



SOUTH HADLEY

HOUSING PRODUCTION PLAN

Submitted to the Selectboard and Planning Board

November 29, 2023

Acknowledgements

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Chapter 1: Introduction

About this plan

The South Hadley Housing Production Plan (HPP) is a planning process and document that will guide the next five years of housing policy and development in South Hadley, Massachusetts. The plan includes

- Analysis of South Hadley’s housing needs and demand,
- Identification constraints on and opportunities for development,
- Test-fits of housing development at development opportunity sites,
- Housing goal and strategy strategies from and for the community, and
- Calculations of housing production targets.

The planning process convened members of the public to discuss the community’s unique housing needs and to weigh in on housing goals, strategies, and locations.

Responding to needs

As with most of the country, South Hadley is in the midst of a housing crisis. This crisis is visible in the data and in the assessments of its residents. Some key points discussed in the plan include:

- Thirty percent of the town’s households pay more than they can afford for housing.
- Forty percent of the town’s households would qualify for housing assistance if it were available, but only 6% of the town’s housing is guaranteed to be affordable.
- Most members of the current community could not afford to move here if they wanted to today. This makes it hard to find a place to live when circumstances change—when aging residents want to live in an accessible apartment or a young couple has a child, for instance—or for people with underserved housing needs, such as people with disabilities.
- Proportionately more of South Hadley’s population is aging compared to the region or the state, and there are limited opportunities for senior-appropriate housing or aging-in-place.
- Finding a home of any kind is difficult. Ownership and rental vacancies are well below the level that would allow the market to function smoothly. The inventory of

homes for sale is historically low, and homebuyers are facing bidding wars, which were not a feature of the market in the last decade. Members of the public report particular difficulty for younger people, young families, older people, and multi-generational households finding homes that meet their needs.

- South Hadley has 426 homes are Affordable Housing counted on the town’s “Subsidized Housing Inventory” (SHI). This is neither enough Affordable Housing to meet Chapter 40B regulatory requirements nor to serve the needs of South Hadley’s low-income and/or housing cost-burdened residents. (Because of regulatory nuances, only 245 of these homes are actually deed-restricted Affordable Housing open to low-income households. Compare this figure to 2,685 income-eligible households living in South Hadley, of whom 1,785 are housing cost-burdened.)
- The town would need to permit—and developers would have to build—312 more Affordable Housing units to reach the 10% of units on the SHI—the minimum amount to get “safe harbor” under M.G.L. Chapter 40B’s 10%. (See [What does this have to do with 40B development?](#) and the [Glossary](#) for more explanation of these terms.) The Town would have to permit an average of 37 SHI-eligible units per year to be considered for temporary safe harbor.
- Reasonable development opportunities exist, but they are often constrained. Attempts to spur residential or mixed-use development have not been successful.
- Amidst global and overlapping environmental crises—most notably climate change and biodiversity collapse—South Hadley residents are concerned that new housing development may only exacerbate those crises.
- The kinds of development both legal and encouraged under the Town’s zoning and subdivision bylaws are especially resource intensive and greenhouse gas emitting, and newer developments are often pushed to undeveloped (and potentially sensitive) land.

This plan intends to respond to those needs and more through policy, legal, and funding capabilities of the Town and related local agencies.

Plan Background

What is a Housing Production Plan?

A Housing Production Plan (HPP) is a special, regulated type of plan that towns and cities in Massachusetts can undertake to proactively guide housing development and policy in their community. The form of an HPP is set out in M.G.L. Chapter 40B, and HPPs must be approved by the Massachusetts Executive Office of Housing and Liveable Communities. Though an HPP must address Affordable Housing specifically, it can also make recommendations for other housing issues that are relevant to the community.

An HPP must include:

- A comprehensive housing needs and demand assessment
- An analysis of housing development constraints and specific housing opportunity sites
- Housing goals and specific housing strategies
- Numeric targets for Affordable Housing production that meet minimum standards

A Town may pursue an HPP to influence the type and location of new housing, to address growing affordability concerns facing residents, to address the unmet housing needs of specific populations like seniors or new homebuyers, and/or to mitigate against unwanted forms of development.

This planning process is an update to the 2016 Housing Production Plan.

What is Affordable Housing?

Affordable Housing is a common term that has both a technical meaning and one in everyday speech. Most people say “affordable housing” to mean a home that they can reasonably afford on their income. This could be any home for sale or rent on the private market, where affordability is mostly a function of housing supply and demand. In housing planning, policymakers and advocates use the term “Affordable Housing” (with capital letters) to mean income-restricted housing that costs no more than 30% of the residents' household income. This kind of housing carries restrictions within its property deed. See the [Glossary](#) for more details on this kind of “deed-restricted Affordable Housing.”

Because of this confusion of language, this plan will say “Affordable Housing” or “deed-restricted Affordable Housing” when referring to that specific kind of housing stock. When discussing the market in general, this plan will use phrases like “market affordability.”

Market affordability vs. Affordable Housing



Market Affordability

When (decent) housing on the open market is affordable to a wide range of household incomes without subsidy.



Affordable Housing

Homes that have capped prices/rents and are only available to income-eligible households. These homes usually require subsidies and carry deed restrictions.

Housing Production Plans are first and foremost concerned with the creation of deed-restricted Affordable Housing, but communities can use the HPP process to set broader goals for housing, including goals for market affordability.

What does this have to do with 40B development?

All Massachusetts towns and cities are subject to M.G.L. Chapter 40B, which states that if less than 10% of a housing in a municipality is deed-restricted Affordable Housing, then mixed-income housing developers can seek development permissions through a “Comprehensive Permit.” Comprehensive Permit developments, sometimes called 40B developments, can ignore most local development-related laws, such as zoning. Sometimes a town will use a Comprehensive Permits to meet targeted housing goals (this is sometimes called a “Friendly 40B”), but often Comprehensive Permit developments are unwanted.

If communities wish to avoid unwanted 40B developments, they must achieve “safe harbor.” Safe harbor can be attained by certifying 10% or more of the yearly housing stock as deed-restricted Affordable Housing, certifying that 1.5% of land in certain zones

is used for Affordable Housing, or certifying an HPP. To certify an HPP, the local Selectboard and Planning Board must first adopt an HPP, then have that plan approved by the state, then begin permitting Affordable Housing to meet specific incremental targets, then apply for state certification of that process. In this way, an HPP can be the first important step in proactive control of future housing by the community.

Public Process

The goal of any HPP is to grow directly from the needs and desires of the community. To best understand the community's goals and how those goals could be achieved through policy, this HPP process included a robust set of public engagement activities. The presentation of this draft is the culmination of those efforts, and hopefully a spark for continued conversation.

Advisory Committee

The plan was guided by an advisory committee of residents and officials. As of this writing, the committee has met six times to weigh in the plan content and the planning process.

Committee meetings have addressed the following topics:

- The form and goals of the planning process, existing conditions, and public engagement
- Existing and potential housing tools, planning the first Community Forum
- Draft goals and potential opportunity sites
- Potential strategies and narrowing the list (this included a follow-up questionnaire for committee members)
- Feedback on the second community forum and survey, assessment of the results, and planning next steps
- Further assessment of potential strategies

Table 1: Advisory Committee Membership

Member	Affiliation
Nate Therien	Planning Board
Brad Hutchison	Planning Board
Carol Constant	Selectboard
Diane LaRoche	Redevelopment Authority
Helen Fantini	Redevelopment Authority
Bridgette Sullivan	Housing Authority
Tay Silviera	Commission on Disabilities
Naomi Darling	Resident at Large
Anne Capra	Director Planning and Conservation

Engagement Activities

Apart from the Advisory Committee, the process has included three focus groups, two online surveys, and two community forums—one in-person and one hybrid in-person and digital.

- Fall-Winter Engagement
 - The first survey and community forum were focused on the community’s vision for the future of housing, the issues this plan should address, and its preferences for housing development in terms of scale, design, and location.
 - The survey had 168 participants, and the forum had 32 attendees.
 - The process used the outcomes of this engagement to draft goals (which were then reviewed by the Advisory Committee) and arrive at reasonable and relevant potential strategies for consideration by the public.
 - Focus groups honed in on the technical aspects of the plan, including constraints and opportunities.

Figure 1: An HPP consultant speaking to South Hadley residents at the first community forum.



- Spring-Summer Engagement
 - The second survey and community forum gathered input on draft goal text, potential strategies, opportunity sites, and development scenarios.
 - The survey had 159 participants, and the forum had roughly 20 in-person attendees.
 - Public input identified substantive gaps in the potential strategies, which led to the generation of additional strategies. Participants also noted important points of confusion, which aided the framing of strategies in this draft plan.
 - Following this wave of engagement, the Advisory Committee decided there were still questions that required public discussion, and decided to move all ideas forward to the first HPP draft.

- Summer-Fall Engagement *[Note: this section will be updated in the final draft following these events.]*
 - The third community forum (to be held September 13, 2023) will provide further context on the draft HPP content and gather input on the draft from the public.
 - Public comment on the draft plan will be open from August 28–October 25. This period will include a public hearing to take comments on September 25, with the option to continue the hearing on October 16.
 - Input from these activities will be used to revise the plan in consultation with the Advisory Committee and Town staff.

Glossary

Housing plans use a lot of technical terms. Here are a few key terms you'll see in this section and beyond.

Housing unit

A “housing unit” is the base unit of housing analysis, and it includes all separate living facilities, such as single-family homes, condominiums, and apartments. Sometimes housing units are informally called homes or houses, but this analysis is generally not making distinctions about the character of those places, just that they are housing units. (Where distinctions are made, they will be more clearly articulated.) Housing units do not include “group quarters,” like dormitories or assisted living facilities, where living areas do not always include kitchens or bathrooms, and where some key facilities are shared by residents.

Household

The people who occupy a single housing unit together. This can include a single person living alone, a couple, families of any kind, and roommates. It does not include people who live in group quarters. Households are the base unit of assessing who lives in housing units.

Area Median Income (AMI)

A federally determined measure of median household income for an entire economic region. For South Hadley, that region includes all of Hampshire, Hampden, and Franklin counties. The AMI is used to determine a household's income status, and therefore whether it is eligible for housing assistance.

Low-income

For the purposes of this plan, A low-income household is any household with a total income that is 80% or less than the AMI, adjusted for household size. This document will go into more detail about who counts as low-income. Most housing programs are targeted to low-income households. Some programs may target lower incomes (60%, 50%, or 30% of AMI), while others target so-called "workforce" incomes (60%-120% or some other range that exceeds 80% of AMI).

Housing cost-burden

A federal standard for when a household pays too much for its home. A household paying 30% of or more of its income is considered "cost-burdened." A household paying 50% or more is considered "severely cost-burdened." Generally when a household is housing cost-burdened, they face tough economic choices about where to cut costs (healthcare, prescriptions, food, etc.) in order to remain stably housed.

Affordable Housing or deed-restricted Affordable Housing

Housing units that have legal requirements placed on their property deeds, stating they must be sold or rented at an affordable rate to income-qualifying households (typically, but not always, low-income households). Affordable rates are determined with reference to AMI and housing cost-burden. Restrictions are typically placed on the home for thirty years or in perpetuity. Affordable Housing includes public housing (which was built directly by a government agency), but most Affordable Housing in the US is privately developed and operated, often but not always by nonprofit organizations. Affordable Housing does not include homes with no deed restrictions that rent or sell below market rate (due to condition, location, etc.) or homes with market rents that are subsidized by housing vouchers (such as the popularly known Section 8 vouchers).

Subsidized Housing Inventory

The Subsidized Housing Inventory (SHI) is a list of deed-restricted Affordable Housing units that count toward the 10% Affordable Housing minimum set by M.G.L. Chapter 40B. The list is maintained by the Massachusetts Executive Office of Housing and Livable Communities. The list includes units operated by public entities, private nonprofits, and private for-profits. The list counts deed-restricted Affordable Housing, certain publicly operated group homes for special needs populations, and all rental units developed using a Chapter 40B Comprehensive Permit (regardless of income restrictions). South Hadley has 424 units on its SHI, or 5.78% of the year-round housing units counted in the 2020 US Census.

Chapter 2: Housing Needs and Demand Assessment

Data Sources

This chapter uses a set of public and proprietary data sources to understand demographic and market conditions in South Hadley. Demographic analyses rely primarily on the American Community Survey (a product of the US Census Bureau), parcel-level analysis relies on the MAPC Land Parcel Database (a standardized dataset based on local Assessors' data), and home sales data relies on public sales data released by private real estate sources (Redfin, Zillow, the MLS, etc.). Further descriptions and links to data sources are below.

Unless specifically noted, data shown in this chapter is drawn from the American Community Survey (ACS).

US Decennial Census

This is the federal census of people and households taken every ten years and conducted by the US Census Bureau. The census is meant to count every person in the country, but it does not collect much information. Census Bureau data can be accessed here: <https://data.census.gov/>.

American Community Survey (ACS)

The ACS is a rolling survey of households conducted all the time by the US Census Bureau. While this survey only covers a small sample of US households every year, it goes into much more detail than the Decennial Census. ACS data is this document's primary demographic source because of that extra level of detail. Survey data is released in batches: One-year estimates are based on surveys conducted in each calendar year. They are the most up-to-date, but the small sample size each year means that margins-of-error are high, and consequently insights based on this data are less useful. Five-year estimates are based on the collected surveys of the past five years, released annually. The larger sample size brings down margins-of-error, and though the data

reflects a long time-span of surveys, insights backed by this data are more useful, especially for data points that don't change rapidly. This document uses five-year estimates where ACS data is used. Census Bureau data can be accessed here: <https://data.census.gov/>.

Comprehensive Housing Affordability Strategy (CHAS)

CHAS is a data product produced by the US Department of Housing and Urban Development. It is based on ACS data, but takes a closer look at affordability, income status, and other factors related to administering housing programs. Up-to-date CHAS data is available here: <https://www.huduser.gov/PORTAL/datasets/cp.html>. (When browsing on this site, note that South Hadley is considered a "Minor Civil Division" or "MCD".)

Redfin

Redfin is a private real estate brokerage that operates largely online. This company compiles MLS and other real estate data and publishes ongoing metrics about communities across the country. Up-to-date information on South Hadley can be found here: <https://www.redfin.com/zipcode/01075/housing-market>.

MAPC Land Parcel Database

Data at the parcel level is collected by local Assessing Departments. Greater Boston's regional planning association, called the Metropolitan Area Planning Council (MAPC), collects, standardizes, and produces derived variables for local assessing data. This standardized data for Western Massachusetts can be found here: <https://datacommon.mapc.org/browser/datasets/358>

Comparison Communities

Sometimes it is helpful to understand data in context, benchmarking South Hadley against the surrounding area or against similar communities. This document takes both approaches.

- In some cases, this HPP compares South Hadley to the Springfield, MA Metropolitan Statistical Area, which in this document is called the Greater Springfield area. The federal government determines Metropolitan Statistical Areas based on economic relationships and commuting patterns at the county

level. Greater Springfield contains all of Hampshire, Hampden, and Franklin counties in Massachusetts, and thus it includes South Hadley.

- In some cases, this plan compares South Hadley to Massachusetts as a whole.
- Often this plan compares South Hadley to a group of other municipalities called “comparison communities” or “context communities.” Most of these places were selected for being the most similar to South Hadley out of all Massachusetts communities—based on analysis of 30 demographic and housing market indicators. They may be near South Hadley or elsewhere in Massachusetts, but regardless their population and housing profiles are the most similar. One comparison community (Northampton) is dissimilar to South Hadley on many factors, but it provides a useful and well known comparison for the public. The comparison communities are:

- Agawam
- Blackstone
- East Longmeadow
- Easthampton
- Fairhaven
- Ludlow
- Northampton

Context

Town Overview

South Hadley is a town of roughly 18,000 people on the banks of the Connecticut River in Western Massachusetts. The character of the town varies dramatically: from a classic New England mill town character in South Hadley Falls to a college town feel of the Village Commons, from post-war suburban neighborhoods to massive public open spaces. South Hadley grew economically at the start of the Industrial Revolution, as mills began springing up in the South Hadley Falls area. The establishment of Mouth Holyoke College created an economic anchor in the north of the town, and the college remains an important employer today. While the town dates back centuries, much of the present housing was built in the post-World War II suburbanization boom. To be successful, this HPP must work through the varied nature of town, addressing the needs of different areas while creating a unified strategy for the community as a whole.

National Outlook

The US housing market is vast and multifaceted, so it is not usually useful to assess in a local housing plan. However, this HPP is occurring at an extraordinary time. Supply chain disruptions increased the cost of construction materials, and (along with pandemic labor disruptions) impacted the cost of housing production and the rate of housing completions. New and existing home prices have increased considerably across the country, as limited new supply, low interest rates, and changing patterns of office work brought greater demand for the homes on the market. Rents increased 11% nationally in 2021, and continued rising above-trend in 2022. In mid-2022, the Federal Reserve raised interest rates at historic speed.

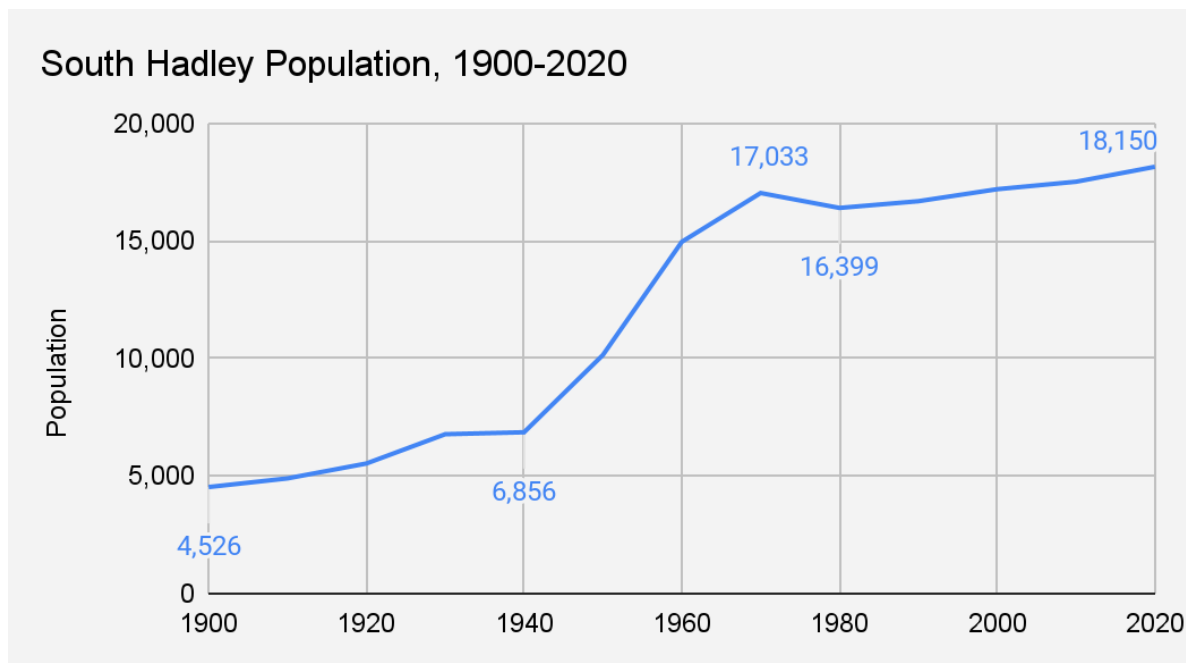
All of these forces and more have changed and are changing the US housing market, and the outlook for the future remains unclear. Planned units are finally being delivered, demand for housing is high, but land prices have not fully adjusted to address construction costs and breakdown of affordability. The success of any HPP is dependent, in part, on the state of the housing market nationally. Given the present market, this plan must account for a range of scenarios, allowing for flexible plan implementation while remaining effective.

Population

Population Growth

South Hadley is a town of roughly 18,150 people as of 2020.³ The town had steadily grown from 1900 to 1940, before growing explosively between 1940 and 1970, hitting a mid-century peak of roughly 17,000 people.⁴ The town's population then declined between 1970 and 1980 as many of the area's industrial employers shut down. Since 1980, the population has grown slowly but steadily.

Figure 2: Population over time.



Source: US Decennial Census, 1900–2020

Between 2010 and 2020, South Hadley's population grew 3.6%.⁵ This was greater than the Greater Springfield region, but less than the state, which grew 7.4% in that time.⁶

³ US Decennial Census, 2020

⁴ US Decennial Census, 1900–2020

⁵ US Decennial Census, 2010–2020

⁶ *ibid.*

Table 2: Population growth comparison

	South Hadley	Greater Springfield	Massachusetts
2010	17,514	692,942	6,547,629
2020	18,150	699,162	7,029,917
Growth	3.6%	0.9%	7.4%

Source: US Decennial Census, 2010–2020

Housing investment is generally drawn to higher growth areas. For development capital looking for opportunities at the national or state levels, Greater Springfield and South Hadley will not be very attractive. For development capital looking *within* Greater Springfield, South Hadley could prove attractive relative to other towns. Without investment and housing production, South Hadley’s modest growth will continue to place upward pressure on housing costs. According to the University of Massachusetts Donahue Institute, Hampshire County will have a deficit of more than 3,500 housing units by 2025, meaning lower-income and/or housing-insecure households will face cost and displacement pressure.⁷

Households vs. Group Quarters

South Hadley has roughly 7,000 households. There are 7,439 homes in South Hadley, of which 7,077 were occupied as of the 2020 census.⁸ Households (and potential households) are the primary concern of a Housing Production Plan. However, South Hadley has a notable “group quarters” population, with 2,443 people (13% of residents) living in places other than independent housing units.⁹ Group quarters are places where people live in a communal setting and the housing and services are provided by an organization. The majority (93%) of South Hadley’s group quarters population (2,287 people) are people in student housing—largely people associated with Mount Holyoke college. Most of the rest live in nursing facilities.

⁷ University of Massachusetts Donahue Institute, “Springfield & Pioneer Valley Housing Phase II,” https://donahue.umass.edu/documents/Springfield_Pioneer_Valley_Phase_II_Housing_Report.pdf

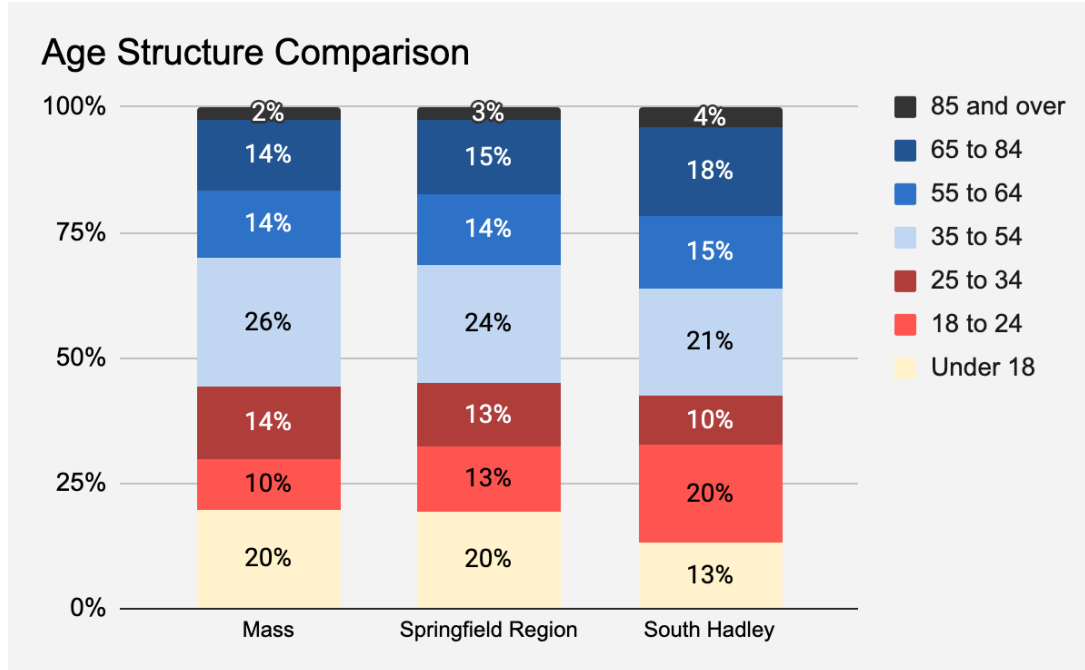
⁸ US Decennial Census, 2020

⁹ *ibid.*

Age

South Hadley has an older population than the region or state, as well as a large 18-24 year old population.

Figure 3: Age structure regional and state comparison.



Source: ACS, 2016–2020 5-year estimates

The town’s large 18-24 year old population is due to the presence of Mount Holyoke College and its undergraduate population. Mount Holyoke and its impact on the local economy and housing market is relevant to this plan for a number of reasons, but housing the undergraduate population is not one of them. An overwhelming majority of its students (estimated at 97%) live in on-campus housing, typically dormitories. For this reason, the students themselves—and therefore this 18-24 year old cohort—are not significantly impacting the town’s housing market.

By contrast, the large senior population plays a major role in the housing market and is a critical consideration for this plan. An estimated 21.6% of South Hadley’s population is 65 years or older. An additional 14.5% of the population is between 55 and 64 years old. Beginning at age 55, and ramping up after 65, many people begin to look for housing solutions that will meet their needs as they age. These needs often (though not always) diverge from conventional suburban-style single family homes.

Conventional single-family homes, especially large homes with multiple floors on large isolated parcels, are not always preferred by older people. Many older adults may seek homes that are more accessible for people with disabilities, require less maintenance, have space for family or caretakers, and/or provide opportunities for socialization. Some older people work to retrofit their home (e.g., by adding ramps, consolidating key living spaces on the ground floor, or converting a part of their home to an accessory apartment for a relative/caretaker). Other seniors may look to downsize, or move into a home with common facilities and maintenance. Some seniors prefer to move to age-restricted communities. Other seniors may have no preference for age-restrictions per se, but nonetheless find that age-restricted communities provide the types of housing and amenities they want.

Financial forces can also drive senior housing choices. Older homeowners may want to supplement their retirement funds by selling a family-sized home and moving to a less expensive option, putting that saved equity into savings. Utility bills for large properties or increasing taxes due to increasing home values can also incentivize older adults on fixed incomes to seek new and less expensive housing options.

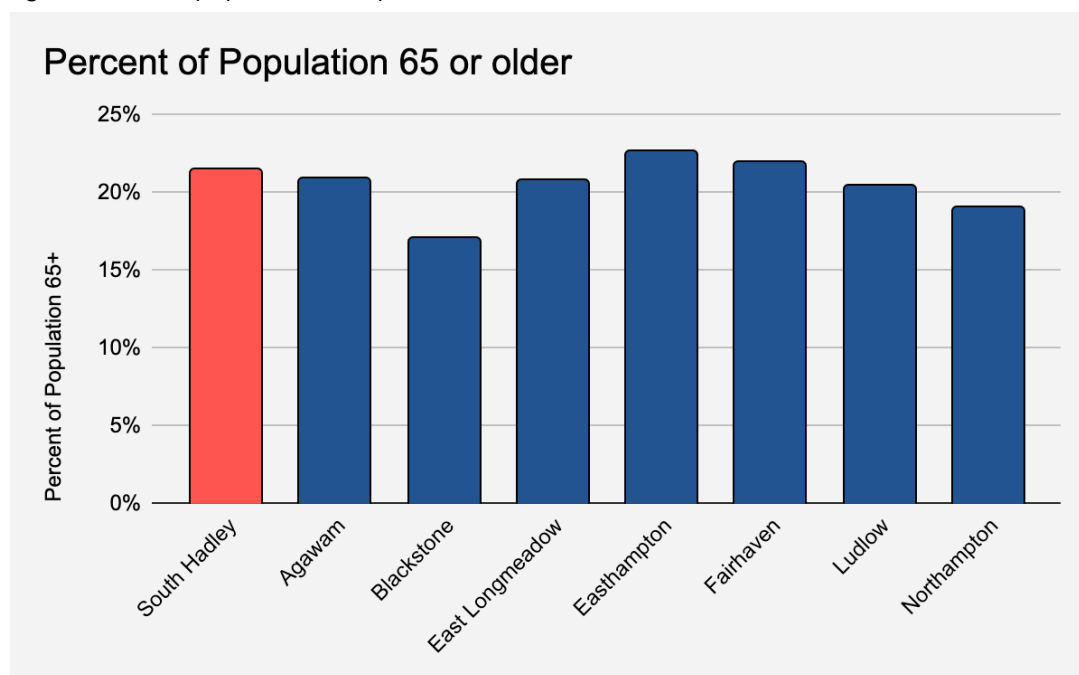
Seniors may also find their needs and desires change over time. Some people under 75 may be focused on downsizing for financial reasons, without as much consideration paid to accessibility features. People over 75, and especially those over 85, may find a stronger need for caretaker apartments or even assisted living facilities.

South Hadley's large senior and near-senior populations are not unique, and many of the comparison communities face similar demographic forces. Indeed, many communities across the US face similar challenges, and the American Association of Retired Persons (AARP) has taken policy stances advocating for more affordable and accessible housing options for older people.¹⁰

How should the Town government approach the challenge of adequately, safely, and affordably housing its seniors, especially given the diversity of needs and desires within this group? With such a large senior population, answering that question will be an important part of this HPP.

¹⁰ For examples, see AARP Institute's "Livable Communities" policy page for housing: <https://www.aarp.org/ppi/issues/livable-communities/housing/>

Figure 4: Senior population comparison.



Source: ACS, 2016–2020 5-year estimates

Household Size and Structure

Most of South Hadley’s households (60%) live in families, meaning at least two people related by birth, marriage, or adoption. The rest (40%) are either single people living alone or unrelated people living together (as roommates, etc.). Of the non-family households, more than three-quarters (78%) are single people living alone. That means roughly 2,200 people are living alone in their home in South Hadley. (For reference, there are only 942 homes that are studios or have only one bedroom. See the [“Home Size”](#) section below for more details.)

Other facts about household size and structure in South Hadley that are key to our understanding of housing need:

- 15% of households are couples with children.
- 3% of households are adults without a spouse/partner and with children present (i.e., single parents or single caretakers).
- 40% of households are couples without children.
- 33% of households are singles without children.
- 16% of households are single seniors.
- The average household size in South Hadley is 2.13 people.
- The average family size is 2.66 people.

While household size and structure won't determine who occupies every home, these facts are useful in understanding whether the community has the right kinds of homes for its residents overall, and whether there's a mismatch between who lives where.

Race and Ethnicity

An estimated 81% of South Hadley residents are non-Latino White people.^{11,12} People of Latino/a/e and Hispanic origin, regardless of race, are the next largest group, representing 7% of residents. Asian residents are 5%, while Black residents are 2% of the population. People of two or more races are 4% of the population. No other racial group makes up more than 1% of South Hadley residents.

