



HOUSING PRODUCTION PLAN

OLD COLONY PLANNING COUNCIL

WHAT IS A HOUSING PRODUCTION PLAN?

- A proactive strategy for planning and developing housing that meets community needs and also meets the 10% (SHI) target set for each community across the Commonwealth through Chapter 40B.
- HPP's are required to contain the following three elements:
 1. An assessment of the town's housing needs
 2. Goals to assist with meeting the needs
 3. Strategies toward achieving the goals



OUR REGION'S HPP STATUS*

Community	Status	Community	Status
Abington	Expired 9/2008, OCPC updating 2019	Hanson	In progress-private consultant 2018/19
Avon	No Plan, OCPC updating 2019	Kingston	Expires 4/2019, updating through CPA request 5/18
Bridgewater	OCPC updated 2018	Pembroke	OCPC New 2018
Brockton	OCPC updated 2018	Plymouth	OCPC New 2018
Duxbury	Expires 4/2019	Plympton	OCPC New 2018
Easton	Expires 2/2022	Stoughton	Expired 12/2014, OCPC updating 2019
East Bridgewater	No Plan	West Bridgewater	No Plan
Halifax	Expired 4/2016, OCPC updating 2019	Whitman	OCPC updating 2019
Hanover	Expires 1/2019		

*March 26, 2018 report issued by DHCD combined with working knowledge

OUR REGION'S SHI STATUS SEPTEMBER 14 ,2017

Community	SHI Status *	Community	SHI Status
Abington	7.6%	Hanson	4.4%
Avon	4.0%	Kingston	4.2%
Bridgewater	6.6%, now >10.%	Pembroke	9.5%
Brockton	13.%	Plymouth	3.2%
Duxbury	7.4%	Plympton	4.9%
Easton	9.7%, now 10.%	Stoughton	11.5%
East Bridgewater	3.6%	West Bridgewater	4.6%
Halifax	.9%	Whitman	3.6%
Hanover	11.9%		

*Percentage is based on 2010 Census Year Round Housing Units

VALUE OF A HOUSING PRODUCTION PLAN

- An approved HPP is required to seek Housing Choice Designation Capital Grants (committed to 10 Million dollars per year), Planning For Housing Production Grants.
- Housing Choice Designation provides priority access to many Commonwealth grant and capital funding programs including MassWorks, Complete Streets, MassDOT capital projects, LAND and PARC grants.

HOUSING PRODUCTION PLAN

What does a typical HPP Cost to create?

- \$15,000-\$30,000 depending on whether it is a new plan or an update to an existing plan.
 - Easton paid \$15,000 for an update of their plan utilizing CPA funding in 2010.
 - Kingston has contracted with a private consultant for \$25,000, funded by CPC.
 - Hanson recently contracted with a private consultant for \$25,000 for a new HPP, funded by CPC.
 - Pembroke received a \$20,000 DLTA award to create a new plan in 2018.
 - Halifax, Whitman, Abington, Avon and Stoughton received \$20,000 DLTA awards to create plans in 2019.
- Potential Funding Sources:
 - General Fund Budget
 - DLTA Grant/Application
 - Community Preservation Funding
 - CDBG Funds and more.

WHY SHOULD A COMMUNITY HAVE AN APPROVED HPP?



A **pro-active strategy** to determine the type and pace of housing growth in a manner consistent with the Chapter 40B statute and regulations.



An approved HPP is a strategy to meet and maintain the 10% state standard for affordable housing so that Pembroke is no longer vulnerable to Chapter 40B housing developments.



An approved HPP potentially puts a community **in line for new state money** via the Housing Choice Initiative. gGrants to cities and towns that meet certain housing production thresholds and **enact housing-friendly zoning changes**.



Contribute to economic growth in our region and state, currently limited by the Commonwealth's housing shortage.

HOW DOES THE HPP GET APPROVED?

HPPs are approved at the local level by a Town's Planning Board and Board of Selectmen. The plan is then submitted to the Massachusetts Department of Housing and Community Development for approval.



* If a community has a DHCD-approved HPP and is granted a DHCD Certification of Compliance by making progress on the plan, a decision by the ZBA to deny a Comprehensive Permit application will be deemed “Consistent with Local Needs” under MGL Chapter 40B.

WHAT'S IN AN HPP?

