



Photo source: Regional Shared Housing Office

Housing Choice Initiative



*Town of Concord Planning Board
March 13, 2019
Chris Kluchman, FAICP, Housing Choice Program Director*

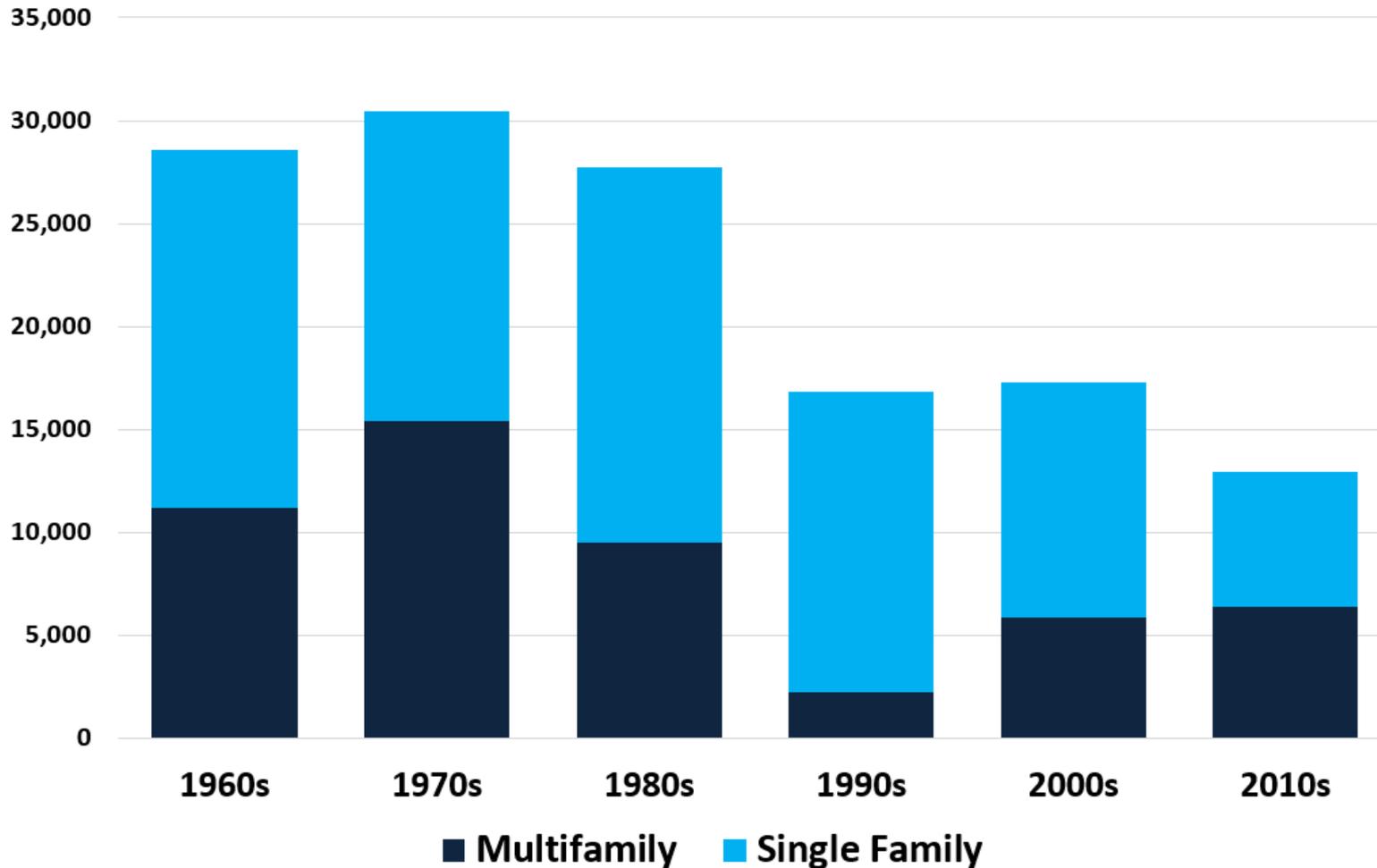


Does the state have the housing stock needed to accommodate changing needs?



State producing fewer units

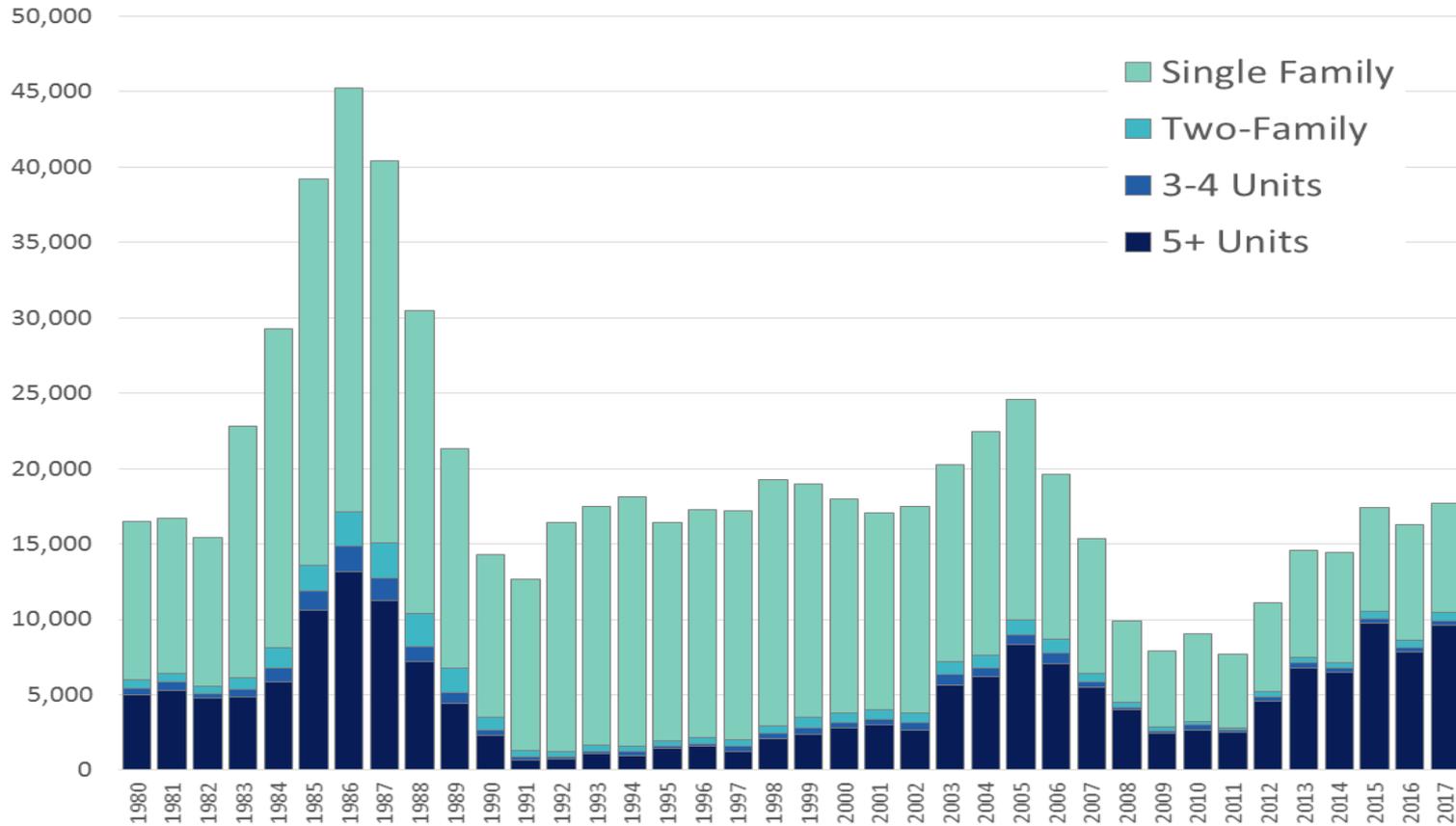
Annual Housing Production in Massachusetts by Decade
(through 2016)



Data from U.S. Census Bureau, Building Permit Survey. Note: in this and in all subsequent graphics, multifamily is defined as a structure with 2+ units and permits are as reported by cities and towns with imputed data by the Census Bureau for communities that fail to report.

State producing fewer units

Units permitted by building type Massachusetts, statewide 1980-2017



Data from U.S. Census Bureau, Building Permit Survey. Note: permits are as reported by cities and towns with imputed data by the Census Bureau for communities that fail to report.

Low vacancy rates, tight markets

County	Rental Vacancy Rate	Homeownership Vacancy Rate
Suffolk	1.40%	0.45%
Middlesex	1.56%	0.31%
Essex	1.61%	0.33%
Hampshire	1.75%	0.47%
Norfolk	1.78%	0.27%
Hampden	1.82%	0.45%
Franklin	1.95%	0.81%
Bristol	2.21%	0.51%
Worcester	2.49%	0.54%
Plymouth	2.79%	0.41%
Berkshire	3.20%	0.86%
Barnstable	3.51%	0.78%