Table 3: Race and Ethnicity Regional Comparison

Race / Ethnicity	South Hadley	Springfield Metro Area
White	81%	67%
Latin	7%	20%
Black	2%	6%
Asian	5%	3%
Native American	0%	0%
Native Hawaiian/Pacific Islander	0%	0%
Other	0%	0%
Multiracial	4%	4%

Source: US Decennial Census, 2020

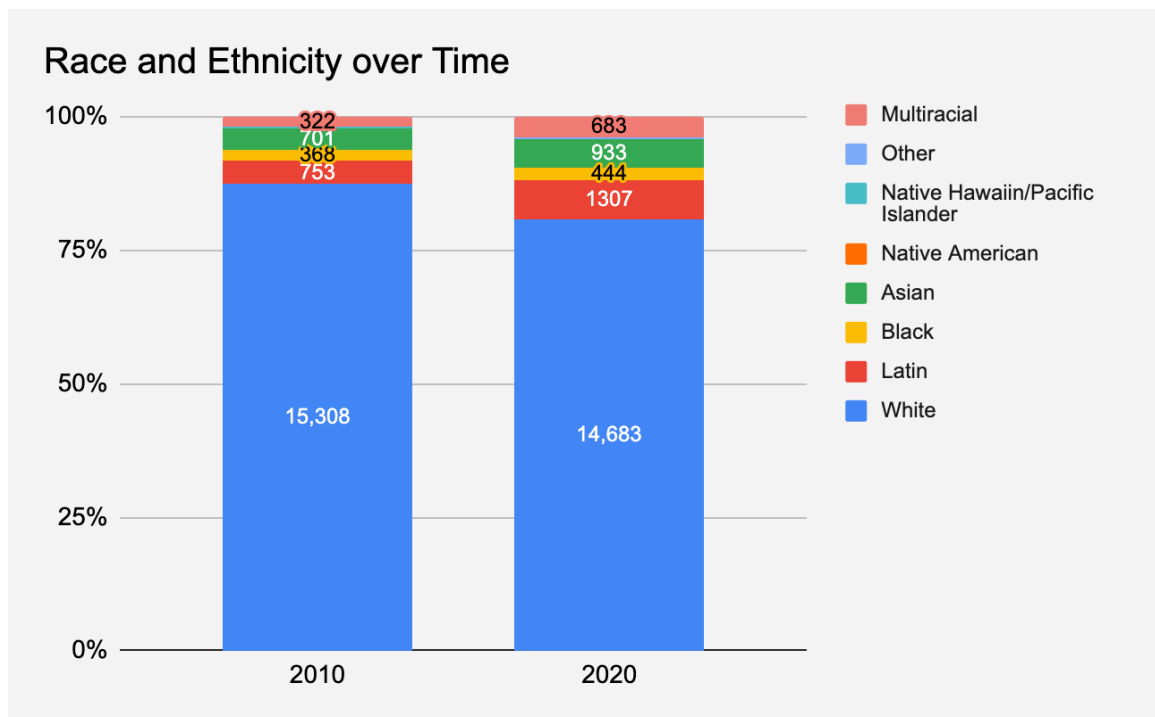
¹¹ US Decennial Census, 2020

¹² This plan uses Census Bureau racial/ethnic categories to count race and ethnicity, though it uses different words for those categories in some cases. For the Census Bureau, there is only one major ethnicity that is reported: Hispanic or Latino, with all other major categories called races. Though self-identifications vary from person to person and racial/ethnic categorization is always fraught, this report attempts to align Census categories with common parlance. This document uses "Latino" or "Latino/a/e" or English's gender-neutral "Latin" to describe "Hispanic or Latino" people. When reporting on the Census' racial categories, this plan only includes non-Latino people. "White" refers to non-Latino White, "Black" to non-Latino Black or African American, etc. "Native American" is used in place of "American Indian or Alaskan Native," and "Multiracial" is used in place of "Two or more races." Where it is useful, this plan uses the terms "people of color" and "communities of color" to discuss people who are not non-Latino White as a group.

South Hadley is less racially/ethnically diverse than the Greater Springfield area.¹³ The town has proportionally more White and Asian residents, and proportionately fewer Latino and Black residents, than the region. It has the same proportion of residents for other Census Bureau race and ethnicity categories.¹⁴

While the town may be less diverse than the region, it has become more diverse since 2010.¹⁵ The proportion of White people in the total population dropped six percentage points (87% to 81%) in that decade, while the proportion of Latino, Asian, and Multiracial residents increased between one and three percentage points.¹⁶ Furthermore, the proportional decrease of White residents was not just driven by increases in populations of color, but decreases in the total White population. This phenomenon is largely expected, since the region’s White population tends to be older and its people of color tend to be younger.

Figure 5: Race and Ethnicity, 2010–2020



Source: US Decennial Census, 2010–2020

¹³ US Decennial Census, 2020

¹⁴ *ibid.*

¹⁵ US Decennial Census, 2010–2020

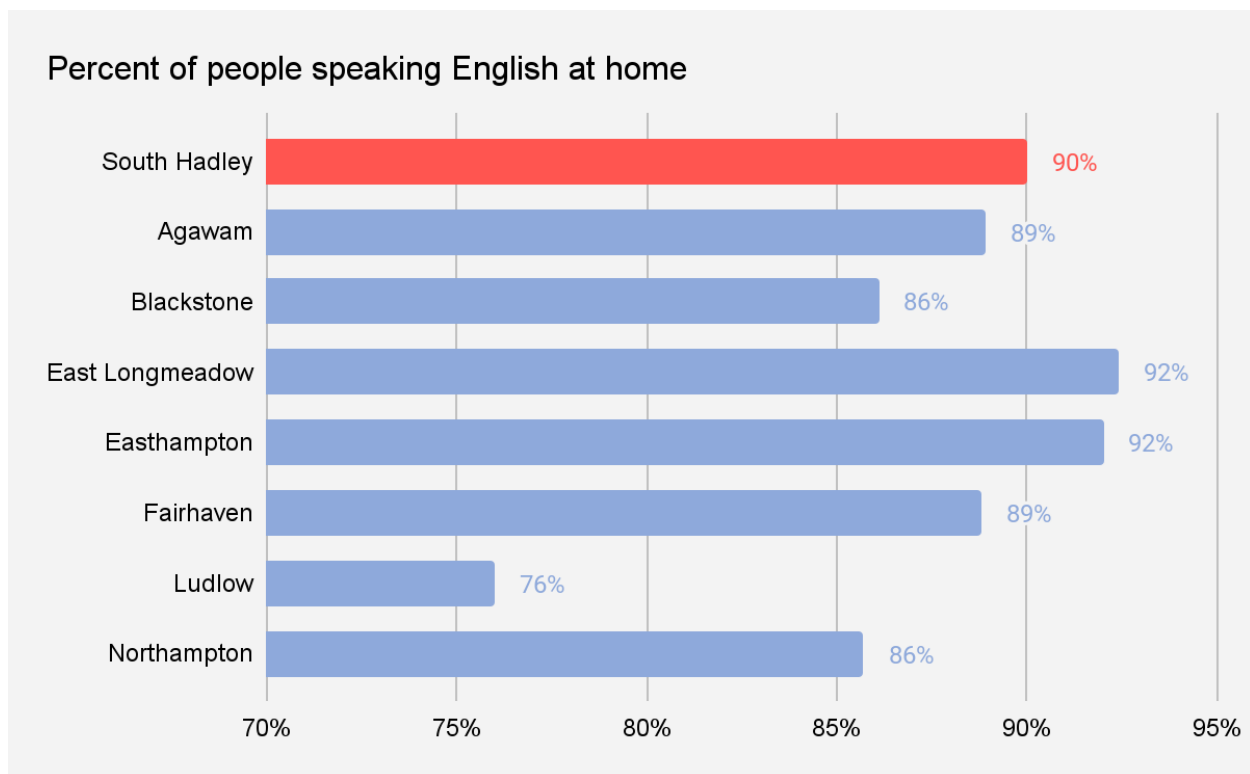
¹⁶ *ibid.*

The 1968 Fair Housing Act made housing discrimination illegal (for race and numerous other demographic categories), and other federal, state, and local laws prohibit various kinds of housing discrimination. Discrimination and disparities nonetheless persist due to intentional and unintentional public and private actions. While this Housing Production Plan is not a Fair Housing Plan, it must (a) recognize the role race and ethnicity play in shaping and distorting private housing markets, in order to both accurately assess this markets and influence housing production, and (b) it must affirmatively further fair housing in accordance with the Fair Housing Act, as all housing actions must.

Language and Nationality

Roughly 8.5% of South Hadley residents are foreign-born, 60% of whom are naturalized US citizens. 90% of South Hadley households speak English at home. South Hadley's foreign-born residents live across the town, with the largest concentration at Mount Holyoke College.

Figure 6: English spoken at home comparison



Source: ACS, 2016–2020 5-year estimates

Disability

An estimated 12% of South Hadley residents have a disability, including 15% of people 65- to 74-years-old and 40% of people 75 years and older. South Hadley has proportionally fewer people with disabilities than the Springfield region as a whole, where 15% of all residents have a disability, including half of people 75 and older.

The American Community Survey assesses four types of disabilities: hearing, vision, cognitive, and ambulatory. Cognitive impairments are assessed by asking if residents have “serious difficulty concentrating, remembering, or making decisions.” Ambulatory impairments are assessed by asking if residents have “serious difficulty walking or climbing stairs.”¹⁷

An estimated 3% of residents have a hearing disability, 1% have a vision disability, 4% with a cognitive disability, and 6% with an ambulatory disability. Roughly 3% of residents have difficulty “dressing or bathing” (called a “Self-Care” difficulty) and 5% have difficulty “doing errands alone such as visiting a doctor’s office or shopping” (called an “Independent Living” difficulty).

Table 4: Population by disability status

	South Hadley	South Hadley %	Greater Springfield %
With a Disability	2,047	11.7%	15.0%
Hearing Difficulty	513	2.9%	3.6%
Vision Difficulty	250	1.4%	2.2%
Cognitive Difficulty	690	4.1%	6.5%
Ambulatory Difficulty	973	5.8%	7.6%
Self-Care Difficulty	397	2.4%	3.4%
Independent Living Difficulty	706	4.6%	7.1%

Source: ACS, 2016–2020 5-year estimates

Like other demographic categories, people with disabilities are legally guaranteed equal access to housing under Fair Housing and other anti-discrimination laws. Nonetheless,

¹⁷ ACS Subject Definitions, 2021:

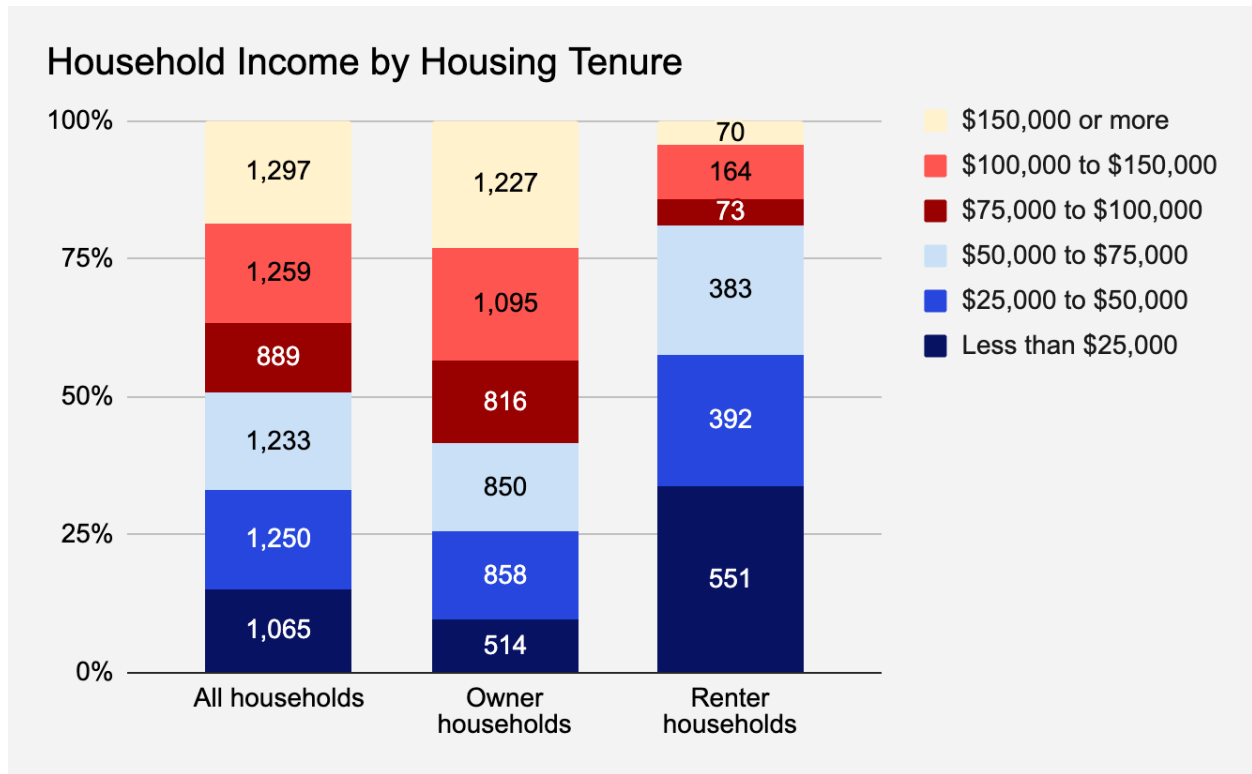
https://www2.census.gov/programs-surveys/acs/tech_docs/subject_definitions/2021_ACSSubjectDefinitions.pdf

finding adequate accessible housing tends to be more difficult for people with disabilities. The issue is also complexly interwoven with South Hadley’s senior population, as aging increases the likelihood of disability.

Income

The median household income in South Hadley is \$73,601—roughly \$12,000 more per year than the Greater Springfield area (\$61,360). Homeowner households tend to have higher household incomes, though the distribution of owner incomes is more even than renter households in South Hadley. More than three quarters of renter households earn less than \$75,000.

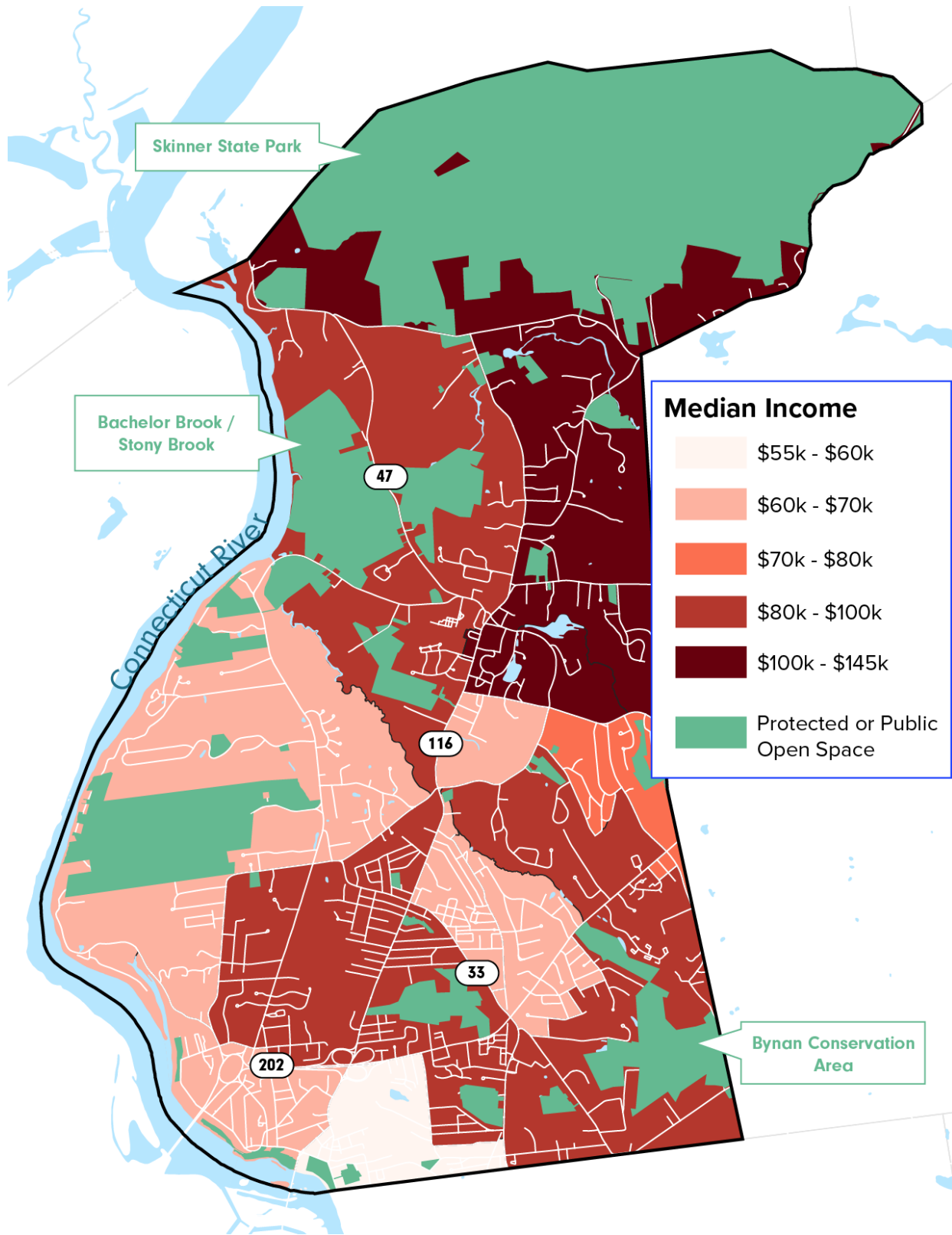
Figure 7: Household Income by Housing Tenure



Source: ACS, 2016–2020 5-year estimates

Incomes are not evenly distributed across areas of South Hadley. When looking at the town by US Census “Block Group,” median household incomes tend to be less in the southern half of town than in the northern half. Median incomes are lowest in South Hadley Falls, and greatest in the northeast corner of the town.

Figure 8: Median Income by Block Group



Source: ACS, 2016–2020 5-year estimates.

Environmental Justice

Environmental Justice (EJ) is a principle that all people have the right to live in a clean, healthy environment, that no community should disproportionately bear the negative consequences of pollution in society, and that communities that have historically borne the brunt of pollution must be restored and protected from further environmental harm. The Commonwealth of Massachusetts recognizes that low-income communities, communities of color, and non-English-speaking communities are more likely to face environmental harm.¹⁸ The state uses demographic data to identify places, called Environmental Justice Neighborhoods, which contain these at-risk groups and which therefore require closer environmental monitoring and planning.¹⁹

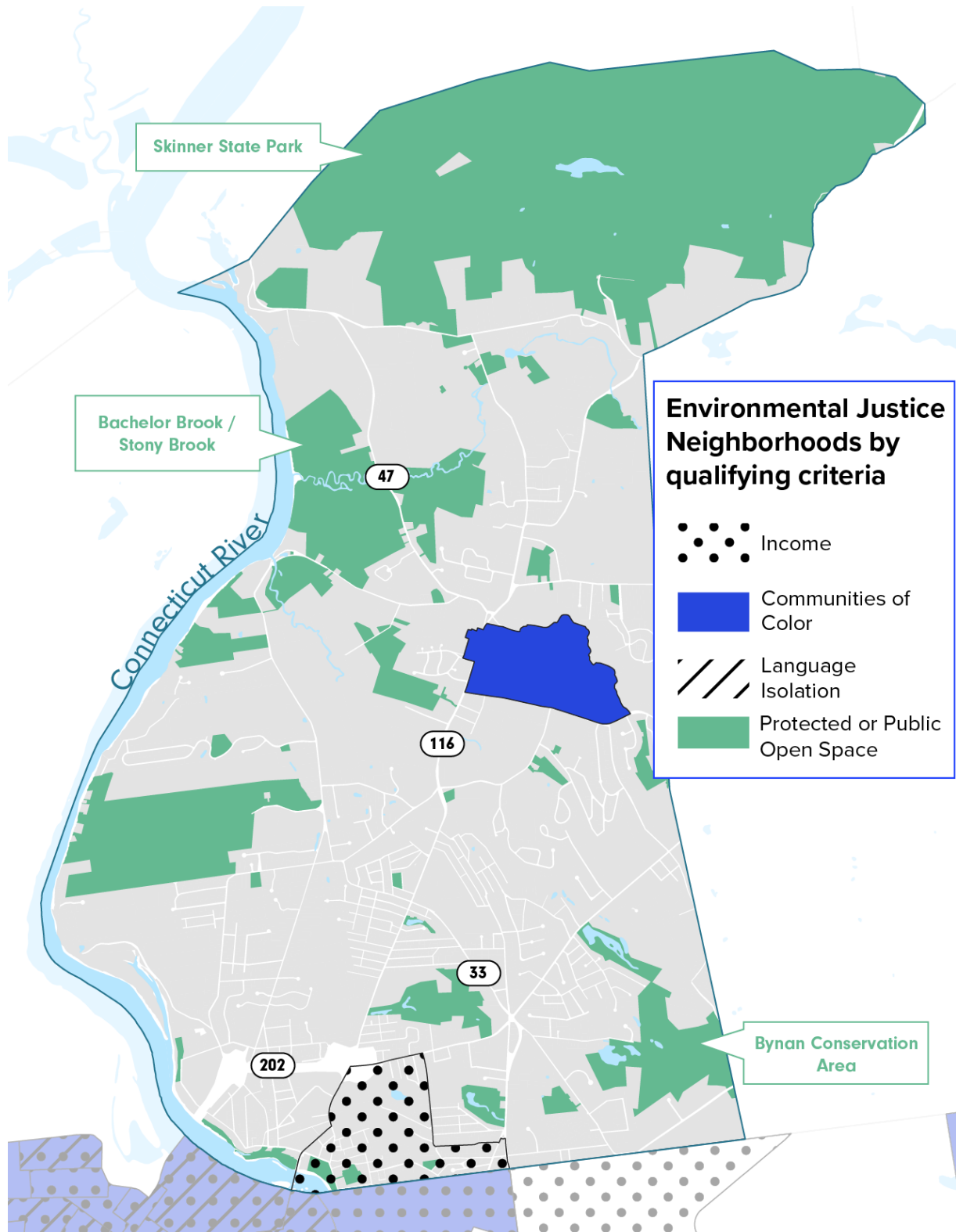
The MA Executive Office of Energy and Environmental Affairs has designated two parts of South Hadley as EJ Neighborhoods²⁰: one part of South Hadley Falls that qualifies based on income and an area encompassing the core Mount Holyoke College campus and some adjacent parcels that qualifies based on race/ethnicity.

¹⁸ MA Executive Office of Energy and Environmental Affairs, “Environmental Justice Populations in Massachusetts,” <https://www.mass.gov/info-details/environmental-justice-populations-in-massachusetts>

¹⁹ To qualify, a census block group must either have (a) 40% of the population are from communities of color (defined as Black, Latino, Asian, Native American, Native Hawaiian/Pacific Islander, another race, or more than one race); (b) 25% of the population are from communities of color and the municipal median income is not more than 150% the statewide median income; (c) median income is less than 65% of the statewide median income; (d) 25% or more households speak English less than “very well.” All data on populations and households are self-reported.

²⁰ Responding to a 2021 state law, the MA Executive Office of Energy and Environmental Affairs updated the EJ Neighborhood maps in November 2022, based on updated data from the US Census Bureau. South Hadley previously had more EJ Neighborhoods near to the remaining EJ Neighborhoods, and EJ Neighborhoods met different qualifying criteria.

Figure 9: Environmental Justice Neighborhoods



Source: MA Executive Office of Energy and Environmental Affairs, November 2022

Housing Stock

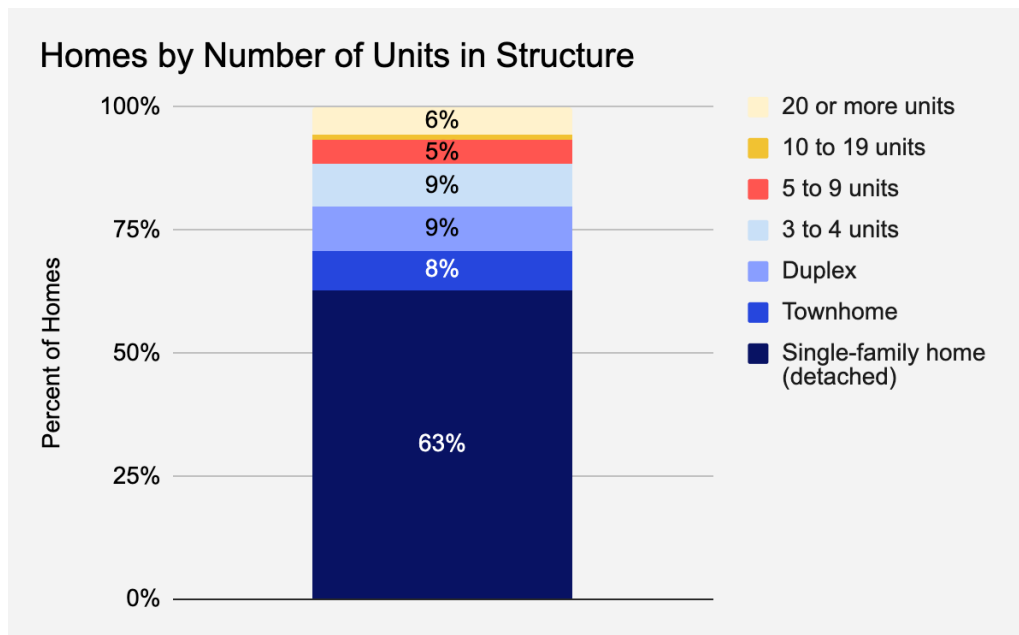
Overall Location of Housing

Most of South Hadley's land is used for housing, and though there are few defined neighborhoods, there are areas and corridors where housing is more common. These include South Hadley Falls, the Village Commons, the area along Route 116, along Lathrop/Alvord Streets, along Route 202, along Woodbridge Street, and beyond. Large open spaces break up these areas of housing, as well as a handful of commercial, industrial, or institutional areas.

Units per Structure

An estimated 63% of South Hadley's homes are detached single-family homes. Another 27% of homes are townhomes (attached single-families), duplexes, or in triplexes/fourplexes (8%, 9%, and 9% of South Hadley homes, respectively). Roughly 5% of homes are in buildings with five to nine units, 1% are in buildings with 10 to 19 units, and 6% in buildings with 20 or more units.

Figure 10: Homes by Units in Structure.



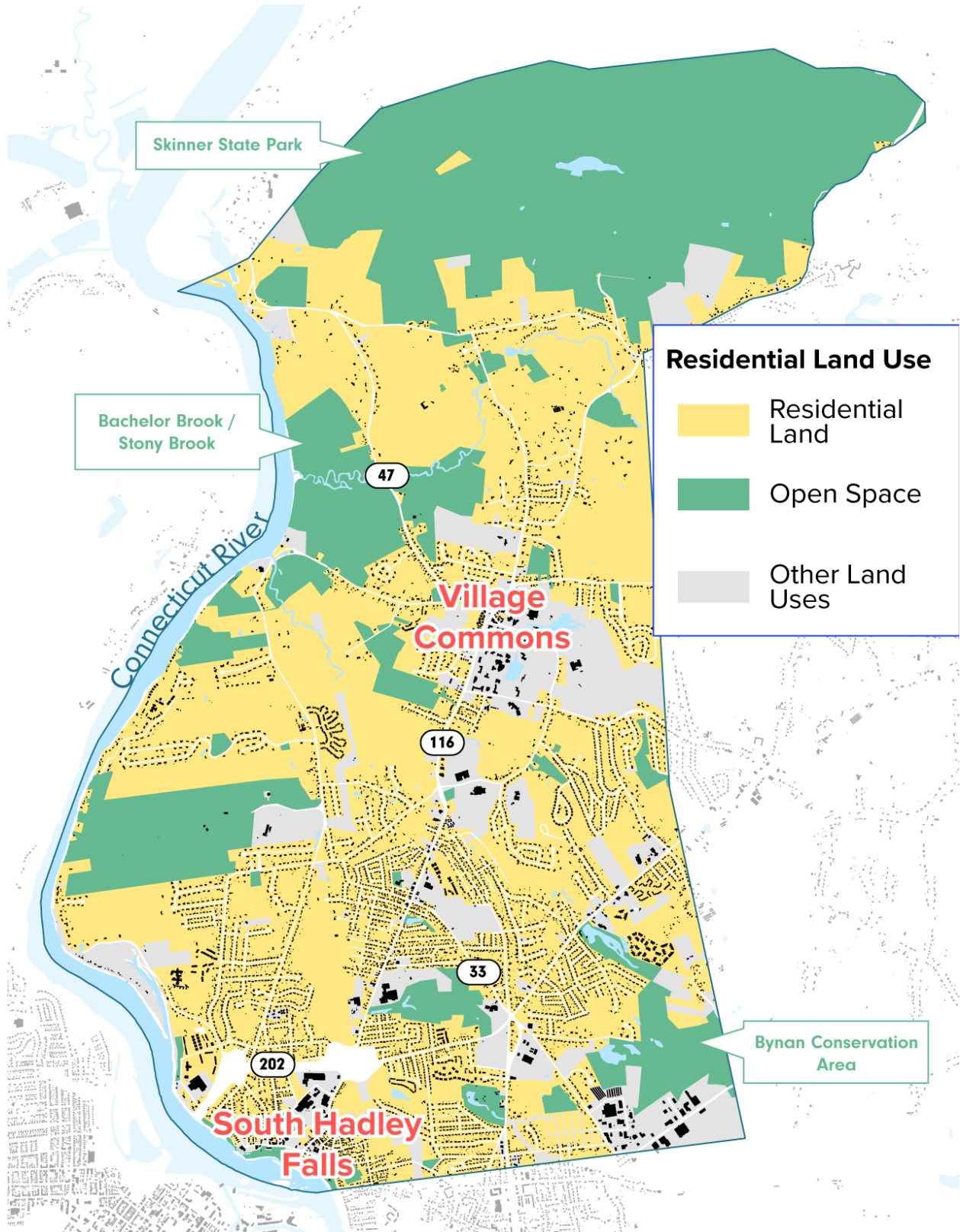
Source: ACS, 2016–2020 5-year estimates

The count of housing units in a building does not solely determine the price, but there is typically a price difference between new/up-to-date detached single-family homes and new/up-to-date homes of other types. This is largely the result of savings on land cost per housing unit and infrastructure costs per housing unit.

South Hadley's homes that are not detached single-families are mostly small properties with one to four units. Depending on design choices, homes of this size can look like classic Massachusetts urban housing or indistinguishable from suburban single-family homes. Design choices can also optimize for accessibility by seniors and people with disabilities. Incidentally, homebuyers can buy a building of up to four units with a conventional residential mortgage, meaning they are more accessible to typical residents who may be looking for supplemental income.