- Regional context, statistical information, mapping data, and basic census information.
- Results of a public process that included a community survey that focused on:
 - *Responder demographics, current housing status,*
 - *Changing housing needs, ability to meeting cost of housing*
 - *Obligations, what types of housing is needed,*
 - *Which groups are perceived to be underserved*

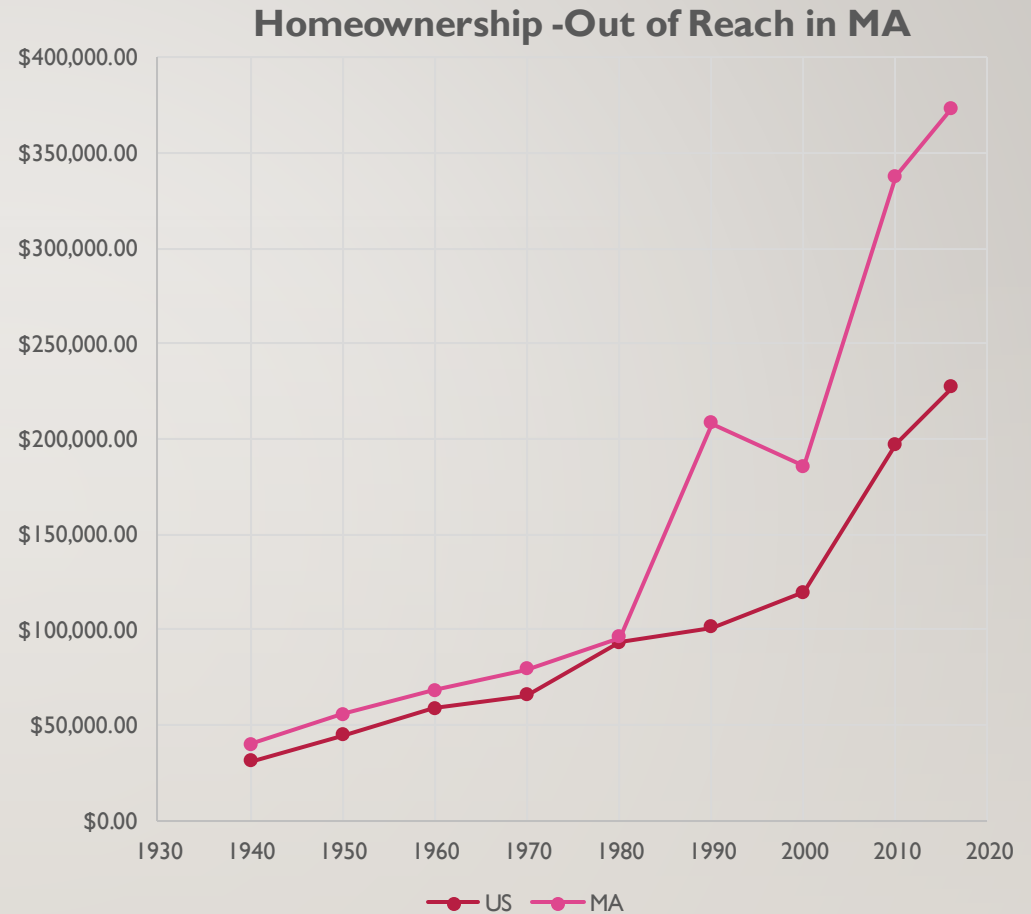


**HOW DO YOU KNOW IF YOUR TOWN IS
MAKING PROGRESS ON CH.40B?
ACHIEVING THE 10% TARGET IS WITHIN
REACH.**

Your Town's Year-round Housing Units according to 2010 census	10% of Housing Stock (Every town's target)	You Town's Affordable Housing Stock as shown on the SHI.	Deficit Between your housing stock and your target	Current % Affordable Housing Units (total units/ affordable units)
10,000	1,000	500	500	5%