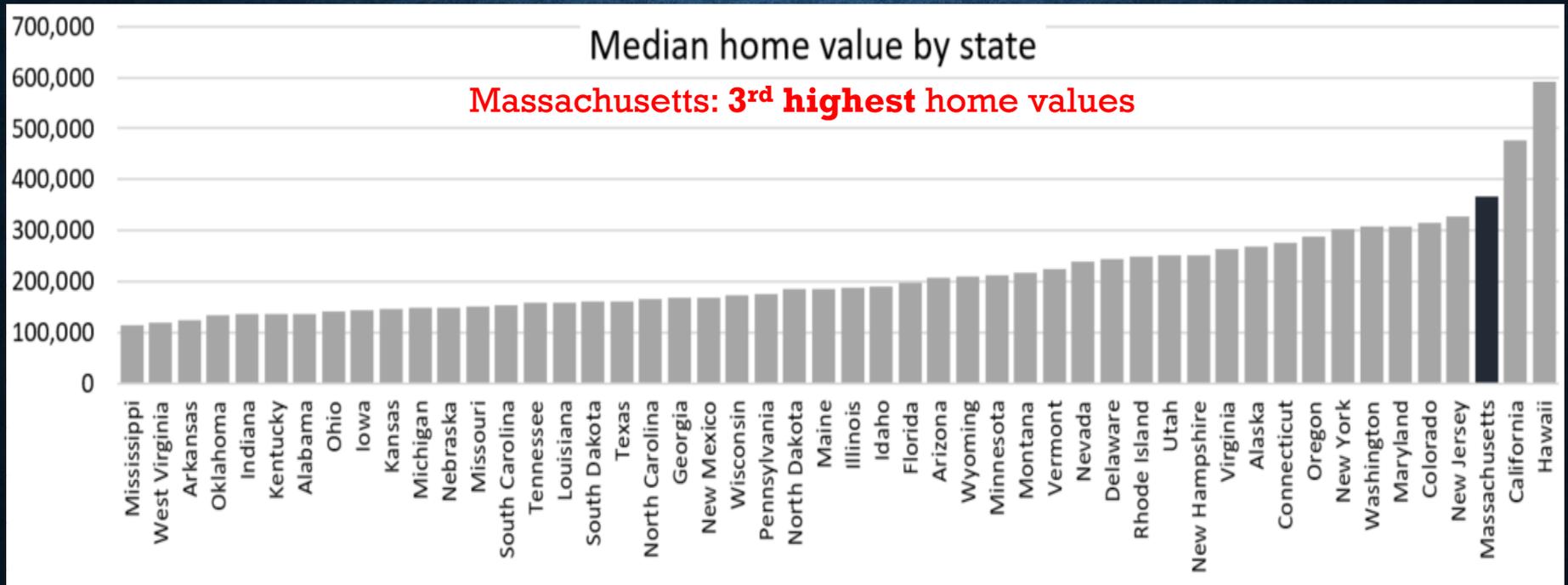
Healthy rates 6.00% 2.00%



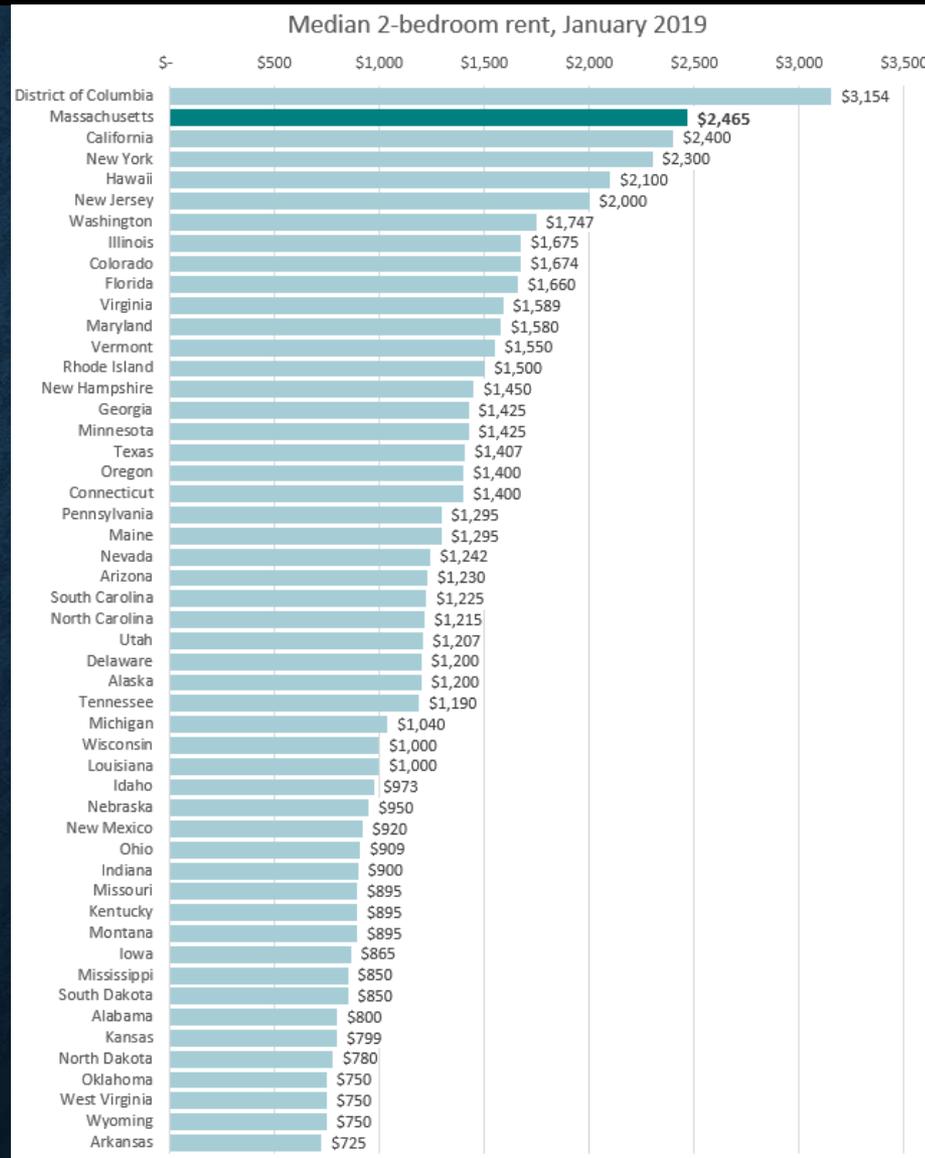
Data source: U.S. Census Bureau, American Community Survey 2012-2016

*Calculations adjust out seasonal, occasional, and off-market units

Massachusetts' housing costs are among the highest in the nation (Sale price)



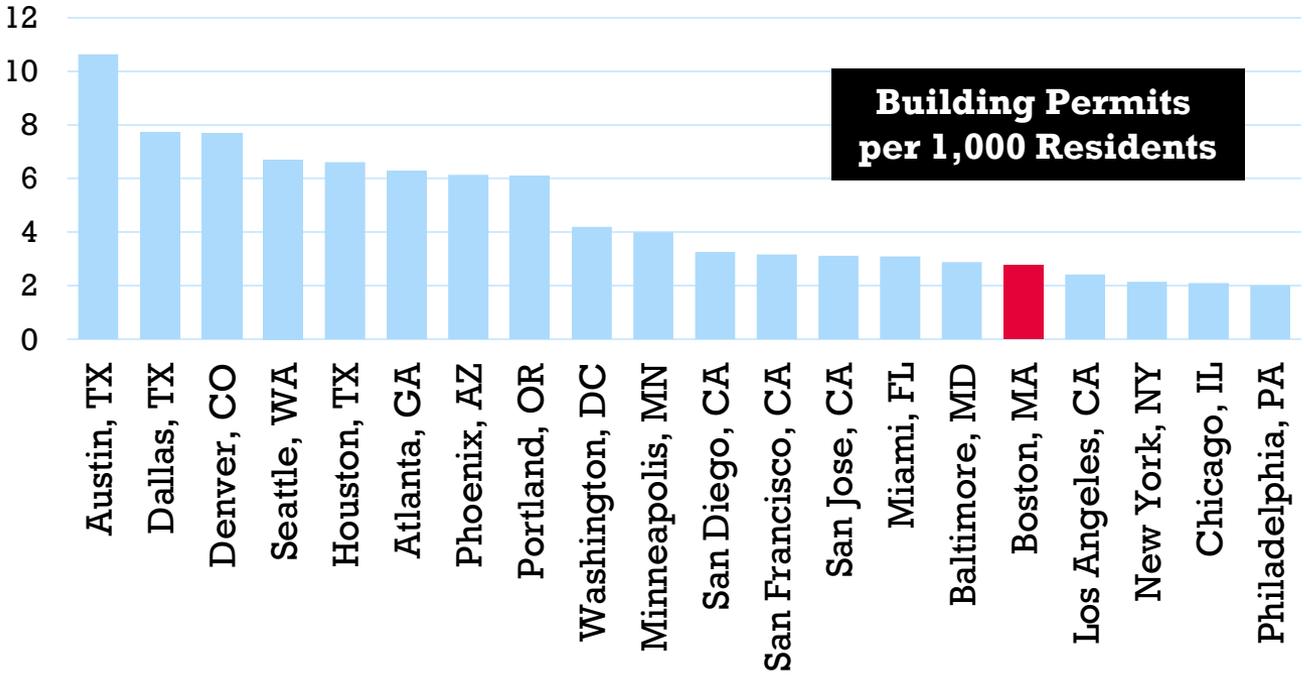
Massachusetts' housing costs are among the highest in the nation (Rents)



Data source: Zillow Research Center

Losing skilled workers to other U.S. regions

Building Permit Rates of the 20 Largest Innovation Economy Metros
 Source: U.S. Census Bureau, 2016 Building Permits Survey and 2016 Population Estimates



Most of the metros with the largest innovation economies are permitting a lot more housing per capita than we are.

Competitor metros that permitted more than 6 units per thousand residents saw net gains in population from domestic migration.

Net metro-to-metro migration, 2015-2016



Businesses are concerned about housing

Over **2/3 of employers** claim home prices and rental costs have affected their ability to recruit **qualified candidates**.

Northeastern University survey of businesses in Greater Boston, April 2017

“**High housing costs** and housing availability are a **major concern** of businesses looking to expand or relocate in Massachusetts”