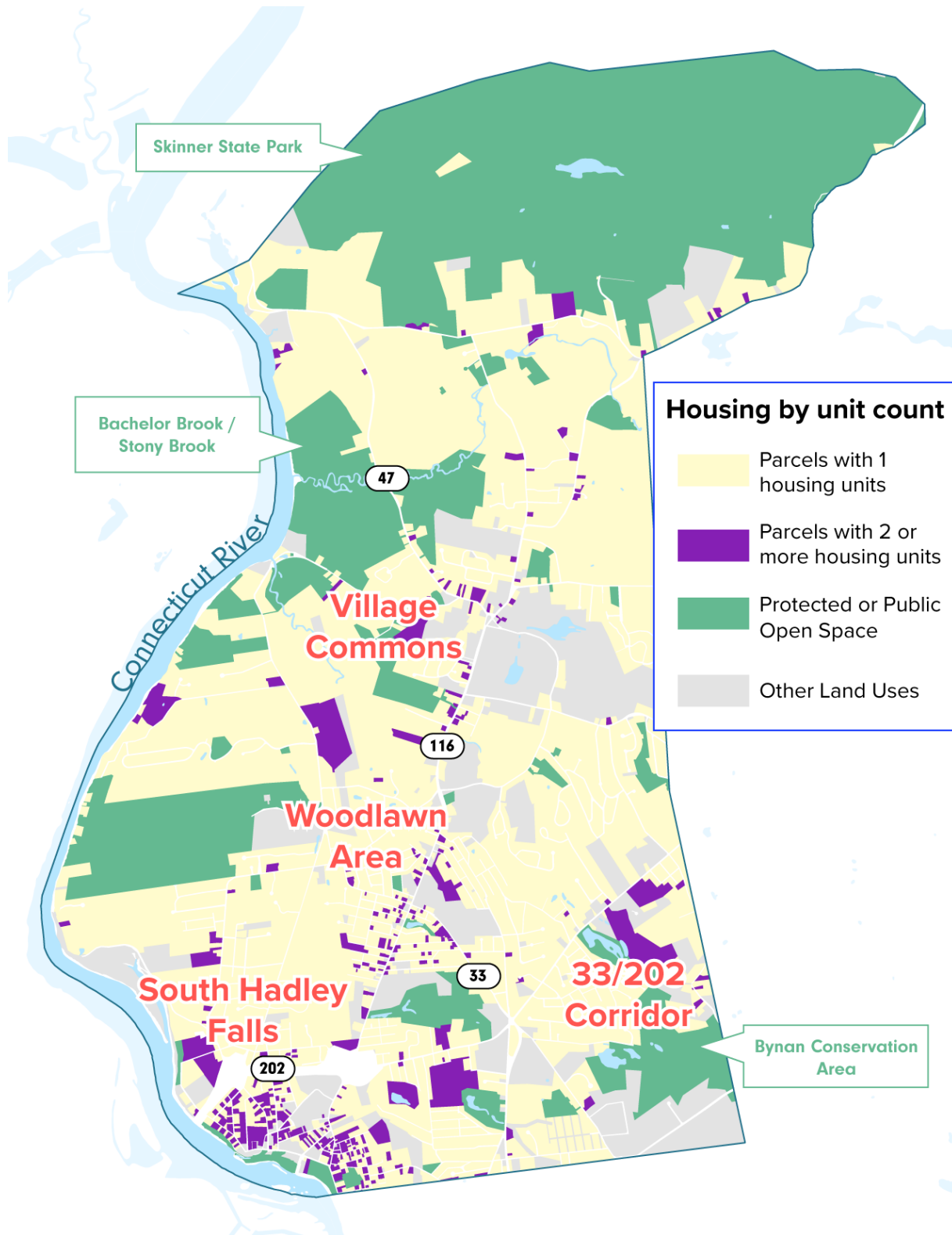
Existing parcels with two or more homes are found across town, but they are concentrated in South Hadley Falls and along key corridors—both abutting and nearby the Route 116 corridor, along Route 202 near the Granby border, and on the southern end of Route 47.

Figure 11: Residential Land Use



Source: MAPC Land Parcel Database

Figure 12: Parcels by number of housing units.

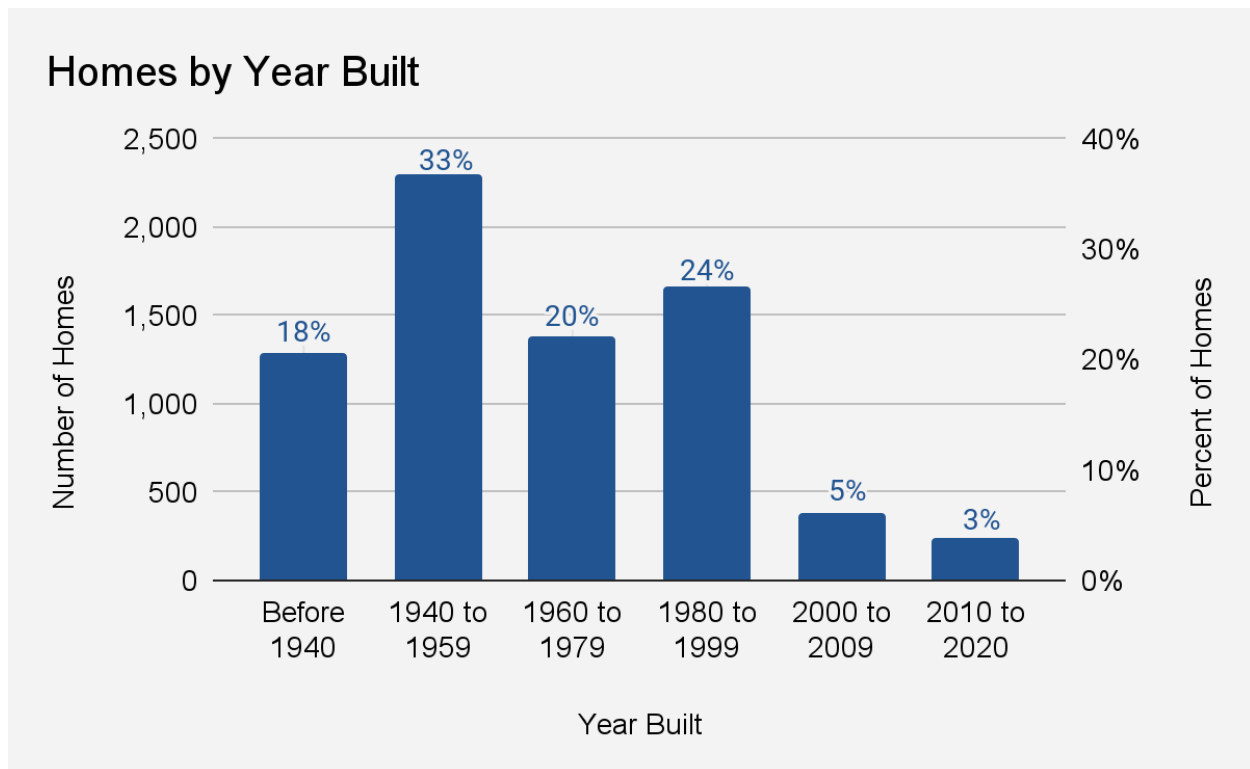


Source: MAPC Land Parcel Database.) Parcels containing two or more units can contain single-family detached homes sold as condominium units and parcels with only one unit can contain townhomes.

Age and Condition of Housing

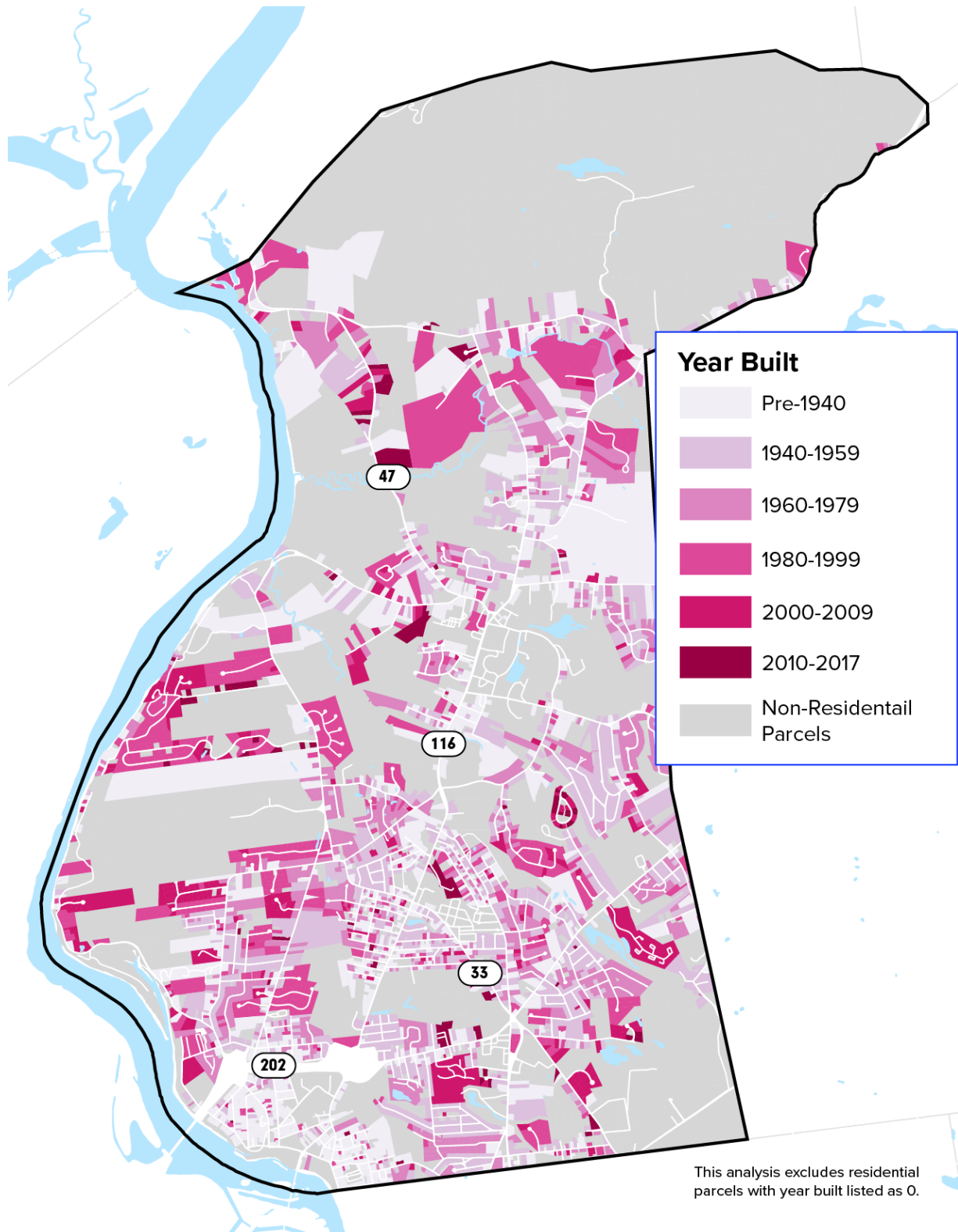
One-third of South Hadley's homes (33%) were built between 1940 and 1959 in the post-WWII wave of suburban home construction. Only 18% of South Hadley homes are pre-war, with the majority of those in the vicinity of South Hadley Falls and the Village Commons. Waves of suburban home-building continued to add housing to South Hadley: 20% of homes were built between 1960 and 1979, and 24% of homes were built between 1980 and 1999. By contrast only 8% of homes were built between 2000 and 2020. Importantly, these figures only discuss the original year built, not any major renovations or rehabilitations.

Figure 13: Homes by Year Built



Source: ACS, 2016–2020 5-year estimates

Figure 14: Residential Parcels by Year Built



Source: MAPC Land Parcel Database

The age of housing has an impact on the lives of residents and on housing production generally. Older homes generally require more maintenance and may need whole system replacements in order to be habitable or saleable. Homes built before 1978 are also more likely to contain lead paint, and therefore pose serious public health risks, especially to children and families. Because South Hadley's population is higher-income overall, many critical repairs and lead paint remediation have likely been taken care of. However, there are likely still important repairs, especially in lower-income areas.

Beyond critical system repairs, housing age factors into housing needs and housing production. Older homes tend to be smaller than older homes. This can cut both ways. Smaller homes tend to be less expensive than larger homes, making them more accessible to the community. On the other hand, older homes may lack some of the layouts and amenities desired by people today, causing a disconnect in the homebuying marketplace.

The result of older housing stock, for better or worse, may be a greater home flipping activity to come in South Hadley. On the one hand, flipping can serve an important market function: quickly bringing homes that are not habitable or saleable up to market-readiness. On the other, predatory transactions with flippers can undercut homeseller equity and negligent flippers can sell a home with cosmetic changes without doing critical upgrades.

From a policy perspective, the presence of older homes means that public subsidies for repairs and rehabilitation by homeowners may be necessary to maintain both public health and an equitable housing market. Those subsidies could also keep those homes more affordable in the long-run.

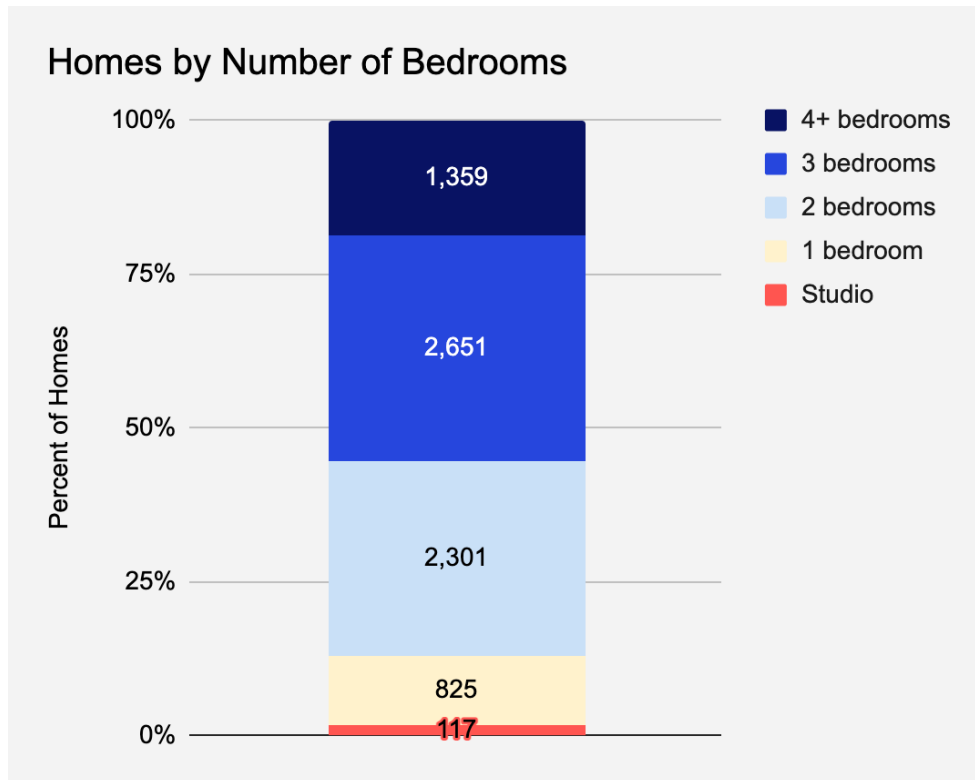
Home Size

Bedroom Count

More than half of South Hadley's homes (55%) are "family-sized," meaning they have three or more bedrooms. This figure is large when considering the only 18% of households that have children at home. Only 13% of homes are one-bedrooms or studios, despite 73% of households being either singles or couples living alone. Not everyone must have only the number of bedrooms they require day-to-day for sleeping, of course. Extra bedrooms are also important as guest rooms for visiting adult children, home offices, playrooms for kids, and more. Nonetheless, these mismatches in bedroom count and household size do suggest some dysfunction in the housing market.

Anecdotally, many of these larger homes are occupied by older singles or couples who have lived in the house for years. A portion of those households may want to downsize, but cannot find the right home at the right price in their community. This limits the ability of young families to move to the town, and can create public health problems for the would-be downsizing homeowners.

Figure 15: Homes by Bedroom Count.



Source: ACS, 2016–2020 5-year estimates

Square Footage and Land Area

The median gross square footage (GFA) for a South Hadley home is roughly 3,100 square feet (sf) per unit, with roughly 1,300 sf of net square footage (NFA) per unit (i.e., finished residential space excluding unfinished basements, garages, etc.).²¹ The typical square footage of homes has increased considerably over time. The GFA of homes built from 2010 to 2020 is 70% larger than that of Pre-World War II homes, and the NFA is 50% larger.²² The era of greatest housing production in South Hadley (the years immediately

²¹ MAPC Land Parcel Database; Outwith Studio calculations

²² *ibid.*

after World War II) brought homes with a median GFA of 2,900 sf and a median NFA of 1,200 sf.²³ Homes of that era are 60% the size of recent homes.

Similarly, South Hadley's median land area per housing unit is roughly 17,300 sf (about 0.4 acres).²⁴ Median land area per unit has nearly doubled in the last century, with pre-World War II lot size per unit at 12,600 sf (0.3 acres), and housing from 2010 to 2020 with 24,900 sf (0.6 acres).²⁵ Land area per unit tends to be less in South Hadley Falls and along Rt. 116, where lot areas are often less than 6,000 square feet per unit.²⁶

Table 5: Square footage per unit for housing by year built

Year Built	Gross Area	Net Area	Land Area
Pre-1940	2,700	1,300	12,600
1940-1959	2,900	1,200	14,500
1960-1979	3,300	1,400	22,800
1980-1999	4,300	2,100	28,200
2000-2009	5,100	2,400	31,700
2010-2020	4,600	2,000	24,900

Source: MAPC Land Parcel Database, Outwith Studio calculations

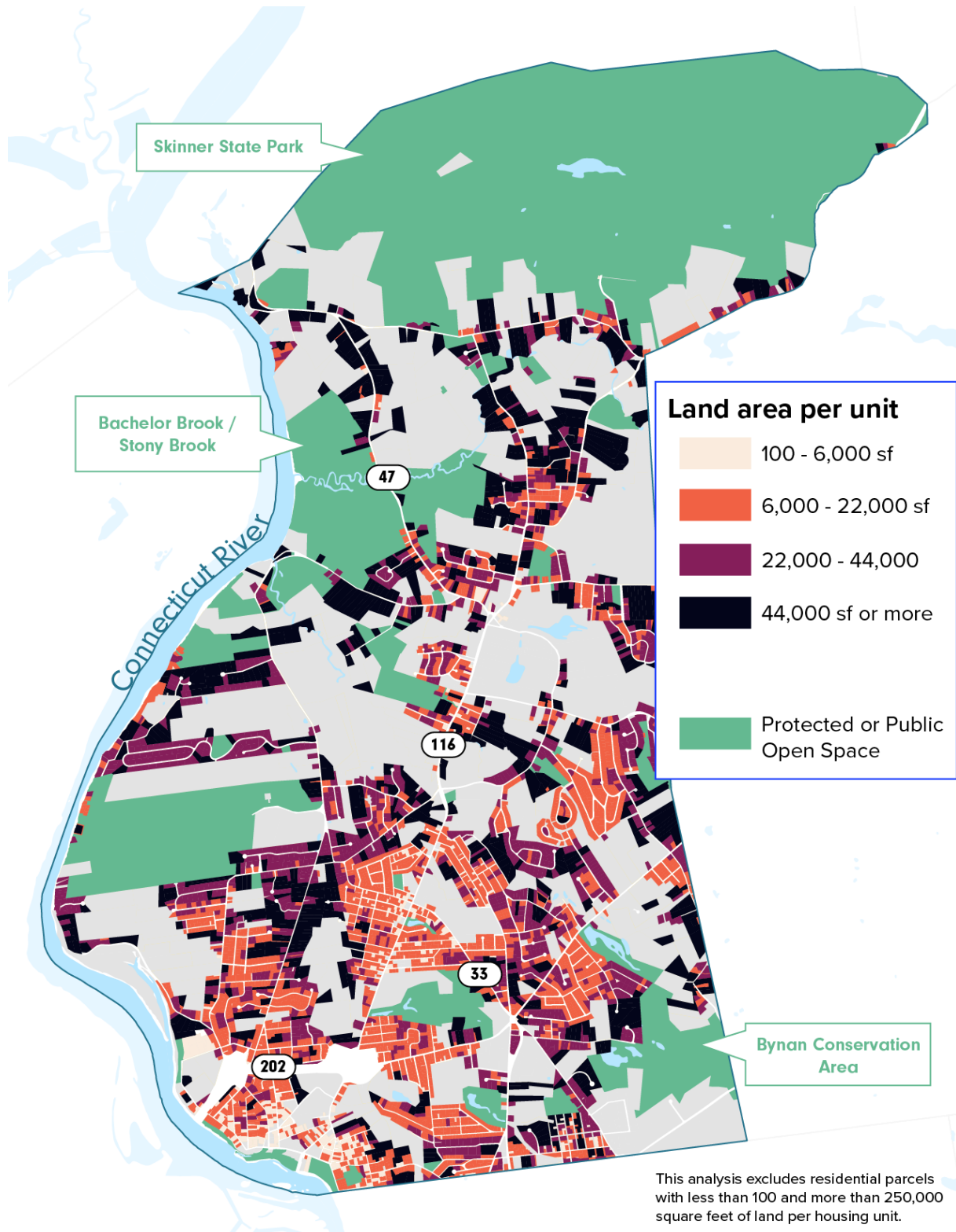
²³ MAPC Land Parcel Database; Outwith Studio calculations

²⁴ *ibid.*

²⁵ *ibid.*

²⁶ *ibid.*

Figure 16: Land Area per Housing Unit

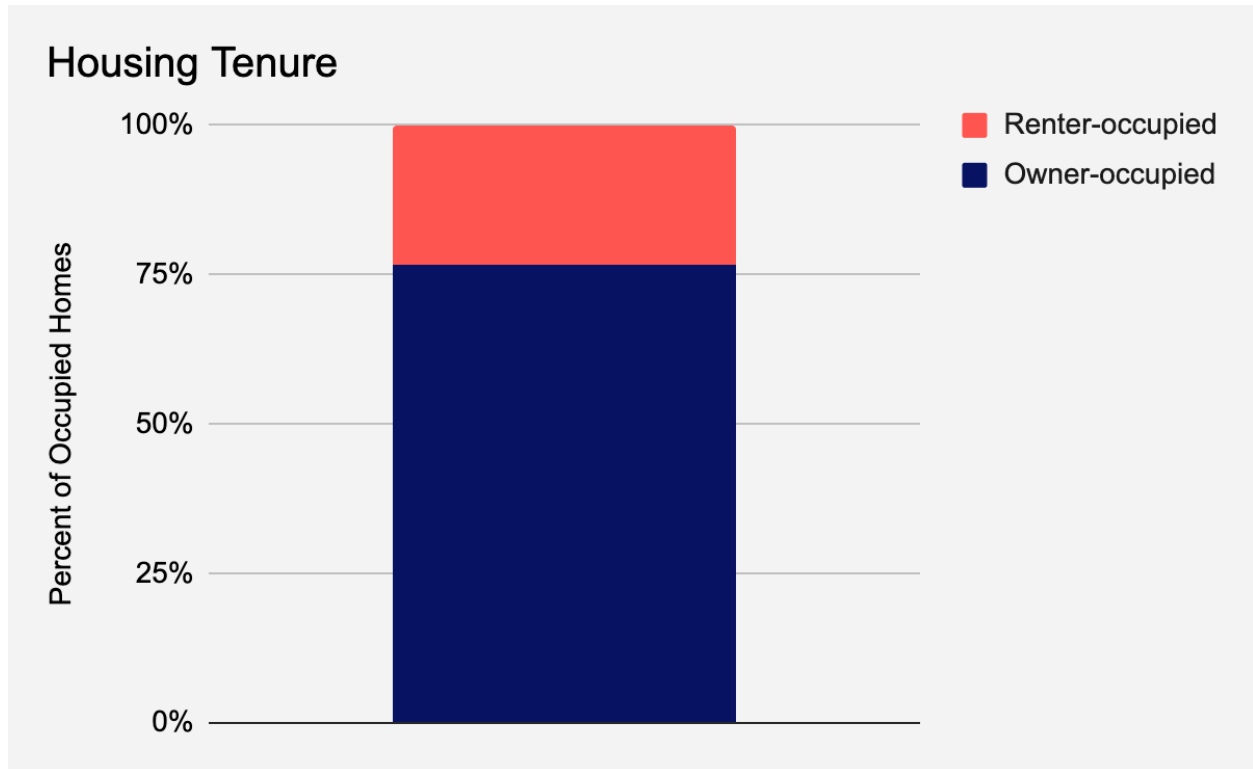


Source: MAPC Land Parcel Database

Renting vs. Owning

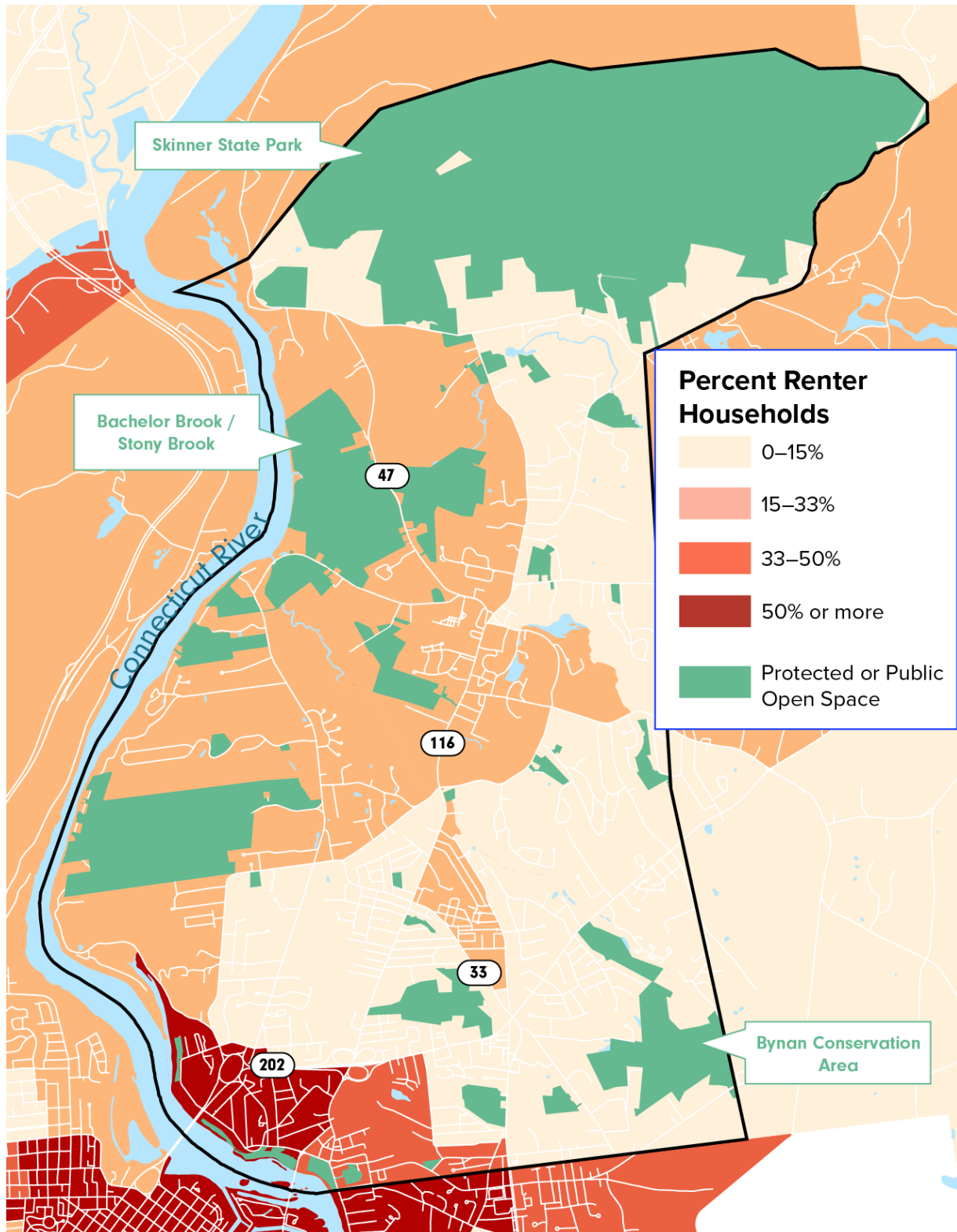
More than three-quarters (77%) of homes in South Hadley are owner-occupied. Renters tend to live in the the vicinity of South Hadley Falls and around Mount Holyoke College.

Figure 17: Occupied Homes by Housing Tenure.



Source: ACS, 2016–2020 5-year estimates

Figure 18: Percent of Households that Rent their Homes



Source: ACS, 2016–2020 5-year estimates

Vacancy

Vacancy rates in South Hadley are very low. An estimated 0.4% of ownership units are vacant. For a housing market to function well, that figure should be between 2% and 4%. With rates as low as South Hadley's, people seeking a home will face difficulty, pay more than they can afford, and/or be forced to live in a home that does not meet their needs.

The situation for South Hadley's rental units is similar: the estimated vacancy rate is 4.2%, where a well-functioning market should have between 5% and 7% vacant units. Because renters have less housing security than homeowners (landlords can end leases, raise rents, and control property maintenance, etc.), current renters who cannot find a home they can pay for that meets their needs may also be forced into substandard housing, overcrowding, or homelessness (including less visible forms of homelessness like couchsurfing or families doubling up).

0.4%

Ownership
housing vacancy
(should be 2-4%)

4.2%

Rental housing
vacancy
(should be 5-7%)

Short-Term Rentals

Short-term rental (STR) housing has recently emerged as a concern for some South Hadley residents. These are normal housing units (homes, apartments, or condominiums) rented for periods shorter than a standard lease, acting as vacation rentals, corporate housing, or similar. STRs have recently been facilitated by online platforms (e.g. AirBNB and VRBO), which has led to growth in the STR industry. Some markets—especially urban markets like Boston and popular vacation destinations like Great Barrington—have seen aggressive conversion of the existing long-term housing to STRs, cutting into housing supply at the margin and potentially increasing housing costs. As of January 2023, six full-unit homes were advertised on AirBNB for the coming 12 months.²⁷ South Hadley adopted permitting licensing processes for STRs at Annual Town Meeting in May 2023, limiting the total number to 25 licensed rentals (20 owner occupied, and 5 non-owner occupied).

