or building," for the purposes of fulfilling paragraph I.
IV. Failure of a planning board to specify by regulation or as a condition of subdivision plat or site plan approval what shall constitute "active and substantial development or building" shall entitle the subdivision plat or site plan approved by the planning board to the 7-year exemption described in paragraph I. The planning board may, for good cause, extend the 3-year period set forth in subparagraph I(a).
V. The 7-year period and 3-year exemption in this section shall apply to any approval granted on or after July 1, 2023.

RSA 674:41, I(c) (SB281 & HB 296)

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(c) Is a class VI highway, provided that the applicant:
(1) Signs a liability waiver acknowledging that the:
(A) Municipality shall not maintain the highway nor provide any services to any lot accessible by the highway;
(B) Municipality shall not accept any responsibility for losses or damages caused by a lack of services; and
(C) Responsibility for such services falls solely on the applicant; and
(2) Prior to the issuance of a building permit, produces evidence that this waiver has been recorded in the county register of deeds; and
(3) Prior to the issuance of a building permit, proves the lot and any buildings thereon are insurable;

RSA 674:41, I(d)(1) (SB281 & HB 296)

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(d) Is a private road, provided that:
(1) The local governing body, after review and comment by the planning board, or after establishing that the private road identifies and complies with policy adopted by the

RSA 674:43, VI–VIII (HB2)

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VI. If the planning board has submitted a property description to the office of planning and development, then the local governing body may further vote to authorize that properties in the municipality on the list generated pursuant to RSA 12-O:55, VIII qualify for expedited review and approval pursuant to RSA 676:4, III.
VII. If the local legislative body of a municipality has by ordinance or resolution authorized minor site plan review pursuant to RSA 674:43, III, then all solely residential development projects proposing to construct workforce housing, as defined in RSA 674:58, IV, that are included on the list generated pursuant to RSA 12-0:55, VIII, may also qualify for expedited review and approval pursuant to RSA 676:4, III.
VIII. The local legislative body of a municipality may by ordinance or resolution adopt pattern zoning regulations to accelerate the construction of infill housing in neighborhoods. To meet the definition of infill housing, projects must be new residential development constructed on vacant lots interspersed among lots with existing, non-vacant development. Pattern zoning provides permit-ready designs with appropriate zoning and regulations to speed the process of building high quality infill housing that is compatible with existing homes in the neighborhood.

RSA 674:71 (HB577)

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As used in this subdivision:
I. "Accessory dwelling unit" means a residential living unit that is located on a lot containing a single-family dwelling that provides independent living facilities for one or more persons, including provisions for sleeping, eating, cooking, and sanitation, on the same parcel of land as the principal dwelling unit it accompanies. Accessory dwelling units may be constructed at the same time as the principal dwelling unit.
II. "Attached unit" means a unit that is within or physically connected to the principal dwelling unit, or completely contained within a preexisting detached structure.
III. "Detached unit" means a unit that is neither within nor physically connected to the principal dwelling unit, nor completely contained within a preexisting detached structure.

RSA 674:72 (HB577)

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I. A municipality that adopts a zoning ordinance pursuant to the authority granted in this chapter shall allow accessory dwelling units in all zoning districts that permit single-family dwellings. One accessory dwelling unit, which may be either attached or detached, shall be allowed as a matter of right. The municipality shall allow one accessory dwelling unit without additional requirements for lot size, except as described by this section, setbacks, aesthetic requirements, design review requirements, frontage, space limitations, or other

controls beyond what would be required for a single-family dwelling without an accessory dwelling unit. The municipality may not impose greater requirements for a septic system for a single-family home with an accessory dwelling unit than is required by the department of environmental services. The municipality is not required to allow more than one accessory dwelling unit for any single-family dwelling. The municipality may prohibit accessory dwelling units associated with multiple single-family dwellings attached to each other, such as townhouses. The municipality may prohibit accessory dwelling units associated with rented or leased land. Subsequent condominium conveyance of any accessory dwelling unit separate from that of the principal dwelling unit shall be prohibited, notwithstanding the provisions of RSA 356-B:5, unless allowed by the municipality.

II. If a zoning ordinance contains no provisions pertaining to accessory dwelling units, then one accessory dwelling unit shall be deemed a permitted accessory use, as a matter of right, to any single-family dwelling in the municipality, and no municipal permits or conditions shall be required other than building permits, if required by statute.

III. Attached accessory dwelling units shall have either an independent means of ingress and egress or ingress and egress through a common space shared with the principal dwelling. However, the municipality shall not limit the choice of ingress and egress.