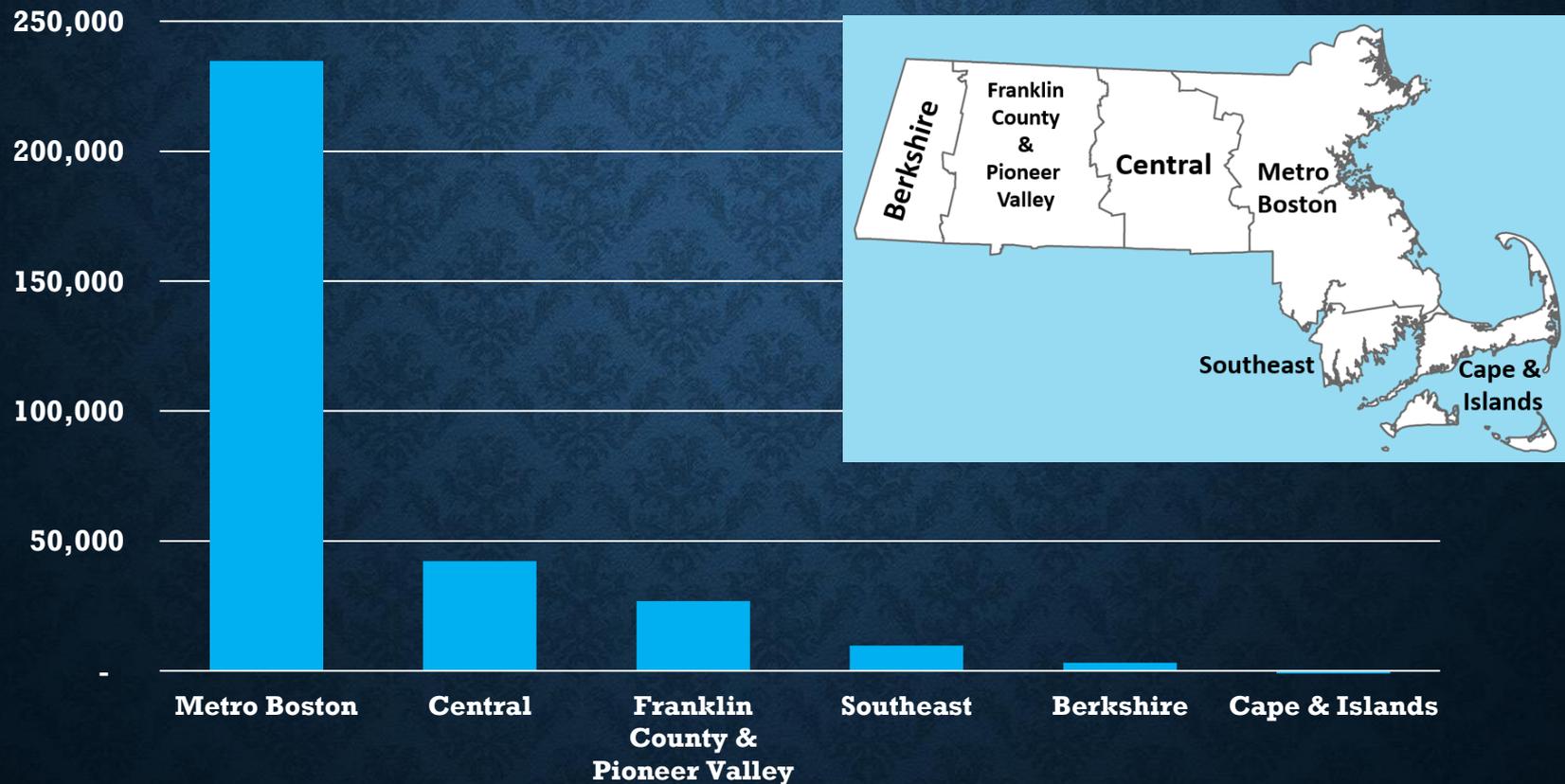
MassEcon report, March 2017

“The things that keep me up at night about other tech companies considering Boston are **transportation and housing** [challenges], less so about a fight for talent.”

HubSpot chief people officer as quoted in the Boston Globe, 9/21/2017

The projected future need for new housing by 2030 is heavily concentrated in metro Boston

Projected Net New Households 2015 to 2030

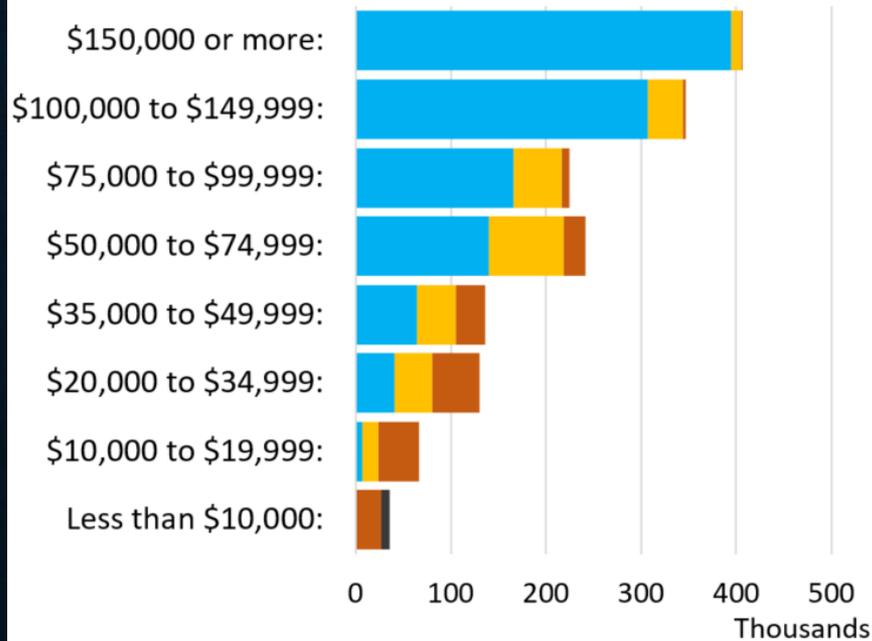


Many households are struggling with affordability

182,801

Severely burdened owner

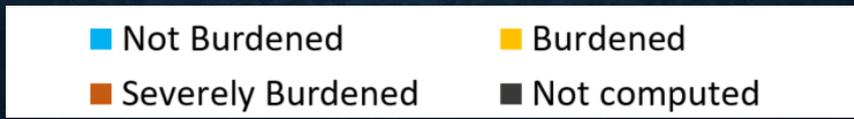
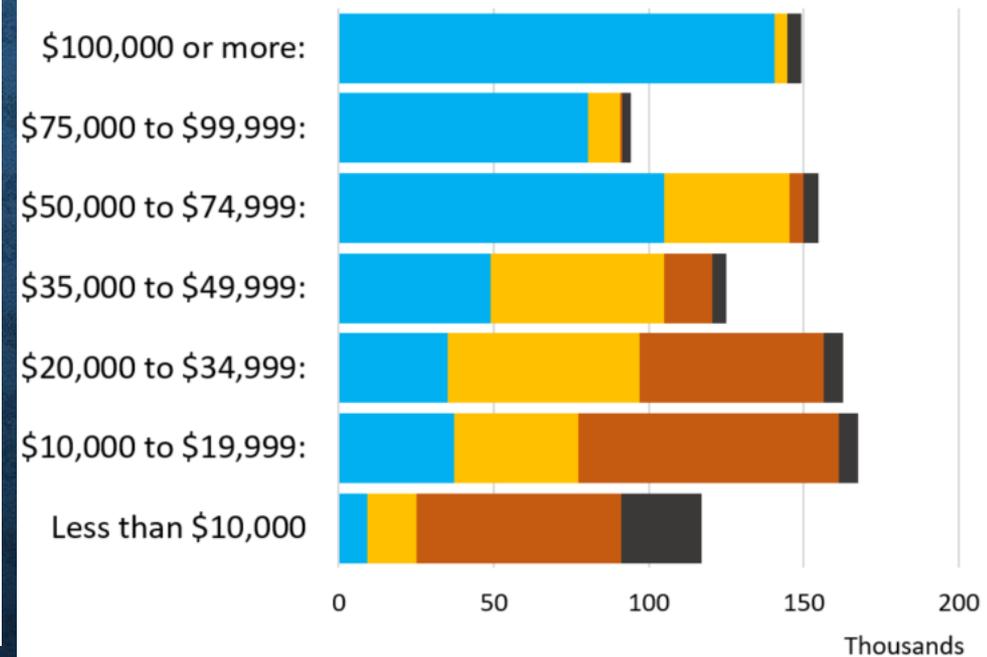
Households by ownership cost burden



230,585

Severely burdened renter

Households by rent burden



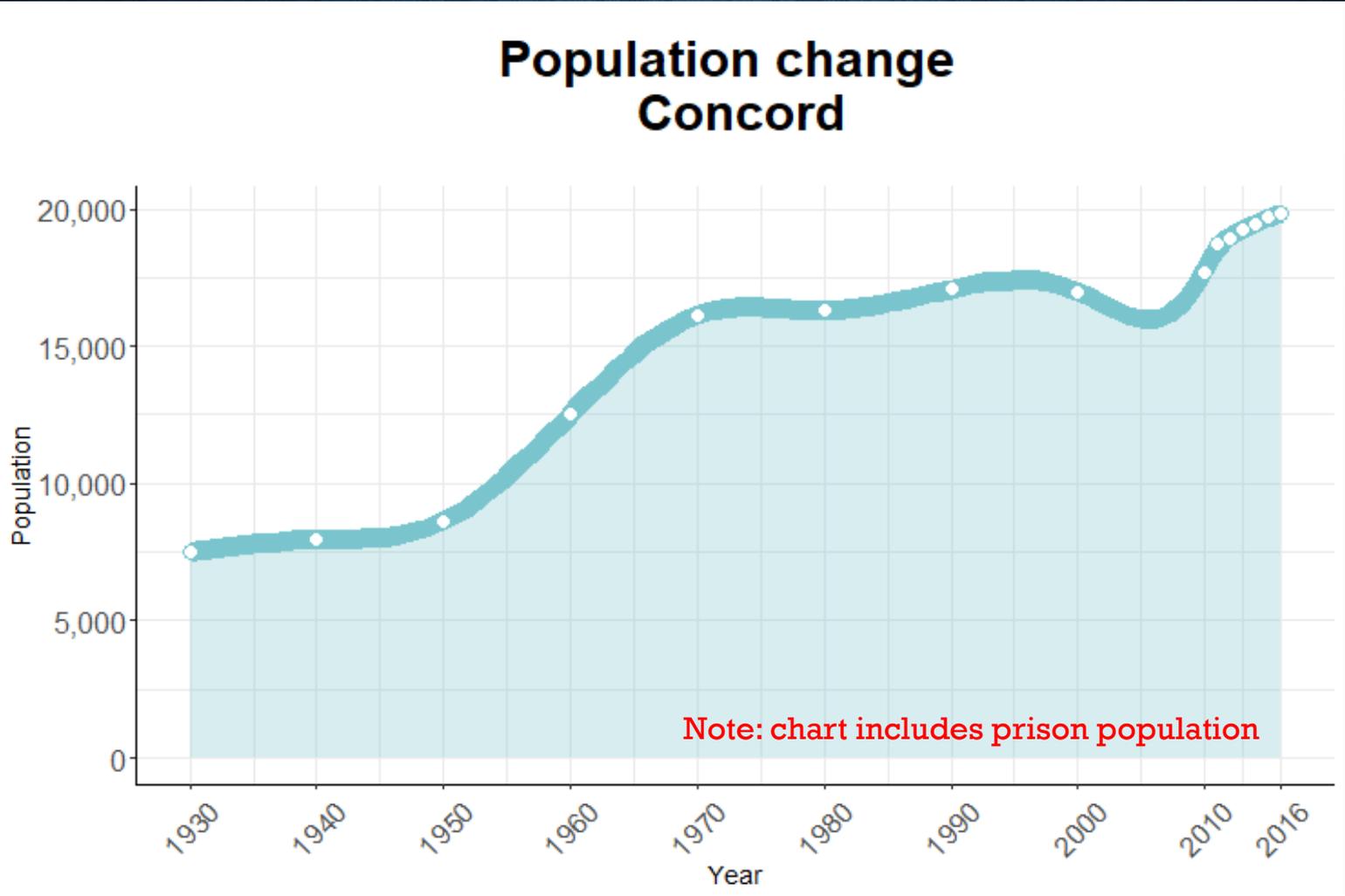
Data source: U.S. Census Bureau, American Community Survey

Does the state have the housing stock needed to accommodate changing needs?