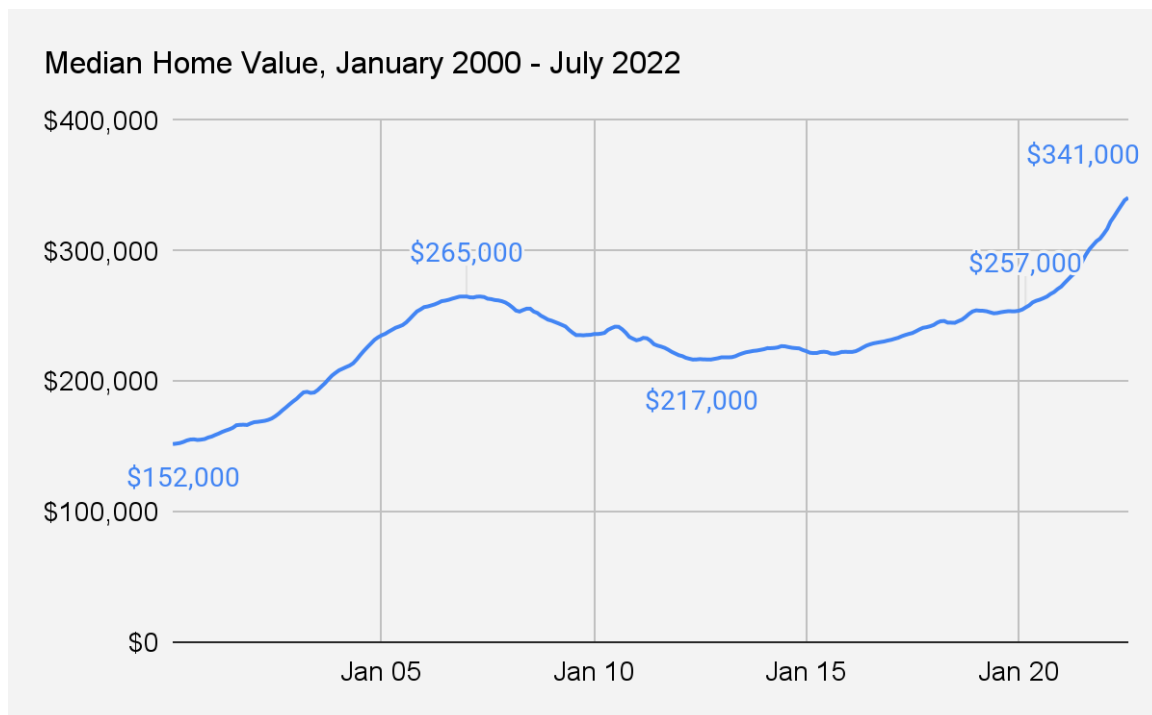
²⁷ AirBNB.com, accessed January 2023

Affordability

Home Values

Between January 2000 and July 2022, estimated home values in South Hadley increased from roughly \$152,000 to roughly \$341,000.²⁸ (Home values here are an estimate that reflects the change in estimated value for *all homes*, based on recent sales and the similarity of all homes to sold homes.) Home values rapidly grew 74% from 2000 to 2006, during the early 2000s housing bubble. After the crash, values dropped steadily until 2012, 18% from their 2006 peak. Values did not recover until the summer of 2020. Between February 2020 and July 2022, values jumped 33% (29% above their previous 2006 peak). South Hadley's change in home values from 2000 to 2022 represents nominal growth of 124% (28% adjusted for inflation) or an annual nominal compounding growth rate of 3.74% (1.12% adjusted for inflation).²⁹

Figure 19: Estimated home value growth, 2000–2022



Source: Zillow Home Value Index, 2000–2022

²⁸ Zillow Home Value Index

²⁹ Inflation adjustment is based on the Consumer Price Index, using the federal government's inflation adjustment calculator. https://www.bls.gov/data/inflation_calculator.htm

Table 6: Home Value Growth Comparison

Community	Value Growth Jan '00- Jan '22
South Hadley	124%
Agawam	130%
Blackstone	138%
East Longmeadow	119%
Easthampton	151%
Fairhaven	189%
Ludlow	94%
Northampton	150%

Source: Zillow Home Value Index, 2000–2022

Estimated home values paint a varied picture: On the one hand, they show the extent of home value growth in “hot” periods, including recent steep increases. Increased home values and resulting unrealized gains are typically good for incumbent property owners. Higher values can, however, translate to difficult tax bills for people on fixed incomes. Rising home values also pose a barrier for new homebuyers, cutting off potential community members or returning community members from living in South Hadley.

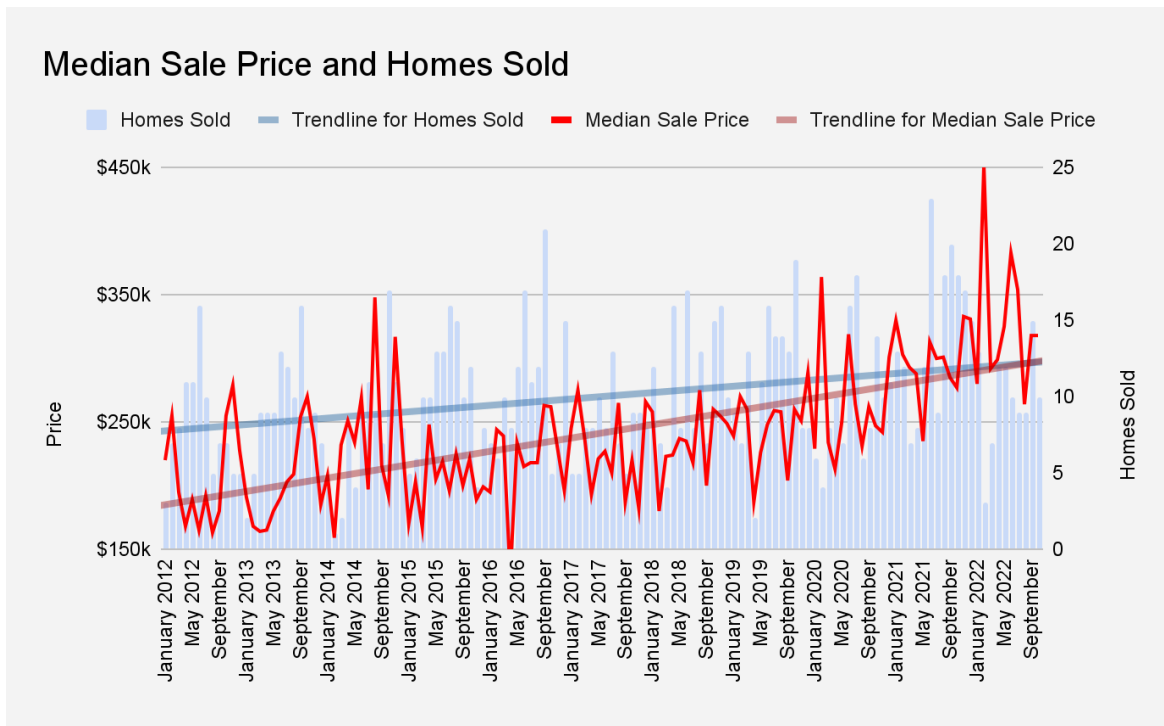
On the other hand, home value growth has been tepid over the last 22 years, with a 3.74% nominal compounding growth rate.³⁰ When viewed as a financial asset (disregarding the homeowner’s need for shelter), the median home was a bad investment, underperforming the stock market and concentrating risk. This is not unique to South Hadley but has been a feature of the US housing market for a long time. Housing’s financial performance is markedly better when accounting for the financial leverage most homeowners use through their mortgage and the savings through principal payments that would otherwise go to a landlord. Even though the picture isn’t quite as bleak as that 3.74% nominal growth rate implies, it is important to remember when public discussions of home values arise: personal homes should not be viewed primarily as a financial asset, since they’re a relatively poor one to begin with.

³⁰ Zillow Home Value Index; Outwith Studio calculation

Home Sales

Median home sale prices and sale volumes both trended upwards between 2012 and 2022, with prices increasing at a faster pace than volumes.³¹ In 2012, median prices did not break above \$250,000, except for seasonal price spikes. In 2021 and through October 2022, median prices only broke below \$250,000 in one month. Since 2020, between 10 and 15 home sales have been executed in most months, with some seasonal dips and spikes.

Figure 20: Median Sale Price and Sales Volumes, 2012–2022



Source: Redfin

Competition for housing has been heating up. Inventories (the number of homes actively for sale) fell from 77 homes in October 2012 to 25 homes in October 2022.³² Likewise, days on market (the number of days between a home going on market and a contract for sale being signed) have trended down, from 155 days in October 2012 to 20 days in October 2022.³³ Reflecting this competition, prospective buyers are bidding up prices. Between January 2012 and April 2019, the average homes sold below the asking price (the sale-to-list-price was 100% or less). Between April 2021 and October 2022, (winning)

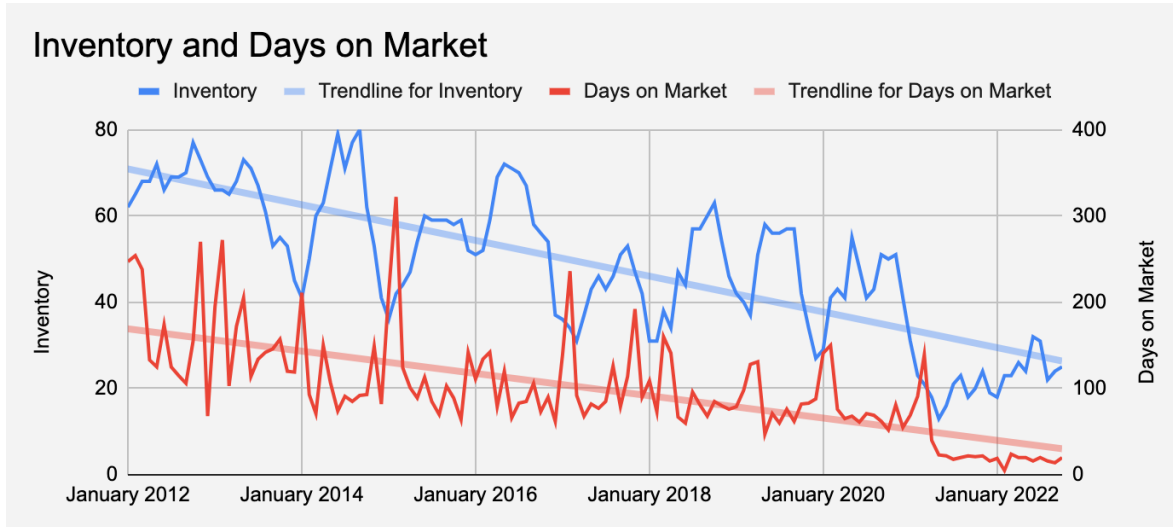
³¹ Redfin

³² *ibid.*

³³ *ibid.*

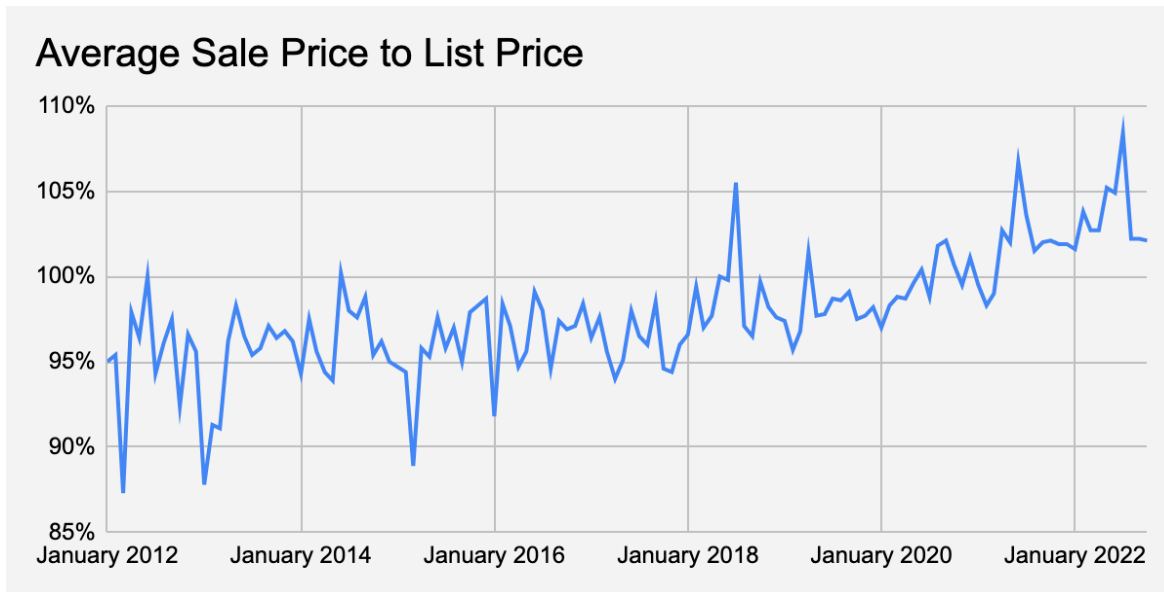
buyers typically bid above the ask price (sale-to-list was greater than 100%).³⁴ Most likely, recent home sales have all included a bidding war between homebuyers.

Figure 21: Inventory and Average Days on Market, 2012–2022



Source: Redfin

Figure 22: Average Sale Price to List Price, 2012–2022



Source: Redfin

³⁴ Redfin

Mortgage Lending

Between 2019 and 2021, there were 1,098 applications for home purchases in South Hadley.³⁵ For applications where racial and ethnic data could be determined, White applicants made the most applications (81%), roughly in line with present breakdown of White residents and residents of color.³⁶ That said, White applicants were approved at a higher rate (78%) than other racial/ethnic groups applying alone.³⁷

Table 7: Mortgage applications for home purchases in South Hadley

Race/ Ethnicity	Percent of Applications	Percent of Applications Approved	Percent of All Approvals
White	81%	78%	72%
Latino/a/e	6%	64%	4%
Black	3%	61%	2%
Asian	4%	74%	4%
Joint	6%	79%	10%

Source: HMDA, 2019–2021

Rental Options and Rents

According to Rentometer.com (a site that collects proprietary rental data), average asking rents for all bedroom-counts in South Hadley were greater than \$1,000 per month.³⁸ The volume of rentals in this analysis is very low, however, with only 54 rentals assessed over two years. This is considerably fewer than nearby communities with more active rental housing markets. These rent averages are roughly in line with spot checks on public rental listing websites between August and December 2022.³⁹

³⁵ Home Mortgage Disclosure Act data, 2019–2021, <https://www.consumerfinance.gov/data-research/hmda/>

³⁶ *ibid.*

³⁷ *ibid.*

³⁸ Rentometer.com

³⁹ Outwith Studio spot-checks on Zillow.com, Trulia.com, and Craigslist.org

Table 8: Average Rents in South Hadley, December 2020–December 2022

Bedroom Count	Average Rent	Number of Rentals
1-bedroom	\$1,200	20
2-bedroom	\$1,450	22
3-bedroom	\$1,800	6
4-bedroom	\$2,050	6

Source: Rentometer.com, December 2022

Of course, current asking rents are not indicative of overall rents. The estimated median rent in South Hadley, according to the American Community Survey (ACS), is \$969 per month.⁴⁰ This estimate is lower than asking rents for several potential reasons:

- Asking rents may exceed contract rents.
- ACS data used in this analysis includes listing from seven to five years ago. There is only one-month overlap between the ACS and Rentometer.com data collection periods.
- Existing and ongoing tenancies are likely to be at below-market rents.
- ACS data includes non-market rents in deed-restricted Affordable Housing. Given that 14% of renter households are in SHI units (see [Affordable Housing](#) and [Rental Market Structure](#) for more details), their below-market rents may be drawing the ACS median rent estimate down.

For further discussion of the rental market, see [Rental Market Structure \(Further Analysis\)](#) below.

Income Status

Raw household incomes (discussed above at [Income](#)) are useful and intuitive, but they are not used to assess income-based housing need. For the purposes of housing planning, income status is used instead. Most housing assistance programs target households with “low-income” status. “Low-income” status is defined by the US Department of Housing and Urban Development (HUD). This definition is based on the “Area Median Income” (AMI), which is defined regionally.

⁴⁰ ACS, 2016-2020 5-year estimates

For South Hadley, that region includes Hampshire, Hampden, and Franklin counties. Households who earn 80% of AMI or less are considered low-income, and low-income status varies by household size to adjust for overall household costs. A single-person household in South Hadley earning up to \$52,750 is low-income, a family of four earning up to \$75,300 is low-income, and so on.⁴¹

Housing plans often speak of more specific income levels within low-income status. “Very low-income” households earn 50% or less of AMI. “Extremely low-income” households earn 30% or less of AMI. There are also “moderate-income” households, sometimes defined as earning 80%-100% of AMI, and “middle- to high-income” households earning 100% or more of AMI.⁴²

Table 9: Maximum household incomes that qualify as “low-income” by household size.

		Household Size					
		1	2	3	4	5	6
Percent of Area Median Income	80%	\$52,750	\$60,250	\$67,800	\$75,300	\$81,350	\$87,350
	50%	\$32,950	\$37,650	\$42,350	\$47,050	\$50,850	\$54,600
	30%	\$19,800	\$22,600	\$25,450	\$28,250	\$32,470	\$37,190

Source: US Department of Housing and Urban Development, <https://www.huduser.gov/portal/datasets/il.html>, 2022

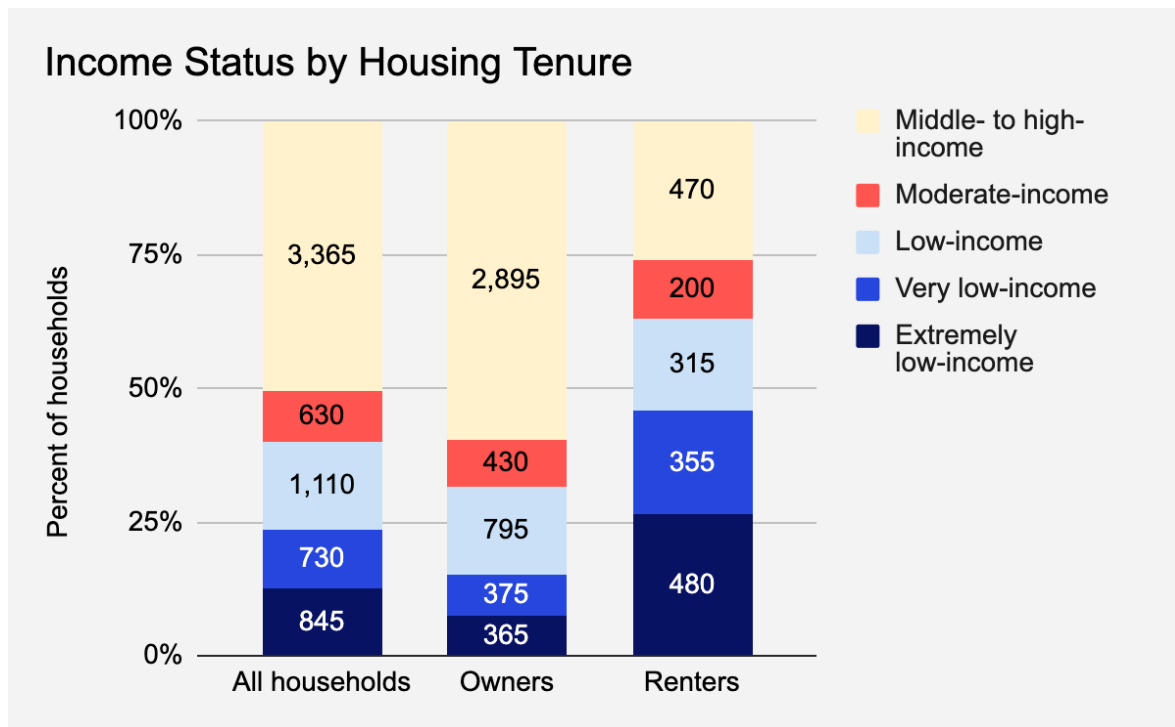
Under these definitions, an estimated 40% of South Hadley households are low-income.⁴³ This figure does not include students living in dormitories or the elderly living in assisted living facilities. Many of these households are seniors living on fixed incomes. These households qualify for many housing assistance programs, including the ability to rent or buy deed-restricted Affordable Housing, if that assistance was available.

⁴¹ US Department of Housing and Urban Development, <https://www.huduser.gov/portal/datasets/il.html>

⁴² Some government programs use different names to describe the same income thresholds. For example, HUD’s Community Development Block Grant uses 50% of AMI as the maximum for “low-income,” and 80% of AMI as the maximum for “moderate-income.” This plan is using the above set of definitions, since most housing programs use the 80% threshold for “low-income” status.

⁴³ Comprehensive Housing and Affordability Strategy (CHAS), 2015–2019 5-year estimates

Figure 23: Income Status by Housing Tenure



Source: CHAS, 2015–2019 5-year estimates

An estimated 30% of homeowners (1,535 households) are low-income, while 63% of renters (1,150 households) are low-income.⁴⁴ Though the proportion of low-income households is much greater for renters than owners, more owners in aggregate are low-income than renters. Low-income households, therefore, should not be seen as purely renters. Income-based need is present across housing tenure.

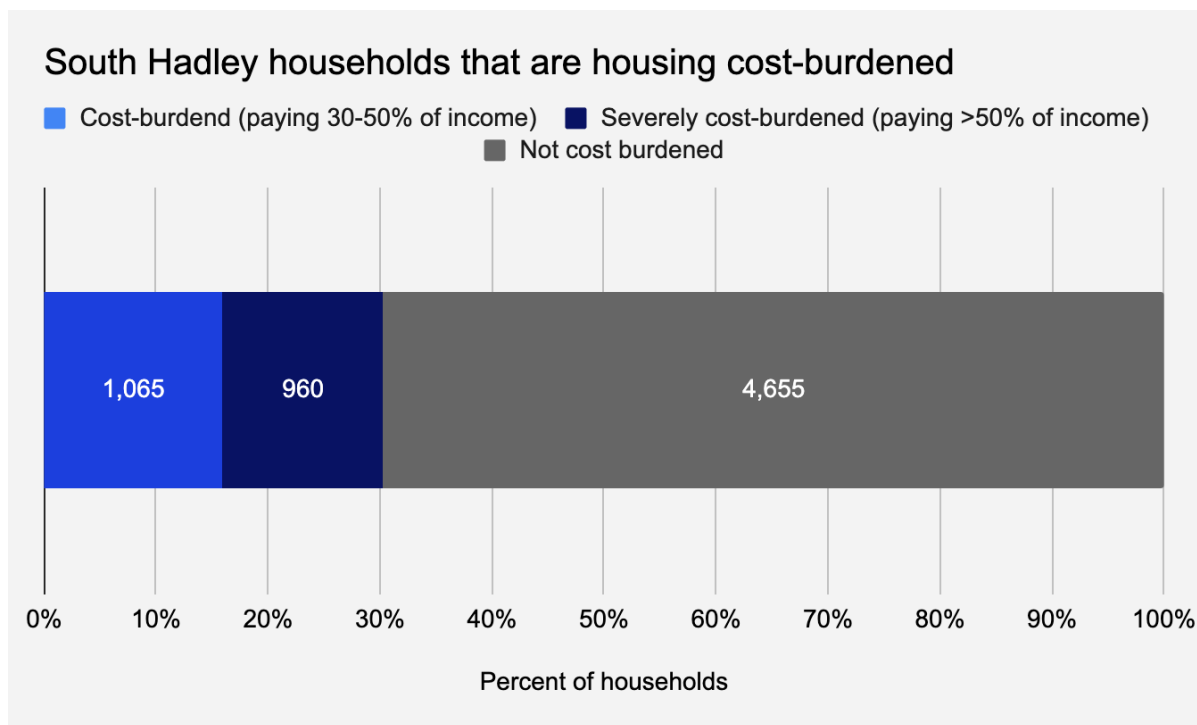
⁴⁴ CHAS, 2015–2019

Housing Cost-Burden

According to the federal government, a household is "housing cost-burdened" when they pay more than 30% of their income on housing costs, and they are "severely housing cost-burdened" when they pay more than half their income to housing. When housing costs get this high, they can force people to skimp on other necessities, like food and prescriptions, or get into dangerous cycles of debt.

In South Hadley, 2,025 households are housing cost-burdened.⁴⁵ That is 30% of households for whom cost-burden status could be determined. An estimated 960 (47%) are severely housing cost-burdened, paying more than half their income for shelter. 1,785 of cost-burdened households (88%) are low-income.⁴⁶

Figure 24: Housing Cost-Burden by Severity

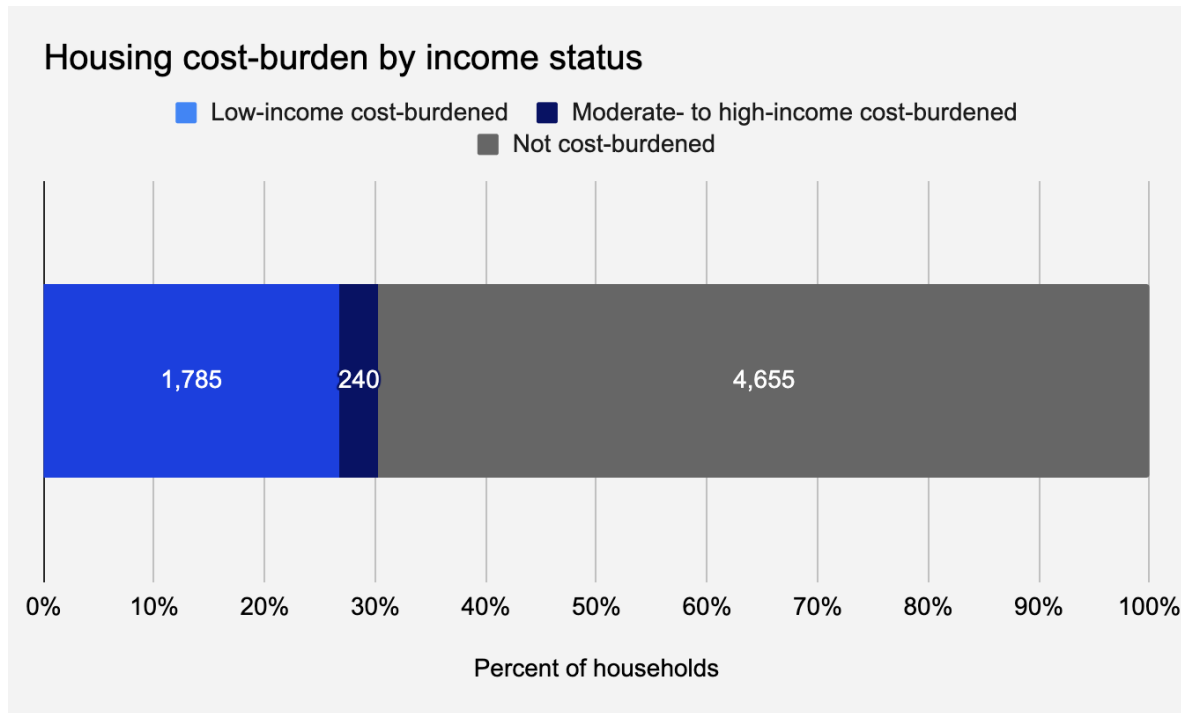


Source: CHAS, 2006–2019 5-year estimates

⁴⁵ CHAS, 2015–2019 5-year estimates

⁴⁶ *ibid.*

Figure 25: Housing Cost-Burden by Income-Status



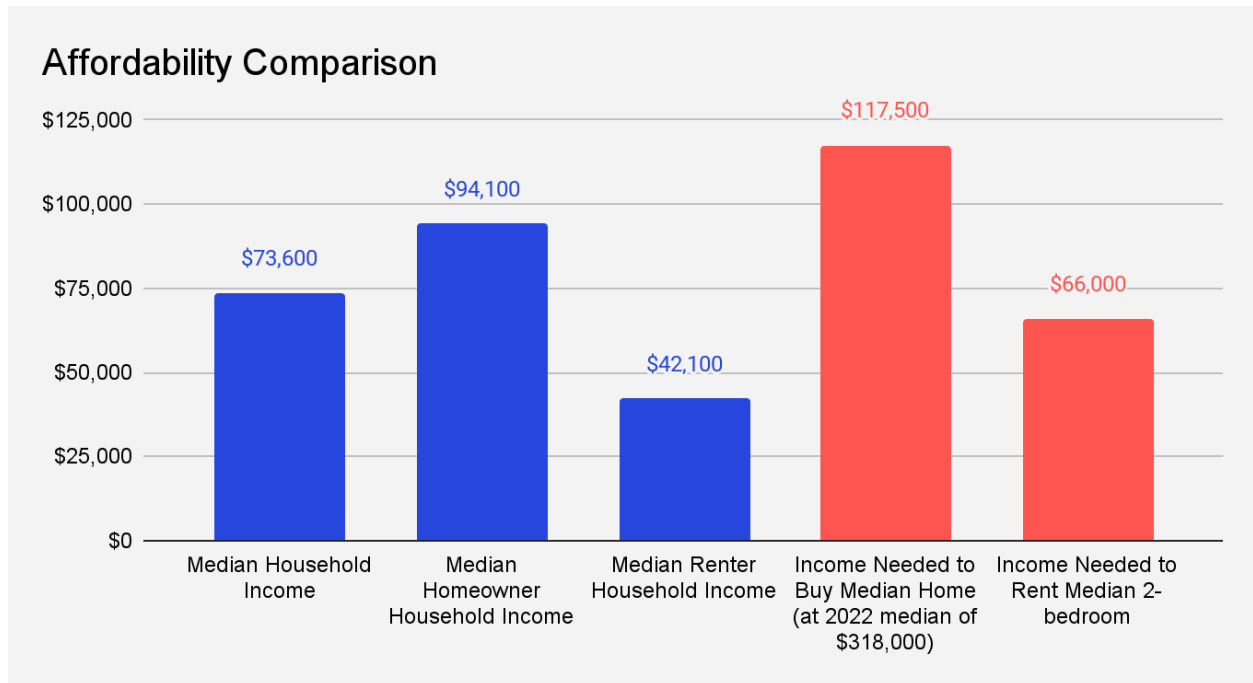
Source: CHAS, 2006–2019 5-year estimates

Affordability Gap

The affordability gap is the difference between a typical household income and typical housing costs today. For South Hadley residents, the median household could not afford to rent nor purchase the typical home at recent prices/rents. The median homeowner household has an income of roughly \$94,100 per year, but to affordably purchase the median home on today's market, they would need to earn \$117,500 per year. Similarly, the median renter household earns roughly \$42,100 annually, but they would need an annual income of \$66,000 to affordably rent the median 2-bedroom rental home on the market.⁴⁷

⁴⁷ Source: Outwith Studio calculations based on Redfin and Rentometer median sale and average rent estimates. Assumes \$200 in monthly utilities for renters and owners. For owners, assumes a 5% downpayment, 7.0% interest rate, \$1,200 annual insurance, PMI of .75%, and a tax rate of \$19.75 per \$1,000 of assessed value, given an assessment at the sale price.

Figure 26: Affordability gap analysis



Source: Outwith Studio calculations based on Redfin and Rentometer median sale and average rent estimates. Assumes \$200 in monthly utilities for renters and owners. For owners, assumes a 5% downpayment, 7.0% interest rate, \$1,200 annual insurance, PMI of .75%, and a tax rate of \$19.40 per \$1,000 of assessed value, given an assessment at the sale price.

Of course, affordability gap analyses use a lot of assumptions about housing costs, and these gap estimates might fluctuate if those assumptions change. These figures also obscure structure in the market: not all households are searching for the median home—lower income households seek lower cost housing, higher income households seek higher cost housing, etc. Plus, the typical household does not always need new housing today. It might be more relevant to look at the financial profile of the typical homebuyer, rather than the typical homeowner, or the typical rental seeker, rather than the typical renter. Lastly, on renters, renter households are small, with 50% being one-person households. This analysis uses data on two-bedroom homes, which may be large for the typical renter household, but are also small for families needing housing.