REGIONAL CONTEXT

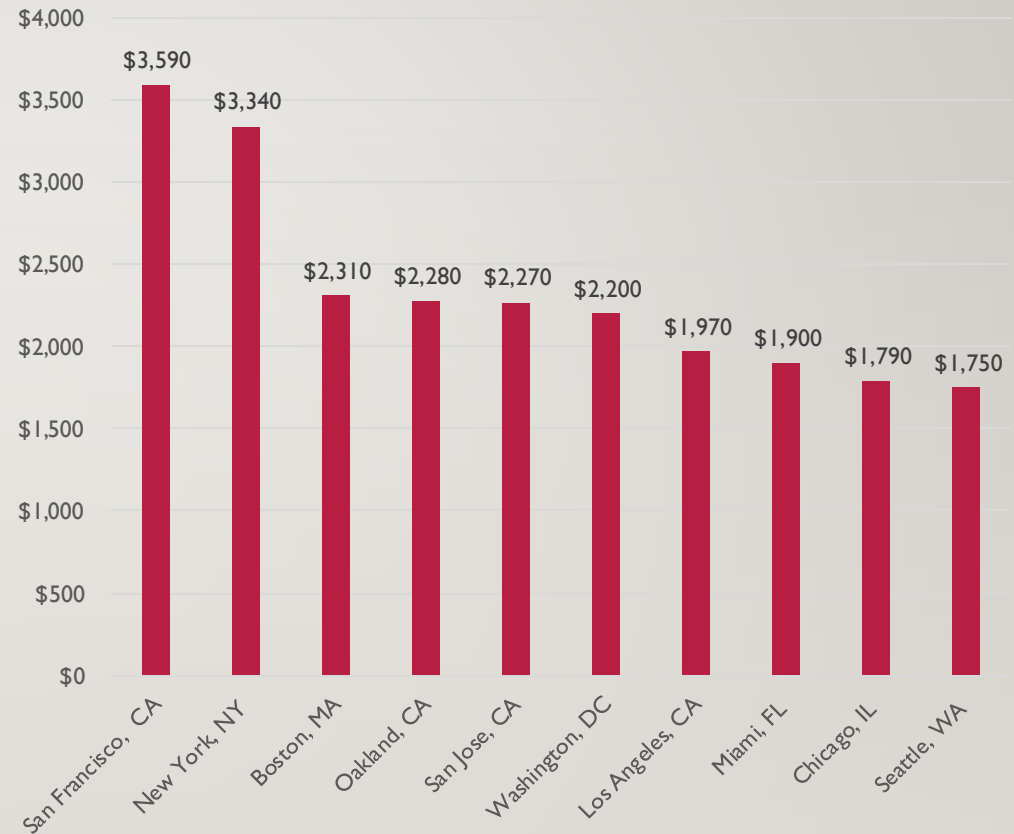
- Massachusetts home prices were at the US average in 1980 but are now among the highest of any state.
- In recent years, MA has allowed less new housing construction than at almost any point since the 1950s.
- Zoning, land costs and soaring home values are barriers to entry into the market.
- Plymouth County's median single-family home price was \$399,650 in 2018.



REGIONAL CONTEXT

- In MA the Fair Market Rent (FMR) for a 2-bedroom apartment is \$1,475 (Brockton MA HUD Metro FMR).
- To afford this level of rent and utilities without paying more than 30% of income on housing, a household must earn \$59,000 annually.
- Assuming a 40-hour work week, 52 weeks a year, this level of income translates to a housing wage of \$28.37 per hour.

2017 - Top 10 Highest Average Monthly Rents Metro Areas



REGIONAL CONTEXT

- In 2019, A minimum wage worker in MA earns \$12 per hour. To afford the Fair Market Rent (\$2,194) for a 2- bedroom apartment in the Boston-Cambridge-Quincy FMR Area, a minimum wage worker must work 141 hours per week, 52 weeks per year.
- In the Boston-Cambridge-Quincy FMR Area, the estimated mean renter wage is \$24.88. To afford the FMR 2- bedroom apartment at this wage, a renter must work 68 hours per week or 1.7 full time jobs, 52 weeks per year to make the unit affordable.
- In MA, the Supplemental SSI monthly payment is \$885 per month, which means the rent affordable to an SSI recipient is \$266 per month.

REGIONAL CONTEXT: WE ARE LOSING POPULATION TO METRO AREAS THAT OFFER BETTER HOUSING CHOICES AT A LOWER COST

5 Largest Migration Imbalances

Source: U.S. Census Bureau, 2010-2014 American Community Survey



Portland, OR

For every 10 people we lost to Portland, we only got about 3 in return.



Denver, CO

For every 10 people we lost to Denver, we only got about 5 in return.



Seattle, WA

For every 10 people we lost to Seattle, we only got about 6 in return.



Atlanta, GA

For every 10 people we lost to Atlanta, we only got about 7 in return.