INTO



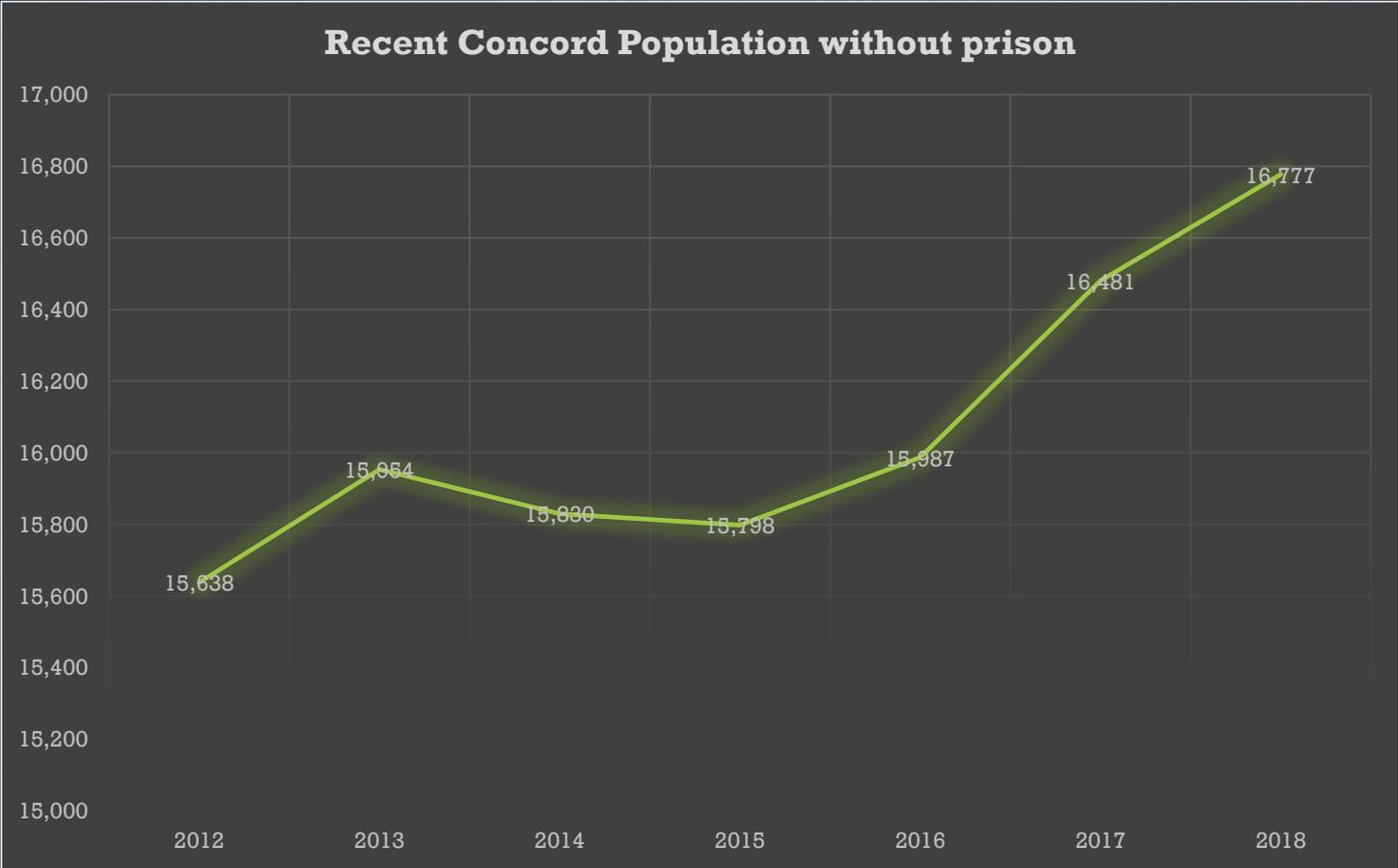
Since the mid-2000s, Concord has seen population increase



U.S. Census Bureau, Population Estimates Program



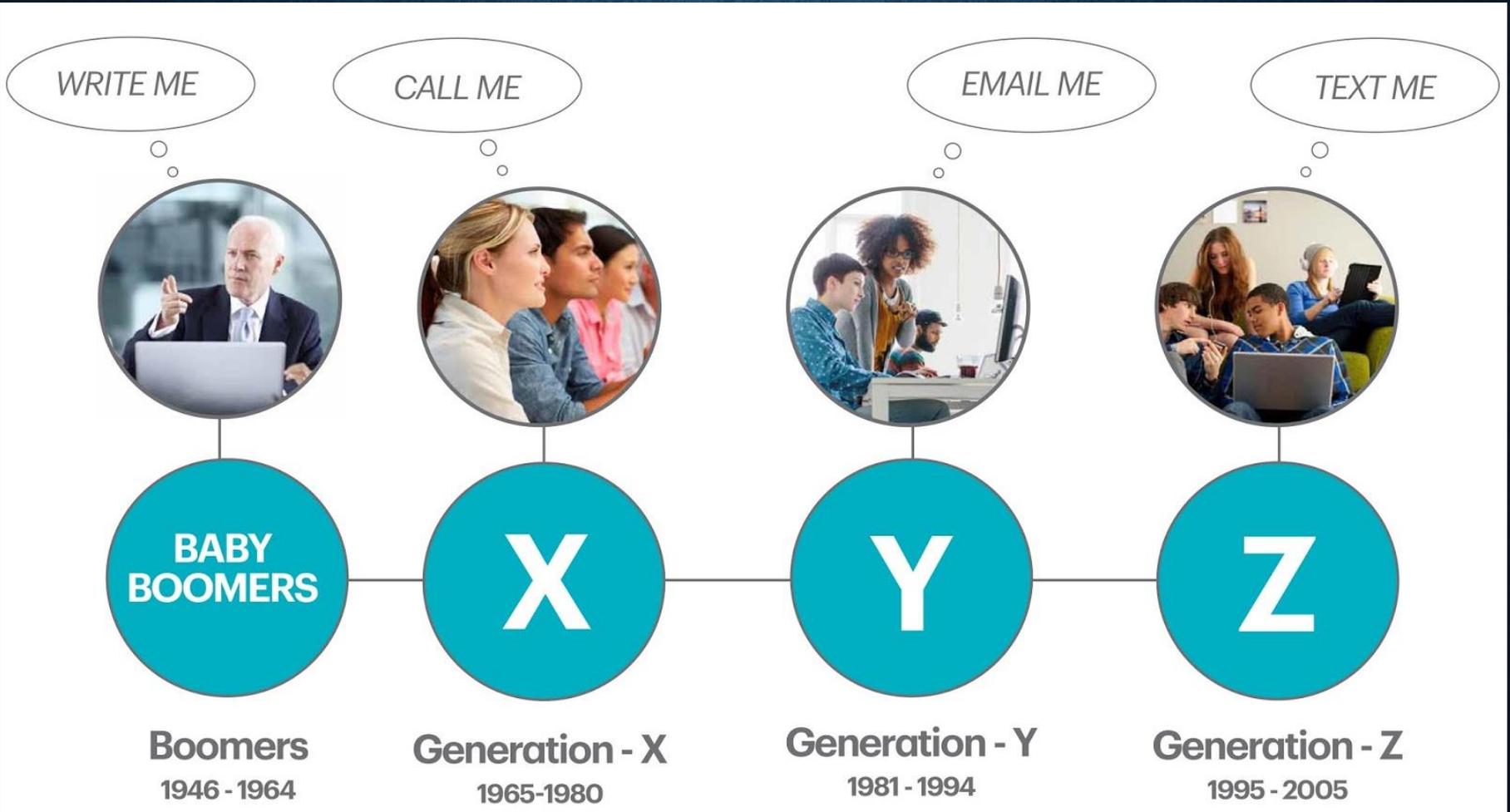
Approximately 1,000 new residents since 2012



Source: Town of Concord



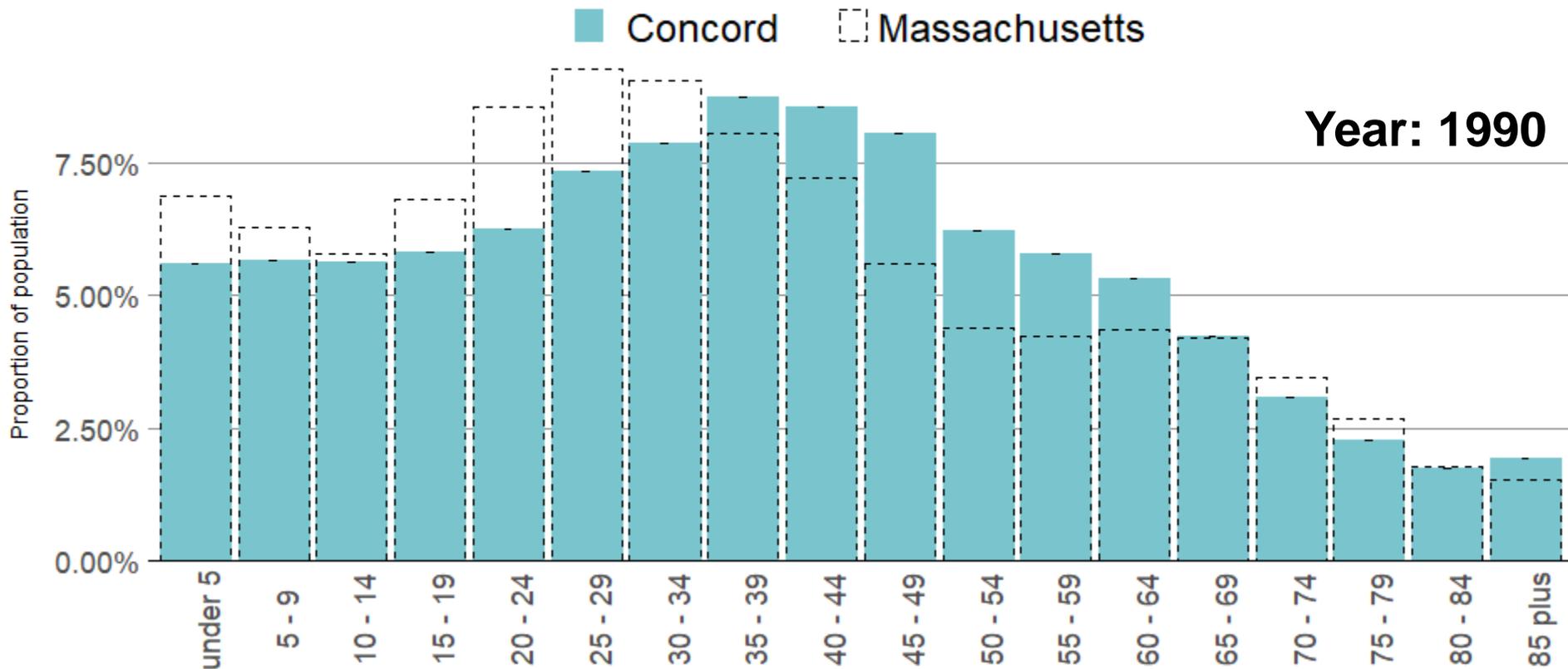
Different generations have different needs