Despite these qualifications, it is clear there is a mismatch in the marketplace between today's South Hadley community and the affordability to that community moving forward.

Affordable Housing

South Hadley has 424 deed-restricted Affordable Housing units on its Subsidized Housing Inventory (SHI), spread across seven developments.⁴⁸ All of South Hadley's affordable homes are rental units.

- Most of the developments are owned by the South Hadley Housing Authority (though only 37% of the units) and the Housing Authority also played a role in developing supportive senior housing with WestMass Elder Care.
 - A small portion of the Housing Authority's homes (but all of its family units) used a Chapter 40B Comprehensive Permit process to be permitted.
- In 1984, Chapter 40B was used to build a private mixed-income, 170-unit development called Riverboat Village. This development accounts for 40% of the SHI units, and all of the development's units are included on the SHI, despite most units being market-rate. This is a quirk of Chapter 40B and the SHI regulations: many developments built with a Comprehensive Permit are mixed-income, but if it is a rental development, all units can be listed on the SHI. Only 25% of Riverboat Village is deed-restricted Affordable Housing (43 units). The remaining 127 units are market-rate rentals.
- The last 52 units (12%) are in DDS Group Homes, providing homes to those with intellectual and developmental disabilities.

When considering *only* deed-restricted Affordable Housing open to the typical low-income household, South Hadley has 245 Affordable units on the SHI, with an additional 179 units of group home units or market-rate 40B rentals. Most of the SHI units are deed-restricted as affordable in perpetuity. The affordability restrictions on the supportive senior housing at Hubert Place (44 units) expire in 2048.

A 60-unit Affordable Housing development was permitted for the Woodlawn Plaza site on Newton Street in 2021, but has faced viability concerns due to increases in construction costs. Wayfinders, the nonprofit developing the site, is currently seeking additional funding for the project.

⁴⁸ MA DHCD, Subsidized Housing Inventory, January 2021, <https://www.mass.gov/service-details/subsidized-housing-inventory-shi>

Table 10: Subsidized Housing Inventory for South Hadley

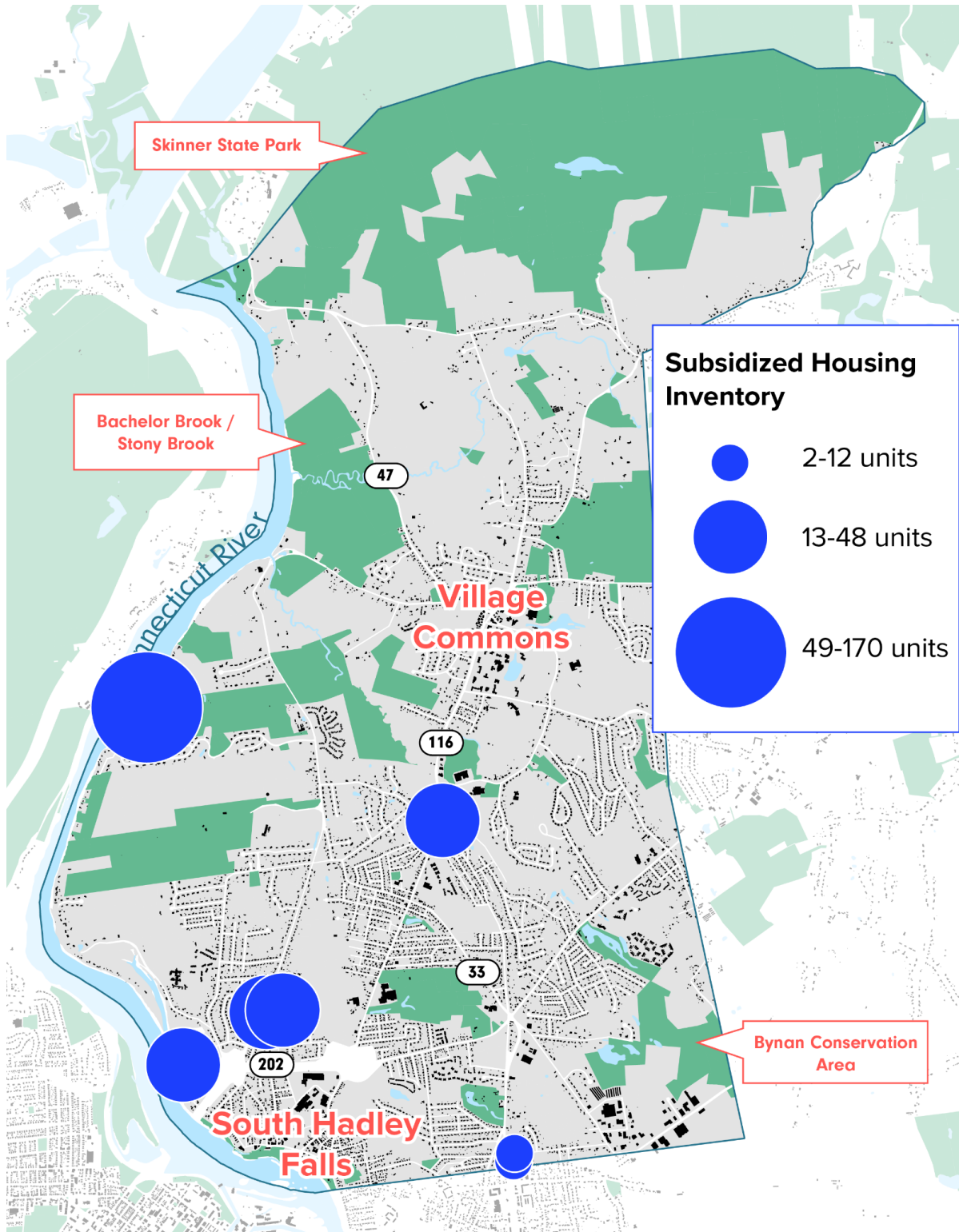
DHCD ID	Development	Parties	Units	Category	40B?
2853, 2854	Lathrop Village	SHHA	96	Elderly/Disabled Low-Income	
2855	Newton Manor	SHHA	40	Elderly/Disabled Low-Income	
2856	Abbey Lane	SHHA	8	Special Needs Congregate Housing	Yes
2857	Abbey Street	SHHA	12	Family Low-Income	Yes
2858	2 North Street	SHHA (formerly HCRHA)	2	Unknown	
9144	Hubert Place	WestMass Elder Care, SHHA	44	Elderly Low-Income, Supportive	
2859	Riverboat Village	Rosenthal Organization	170	Mixed-Income	Yes
4460	DDS Group Home	DDS	52	*	

Source: MA DHCD, Subsidized Housing Inventory

Most of South Hadley's deed-restricted Affordable Housing is located in the southern portion of Town.⁴⁹

⁴⁹ The location of DDS's group homes are confidential. Insights about Affordable Housing locations do not pertain to these homes.

Figure 27: Subsidized Housing Inventory properties by number of units



Source: MA DHCD, Subsidized Housing Inventory

Rental Market Structure (Further Analysis)

Compared to the homeownership market, where sales data is listed and collected in a standard way, the rental market is much more opaque. Using a variety of data sources, this plan can begin to make inferences about the rental market, but these are necessarily less definite than the market of homes for sale and homebuyers.

South Hadley's present rental market tends to serve lower-income households when compared to the ownership market (see [Income Status](#) below for details), and there is a significant gap between today's typical renter incomes and today's typical asking rents (see [Affordability Gap](#) below for more details). Today's market simultaneously does not meet the needs of low-income renters and may miss key opportunities for mixed-income rental development serving higher-income residents.

Using CHAS 2015–2019 5-year estimates (which is based on ACS data from those years), there were 1,805 renter households in South Hadley.⁵⁰ ACS data from that vintage shows an additional 83 units vacant for rent (though margins of error here are very large).⁵¹ The CHAS data estimates 1,140 (63%) of the renter households are low-income (with incomes of 80% AMI or less).⁵² An estimated 855 (75%) low-income renter households are housing cost-burdened, and 285 (25%) are not cost-burdened. The Subsidized Housing Inventory includes 424 units, but only 245 income-restricted units open to the Affordable Housing market, all of which are rentals.⁵³ Assuming all low-income renter households in deed-restricted Affordable Housing units are not cost-burdened, that implies there are 40 rental units that are both unsubsidized and affordable to low-income renters.

The rental affordability gap (see [Affordability Gap](#)) estimated in the rental market can be partly explained by a number of data-related factors (e.g., comparisons of asking vs. contract rents, time lags in income data, the prevalence of income-restricted units and subsidized rents). However, the high proportion of renter households who are housing cost-burdened is likely the strongest explanatory factor. Nearly half of all renter households (48%) and three-quarters (75%) of low-income renters pay more than is affordable for their homes. They simply pay more than they can afford to overcome the gap. Addressing this gap will be critical for the plan.

⁵⁰ CHAS, 2015–2019

⁵¹ ACS, 2015–2019 5-year estimates

⁵² CHAS, 2015–2019

⁵³ SHI count, excluding the DDS group homes and the market-rate units at Riverboat Village. See [Affordable Housing](#) for more information.

Table 11: Rental Market Structure Details

Income Category	Cost Burden	Unit Detail	Unit Count
Mid- to High-Income Renter Units (665 total)	Not Cost-Burdened Units (645 total)		645
	Cost-Burdened Units (20 total)	Paying 30-50% of Income	0
		Paying 50%+ of Income	20
Low-Income Renter Units (1,140 total)	Not Cost-Burdened Units (285 total)	SHI income-restricted ⁵⁴	245
		Implied open market not cost-burdened	40
	Cost-Burdened Units (855 total)	Paying 30-50% of Income	430
		Paying 50%+ of Income	425
Vacant for Rent Units			83

Source: CHAS, 2015–2019 5-year estimates; Subsidized Housing Inventory; ACS 2015–2019 5-year estimates

An additional consideration is whether South Hadley’s renter market is sufficiently well developed for middle and higher income households. While the typical current renter can only afford rents of \$850 per month, there is a large cohort of higher income households, some of whom may want or need different and/or flexible housing options, particularly as they age. Though meager economic growth in the Greater Springfield region is an overall drag on development, other communities in the Pioneer Valley have seen more interest in market-rate developments serving higher-income households.

Many of those developments are rooted in college-adjacent economies. Though few Mount Holyoke students live in non-college housing, South Hadley’s economic entanglement with the college, its faculty/staff, and that of other colleges in the region suggests that market-rate development at a relatively high price point would also work here. The type of housing product produced in these settings tends to be highly amenitized (either internally or as part of an amenity-rich neighborhood). Any such development in South Hadley would need either a mixed-use tie-in or coordinated development with third-party nearby amenities to be competitive.

⁵⁴ SHI count, excluding the DDS group homes and the market-rate units at Riverboat Village. See [Affordable Housing](#) for more information.

Beyond the local economic justification, the recent rise of home prices and high homebuying competition suggests that high macro-level demand for housing may be unmet by the current market.

Population Projections

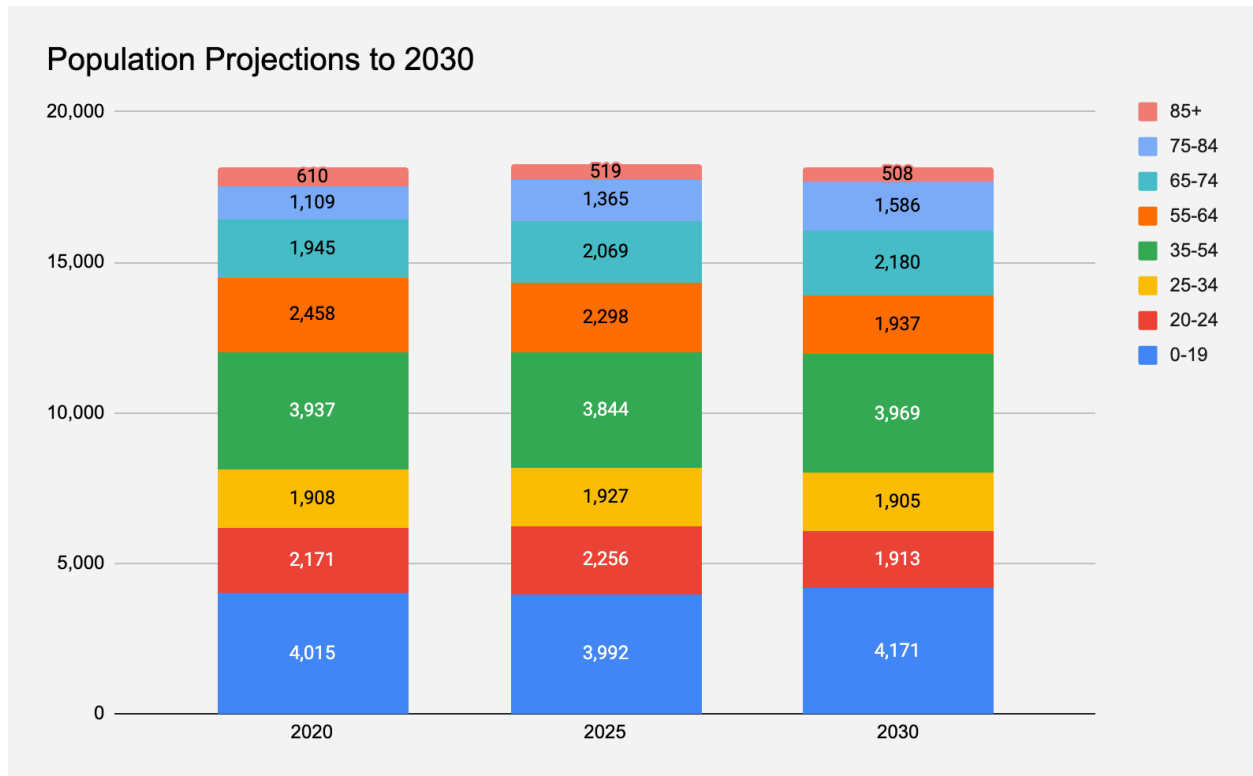
As South Hadley plans its housing future, it must take into account demographic changes. The University of Massachusetts Donahue Institute (UMDI) projects the population by age and sex for the state, each county, and each town.⁵⁵ UMDI projections are based on the assumption that past rates of births, deaths, and migrations by age group will continue into the future. These projections are not predictions, but baseline cases on which communities can make informed decisions. Changes in housing production, local business development, wage growth, interest rates, public health, and more can cause the future to be different than the past, and thus cause population growth to diverge from these projections.

UMDI projects that South Hadley will grow by 0.09% (16 people) between 2020 and 2030, though their projections include an initial increase of 117 people from 2020 to 2025, followed by a population decline. South Hadley's 2020-2030 growth compares to a projected population decline of -1.2% for Greater Springfield and a projected growth of 2.35% in Massachusetts generally.

The age cohorts present in South Hadley's UMDI projections will change slightly from the present age structure. From 2020 to 2030, the number of people aged 25-54 is projected to increase slightly (29 people), but decline in proportion (33% to 32%). The number of people aged 55-64 is projected to decline by 521 people, falling 14% to 11% of the population. The number and proportion of seniors is expected to rise, from 3,664 (20%) to 4,274 (24%) seniors. The number of people aged 0-24 is projected to decline by 102 people. Most of that decline is driven by the 20-24 cohort, but because of the role of Mount Holyoke College in supporting that population, there are reasons to be skeptical about that aspect of the projections.

⁵⁵ UMass Donahue Institute, "Massachusetts Population Estimates Program," <https://donahue.umass.edu/business-groups/economic-public-policy-research/massachusetts-population-estimates-program/population-projections>

Figure 28: Population Projections by Age to 2030



Source: UMass Donahue Institute

As noted above, these are projections based on current trends, but those trends can be impacted by policy. If the community wishes to change these trends and accommodate more downsizing among seniors, more young people and new families, and more people of all backgrounds, the Town can use housing production goals, strategies, and targets to do so.

Qualitative Needs Identification

As part of the HPP's Fall-Winter engagement activities, the community weighed in on its housing needs directly.

Community

In the first survey, participants were asked three open-ended questions about their neighborhood and community. Major themes of this discussion included:

- People and networks of care and support are key for good neighborhoods and foundational for communities.
- Walkability and access to amenities were important neighborhood features.
- Community could be geographic or based on shared interests/goals.
- Participation and commitment to making things better are important aspects of community.
- A welcoming, diverse environment that allows for differences of people and perspectives was seen as important.
- Having open space, natural areas, and agricultural areas nearby or interwoven with neighborhoods was important.
- Quality of life issues—including lack of noise, maintenance of buildings and the public realm, or similar—are important.
- Concerning housing specifically:
 - Affordability and increasing affordable options was an important concern.
 - There is a desire for alternative housing types, including desires for specific housing types such as ADUs and mixed-use development.
 - Many respondents, including those that want housing change generally, did not want anything to change about housing in their neighborhood.

Not all respondents agreed within their answers to these questions, of course and that reflects the diversity of opinion among South Hadley residents. For instance, some people wanted a more welcoming environment and/or more affordable housing options, while others thought expensive housing kept out people they did not want in town. The latter opinion was a clear minority among respondents, but it does point to real sentiment held by some, and potential political challenges for implementing any housing reforms.

A similar open-ended question was asked of Community Forum #1 participants. In discussions there, the themes mentioned most often were:

- Connections to others/neighbors and friendship
- Diversity (by demographics, income, ideas, etc.)
- Access to amenities

Other themes identified in these discussions were participation, respect, culture, public life, care and support of others/neighbors, shared values/goals, and working for the good of all.

Housing Priorities

The first survey also asked participants about their housing priorities, both for the plan overall and for new development. The issues that were rated as the most overall high priority were

- Housing affordable to low-income households
- Housing for families
- Housing for young people starting out

Participants at Community Forum #1 were asked a similar question. The discussions there highlighted housing for young people, housing for low-income households, and housing for moderate-income households as three of the most important issues to address. Home rental choices, home purchase choices, homes accessible to people with disabilities, homes for families, and multigenerational living options were also broadly prioritized (though not always with the highest priority).

New Development

Importantly, survey participants were asked about the most important consideration for new development. To answer, they were given a list of options and asked to pick up to three, and could write on their own. “Affordability” was the most popular response, with 73% of responses including it. Next was “Adding diversity to the local housing stock,” and then “Creating an inclusive environment.”

Table 12: Considerations for new development responses

Considerations	Percent of responses
Affordability	73%
Adding diversity to the local housing stock	55%
Creating an inclusive environment	43%
Blending in with the neighborhood	35%
Improving access to amenities (like small businesses or open space)	34%
Design / aesthetics	28%
Other	9%

Development Design

Participants at Community Forum #1 were shown 20 photographs of housing, largely in Massachusetts. No contextual information was provided, such as how many housing units each building contained. The purpose of this exercise was to gauge participant thoughts on design elements specifically, as well as the impact of perceived (rather than stated) housing density. Though few of these design worksheets were turned in for review, they yielded interesting directional results.

Participants seemed most excited about mixed-use development overall, with 3.5 story mixed-use development in a New England vernacular style ranking highest. Cottage housing was also popular. Townhomes in colonial and New England vernacular styles were popular, as were single-family retrofits, and certain duplex and small multifamily styles. Larger multifamily housing (many units in a 3-story stick-built structure) was less popular, even in the given neo-traditional style. Contemporary/modern styled buildings garnered less support overall.

Figure 29: Housing designs with percentage of respondents in support and housing description



43%
Duplex
(Bungalow 1)



43%
Duplex
(Colonial)



14%
Multifamily
(Neo-traditional,
3-story)



57%
Townhome
(Colonial)



43%
Triplex
(NE vernacular,
2.5 stories)



86%
Mixed-use
(NE vernacular,
3.5 stories)



57%
Triplex (single-
family retrofit, NE
vernacular)



57%
Duplex
(Bungalow 2)



14%
Townhome
(Contemporary)



43%
SFR + ADU
(Backyard,
vernacular)



43%
Apartments
(NE vernacular)



71%
Cottage housing
(NE vernacular 1)



71%
Mixed-use
(Neo-traditional,
4 stories)



57%
Townhome
(NE vernacular)



57%
Apartments
(Colonial)



57%
Apartments
(Adaptive Reuse)



29%
Small
Single-Family



71%
Cottage housing
(NE vernacular 2)



57%
SFR + ADU
(Garage Conversion)



29%
SFR + ADU
(Backyard,
contemporary)

Chapter 3: Goals

Based on the Housing Needs and Demand Assessment and input from the public, this HPP states the following goals for housing in South Hadley:

Market affordability. Encourage housing that is more likely to be affordable to the typical household without subsidies.

Deed-restricted Affordable Housing. Facilitate production of deed-restricted affordable housing to ensure a base level of diversity and access.

Housing options. Create more housing options that meet a wider range of needs, including housing for people of varied ages, household structures, and physical abilities.

Equity and inclusion. Enhance the ability for people to live in South Hadley who might otherwise face challenges living here or have been historically marginalized through housing.

Connections to neighborhoods. Promote development that adds amenities, connections, and infrastructure to South Hadley neighborhoods.

Multiple benefits. Ensure new and existing housing adds to the town's safety, sustainability, public health, and economic development.

Chapter 4: Housing Production Targets

This HPP's housing production targets are numeric goals for deed-restricted Affordable Housing production. The targets are based on a goal of achieving M.G.L. Chapter 40B's 10% minimum for homes on the local Subsidized Housing Inventory (SHI). This HPP includes an overall target, interim targets aimed at temporary safe harbor, as well as further considerations for the breakdown of unit types.

Target 1: Reach 10% SHI Units

As of the Executive Office of Housing and Livable Communities's latest SHI release (06/29/2023), South Hadley has:

- 7,375 year-round housing units (based on the 2020 US Census)
- 426 of those homes are units on the SHI
- This results in an SHI percentage of 5.78%.

South Hadley must produce **312 SHI-eligible units** to achieve the 10% minimum under Chapter 40B, and thus that is the overall target presented for this HPP. To reach this goal, South Hadley will need to produce **63 SHI-eligible units annually**.

Table 13: Interim housing production targets

	2023	2024	2025	2026	2027	2028
2020 Year-Round Units	7,375	7,375	7,375	7,375	7,375	7,375
SHI Units	426	489	552	615	678	738
10% Goal	738	738	738	738	738	738
Annual Target (to reach 10%)	-	63	63	63	63	60
SHI Gap	312	249	186	123	60	0

Building this many SHI-eligible units—or this many housing units generally—would represent a significant shift in development trends and housing policy in South Hadley.

Target 2: Reach HPP Certification Thresholds

Municipalities can achieve temporary “safe harbor”—the ability of the local Zoning Board of Appeals to deny or condition Comprehensive Permit applications—by producing a portion of the needed Affordable Housing units. The number of SHI-eligible units produced in a single year determines the length of safe harbor. A community receives one year of safe harbor if it builds units equal to 0.5% of its total units in one year; it receives two years if it builds units equal to 1% of its units in one year..

To be eligible for certification, South Hadley must produce **37 SHI-eligible units for one-year** safe harbor or **74 SHI-eligible units for two years** safe harbor. Units must be built in a single year, and they are counted for the year in which they are eligible for the SHI.⁵⁶

Unit Breakdown

Bedroom Mix

The South Hadley community broadly prioritized housing for low-income households, housing for families, and housing for young people through the Fall-Winter public engagement activities. (See [Qualitative Needs Identification](#) for more information). There is also an acute need for housing for seniors and people with disabilities visible in the data. (Finding adequate housing options for seniors would often have the effect of opening homes to families as well.)

With this in mind, the Town should target an overall development ratio of 25% one-bedroom or studio units, 50% two-bedroom units, and 25% three-or-more-bedroom units. Though this plan’s targets concern Affordable Housing, the Town should look to this ratio for market-rate housing, as well. These ratios will make development more difficult to pencil out than preferencing smaller bedroom counts. The Town may need to adjust these ratios if they find a pattern of unviability.

Tenure

Given the extreme cost-burden seen in the low-income rental market, South Hadley should prioritize (as much as possible) rental housing in any Affordable Housing stock.

⁵⁶ That moment varies depending on the affordable housing development and follows state regulation [760 CMR 56.03\(2\)](#). Typical moments include the granting of zoning approval, approval of a Comprehensive Permit, issuance of a building permit, or issuance of a certificate of occupancy.

Market-rate units need not be prioritized for rental or ownership units, though the Town should revisit this position if all developments are proposed as one tenure or another.

Age Restrictions

Age restricted units can be important for some senior households, but they are not always necessary for seniors if the homes are well designed, and they can limit availability for families. The Town should discourage age restrictions in new Affordable Housing developments, but encourage Universal Design across the board.

Considerations

Both Targets 1 and 2 are ambitious for South Hadley, especially if the SHI-eligible units are entirely deed-restricted Affordable Housing (rather than mixed-income housing developed through a Chapter 40B Comprehensive Permit). They are appropriately ambitious, though. With these targets in place, the community will hopefully act determinedly to meet them.

It should be noted, however, that meeting these targets will not entirely address the widespread affordability issues evident in the data. A significant portion of households will remain housing-cost burdened, and a majority of low-income households will remain subject to changes in the housing market.

Chapter 5: Development Considerations

An HPP requires the identification of housing constraints and opportunities. This chapter describes the natural, infrastructural, institutional, and regulatory considerations for new housing.

Natural and Physical Constraints

Key environmental factors

South Hadley has rich natural features that must be protected, and many of them are regulated in one way or another. This includes the southern slope of the Mount Holyoke Range, Connecticut River waterfront, a network of brooks and streams, a wealth of publicly protected open spaces, and pastoral landscapes.

- An estimated 31% of South Hadley is estimated to be public or protected open space.⁵⁷
- 46% of South Hadley falls within the Biomap2 Critical Natural Landscape, Biomap2 Core Habitat, and/or an NHESP Primary Habitat for Rare Species.⁵⁸
- 11% of South Hadley is listed by DEP as open water or wetland.⁵⁹
- An estimated 17% of South Hadley is within 200 feet of a protected river.⁶⁰
- **Overall, an estimated 58% of land is affected by these constraints.**

In some cases, these constraints totally prevent the development of any housing, while in other cases it may push it to one part of a site. Many of the opportunities identified in this HPP are constrained in this way.

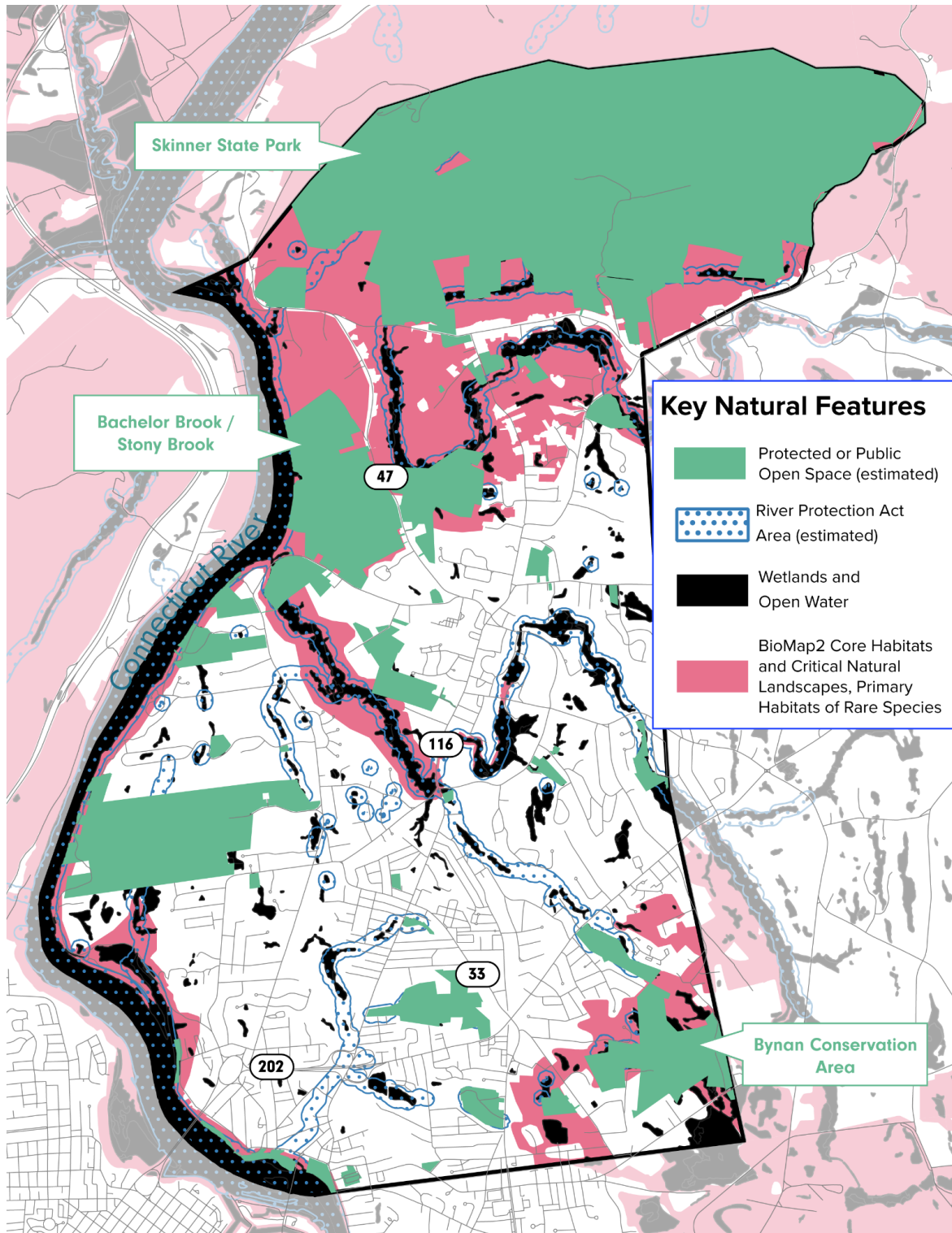
⁵⁷ MassGIS and Outwith Studio calculations. This calculation used the MassGIS public and protected open space layer as a starting point, expanded that analysis to include all the land within parcels overlapping with that MassGIS layer, and then spot-checked the result to add or remove any clear discrepancies with actual conditions.

⁵⁸ MassGIS and Outwith Studio calculations.

⁵⁹ MassGIS and Outwith Studio calculations.

⁶⁰ MassGIS, OpenStreetMap, and Outwith Studio calculations.

Figure 30: Key Natural Features



Sources: MassGIS, MA Department of Environmental Protection, OpenStreetMap, Outwith Studio analysis

Brownfields

South Hadley has a long history of manufacturing and commerce. Unfortunately, one result of this is environmental contamination. The state's database of contaminated sites lists five in South Hadley. Four sites carry an Activity and Use Limitation (AUL).