IV. Any municipal regulation applicable to single-family dwellings shall also apply to the combination of a principal dwelling unit and an accessory dwelling unit, including but not limited to lot coverage standards and standards for maximum occupancy per bedroom consistent with policy adopted by the United States Department of Housing and Urban Development, provided that such municipal regulations shall not be more restrictive for accessory dwelling units than for any single-family use in the same zoning district. If a municipality has established regulations requiring parking for the principal dwelling unit, it may require up to one additional parking space for each accessory dwelling unit. Required parking spaces may be provided either on-site or at a legally dedicated off-site location, at the property owner's discretion.

V. The applicant for a permit to construct an accessory dwelling unit shall make adequate provisions for water supply and sewage disposal for the accessory dwelling unit in accordance with RSA 485-A:38, but separate systems shall not be required for the principal and accessory dwelling units. In order to comply with this paragraph and prior to constructing an accessory dwelling unit, an application for approval for a sewage disposal system shall be submitted in accordance with RSA 485-A as applicable. The approved sewage disposal system shall be installed if the existing system has not received construction approval and approval to operate under current rules or predecessor rules, or the system fails or otherwise needs to be repaired or replaced.

VI. A municipality may require owner occupancy of one of the dwelling units, but it shall not specify which unit the owner must occupy. A municipality may require that the owner demonstrate that one of the units is his or her principal place of residence, and the municipality may establish reasonable regulations to enforce such a requirement.

VII. A municipality may apply aesthetic standards to accessory dwelling units only if it has also applied such standards to the principal dwelling unit. The total living space of the accessory dwelling unit shall not exceed 950 square feet unless otherwise authorized by the municipality. A municipality may not restrict the total living space to less than 750 square feet.

VIII. A municipality shall not require a familial relationship between the occupants of an accessory dwelling unit and the occupants of a principal dwelling unit.
IX. A municipality shall not limit an accessory dwelling unit to only one bedroom.
X. An accessory dwelling unit may be deemed a unit of workforce housing for the purpose of satisfying the municipality's regional fair share obligation under RSA 674:59, III if the unit meets the criteria in RSA 674:58, IV for rental units.
XI. A municipality shall allow accessory dwelling units to be converted from existing structures, including but not limited to detached garages, regardless of whether such structures violate current dimensional requirements for setbacks or lot coverage.
XII. A municipality shall not deny the establishment of a separate electrical panel and separate electrical service to the accessory dwelling unit.

RSA 674:73 (HB577)

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Detached Accessory Dwelling Units. – A municipality shall permit one detached accessory dwelling unit. Detached accessory dwelling units shall comply with the requirements of, and any municipal ordinances or regulations adopted pursuant to, RSA 674:72, IV through IX.

RSA 674:79 (HB631)

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In this subdivision:
I. "Commercially zoned land" means land zoned for such commercial activities as retail and office space.
II. "Mixed-use" means a type of development that combines residential, commercial, cultural, institutional, or entertainment uses within a single building or development area.
III. "Adaptive reuse" means the repurposing of existing buildings or structures in whole or in part for residential purposes.

RSA 674:80 (HB 631)

HTTPS://GC.NH.GOV/RSA/HTML/LXIV/674/674-80.HTM

I. Notwithstanding any provision to the contrary, municipalities shall allow multi-family residential development on commercially zoned land, provided that adequate infrastructure, including roads, water, and sewage systems, shall be available or provided to support the development.
II. Nothing in this section shall be interpreted to prohibit municipalities from restricting residential development in zones where industrial and manufacturing uses are permitted which may result in impacts that are incompatible with residential use, such as air, noise, odor, or transportation impacts.
III. A municipality may require all available ground floor space or a percentage thereof to be dedicated to retail or similar uses.

IV. A municipality shall provide an exemption to any requirements regarding setbacks, height, or frontage of a building being converted to multi-family or mixed-use through adaptive reuse, provided that the building's floor area, height, and setbacks do not change.

governing body of the municipality, has voted to authorize the issuance of building permits for the erection of buildings on said private road or portion thereof;

RSA 674:77 (SB283)

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In this subdivision:
I. "Floor-area-ratio (FAR)" means the ratio of a building's total floor area to the size of the parcel of land upon which it is built.
II. "Below-grade area" means any part of a building that is entirely or partially below the ground level, including basements, cellars, and sublevels.
III. "New construction" means any newly constructed building or structure, including those that are newly erected or created by major renovations.

RSA 674:78 (SB283)

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I. Notwithstanding any provision to the contrary, municipalities with floor-area-ratio (FAR) limitations shall exclude below-grade areas from the calculation of FAR for new construction projects.
II. Developers may utilize below-grade areas for purposes such as parking, storage, mechanical spaces, and additional facilities, without impacting the calculation of FAR for the building.