Between 1990 and 2000, the number of young adults plummeted

Age distribution of population Concord v. State

Year: 1990

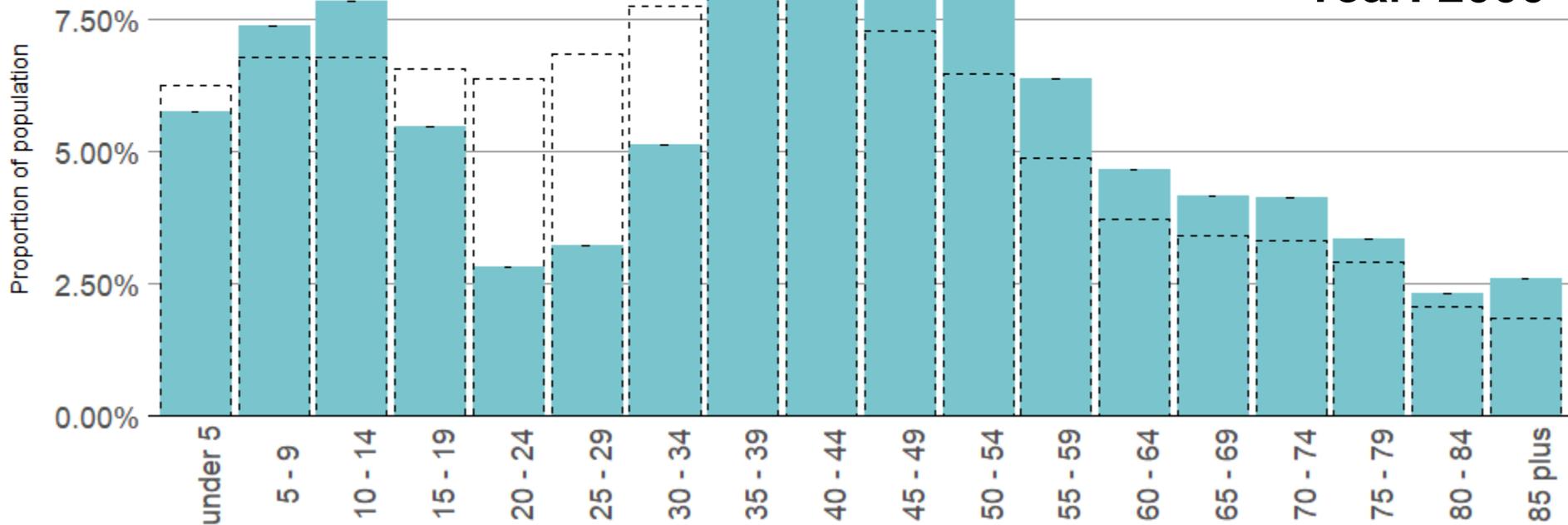


Between 1990 and 2000, the number of young adults plummeted

Age distribution of population Concord v. State

■ Concord □ Massachusetts

Year: 2000

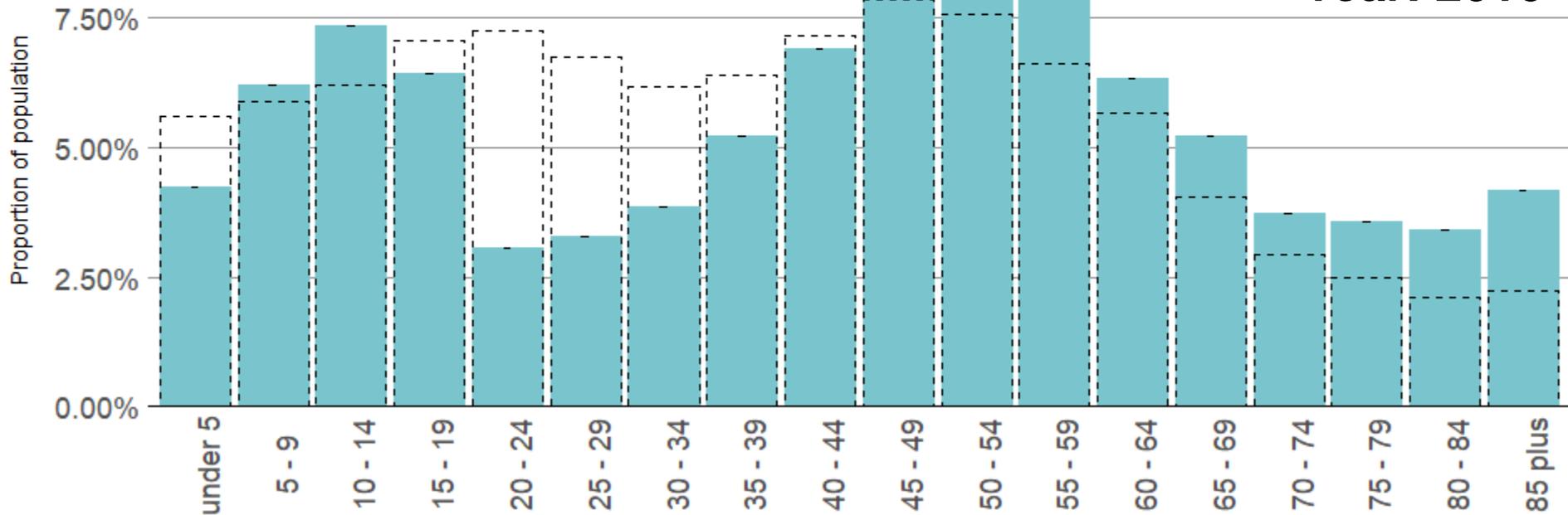


Between 2000 and 2010, Concord's population continued to age

Age distribution of population Concord v. State

■ Concord □ Massachusetts

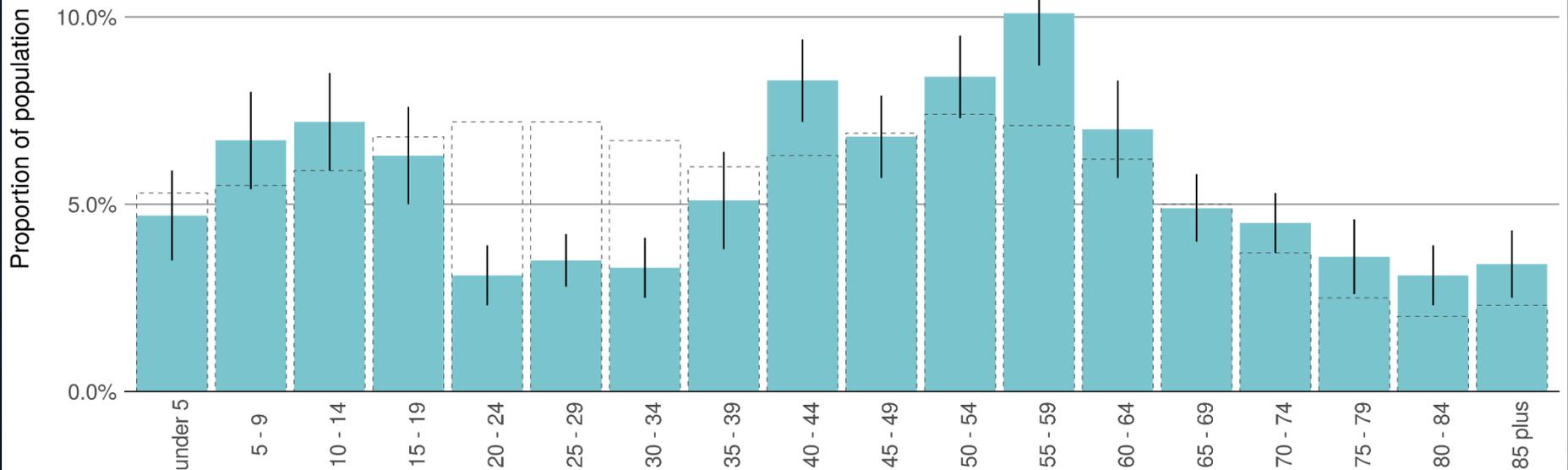
Year: 2010



Between 2010 and 2016, Concord's population continued to age

Age distribution of population Concord v. State 2013-2017 ACS

Massachusetts Confidence interval Concord



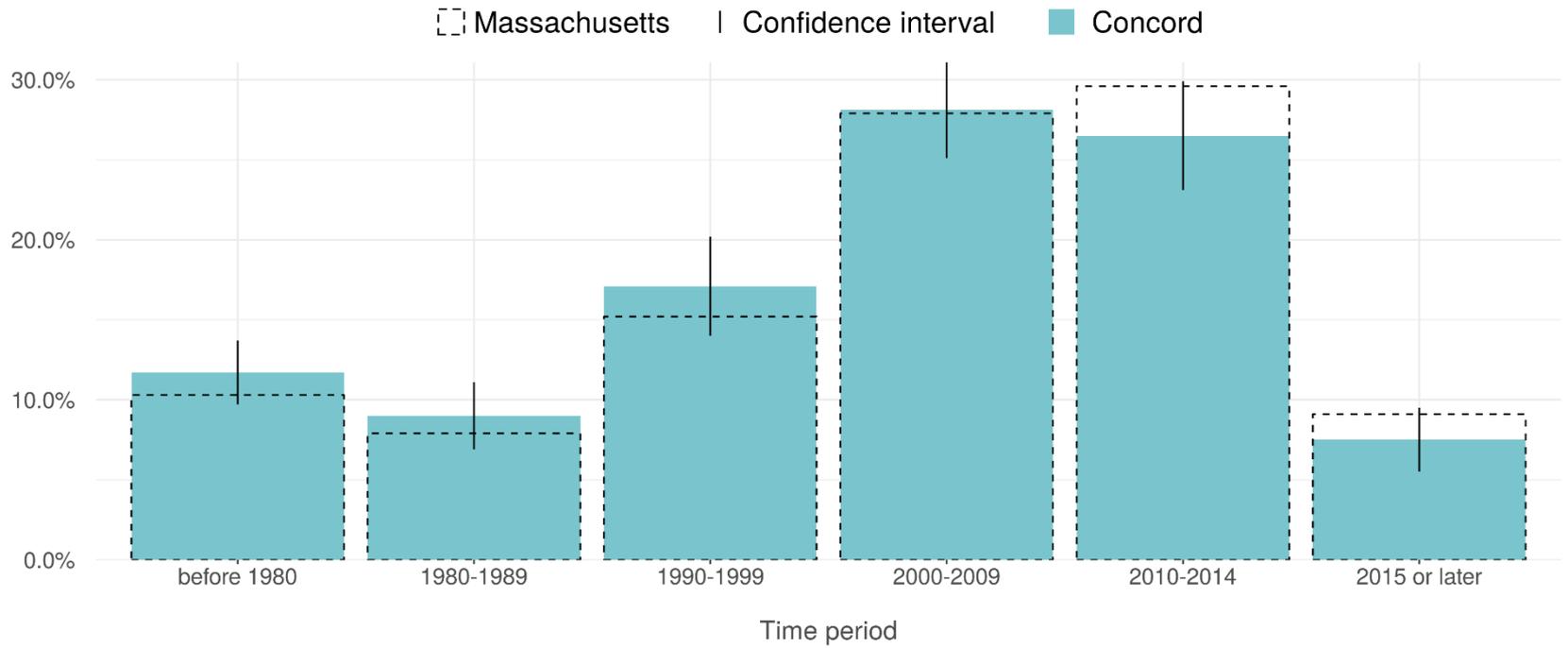