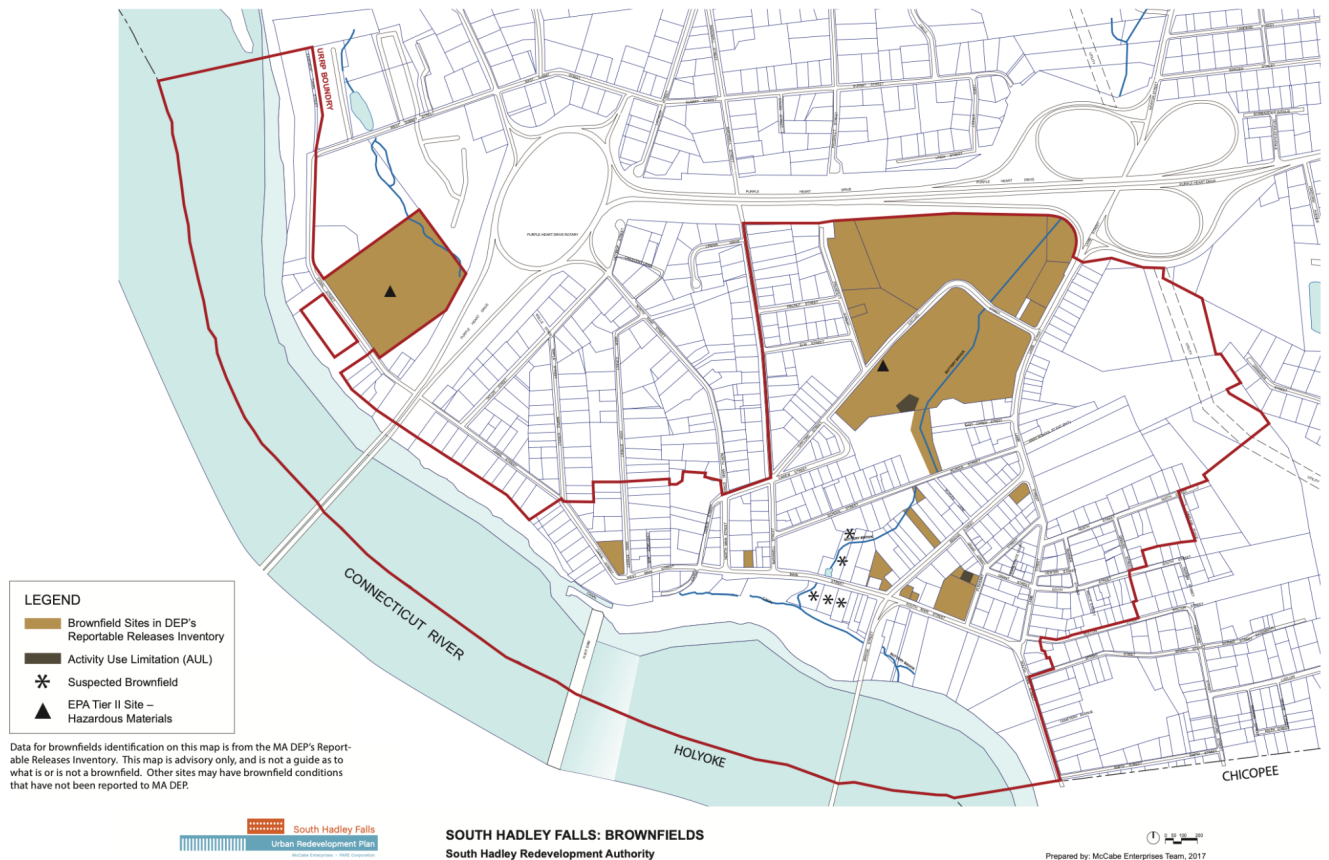
- 17 Morgan Street (Mt. Holyoke College), contaminated with oil
- 650 New Ludlow Road (Primus Industries), contaminated with oil
- 28 Gaylord Street (James River Graphics), contaminated with hazardous materials
- 10 Pleasant Street (Former Police Station), contaminated with oil

Two of the AULs (28 Gaylord and 10 Pleasant) list residential development as an inconsistent use. One AUL (17 Morgan) lists residential activity as a permitted use, so long as it does not involve excavating below 5 feet. One AUL (650 New Ludlow) does not list residential development as either a permitted or inconsistent use.

There is also one Chapter 21E site, 609 Newton Street, the site of a gasoline spill.

The South Hadley Falls Urban Redevelopment and Renewal Plan specifically addresses the brownfield issues facing development there, and includes reported and suspected brownfields. Key housing opportunity sites in this plan are known or suspected brownfields, including Mill 6, the Haas Electric Site, and the SHELD site. For any development to advance here, the scale of contamination will need to be assessed and funds secured for remediation (through MassDevelopment or another source).

Figure 31: South Hadley Falls Brownfields



Source: South Hadley Falls Urban Redevelopment and Renewal Plan, 2019

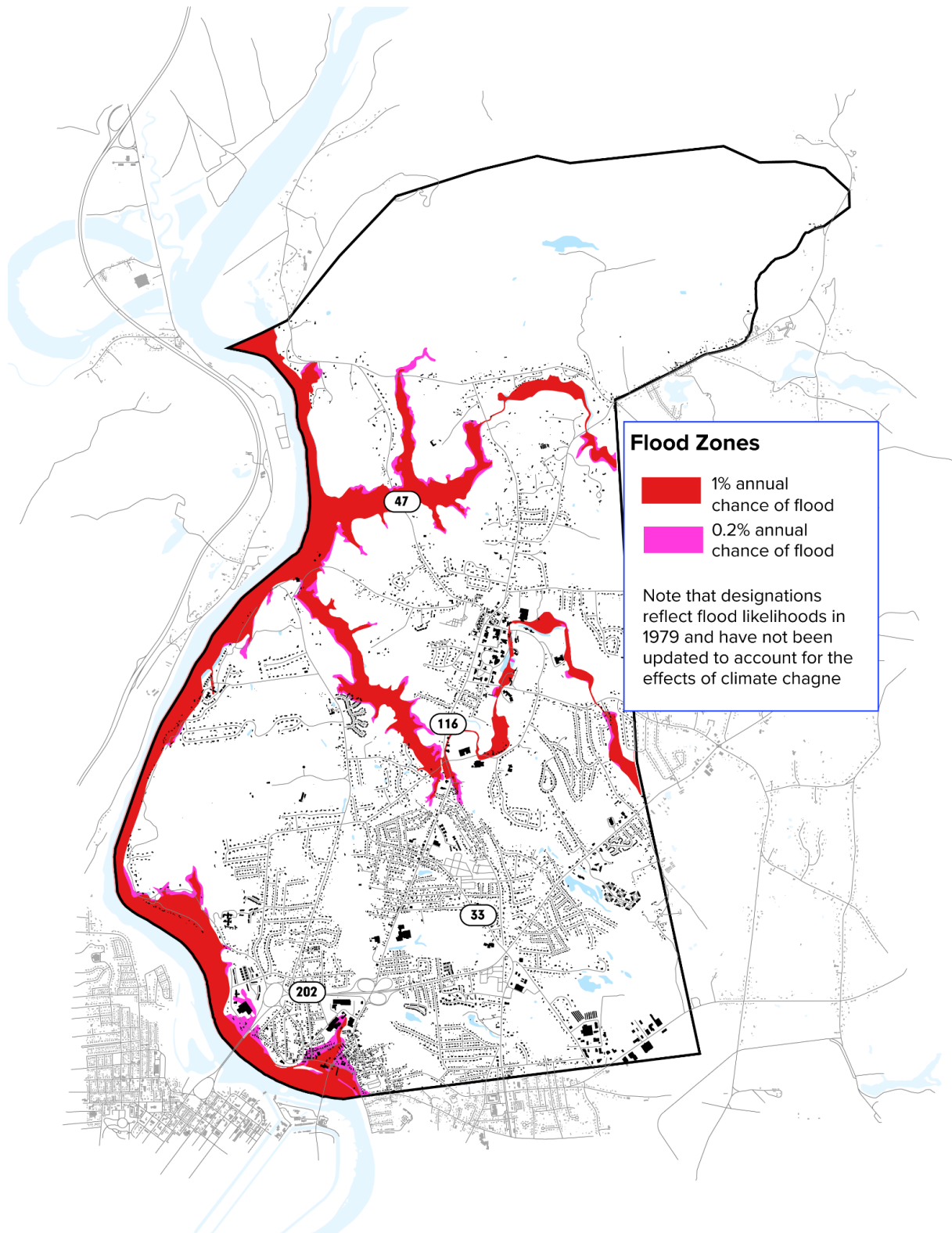
Flood Zones

South Hadley has a history of flooding, especially in the low-lying lands in South Hadley Falls. The Federal Emergency Management Agency's flood maps have not been updated since 1979, and it is likely the extents of flood zones have expanded since they were published. Bearing that in mind, the maps show significant areas along the Connecticut River, Bachelor Brook, and Buttery Brook as places with a 1% or 0.2% chance of flooding every year. Because of climate change, flooding is likely to become more frequent and extreme, pushing further into the town. Any new housing development will either need to avoid flood zones altogether or construct their buildings to be resilient during repeated flood events.

Figure 32: A photograph of flooding in South Hadley Falls, 1936



Figure 33: Flood Zones



Source: MassGIS FEMA Q3 Flood Zones from Paper FIRMs

Infrastructure Capacity

Water

South Hadley is served by a southern and northern water system, identified as Fire Districts 1 and 2.

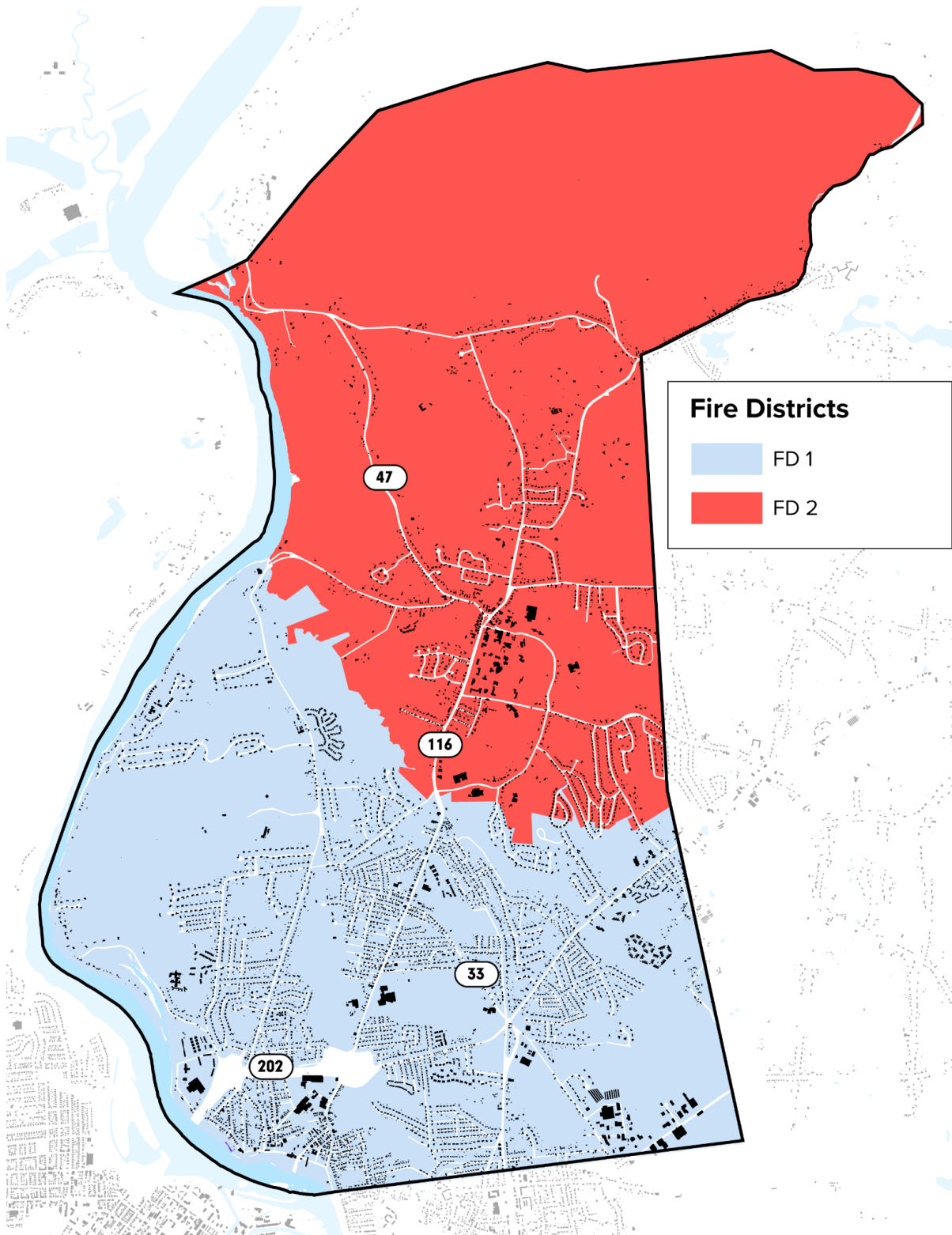
- Fire District 1 serves the southern section of town and pulls water from the Quabbin Reservoir, operated by the Massachusetts Water Resource Authority. There are 81 miles of water mains in Fire District 1
- Fire District 2 serves the northern section of town and pulls water from local groundwater sources.

Though there is adequate water supply to support new housing development, any development in Fire District 2 that is not on sewer service is subject to the Water Supply Protection zoning overlay.

Wastewater

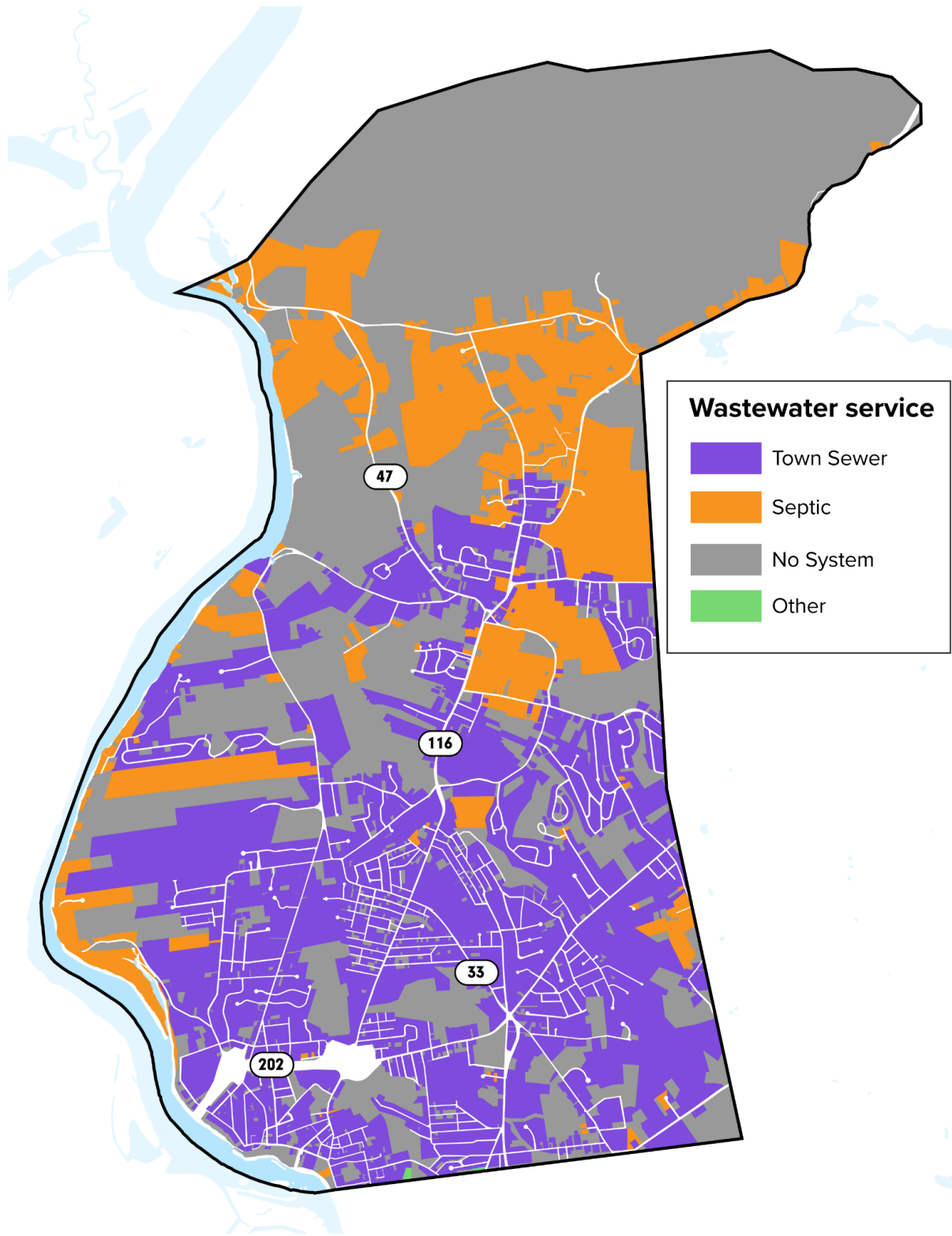
The Town operates a single sewer system, which serves most of the southern and central parts of South Hadley. The northern areas of town, a collection of parcels in the vicinity of Mount Holyoke College, and a scattering of parcels in the southern areas are on septic wastewater systems. Though the limitations of the sewer system make larger scale development mostly infeasible in the northern areas, the extents of the system enable many sites in the southern and central areas. Wastewater does not, therefore, represent a significant constraint on development.

Figure 34: Fire Districts 1 and 2



Source: Town of South Hadley

Figure 35: Parcels by wastewater disposal system



Source: Town of South Hadley

Transportation Infrastructure

Automobiles

South Hadley is connected to major highways and roads, making it accessible by car and truck. Route 202 connects to Holyoke to the south and Granby to the east, and forms a major east-west byway in the southern portion of town. There is an additional connection to Holyoke through Bridge Street. Route 116 is the town's principal north-south axis, and continues on to Amherst. Lathrop and Alvord Streets form a secondary north-south axis, along with Route 47, which leads to Hadley. Route 33 is an important perpendicular to Route 116, and then curves and leads south to Chicopee. Major points of congestion include the Route 202/Main Street roundabout, the 202/116 junction, the 202/33 junction, and various intersections along Route 116. Traffic was routinely identified as a concern by the public, but it does not pose a hard constraint on housing development.

Public Transportation

The Pioneer Valley Transit Authority (PVTA) operates bus services in the region, including South Hadley, providing transportation options for residents and visitors to travel within and around the town.

- The R29 connects South Hadley to Amherst and Holyoke and runs along Rt. 116. (Running every two hours.)
- The 38 connects Mount Holyoke College to other institutions in the region, and runs from the Village Commons area north along Rt. 116 to Amherst. (Running roughly twice an hour.)
- The 39E connects the Village Commons area to Hadley along Rt. 47 and on to Smith College in Northampton. (Running roughly hourly.)
- The X90 connects South Hadley Falls to Holyoke, as well as Chicopee, Springfield, and East Longmeadow. (Two subroutes each running hourly.)

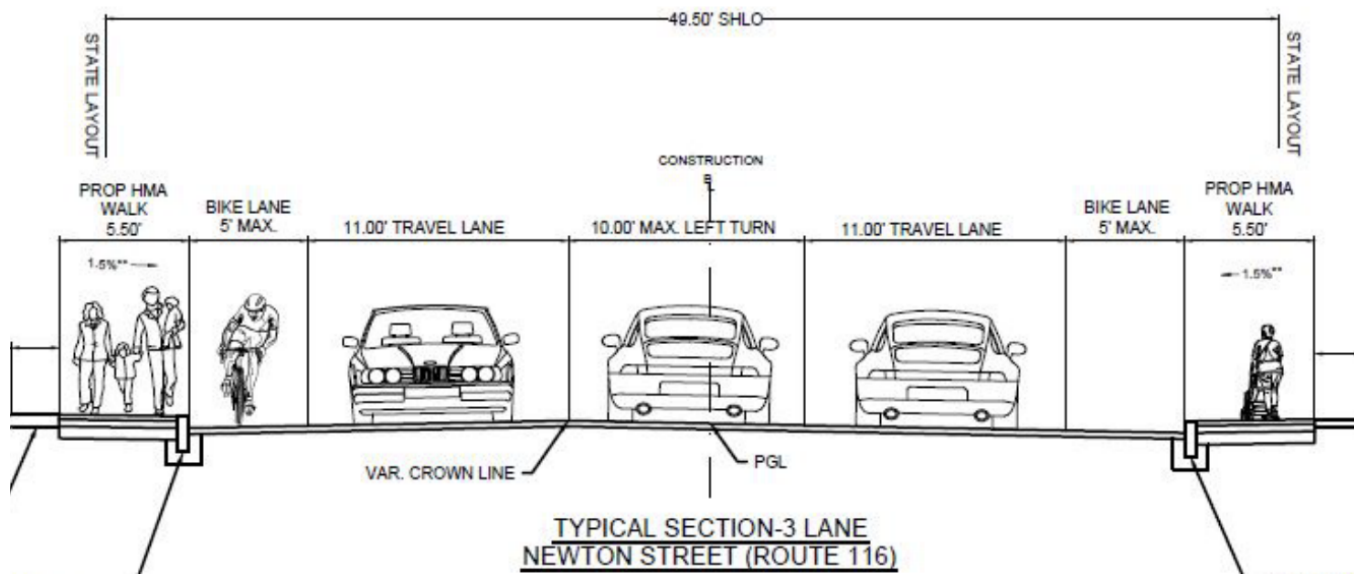
Bus frequency and reliability are issues for everyday usage, especially when needing to use them at night or weekends.

Walking and Biking

South Hadley has made safe and easy walking and bicycling a priority for investment. Following work through the Bike-Walk committee, a 2018 Complete Streets Prioritization Plan, and community activism, bicycle tracks have now been built on Route 202 (Granby Road) and portions of Route 116 along the most populated sections.

Investments in walking and bicycling infrastructure grow the capacity for desirable development, in part by reducing the need for automobile trips, encouraging community life, and providing foot traffic for nearby commercial uses.

Figure 36: Designs for the Route 116 reconstruction



Source: South Hadley DPW

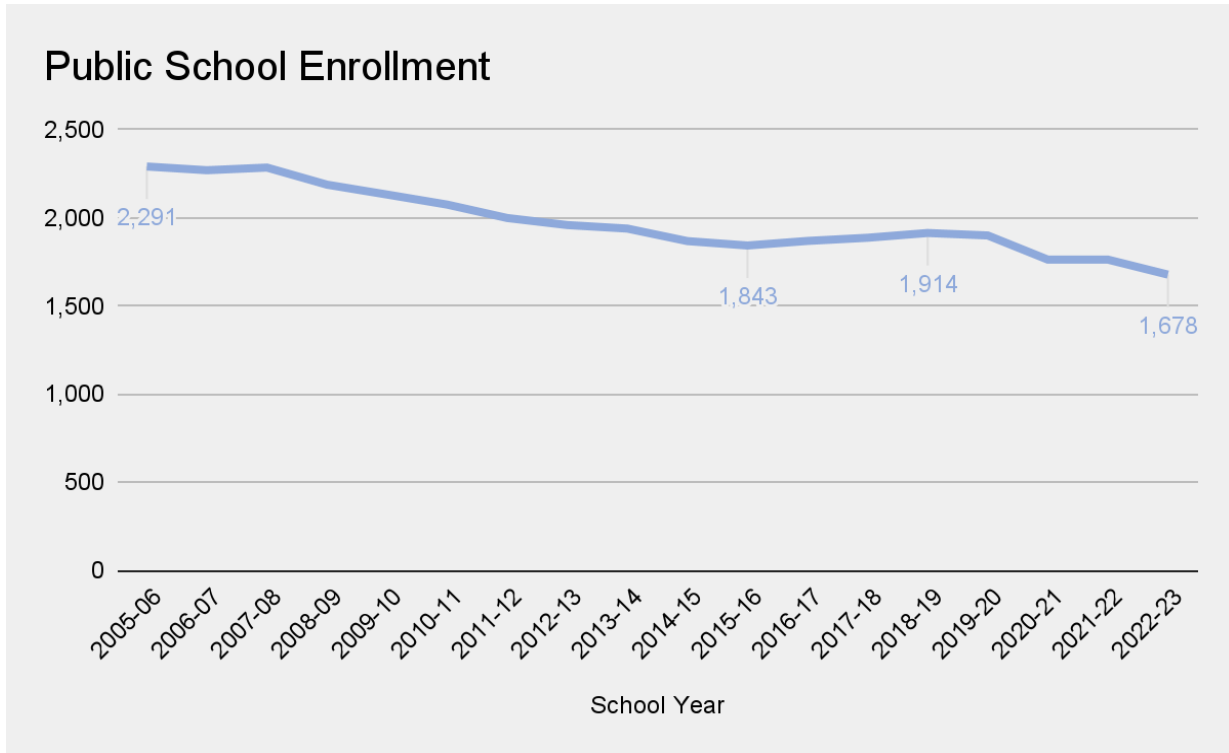
Rail

South Hadley does not have a dedicated rail station. Springfield is the nearest significant hub, serving as the terminal for the Hartford Line and a stop on the Lake Shore Limited, Valley Flyer, and Vermonter Amtrak lines. Holyoke and Northampton stations also serve the Valley Flyer and Vermonter lines.

Institutional Capacity

Schools

Figure 37: Public school enrollment, 2005–2022



Source: MA DESE

The South Hadley public school system contains four schools, each offering a mutually exclusive set of grades. As of the 2022-23 school year, Plains Elementary enrolled 307 students in Pre-Kindergarten to first grade; Mosier Elementary enrolled 345 students in second to fourth grade, Smith Middle School enrolled 526 students in fifth to eighth grade, and South Hadley High School enrolled 500 students in ninth to twelfth grade. Enrollment in the public school system has trended down since at least 2005, with 613 fewer students in the 2022-23 than in 2005-06. From a facilities perspective, this should indicate that schools are not a constraint on development, as long as prior facilities accommodate the student population and remain operational. Recent plans and public discussions have not raised capacity, either in facilities or from operations, as an issue, though in 2019 the Town established a stabilization fund to save for a replacement building for Mosier. This process’s discussions with municipal staff and residents have similarly flagged no constraints generated by the school system.

The town is also home to the Pioneer Valley Performing Arts public charter school, which enrolls 500 students from across Western Massachusetts. Its enrollment is tracked separately from the public school system, and it does not impact housing development.

Municipal Capacity

The Town of South Hadley is a municipal body responsible for implementing the will of the community, as embodied in Town Meeting.

Town Staff and Budget

The Town's projected FY24 budget is roughly \$53 million with roughly \$39 million available for the operating budget. The departments most impacting housing development are Planning and Conservation, Inspection Services, Assessing, and Public Works.

- The Planning and Conservation Department operates with a staff of three people and a budget of roughly \$271,000 in FY 2024. This team leads the development and administration of plans, land use regulations, permitting processes, GIS analysis, and interdepartmental efforts related to community and economic development. The department is accomplished, but has limited additional resources to proactively advance housing development and related goals.
- The Inspections Services (Building) Department operates with a staff of four people and a budget of roughly \$219,000 in FY2024. This team administers building permits according to state building codes, inspects construction, runs annual safety inspections, and assists in reviewing existing and new bylaws.
- The Board of Assessors operates with a staff of three people and a budget of roughly \$189,000 in FY 2024. The department evaluates real and personal property located in South Hadley to properly distribute the property tax levy among owners.
- The Department of Public Works manages a number of aspects of Town government. Most relevant to development, the Highways Division manages roads and bridges, drainage, the sewer system, road and sidewalk construction and maintenance, and tree work. The Highways Division has a team of nine people. The Department overall has identified a need to be more proactive and less reactive.

The staffing and operating budget of the municipal government are not a constraint on housing production per se, but staffing at current levels could limit the realization of housing opportunities. Funding and hiring more roles dedicated to proactive action could enable the Town to take advantage of opportunities as they arise.

Boards and Commissions

The Town has several boards and commissions that impact housing development. Four of these in particular have direct planning and regulatory roles:

- The Selectboard oversees the management of the Town, is responsible for several aspects of licensing and permitting, and draws up the warrant for Town Meeting.
- The Planning Board oversees long-range planning and acts as the Special Permit Granting Authority in most cases and as the Site Plan Review authority.
- The Zoning Board of Appeals hears Comprehensive Permit applications under Chapter 40B and appeals by property owners related to enforcement of the zoning bylaw by the Town.
- The Conservation Commission oversees the Wetland Protections Act locally and works with the Planning and Conservation department to oversee the Town's conservation lands.

Beyond these, many boards are relevant to housing, either in their oversight of Town funds, their work with populations most impacted by housing need, or oversight of issues indirectly related to housing development. These include the Bike-Walk Committee, Bylaw Review Committee, Capital Planning Committee, Commission on Disabilities, Council on Aging, Master Plan Implementation Committee, and Sustainability and Energy Commission.

Depending on the capacity of individual board or commission members, these bodies can be important venues to advance housing planning and housing tools. Committed volunteer members supported by knowledgeable staff can advance recommendations much more efficiently than staff alone.

Housing Authority

The Housing Authority is a public body that is formally separate from municipal government and is organized under M.G.L. Chapter 121B Section 3. The South Hadley Housing Authority owns and operates Affordable Housing developments under a range of state-level subsidy programs. See [Affordable Housing](#) for more information on the Housing Authority's properties. Housing Authorities can be good partners in taking advantage of Affordable Housing development opportunities. In some ways they have

flexibility to act more nimbly than Town government, and they have the power to develop and manage new housing. However, in South Hadley (as in most towns) the Housing Authority is limited by its operating capacity and availability of public funds.

Redevelopment Authority

The Redevelopment Authority is a public body that is formally separate from municipal government and is organized under M.G.L. Chapter 121B Section 4. South Hadley's Redevelopment Authority was established in 2014 and is focused on the South Hadley Falls area. The Redevelopment Authority (working with the Planning and Conservation Department) developed an Urban Redevelopment and Renewal Plan for the Falls, as well as a development scenario analysis of the South Hadley Electric Light Department (SHELD) property. The Redevelopment Authority does not presently have significant funds, and therefore cannot act on its powers to purchase, take, clear, develop, sell, and lease property for the benefit of the public.

Zoning Regulations

Zoning is a type of law that regulates which land uses can go where, how large buildings can be, how buildings sit on the parcel, the amount and design of off-street parking, all-around site design, and how development is permitted. These laws mostly function by dividing a town into "districts" and creating rules for each district. "Base" districts are established, so that each piece of land in a town is in one, and only one, district. Towns can also add "overlay" districts, which modify the regulations in the areas they cover, and they can cover part of a base district, all of that district, or more than one district. Zoning districts do not necessarily follow existing parcel boundaries. A zoning law can include text, maps, tables, and drawings.

In Massachusetts, zoning laws are authorized under M.G.L. Chapter 40A. They are a fundamental piece of today's land use regulation, but they are not the only regulations, interaction with subdivision rules, conservation rules, wastewater rules, other state regulations, homeowners association rules, and individual deeds.