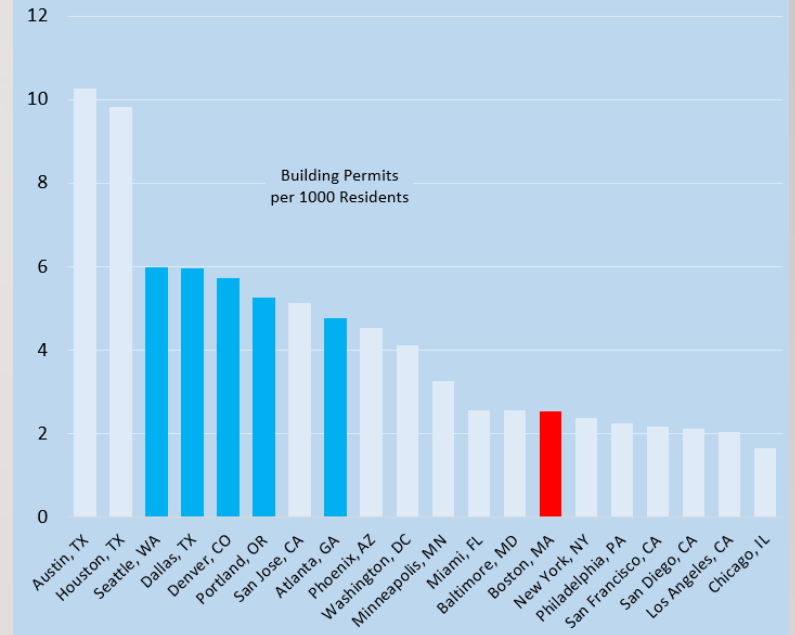


Dallas, TX

For every 10 people we lost to Dallas, we only got about 7 in return.

Building Permit Rates of the 20 Largest Innovation Economy Metros

Source: U.S. Census Bureau, 2014 Building Permits Survey and 2014 ACS 1-Year Estimates



DEFINING AFFORDABILITY

Affordable: *Rent and utilities OR mortgage, taxes, and utilities cost 30% or less of the gross household income.*

Area median family income (AMI)= \$113,300* *The dollar amount where half the population earns less and half earns more* *Based on 2019 Boston-Cambridge-Quincy, MA-NH HUD Metro FMR Area.

Boston-Cambridge-Quincy MA HUD (FY2019 income limits)

Household size	Low (80% Income limits)	Very Low (50% Income Limits)	Extremely Low (30% Income limits)
1	\$62,450	\$41,500	\$24,900
2	\$71,400	\$47,400	\$28,450
3	\$80,300	\$53,350	\$32,000
4	\$89,200	\$59,250	\$35,550

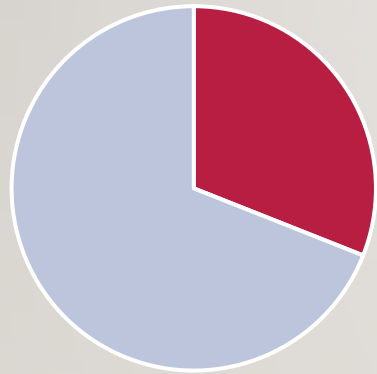
Who May Qualify?

- Individuals and households making 80% or less of the average median income.
- Teachers, Fire Fighters, Police Officers
- Service, manufacturing, construction workers
- Recent college graduates
- Individuals, families, empty nesters and senior citizens



A significant share of Plymouth County residents pay more than 30% of income for their housing