Source: U.S. Census Bureau: Decennial Census 1990-2010 & American Community Survey, 2013-2017 5-year estimates.
Table S0101: Age and Sex

A majority of households moved into their current homes after 2000



Percentage of households

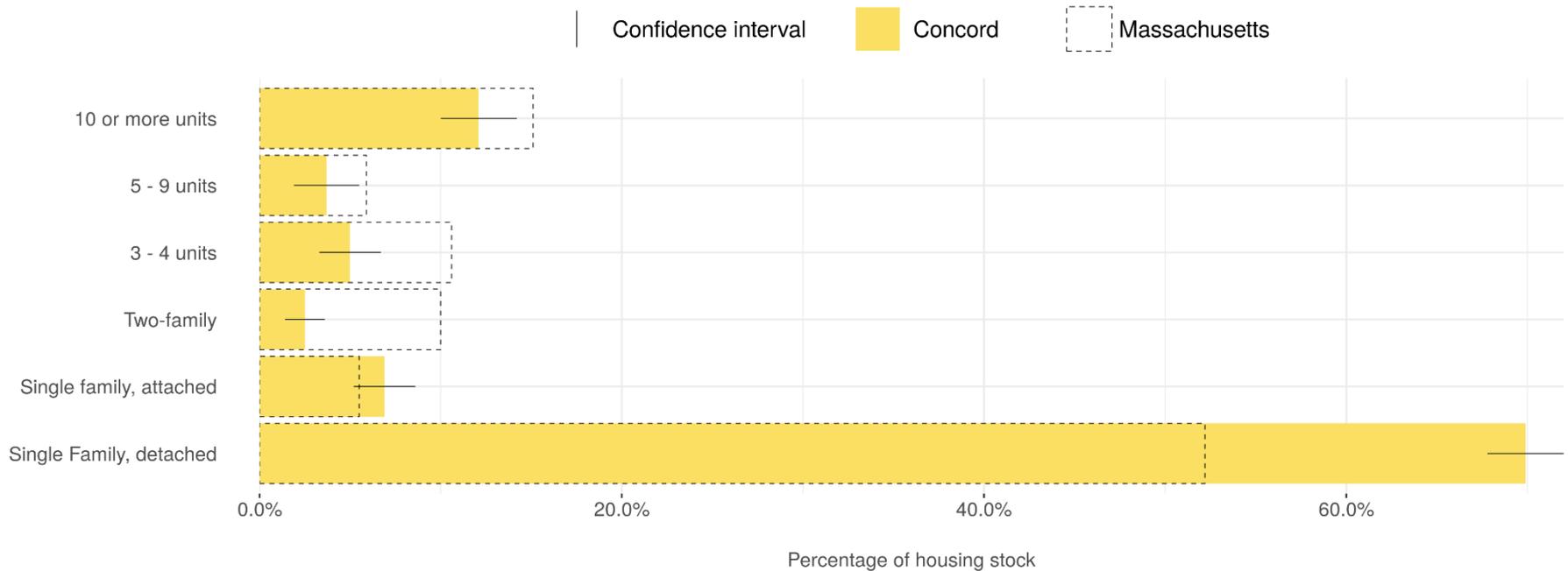
Year householder moved into current unit Concord v. State



Source: U.S. Census Bureau American Community Survey, 2013-2017 5-year estimates.
Table DP04: Selected Housing Characteristics

Concord has a high proportion of single family homes

Housing units by building type Concord v. State

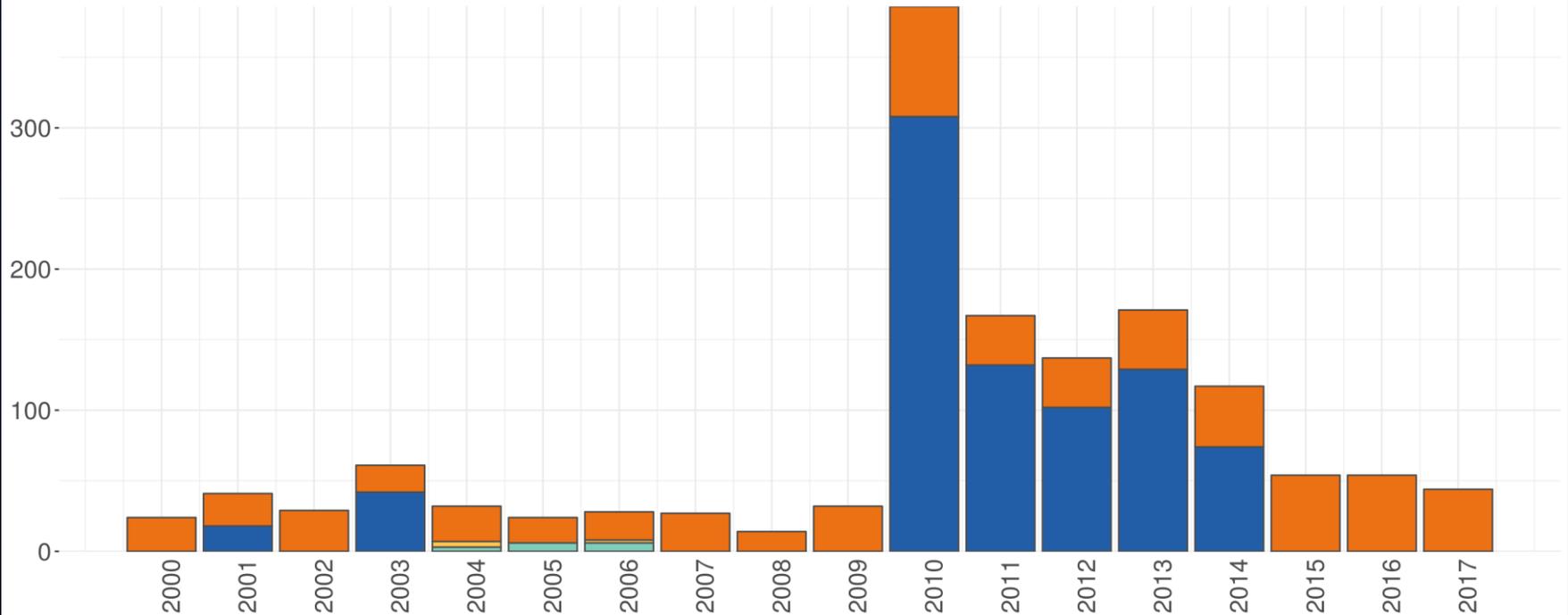


Source: U.S. Census Bureau American Community Survey, 2013-2017 5-year estimates
Table S2504: Physical Housing Characteristics for Occupied Housing Units