South Hadley is divided into 12 base zoning districts and it has an additional four overlay districts that interact with housing.

- Four base districts are named for their emphasis on housing: Residence A-1, Residence A-2, Residence B, and Residence C.

- Four districts are named for their emphasis on business: Business A, Business A-1, Business B, and Business C.
- Three districts are named for their emphasis on industrial uses: Industrial A, Industrial B, and Industrial Garden.
- One district is named for its rural emphasis: Agricultural.
- There is a Water Supply Protection Overlay that interacts with housing development.
- There is a South Hadley Falls Overlay District that modifies the zoning regulations in that area of town.
- There are two M.G.L. Chapter 40R “Smart Growth” districts: the South Hadley Falls Smart Growth District and the Newton Street Smart Growth District.
- There is an Adult Entertainment Use Overlay District that does not regulate housing development.

South Hadley’s zoning allows for housing development opportunities. However, for Affordable Housing or mixed-income developments (which tends to require lower land costs per unit, and thus higher densities), these opportunities are at the discretion of the Planning Board, rather than by-right. There have been some targeted zoning interventions through the Chapter 40R Smart Growth District program, but the benefits of those districts have yet to be realized.

Figure 38: Base Zoning

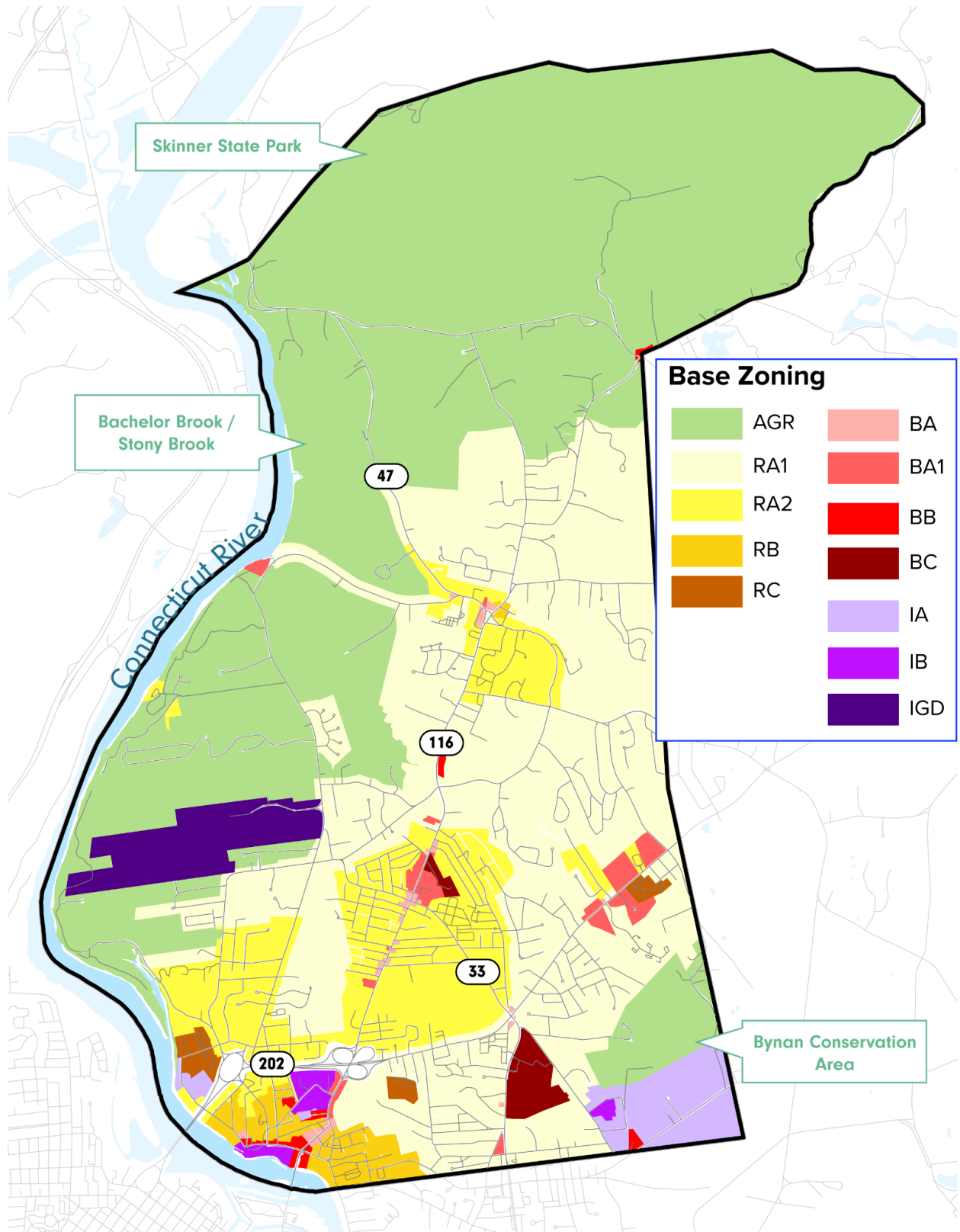


Figure 39: Base zoning and housing-related overlay districts

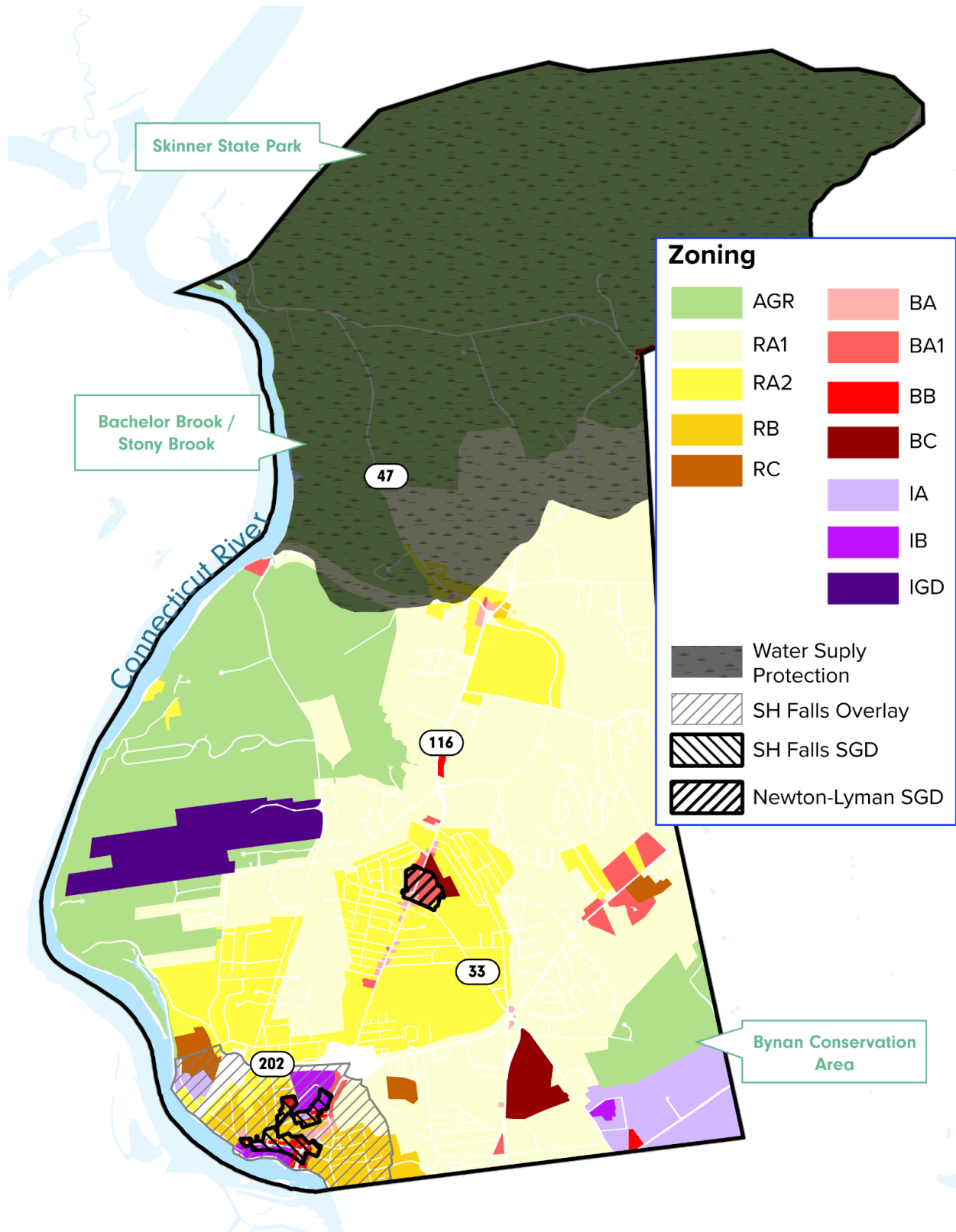


Table 14: Base zoning districts by size

Zone	Size (ac)	Size (%)
AGR	511	51%
RA1	299	30%
RA2	98	10%
RB	15	1%
RC	5	1%
BA	2	0%
BA1	9	1%
BB	3	0%
BC	7	1%
IA	21	2%
IB	5	0%
IGD	24	2%

Table 15: Permitted residential uses by district

	RA1	RA2	RB	RC	AGR	BA1	BA	BB	BC	IA	IB	IGD	WS PO	SHF SGO D	NL SGO D
Single-family residences (SFR)	Y	Y	Y	Y	Y	N	Y	Y	SP	N	N	N	Y	Y	Y
SFR-to-duplex conversions	N	SP	Y	N	SP	N	Y	Y	N	N	N	N	SP		
Duplex	SP	SP	Y	N	N	N	SP	SP	N	N	N	N	SP	Y	Y
Triplex	SP	SP	SPR	Y	N	N	SP	SP	N	N	N	N	SP	Y	Y
Multifamily (4+ units)	SP	SP	SP	SPR	N	N	SP	SP	SP	N	N	N	SP	Y	Y
Retirement communities	N	SP	N	N	N	N	N	N	N	N	N	N	SP		
"Flexible developments" / Cluster	SP	SP	SP	SP	SP	N	N	N	N	N	N	N	SP		
Mixed Use									SP					Y	Y

Y = Allowed by right

SP = Allowed by Special Permit

SPR = Allowed by Site Plan Review

N = Not Permitted

[no entry] = unspecified or unclear

*The South Hadley Falls Overlay district is not included in this table due to its complexity.

Table 16: Dimensional Requirements Summary

District	RA1	RA2	RB	RC	AGR	BA1	BA	BB	BC	IA	IB*	IGD	WSPD	SHF SGD	NS SGD
Min Lot Size	22,500	12,500	7,400	87,120	30,000	25,000	10,000	12,000	20,000	40,000	7,400	75,000	40,000		
Min Lot Frontage	125	100	75		150	125	50	100	100	200	75	250		50	
Max Bldg Frontage														300	300
Max Building Coverage	0.30	0.40	0.40	0.20	0.30	0.30	0.75	0.85	0.50	0.40	0.40	0.35			
Max Impervious Coverage	0.60	0.65	0.70	0.50	0.50	0.80	0.85	0.96	0.80	0.85	0.70	0.80			
Front Min Setback	40	25	15	30	40	0	10	0	10	25	15	75		0	
Front Max Setback														10	
Side Min Setback	20	10	10	50	20	15	6	6	25	20	10	50		0-15	20*
Rear Min Setback	25	20	20	50	25	50	10	5	50	20	20	50		0-15	20*
Max Height Feet	3	3	3	3		3	3	8	4		3	3		45	55
Max Height Stories	35	35	45	35		45	45	80	60	40	45	40			4
Max FAR														3	
Density														8-24 units per acre	8-24 units per acre
Stepback														5' step- back after 1 or 3 stories	5' step- back after 1 or 3 stories

*The South Hadley Falls Overlay district is not included in this table due to its complexity.

Residential Use Types

South Hadley's zoning bylaw explicitly allows or does not allow the following typical residential uses: single-family homes, duplexes, single-family-to-duplex conversions, triplexes, multifamily developments of four or more units, retirement communities, "flexible developments" (which are akin to "cluster" or "open space" developments). Mixed-use development is regulated explicitly in only the Smart Growth Districts.

Flexible developments are intended for larger sites and, fittingly, offer flexibility in the design and siting of development. Only sites of five or more acres in size are eligible, but within them, developers can propose any type of housing using dimensional rules specific to flexible developments. The number of housing units is determined either by producing a preliminary design that demonstrates the viability of that unit count, or by using a preset formula. Flexible developments are allowed more units than conventional development in Residence A-1, A-2, and B districts, but they are allowed fewer than conventional development in the Agricultural district. Flexible developments can receive up to 50% more units by preserving more open space, setting aside 25% of all units as affordable, or building age-restricted communities.

When developed within the Residence A-1, Residence A-2, and Agricultural districts, multifamily developments are similarly able to build a number of units determined by preliminary plan or by the formulas given for flexible development, but otherwise follow the district rules.

At the 2023 Annual Town Meeting, a warrant article allowing Accessory Dwelling Units passed. It is presently under review. For more details, see [Strategy 10: Facilitate Implementation of ADU Zoning](#).

Base Districts Allowing Residential Uses

Residence A-1

Residence A-1 covers 30% of South Hadley, including much of the developed area of town, especially those areas away from larger corridors. Single-family homes are allowed by right. Duplex, triplex, multifamily, and flexible developments are allowed by Special Permit. Single-family-to-duplex conversions and retirement communities are not allowed. Lots must be at least 22,500 s.f. (roughly a half-acre) to be developable. Front setbacks are 40 feet by default, but can be as low as 15 feet when next to commercial developments. Buildings can be up to three stories and 35 feet tall.

Residence A-2

Residence A-2 covers 10% of town, particularly adjacent to major commercial streets, though not necessarily fronting those streets. RA-2 includes much of the area along Rt. 116, just north of Newton-Lyman junction; the north side of Rt. 202 from the 33-202 junction to the Lathrop-River area; the Village Commons area, and the eastern Rt. 202 commercial “gateway” area. Single-family homes are allowed by-right. All other residential uses are allowed by Special Permit. Lots must be 12,500 s.f. (roughly a quarter-acre) to be developable. Front setbacks are 25 feet by default, but can be as low as 10 feet when next to commercial developments. Buildings can be up to three stories and 35 feet tall.

Residence B

Residence B covers only 1% of South Hadley and includes areas in South Hadley Falls and the Village Commons area. The South Hadley Falls portions of the RB district are entirely overlaid by the South Hadley Falls Overlay District and are partly overlaid by the South Hadley Falls Smart Growth District. Single-family homes and duplexes are allowed by-right. Triplexes are allowed by Site Plan Review. All other residential uses are allowed by Special Permit. Lots must only be 7,500 square feet to be developable. Front setbacks are 15 feet by default. Buildings can be up to three stories and 45 feet tall.

Residence C

Residence C is a small district covering only five acres. It includes three areas: south from River Street to the water near South Hadley Falls and including the Kenlee Gardens, Falls Woods, and Riverwood Terrace developments (this section is partly overlaid by the South Hadley Falls Overlay District), south of Rt. 202 near South Hadley Falls at the Hillcrest Park Condos, and south of Rt. 202 in the route’s eastern commercial area at Hadley Village Condos. Each of these areas is a townhome-style development. Single-family residences and triplexes are allowed by-right. Multifamily development is allowed by Site Plan Review. Flexible developments area allowed by Special Permit. All other residential uses, including duplexes and single-family-to-duplex conversions, are not permitted. The minimum developable lot area is 87,120 s.f. or 3,000 s.f. per unit plus 300 s.f. per bedroom. Townhome developments area allowed to use 2,000 s.f. per unit with no density reduction. The minimum front setback is 30 feet. Buildings can be up to three stories and 45 feet tall.

Agricultural

The Agricultural district covers much of the northern and northwestern parts of town, with another large pocket in the southeast. Single-family homes are allowed by-right and single-family-to-duplex conversions are allowed by Special Permit. The minimum lot size is 30,000 square feet, with a minimum 40-foot front setback.

Business A

The Business A district covers pockets of South Hadley Falls, areas along Newton Street and the Village Commons. Single-family homes and single-family-to-duplex conversions are allowed by right. Duplex, triplex, and multifamily homes are allowed by Special Permit. The minimum developable lot area is 10,00 s.f. or 3,000 s.f. per unit plus 300 s.f. per bedroom. The minimum front setback is 10 feet.

Business B

Business B covers pockets of South Hadley Falls, southeast near New Ludlow at Old Lyman streets, and one pocket along College Street. Single-family homes and single-family-to-duplex conversions are allowed by right. Duplex, triplex, and multifamily homes are allowed by Special Permit. The minimum lot area is 12,000 s.f., and the minimum front setback is 10 feet.

Business C

The Business C district covers the new Big Y supermarket (Willimansett @ Old Lyman) and one pocket along Newton Street at the Stony Brook Condominiums. Single-family homes and single-family-to-duplex conversions are allowed by Special Permit in a mixed-use proposal, while all other residential uses are banned. The minimum lot size is 20,000 s.f., and the minimum setback is 10 feet.

Base Districts Not Allowing Residential Uses

- Business A-1
- Industrial A, B, and Garden

Overlay Districts Affecting Housing**South Hadley Falls Overlay District**

The South Hadley Falls Overlay is a large district imposing special rules on large portions of South Hadley Falls. The changes this overlay creates are as follows.

- When this overlay covers the Industrial A or Industrial B district, Business B uses are allowed according to Residence B standards, meaning duplex, triplex, and

multifamily homes are allowed by Special Permit. (Single-family development specifically remains banned, despite Residence B's rules.)

- When this overlay covers the Business B district, a residential development does not need to follow Residence B dimensional regulations.
- When this overlay covers the Industrial A district, a residential development must follow Residence B dimensional regulations.
- All dimensional regulations may be waived by the Planning Board if an applicant can demonstrate a proposed development is more in line with the surrounding built context than a proposal conforming to the given requirements.

Water Supply Protection District

The Water Supply Protection District is a large overlay covering most of the northern portion of South Hadley. It permits only single-family residential uses. For parcels not serviced by sewer, the minimum lot size within the district is the greater of 40,000 s.f. or 10,000 s.f. per bedroom.

Smart Growth Districts

South Hadley has enacted two Smart Growth zoning overlay districts under M.G.L. Chapter 40R: one in South Hadley Falls and one in the vicinity of Newton and Lyman streets (including the former location of the Big Y grocery store). These districts allow by-right permission of mixed-income developments at residential densities that are more permissive than the underlying base zoning districts. Single-family homes can be developed up to eight units per acre, duplexes and triplexes up to 12 units per acre (as long as the projects are mixed-use), and multifamily homes can be developed in a range of 20 to 24 units per acre. Dimensional regulations are specific to the districts, but generally are aimed at encouraging walkability. South Hadley's Smart Growth Districts also have Design Standards for development, which are found outside of zoning but carry the force of law.

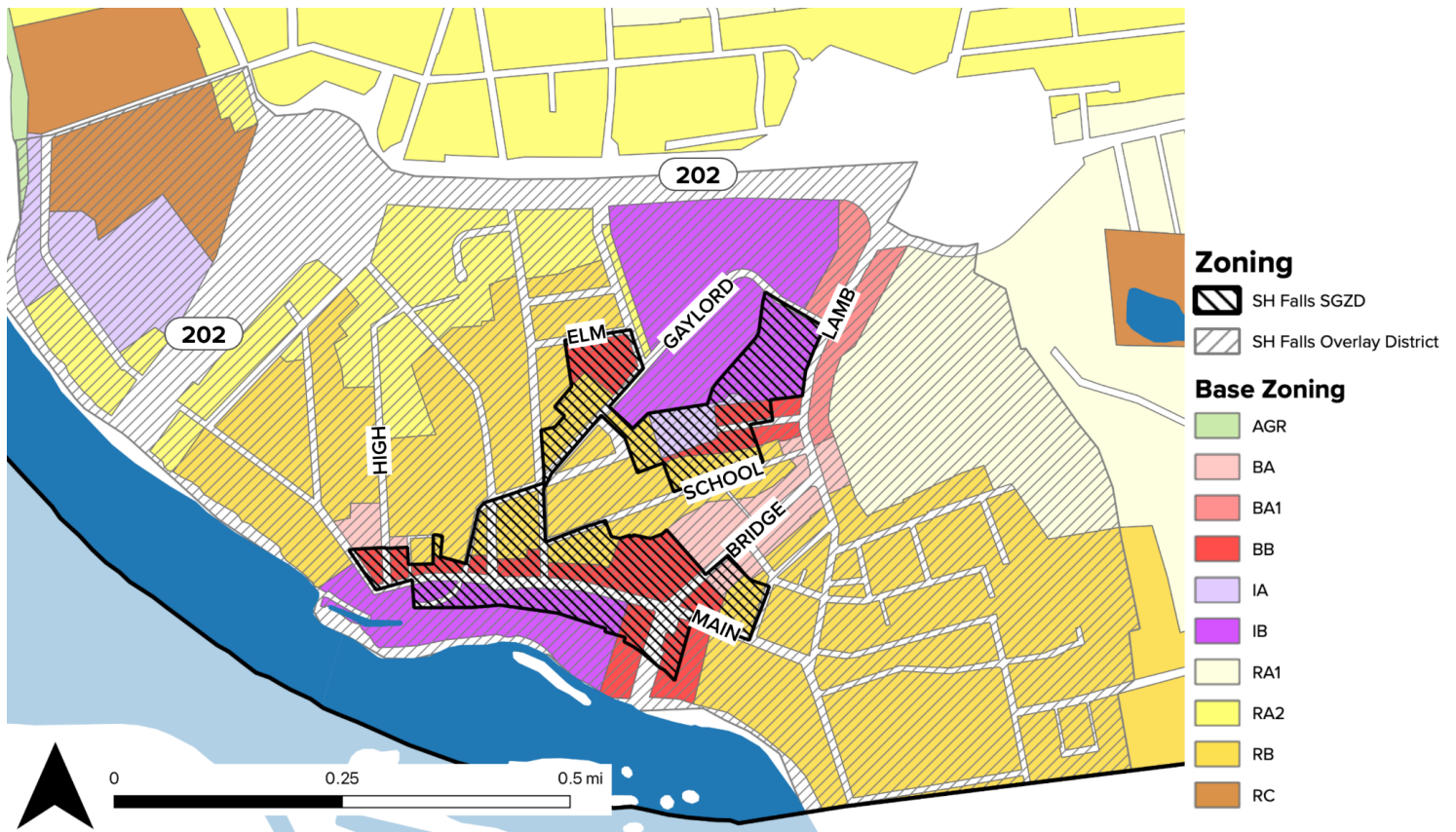
Developments in these districts that avail themselves of the overlay rules must include 20% of units as affordable to households at 80% or less of the Area Median Income. Across both districts, the Town has zoned for 737 units, of which 147 would be affordable and eligible for the state's Subsidized Housing Inventory. If all units were built (and no other SHI units were gained or lost), South Hadley's SHI would sit at 7.8% of year-round housing.

The South Hadley Falls Smart Growth District is a precisely drawn district covering the area around Main Street from roughly High Street to Pleasant Street, the area along the

northwest side of Gaylord Street from Bardwell to Prospect, and the Carew Street area, and the vicinity of Mill 6 at Gaylord and Lamb. It overlays portions of the BA, BB, IA, IB, and RB base districts, and is completely underlaid by the South Hadley Falls Overlay District.

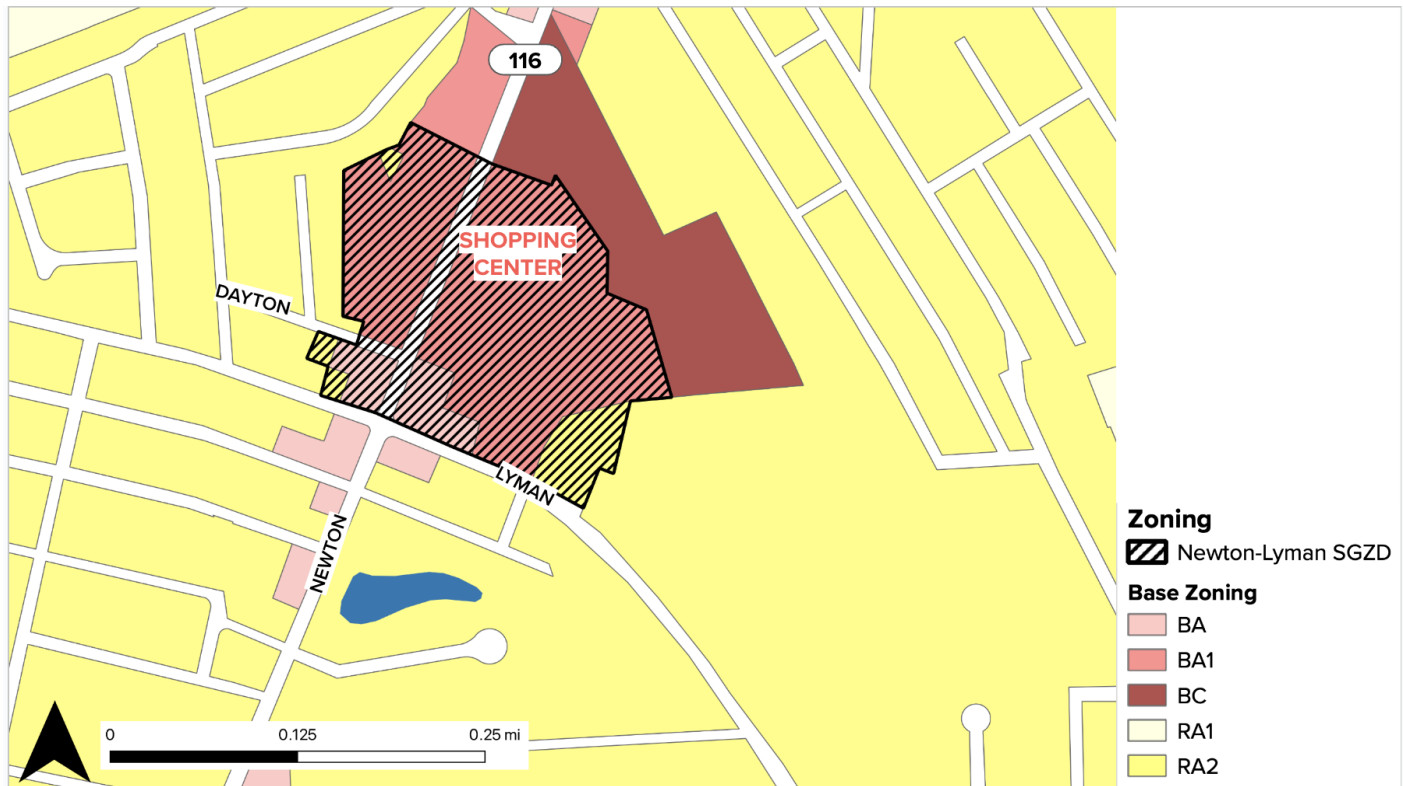
The Newton Street Smart Growth District covers either side of Newton Street (Rt. 116) from the north side of Lyman Street to roughly the northern edge of the Woodlawn Shopping Center. It overlays portions of the BA, BA-1, and RA-2 base districts.

Figure 40: South Hadley Falls Smart Growth Zoning District and other base and overlay districts



Source: Town of South Hadley

Figure 41: Newton Street Smart Growth Zoning District and other base and overlay districts



Source: Town of South Hadley

Parking

South Hadley's zoning bylaw requires 2 parking spaces per unit for single-family and duplex developments. Multifamily developments only need 1.5 spaces per unit, though this may be increased by the planning board for units of more than one bedroom. Generally speaking, the Planning Board is empowered to reduce parking if peak demand will be satisfied, on-street parking is available, use of other transportation modes is likely, the environmental or historic sensitivity of the site, accessibility purposes, and more. Parking for multifamily development must be sited behind, on the side, or underneath the development.

Subdivision Regulations

South Hadley's subdivision regulations are an additional set of land use regulations governing developments that divide up a larger parcel into smaller parcels, which usually requires the creation of new roads and utilities. In recent years, these regulations are

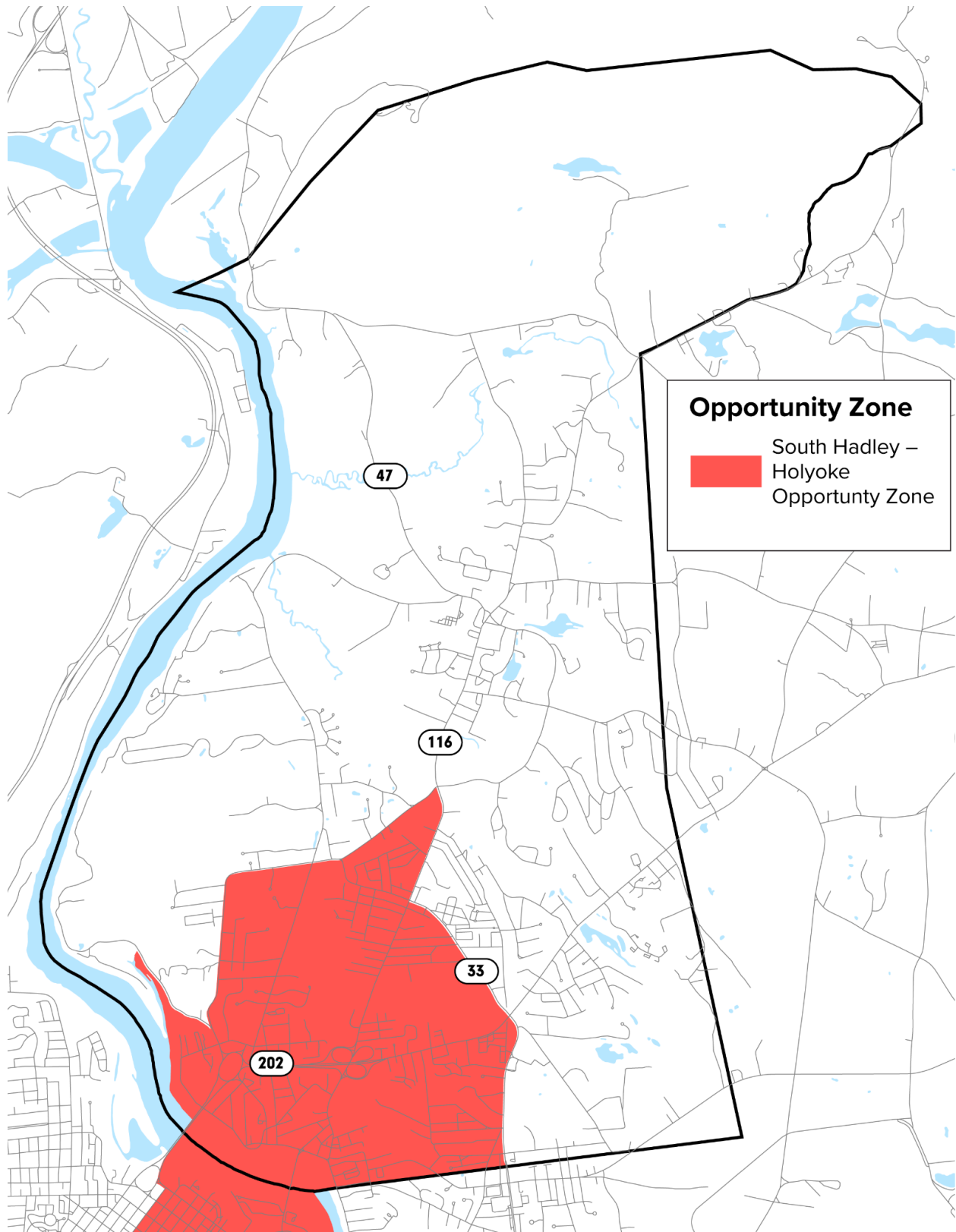
typically activated in less developed areas of town, away from the major thoroughfares. The subdivision regulations (in combination with zoning) mandate sprawl-style and unnecessarily expensive development in these subdivisions. Subdivision streets must be at least 50, and in some cases 60, feet wide, with driveway minimums of 12 to 30 feet. The regulations drive up infrastructure costs, which are ultimately passed through to homebuyers at prices that signal price growth in the wider South Hadley market. Like large lot sizes in zoning, the Subdivision Regulations limit smaller more inexpensive housing and increase housing costs overall.