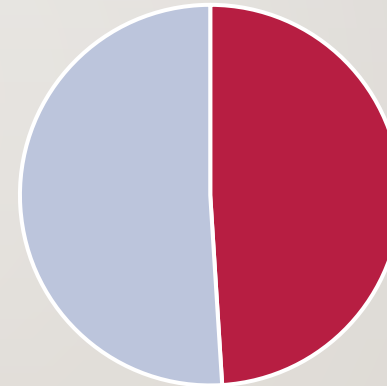
HOMEOWNERS



30.9%

- Cost-Burdened
- Not Cost-Burdened

RENTERS

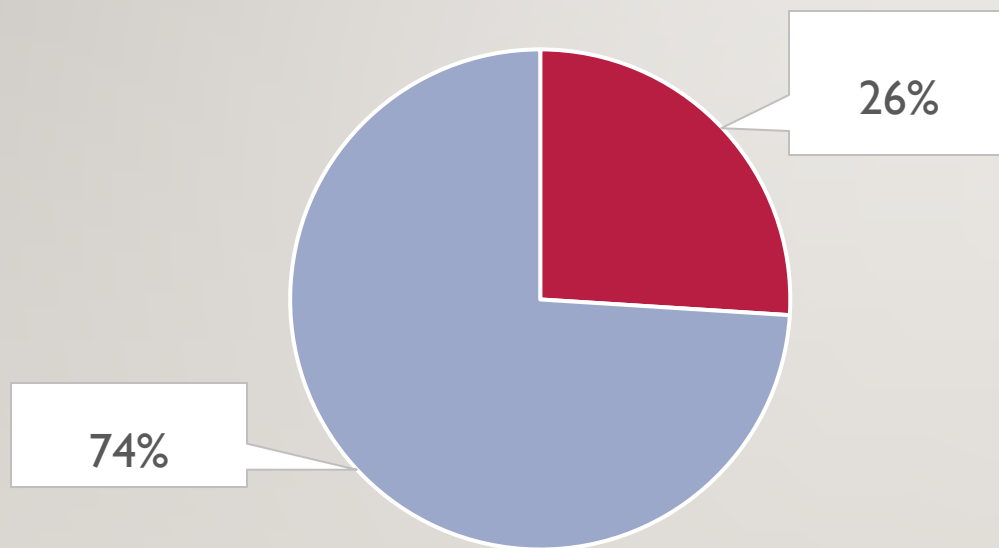


48.6%

- Cost-Burdened
- Not Cost-Burdened

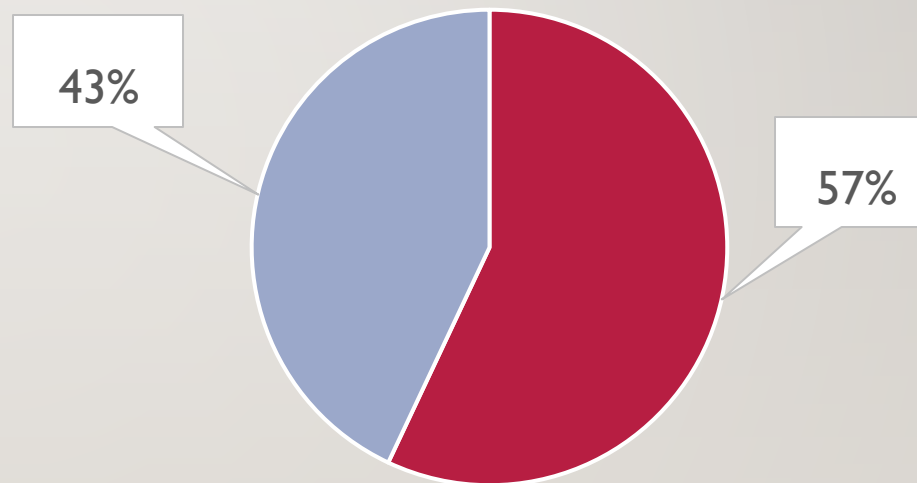
A SIGNIFICANT SHARE OF STOUGHTON RESIDENTS PAY MORE THAN 30% OF INCOME FOR THEIR HOUSING

Homeowners



■ Cost Burdened ■ Not Cost Burdened

Renters



■ Cost Burdened ■ Not Cost Burdened

MORE HOUSEHOLDS ELIGIBLE FOR AFFORDABLE HOUSING* THAN UNITS AVAILABLE



69,865 or 38.5% of Plymouth County households are eligible for affordable housing


Elderly residents, single mothers with children and young professionals and young families are disproportionately cost-burdened.

- ***Elderly residents*** have few housing options for down-sizing and remaining in our community. MAPC estimates that the population over 65 will continue to grow as baby boomers age, while the number of school age children continues to decline.
- The number of ***households*** in Plymouth County will continue to grow due to the new labor force that will be required to fill the positions of retiring workers, but the barriers to entry—whether as renters or owners—are very high.

Examples of Strategies for Future Housing Development



Establish an Affordable Housing Trust.



Create affordable housing units through adaptive reuse of existing buildings and on town owned land.

Consider adopting an inclusionary zoning bylaw

Create & preserve existing community housing to meet the state standard of 10% of year-round housing units.



Prioritize affordable housing for infill development on vacant and abandoned properties.