A fair amount of recent permits have been for multifamily development

Annual housing units permitted by building type Concord

Single Family Two Family Three and Four Family Five or more units

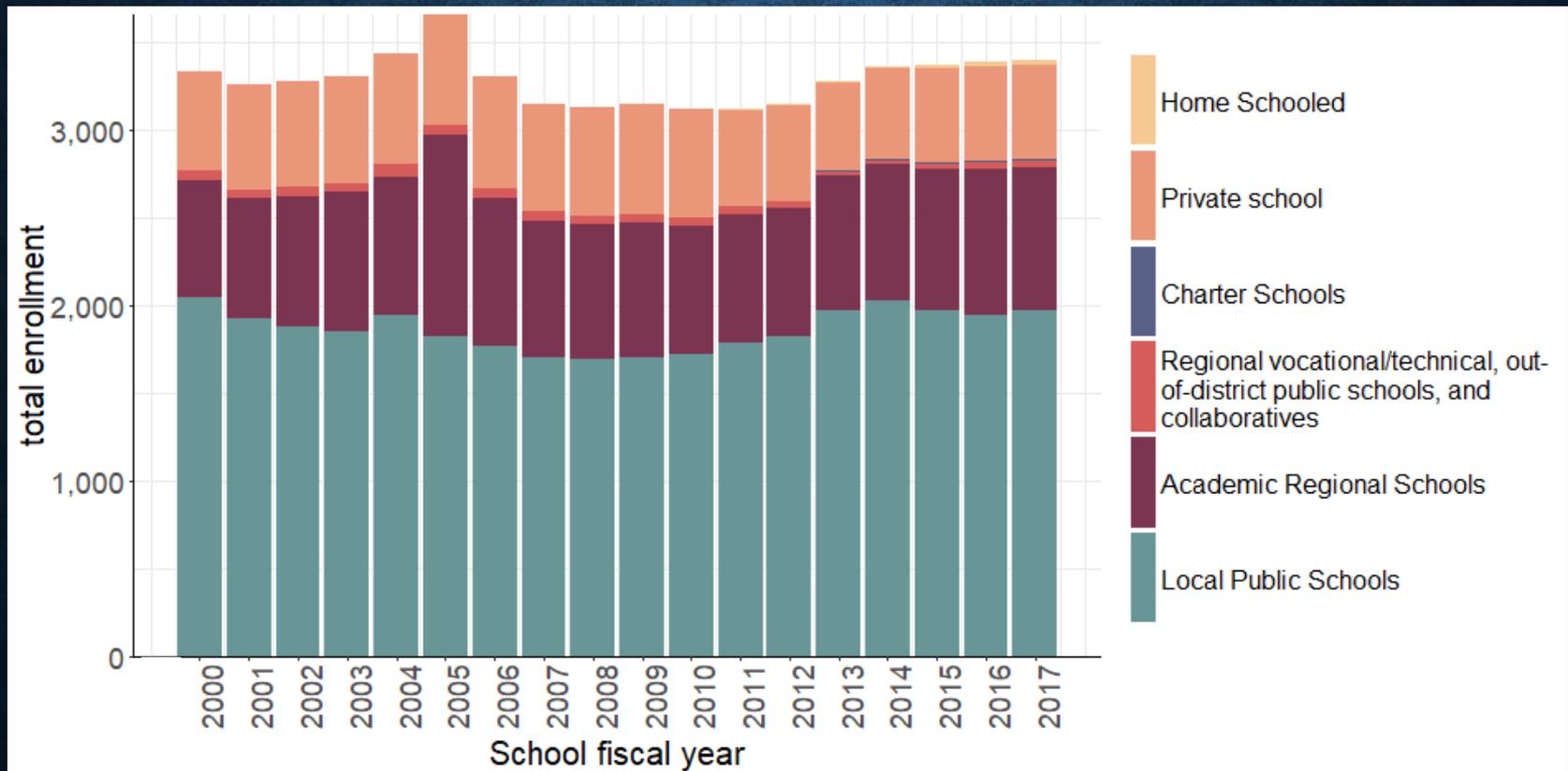


Source: U.S. Census Bureau - Annual Building Permit Survey (Reported and Imputed)

Data source: U.S. Census Bureau, Building Permit Survey

Concord's school enrollment is relatively stable since 2000

Concord school-attending children by school type 2000-2017



Data source: MA Department of Elementary & Secondary Education, School attending children by town

Concord's Housing is out of reach for many

Median Sales price of House (2017)
\$1,025,000

Sales price that Median Income
Household can afford:
\$509,000

Affordability Gap – over \$500,000



Median Household Income
\$138,661

Average income of workers
\$71,656

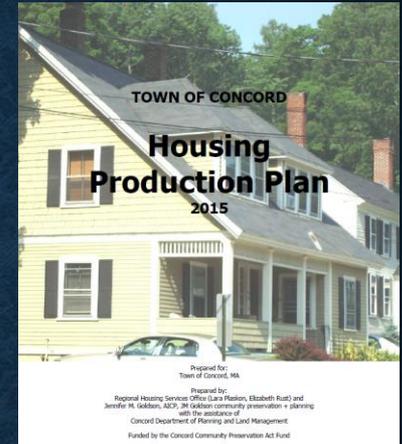
1 in 5 Households (21%) qualify as
“low-income”
\$62,550 for household of 2 people

Median monthly rent for
apartments
\$3,475

Affordable 2 Bed room rents
restricted to \$1,504
44% of renter households live
alone

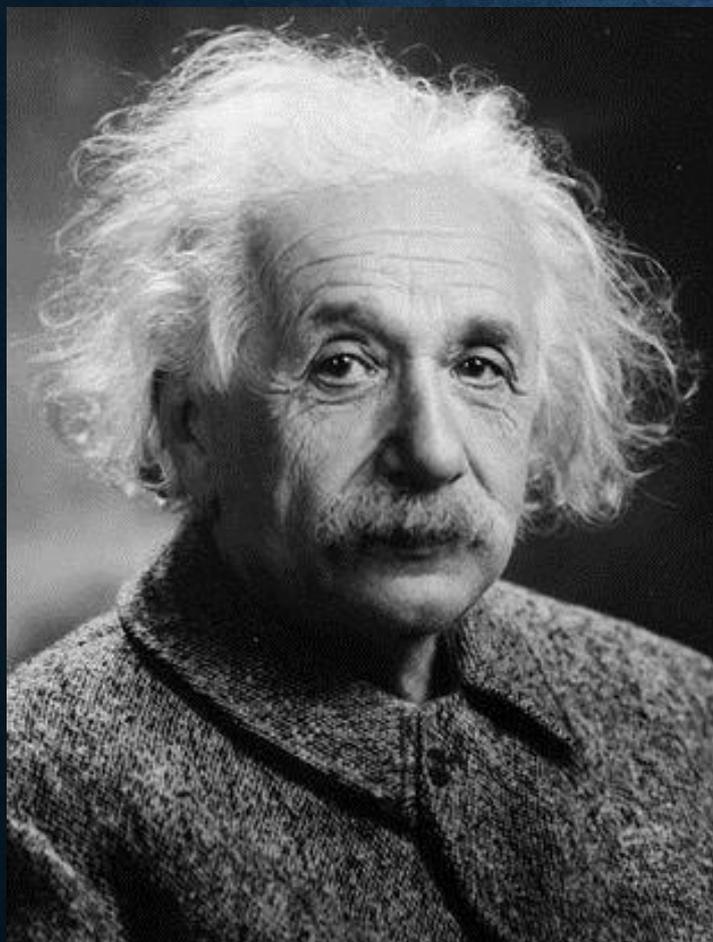
What is the effect of high prices and What can Concord do about it?

- Makes it difficult for many people to get the advantage of living in Concord
- Aging population on fixed incomes may not be able to afford to downsize in Concord. This concept is called “Aging in Place”
- Strategies in Envision Concord (2018), Housing Production Plan (2015) and Analysis of Impediments to Fair Housing Choice (2013)
 - Change zoning to make it easier to build smaller homes on smaller lots and more flexible rules for “**accessory dwelling units**” (mother-in-law apartments)
 - Encourage redevelopment at Thoreau Street Depot and Crosby’s Market areas; possibly **40R Smart Growth district**
 - Consider **innovative tax policies**
 - Local transfer tax to provide funding
 - Allow escalating property taxes for housing with at least 10% affordable
 - Consider **housing development on Town owned assets** (Peabody Middle School for example)



Photos source: Envision Concord

Solving the Problem: Housing Choice Initiative



We cannot solve our problems

with the same thinking we used

when we created them.

- Albert Einstein

- ◆ Legislative Fix to c. 40A
- ◆ Incentives and Rewards
- ◆ Data and Tracking
- ◆ Coordinated Technical Assistance

Summary: Housing Choice Initiative

Housing Goal: 135,000 new units by 2025

1. Rewards/Incentives: Housing Choice Designation

- a. Capital Grant Program,
- b. Small Town Capital Grants (less than 7,000 population)
- c. Consideration for 9 state capital grant programs

2. New and Better Coordinated Grants & Technical Assistance

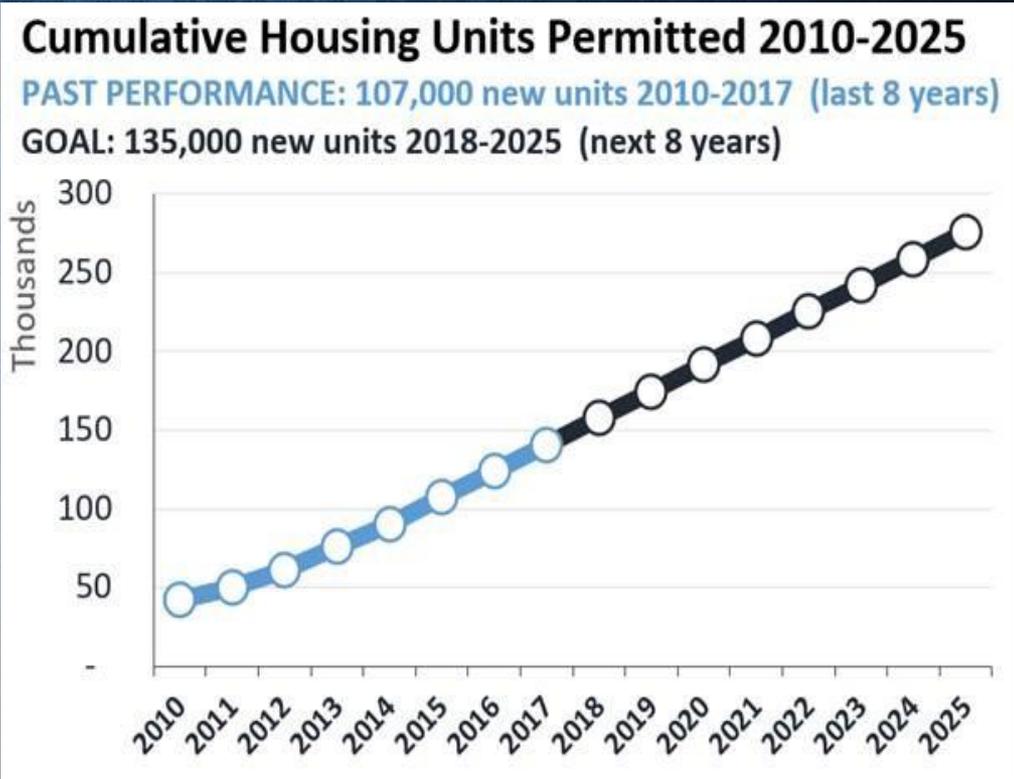
3. Legislation – An Act to Promote housing Choices



Establish a Housing Goal

The Housing Choice Initiative will track progress towards the Goal of 135,000 new units by 2025 and improve data systems.