Promote a diversity of housing options Create affordable housing units through adaptive reuse of existing buildings and on town owned land to meet the changing needs of our population.



A More In Depth Look At Inclusionary Zoning

Inclusionary zoning is an effective tool that can be used by municipalities to ensure adequate affordable in the normal course of real estate housing is included development by requiring developers to make a portion of housing units in their project affordable to low to moderate income households.



WHY UTILIZE INCLUSIONARY ZONING?

Planning for new development can encourage sustainable growth, including affordable housing without straining a community's infrastructure.

Realize the greatest public benefit from private development.

Meet and maintain a level of 10% affordable housing units equal to 10% of total year-round housing units.

Increase housing choices for families earning less than the area median income (AMI).

Maintain economic diversity of neighborhoods.



MAJOR COMPONENTS OF INCLUSIONARY ZONING

- May apply to certain types of development (new construction or substantial rehabilitation)
- May include in-lieu-of payment or construction alternatives allowing developers the option of paying a fee per unit
- May allow building affordable units off site or rehabilitation units elsewhere in place of constructing affordable units within the proposed development
- May contain a unit threshold (such as 3, 6, 10 units or more)

KEY ELEMENTS

- Define affordability: Identify target AMI for population served
- Identify control periods (ie: permanent deed restriction) and mechanisms (customizable regulatory agreement between community and developer and standard deed rider)
- Specify the affordable housing set aside that will be required of residential development projects
- Determine alternatives to construction of affordable units:

POSSIBLE COST OFF-SETS

- Density bonus
- Transfer of development rights (TDR)
- Land donation by the municipality
- Reduced parking requirements, flexible zoning/design
- Property tax abatement
- Low interest loan to the developer
- Reduced development fees, expedited permitting

COULD A MUNICIPAL AFFORDABLE HOUSING TRUST HELP YOU ACHIEVE YOUR HOUSING GOALS?

- ▶ MGL c44 s. 55c, simplified the process of establishing a local housing trust fund.
- ▶ Under the 2005 law, communities can create a local housing trust through their local legislative body.
 - ▶ The law sets guidelines for what local housing trusts can do. (Trusts are subject to state procurement, construction, designer selection, COI and Open Meeting Laws.)
 - ▶ Who can serve on the local board
 - ▶ What powers a community can grant the board, which are outlined in a declaration of trust.

AFFORDABLE HOUSING TRUSTS (AHT) CAN:

- Provide financial support for the construction of affordable homes by private developers (non-profit or for-profit)
- Rehabilitate existing homes to convert to affordable housing
- Increase affordability of new housing development projects
- Develop surplus municipal land or buildings
- Preserve properties faced with expiring affordability restrictions
- Create programs to assist low- and moderate-income homebuyers
- Create programs to help low- and moderate-income families make health and safety repairs
- Educate and advocate to further affordable housing initiatives
- Trusts can act quickly when properly funded and do not require Town Meeting vote to act

POWERS THAT MAY BE GRANTED TO THE TRUST

- Accept and receive property or money by gift or grant
- Purchase and retain property
- Sell and lease property
- Employ and pay advisors
- Participate in reorganizations (ex: financial reorganization of an affordable housing organization where the organization may be disposing of assets)
- Borrow money and mortgage or pledge trust assets as collateral
- Manage or improve property
- Various accounting and fund administration capabilities

WHAT FUNDING SOURCES CAN THE TRUST USE?



ADDITIONAL RESOURCES

Housing Production Plans

- <https://www.mass.gov/files/documents/2017/12/22/hppguidelines.pdf>
- <https://www.mass.gov/.../chapter-40-b-housing-production-plan>

Inclusionary Zoning

- <https://www.mass.gov/service-details/smart-growth-smart-energy-toolkit-modules-inclusionary-zoning>

Municipal Affordable Housing Trusts

- **Guidebook:**
https://www.mhp.net/writable/resources/documents/municipal_affordable_housing_trust_guidebook.pdf
- **Operations Manual** https://www.mhp.net/writable/resources/documents/MAHT-Ops-Manual_final.pdf
- [*Guide to Creating, Preserving and Maintaining Affordable Housing with CPA Funds*](#)
- https://www.mhp.net/writable/resources/documents/CPA-guidebook-2016_lowres.pdf
- Mass Housing Partnership www.mhp.net 617-330-9955

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