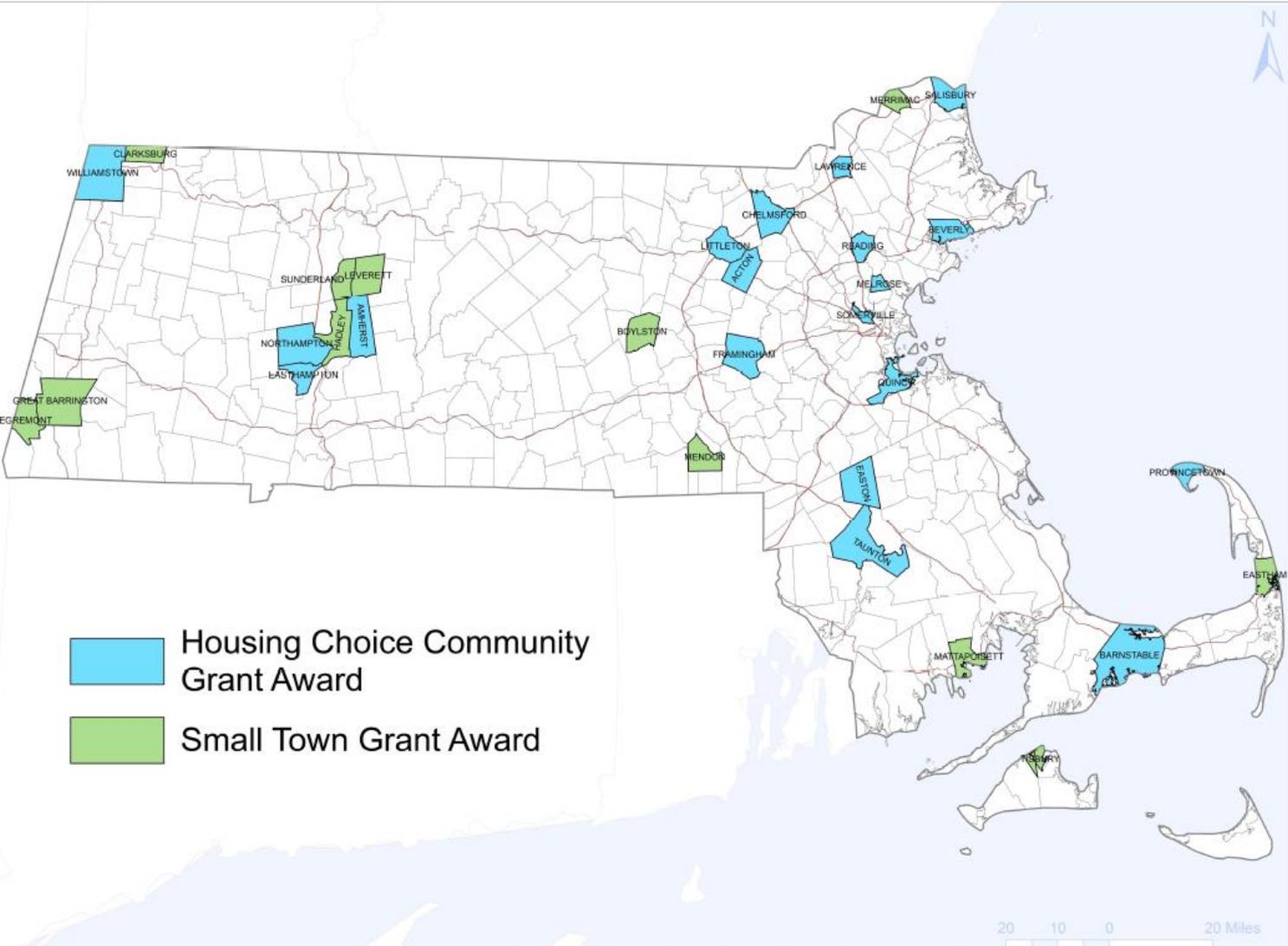
- Goal is achievable because production in the last 3 years has been strong, but it needs to be sustained.
- Represents a 26 percent increase in housing production compared to the last eight years.
- Keeps pace with projected increases in housing demand.
- Is closely aligned with the housing production goals required for designation as a Housing Choice community.



Consideration in 9 state capital programs

	AGENCY – PROGRAM	PURPOSE	BENEFIT TO HOUSING CHOICE COMMUNITIES
1	MassDOT – Capital Program	Reconstruction and expansion projects that go through MassDOT’s scoring & project selection process	For capital transportation projects, MassDOT will give bonus points to projects located within Housing Choice Communities
2	MassDOT – Complete Streets	Technical Assistance and Construction grants for communities to implement complete streets principals	Bonus points for grant evaluation score with Housing Choice designation
3	TRE/DEP – Clean Water Trust	2% interest loans for water pollution abatement and drinking water infrastructure projects	1.5% interest rate instead of 2% interest rate, reducing debt service costs for communities
4	HED – MassWorks	Grants to municipalities for infrastructure improvements to support economic development and housing production	Bonus points for grant evaluation score with Housing Choice designation
5	HED – Seaport Council Grants	Grants to municipalities for planning and infrastructure improvements to support the marine economy	Housing Choice Communities may have required 20% match waived and/or the \$1 Million grant amount may be exceeded for eligible applicants
6	EEA – Community Investment Grants	Planning Grants	Bonus points for grant evaluation score with Housing Choice designation
7	LAND Grant Program	Acquisition of conservation land	Bonus points for grant evaluation score for LAND program
8	PARC Grant Program	Acquisition of recreation land, construction of new parks, renovation of existing parks	Bonus points for grant evaluation score for PARC program
9	Gateway Park Grants	Acquisition of recreation lands, construction of community parks and trails in Gateway Cit8ies	Bonus points for grant evaluation score for grant program; possible reduction in matching requirement for Gateway PARC program

Housing Choice Grant Recipients



Housing Choice Community Grant Awards

Acton	\$	165,000
Amherst	\$	190,000
Barnstable	\$	250,000
Beverly	\$	150,000
Chelmsford	\$	225,000
Easthampton	\$	225,000
Easton	\$	225,000
Framingham	\$	250,000
Lawrence	\$	206,500
Littleton	\$	250,000
Melrose	\$	168,000
Northampton	\$	225,300
Provincetown	\$	250,000
Quincy	\$	250,000
Reading	\$	50,000
Salisbury	\$	225,000
Somerville	\$	200,000
Taunton	\$	245,200
Williamstown	\$	250,000
Total	\$	4,000,000

Small Town Grant Awards

Boylston	\$	83,500
Clarksburg	\$	21,500
Eastham	\$	100,000
Egremont	\$	100,000
Great Barrington	\$	100,000
Hadley	\$	95,000
Leverett	\$	100,000
Mattapoisett	\$	88,426
Mendon	\$	26,500
Merrimac	\$	100,000
Sunderland	\$	71,438
Tisbury	\$	98,500
Total	\$	984,864

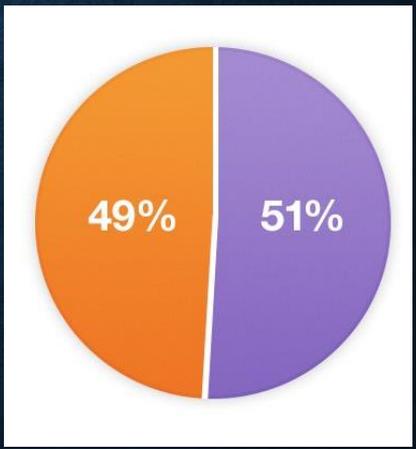
An Act to Promote Housing Choices (H.3507 191st)

Changes MGL c. 40A to **reduce the threshold of votes needed to adopt zoning** changes that promote housing production **from 2/3 to simple majority** (Town Meeting or City Council).

The following would require only a simple majority vote of the local legislative body:

1. Reducing residential dimensional requirements
2. Reducing required residential parking ratios
3. Creating mixed-use zoning in town centers, and creating multi-family and starter home zoning in town centers, near transit, and in other smart locations
4. Adopting “Natural Resource Protection Zoning” and “Open Space Residential Development” by right
5. Adopting provisions for Transfer of Development Rights (TDR)
6. Adopting 40R “Smart Growth” or “Starter Home” zoning
7. Allowing accessory dwelling units or “in-law” by right
8. Allowing for increased density through a Special Permit process promoting more flexible development

- Where communities allow **transit oriented multi-family and mixed use projects with at least 10% affordable units**, the bill **reduces the 2/3 vote for special permit approval to a simple majority**. This eases local approvals for new housing near transit and city and town centers.
- Allows municipalities to enter into revenue sharing agreements for sites affecting more than one local government
- Requires DHCD to report on progress towards 135,000 new units and Housing Choice designations and grants



Positive Steps: Local Governments Leading

Andover created a Senior Residential Community Overlay District with a 15% affordability provision which resulted in **200 unit Riverside Woods** with a variety of housing choices for ages 62+



Acton is exploring ways to implement their Master Plan with the *Housing and Economic Development Implementation Program* funded by MassHousing in collaboration with CHAPA

Photo: RSHO

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Beverly Established a 40R Smart Growth district near one of its Commuter Rail stations and adopted Inclusionary Zoning that has produced 50 affordable units

Positive Steps: Local Governments Leading



Canton adopted Mixed Use / Multi Family zoning overlay for its Town center with mandatory affordable provisions



Westford donated land for 100% affordable project; Affordable Housing Trust loans to mixed income projects, Mill Conversion Overlay and Senior Residential District in zoning bylaw

Chelmsford created a new zoning bylaw that allows multifamily near employment and also increased density in a commercial area in North Chelmsford. These tools allow the Town to better control its 40B destiny.



Positive Steps: Local Governments Leading



Northampton Allows ADUs, Mixed Use and Cluster subdivisions by right and provides significant funding to developers doing 100% affordable projects and permitted 125 new mixed use units in their downtown with infrastructure funding from MassWorks



Williamstown provided \$1.5 million in CPA funds towards the Cable Mills redevelopment and conducted public outreach and education about housing



Littleton changed zoning to add Inclusionary Zoning, allow ADUs by right, created a senior residential ³⁵ overlay district

Questions / Comments ?

www.mass.gov/housingchoice

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Other Resources

Planning for Production



www.masshousing.com – Planning & Programs



www.housingtoolbox.org – A great resource



www.mhp/datatown.net – Community info in one place