Local Housing Toolkit

Before making strategy recommendations, it is important to take stock of the key tools South Hadley already has at its disposal.

- [Smart Growth Districts](#) under M.G.L. Chapter 40R
- A [Housing Authority](#) under M.G.L. Chapter 121B
- A [Redevelopment Authority](#) under M.G.L. Chapter 121B
- A federal opportunity zone, which is a federal tax code incentive that encourages investment in business and real estate in disadvantaged communities. South Hadley's opportunity zone aligns with census tract 8211, and is adjacent to opportunity zones in Holyoke..
- Access to federal housing funds. From time to time, South Hadley wins allocations of federal funds that can be used for housing, such as Community Development Block Grants.
- Active planning across a range of areas and subjects

Figure 42: South Hadley and Holyoke's Opportunity Zone



Chapter 6: Strategies

This Housing Production Plan proposes sixteen strategies to make progress toward the articulated housing [goals](#). Many of the strategies would encourage Affordable Housing production, including units contributing to the [housing production targets](#) (namely, 312 units to reach 10% of housing on the SHI).

The strategies are grouped into six overarching objectives, and the strategy descriptions are followed by notes on implementation.

Objective A:

Dedicate funding to affordable housing development and maintenance of existing housing.

Direct funding is perhaps the most powerful tool a local government has in making short- to medium-term progress on its housing goals. While regulatory changes take time to play out in the private sector, direct funding can make change quickly (if often at a smaller scale). Of course, money is always in short supply, and local government only has so much ability to increase its funds. The strategies that fall under this objective are concerned with how the Town can invest current funds into housing and how it can develop further funding streams for housing.

Strategy 1: ARPA for Housing**Use remaining ARPA funds for strategic housing investments.**

The American Rescue Plan Act (ARPA) of 2021 is a federal law passed in response to the COVID-19 pandemic. The law invested \$350 billion in state and local aid, of which South Hadley received \$5,268,233. Funds can be spent on projects fitting into [ten categories](#), one of which is Affordable Housing. Projects must be specific (ARPA funds cannot be placed into a fund for housing that is not tied to specific projects at the time of placement. A Municipal Housing Trust is not an eligible recipient). All Town funds must be obligated by December 31, 2024 and expended by December 31, 2026.

The Town has allocated \$4,582,460, with \$685,773 remaining, as of March 31, 2023. Of the allocated funds, 0.8% was dedicated to housing initiatives (namely, for this HPP). The Town Administrator solicited project applications from Town departments and the public, and ultimately the Selectboard decides how to spend the funds. The Selectboard should heavily consider direct investment of ARPA funds to facilitate Affordable Housing production. This investment could be aid for Affordable Housing projects underway or to facilitate new projects, such as through the purchase of existing homes or land for redevelopment.

Strategy 2: Adopt CPA**Adopt the Community Preservation Act (CPA).**

The Community Preservation Act (CPA) is a local option surtax on real estate that is used to fund local projects for historic preservation, open space, recreation, and affordable housing. Towns can adopt CPA through Town Meeting. CPA is set up as an additional charge of 0–3% of a property's real estate tax bill. Typically, towns will also pass exemptions for low-income households, low- and moderate-income senior households, and the first \$100,000 of home value.

Any funds collected through CPA will be held separate from the Town's General Fund and allocated by a local Community Preservation Committee (CPC). CPCs must spend 10% of their funds on historic preservation, 10% on open space, and 10% on affordable housing. The remaining funds (less administrative expenses) can be spent in any proportion on projects within these categories. Local CPCs are also allocated funds from

a statewide Community Preservation Act Fund. Towns can bond against their local CPA revenues to raise large sums of capital up-front, and use the ongoing CPA revenue to pay off the bonds. CPA bonds have been used for big expenses like acquisitions, major developments/renovations, and project-specific infrastructure work. CPA funds for Affordable Housing can be deposited into a Municipal Affordable Housing Trust, and the trustees of that body can make allocations of those funds (as long as they follow CPA guidelines). (See [Strategy 4](#) for more information on Municipal Affordable Housing Trusts.)

South Hadley has voted on adopting CPA three times since 2008, including two votes in 2016. CPA was rejected on all three votes. Nonetheless, it would behoove South Hadley to again pursue adoption, as CPA remains one of the strongest tools available to local government to raise its own housing funds.

To better understand how CPA could work in South Hadley, this HPP has conducted back-of-the-envelope calculation on CPA's impact at the household and municipal levels. Assuming the Town passed CPA with a surtax rate of 1.5% and an exemption on the first \$100,000 of property value, a household with a single-family home at the median assessed value would pay \$38 annually.⁶¹

Table 17: Median CPA bill calculation under assumed conditions

Line Item	Amount
Median Single-Family Residence Assessed Value ⁶²	\$243,400
Eligible Value after \$100k exemption	\$143,400
Tax rate (including FD 1) in 2023	\$17.55
Taxes on eligible value	\$2,517
Assumed CPA Rate	1.50%
2023 CPA Bill (Median Single-Family Residence Assessed Value – \$100,000) / 1000 * Tax Rate * 1.5%	\$38

The approximate amount raised for CPA from residential and commercial property in 2023 would be roughly \$290,000.⁶³ These are very rough estimates and should undergo more thorough analysis in any effort to reconsider CPA.

⁶¹ Outwith Studio calculations

⁶² Outwith Studio calculations based on town assessors data (where single-family land use code = "1010").

⁶³ Outwith Studio calculations based on town assessors data

Assuming they are reasonable estimates, the impact on the household level for the median household would be marginal. However, the funds raised would be significant enough that, if the Town Community Preservation Committee prioritized housing, there would be enough to make strategic investments in housing through land acquisition, small-scale development, or contribution to a larger project.

Strategy 3: Land Purchase for Housing

Facilitate small-scale deed-restricted Affordable Housing production by purchasing land or buildings that can be used for housing.

Increasingly, Towns are looking to become more directly involved in the development and preservation of affordability. Purchasing land and buildings can be the most efficient way for Towns to get involved, as land (and control of that land) is a fundamental first step to restricting housing built there as Affordable Housing. Typically, any land acquired by the Town will be donated or sold to a nonprofit, who can develop and operate Affordable Housing there. Sometimes towns will donate land it no longer needs for municipal operations, sometimes it is land received through tax foreclosures, and sometimes it is newly assembled property where the town sees opportunity for housing.

The Town of South Hadley has few pieces of excess land to start with.

- In the past there has been discussion of moving Town Hall to a smaller building (since the present Town Hall is larger than necessary) and using the present Town Hall for housing. This is an idea worth further discussion and study.
- There has also been significant study of the South Hadley Electric Light Department (SHELD) property in South Hadley Falls, conducted as part of the state-funded Massachusetts Downtown Initiative and responding to the South Hadley Falls Urban Redevelopment and Renewal Plan. That study included scenario analysis for a mixed-use or fully-residential development on the SHELD site and incorporating the historic SHELD structure. Developing the SHELD property remains an important idea, though it is partly stalled by the need to find a new site for SHELD operations.

Beyond existing Town-owned land, South Hadley should assess potential sites that could be viable and desirable for new (affordable) housing development.

- This should include existing single-family homes or small multifamily homes that bring market affordability to town. Often, these units will need moderate to significant updates, but the Town facilitating this work will ensure the home remains affordable.
- The Town's assessment should also include larger sites that may need significant (re)development of an entire structure. In these cases, the Town's role is more to offer land subsidy to a large third-party development, than to facilitate development directly.

Figure 43: Renderings of one potential mixed-use scenario at the SHELD site.



South Hadley Redevelopment Authority, MA Department of Housing and Community Development, and Harriman. *Massachusetts Downtown Initiative: South Hadley Falls Mixed-Use Development presentation, January 2021.* (<https://www.southhadley.org/DocumentCenter/View/7776/South-Hadley-Falls-Mixed-Use-Development-Report---January-2021>)

Given the identification of properties, the Town should work to gain site control of those properties, monitoring real estate listings and proactively talking with property owners or their real estate agent/broker. Site control could be attained by a standard (fee simple) purchase, the purchase of a transferable option to buy the land, or other means. The Town would ultimately need to appropriate funds for site purchase. Presently, funding would need to come from a portion of remaining American Rescue Plan Act funds (see [Strategy 1: ARPA for Housing](#)), a general fund appropriation, or a general obligation bond.

Strategy 4: Affordable Housing Trust**Study the creation and funding of a Municipal Affordable Housing Trust, and follow through with the recommendations of that study.**

A Municipal Affordable Housing Trust (MAHT) is a local governmental agency that is related to but formally separate from Town government. It has its own budget and board of trustees (who are typically appointed by the Town's Selectboard), and it can act on behalf of the public interest to build or support Affordable Housing development. MAHTs are enabled by M.G.L. Chapter 44, Section 55C. An MAHT can receive and spend funding; can buy, sell, accept, rent, lease, and hold real estate; can rehabilitate or develop housing; and can otherwise act on behalf of the community to facilitate Affordable Housing production and preservation. Towns can choose to mandate that some MAHT decisions require Selectboard approval.

MAHTs can be funded through a number of sources, including [Community Preservation Act](#) funds, developer fees, rooms excise taxes, and others. A portion of CPA funds must be spent on Affordable Housing, and many communities simply allocate that portion to an Affordable Housing Trust.

An MAHT can be helpful to align local housing funding timelines with project schedules, since Affordable Housing can often take several years (if not a decade) to come to fruition. MAHTs are not bound by the annual timeline of Town Meeting appropriations, and therefore they can provide more certainty and efficiency to the Affordable Housing development process. A MAHT can also act quickly to purchase property if an opportunity arises, whereas a Town would be bound to the annual appropriations process, and therefore can lose out on good deals.

An MAHT can also be a powerful vehicle for knowledgeable and committed Town residents. MAHT trustees are often real estate, housing, or related professionals who volunteer their expertise to work on behalf of the Town, bringing projects to fruition.

South Hadley has already won outside funding to study the option of setting up an MAHT, how the MAHT would ideally operate within South Hadley, how its governance structure would work, and how it could find stable funding. South Hadley should

undertake the study, consider its recommendations, and ultimately proceed to set up an MAHT with that guidance and further community input.

Figure 44: A birds-eye render of a project jump-started by the Orleans Affordable Housing Trust, which purchased this site then sold it to an Affordable Housing developer.



Source: Orleans Affordable Housing Trust

Strategy 5: Home Repair Funding

Work to continue and to promote home repair funding, either through a Pioneer Valley Planning Commission program or as a standalone Town program.

South Hadley has many older homes. Many of these homes have critical systems that need replacing, weatherization that needs updating, and accessibility retrofits that would enable aging-in-place.

The Pioneer Valley Planning Commission (PVPC)—a consortium of local governments that conducts planning programs in the South Hadley area—previously provided funding for these kinds of repairs through its Housing Rehabilitation Program. The program was funded by federal Community Development Block Grants (CDBG) and gave out up to \$50,000 to individual households in zero-interest forgivable loans for rehabilitation work. According to the program’s website:

“Eligible activities include the correction of code violations and repairs to eliminate health and safety issues. This includes, but is not limited to:

- Lead paint removal
- Foundation repairs
- Electrical repairs and improvements
- Plumbing repairs and improvements
- Heating systems
- Roof repair or replacement
- Insulation: attic, around windows
- Storm windows
- Septic system repair or replacement
- Removal of architectural barriers”

The PVPC program is not currently funded.

South Hadley should help to revive and fund the PVPC program (it could earmark its funds for South Hadley residents) and/or create its own similar program. In either case, the Town would need to appropriate funds to make the forgivable loans. Presently,

funding would need to come from a general fund appropriation or a general obligation bond.

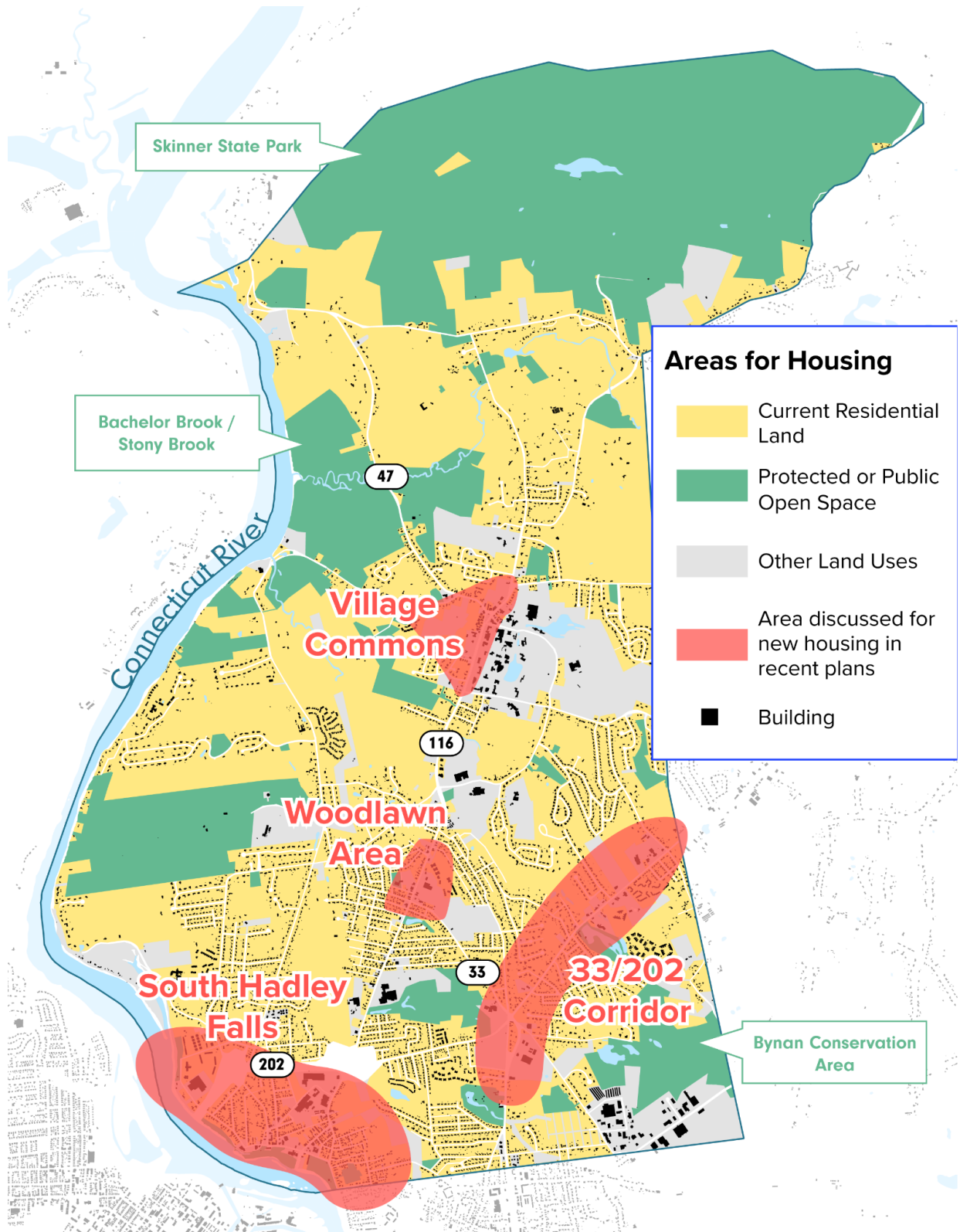
Figure 45: A screenshot of the PVPC Housing Rehabilitation Program Website



Objective B:**Create more opportunities for village style development through zoning.**

In both the 2022 Master Plan and the engagement process of the HPP, South Hadley residents have expressed a desire for housing opportunities that offer a variety of housing types and easy access to small businesses, parks and playgrounds, and other community amenities. Fulfilling that vision requires directing development into South Hadley's existing village center areas (South Hadley Falls and the Village Commons) and developing new nodes of housing, retail, and civic activity (e.g., the Woodlawn area and the 33/202 Corridor). Rather than encouraging sprawl-style and resource-intensive greenfield development, this approach would encourage compact, mixed-use, sustainable village-style development consistent with the desires expressed in past planning processes.

Figure 46: Areas identified by past plans for housing development



Strategy 6: Amend Smart Growth District Regulations**Amend South Hadley’s “Smart Growth District” zoning and design standards to encourage development that is less expensive, more feasible, and more aligned with the community’s goals.**

South Hadley has already enacted two Smart Growth zoning overlay districts under M.G.L. Chapter 40R: one in South Hadley Falls and one in the vicinity of Newton and Lyman streets (including the former location of the Big Y grocery store). See [Smart Growth Districts](#) in the Housing Constraints and Opportunities chapter to learn more about the districts’ rules and locations.

In theory, the Chapter 40R districts are a strong zoning incentive for development. In practice, no units have been built under these zoning rules. There is ongoing interest in the South Hadley Falls Smart Growth District, but no Chapter 40R developments have been completed.

- At least one developer there sought a Special Permit for a project under the Falls Overlay District rules, rather than the 40R’s by-right permissions, in order to avoid building the affordable units. (Even after receiving the Special Permit, the project did not proceed, apparently due to financial infeasibility.)
- The Newton Street district has had one proposal under the 40R regulations: an mixed-income/affordable tax-credit project by the nonprofit Wayfinders. According to the Wayfinders website, 45 of the 60 units will be reserved for households making up to 60% of Area Median Income (with a subset of those units reserved for 30% or less of Area Median Income). The remaining 15 units would be reserved for households eligible for MassHousing’s Workforce Housing Initiative funding, which is between 70% and 120% AMI. (The income limits set for Workforce Housing Initiative units are determined with MassHousing on a project basis. Some or all of these 15 units could be eligible for inclusion on the Subsidized Housing Inventory, but not necessarily any or all will be eligible.)

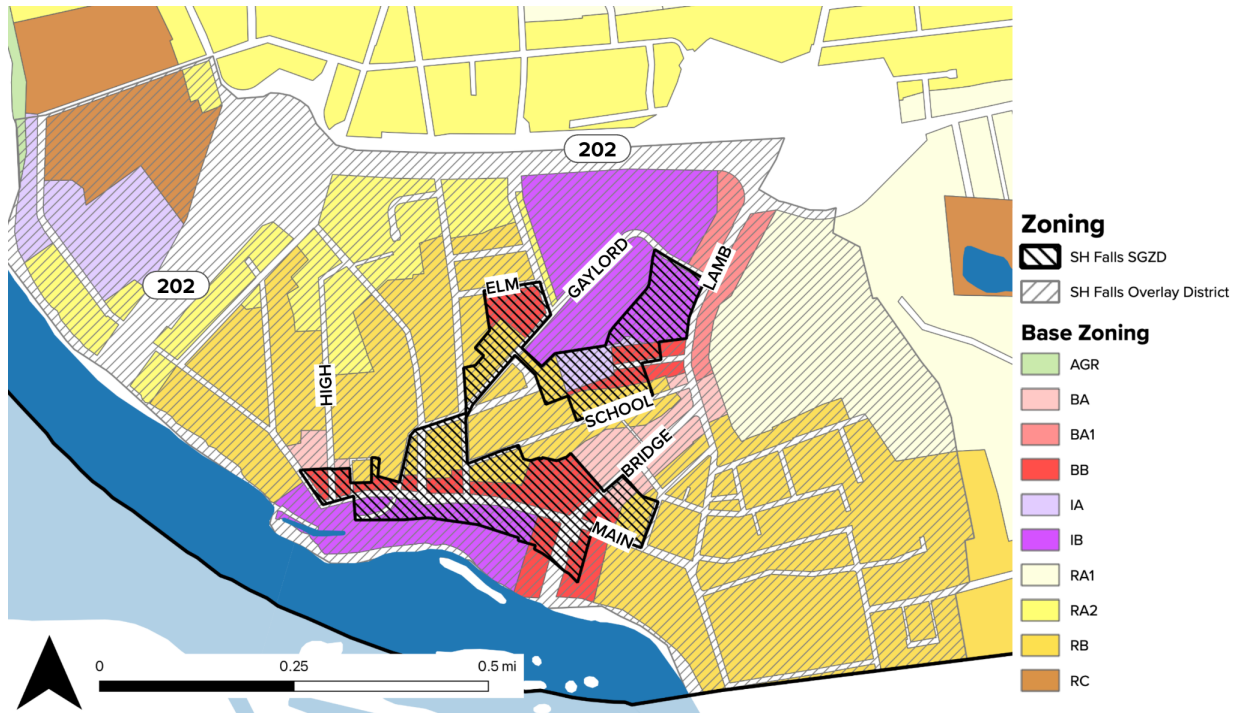
Over the course of development, the project has faced funding shortfalls, in part due to the increase in construction costs caused by COVID-19 related supply shocks. One potential issue identified by the development team in 2022 was the increased structural costs associated with a five-foot stepback at the fourth floor,

which is required by the district's design standards. As of this writing, the Wayfinders project is seeking additional funding to meet current cost projections for the development.

Evidently there are issues with the Smart Growth districts, since the market has not strongly responded with more development. That the only project in the pipeline is a subsidized Affordable Housing project speaks to the present misalignment between the 40R districts and the for-profit real estate market. (Where 40R districts have worked elsewhere, unsubsidized for-profit developers have produced most of the housing.)

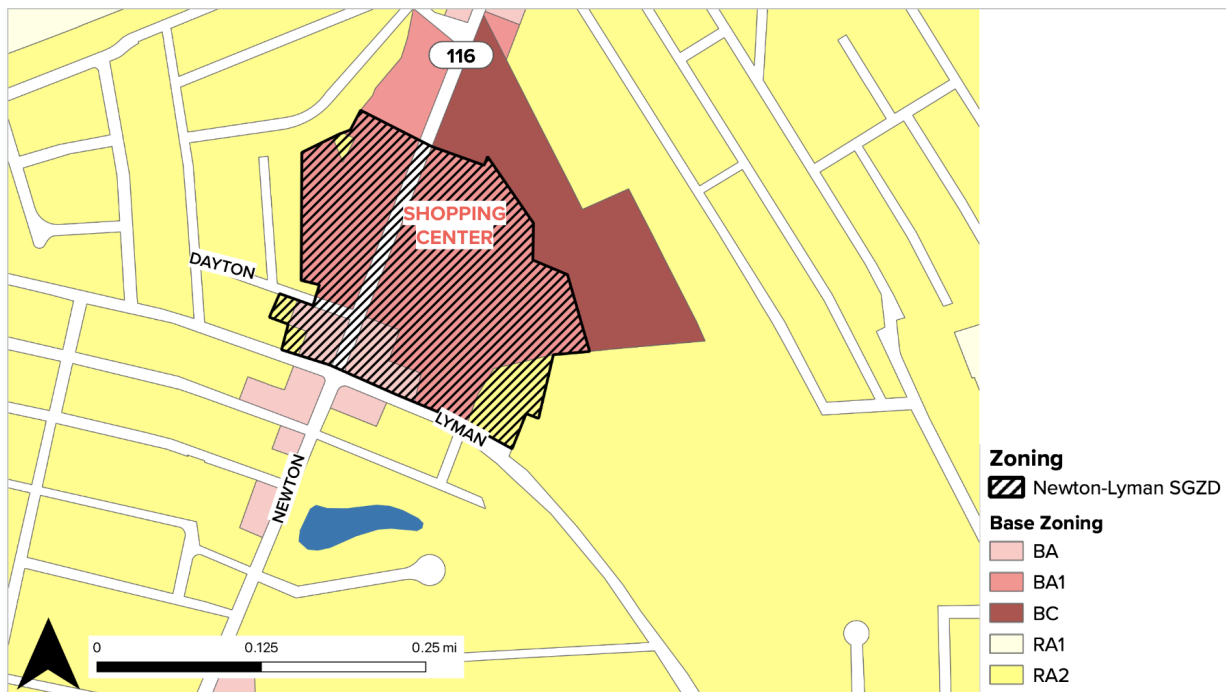
Both districts are perhaps over-anchored on large development sites. In the Falls, much of the discussion and energy is focused on Mill 6, the present owner of which (a company that is merely holding the financially distressed property) has not moved quickly to dispose of the site for housing or anything else. Mill 6 is also a contaminated brownfield, the extent of which is not publicly known. The South Hadley Falls Smart Growth District has a handful of other "soft" sites in the district (sites that would be attractive for redevelopment), but they are also constrained by river areas, brownfields, complex ownership patterns, and more. Similarly at the Newton Street Smart Growth District, the Woodlawn Plaza site is one of the few notable soft sites, though there are some possibilities of site assembly that could create more attractive options. In general, the Newton Street district's parcels have fewer land constraints than South Hadley Falls', but on net there is maybe less opportunity there for incremental housing development.

Figure 47: South Hadley Falls Smart Growth Zoning District and other base and overlay districts



Source: Town of South Hadley

Figure 48: Newton Street Smart Growth Zoning District and other base and overlay districts



Source: Town of South Hadley

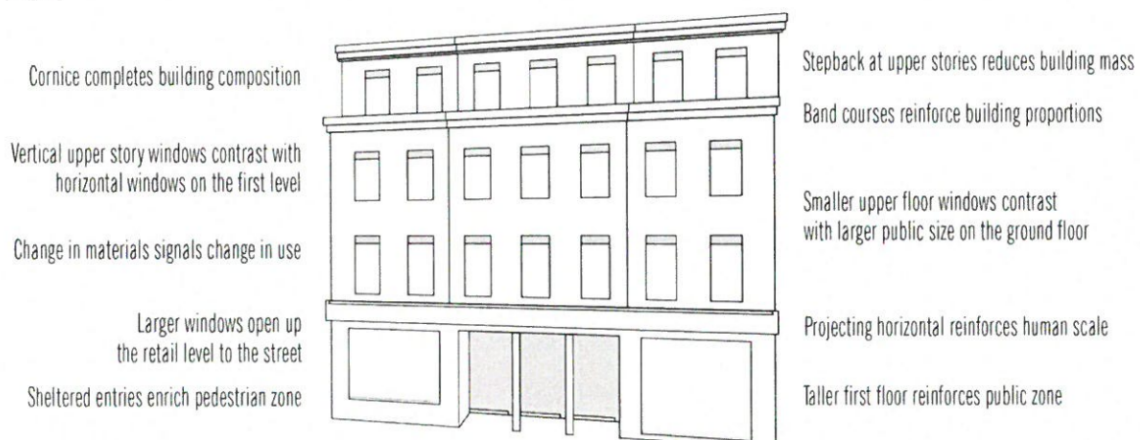
In addition to a lack of notable soft sites in the Smart Growth districts, there are the dimensional regulations and design standards that could be amended. Both the existing proposals and this HPP's site development scenarios reveal issues with regulations that may work generally but have unforeseen effects in some cases. Wayfinders' issue with the stepback is one such example. That stepback has virtually no effect on a person's perception of the building from the street (especially given the Wayfinders project's distance from the street), and only adds costs unnecessarily.

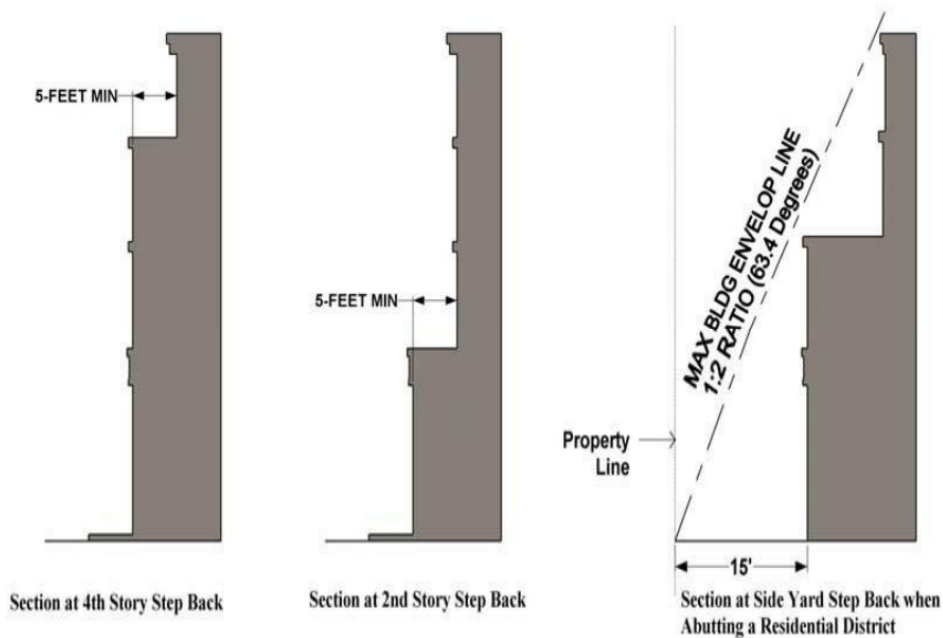
Similarly, the maximum setback and maximum facade requirements likely make sense for the majority of sites in the Falls Smart Growth District. At Mill 6, however, the HPP scenarios showed [a profit-maximizing but conforming building](#) would create a large and uncharacteristic mass along Lamb Street, despite the large site. Different requirements here could encourage more contextually relevant developments along Lamb Street (like townhomes shown in [one Mill 6 scenario](#)) or more usable open space for Lamb Street and Mill 6 residents (like in [another Mill 6 scenario](#)).

One additional quirk this plan's scenarios unearthed was a mixed-use requirement for developments that include duplexes or triplexes, but not single-family or multifamily structures. Though mixed-use development should be encouraged, this inconsistency might actually disincentivize both mixed-use development and development of duplexes and triplexes where they might be appropriate.

South Hadley should consider these issues with the Chapter 40R Smart Growth Districts and propose amendments that would create more viable soft sites, less expensive construction, and site designs more responsive to the surrounding environment and the community's vision for the future.

Figure 49: Illustrations from South Hadley's Chapter 40R Design Standards





Strategy 7: Mixed-Use Zoning

Enable low- and mid-density mixed-use development through zoning in strategic locations.

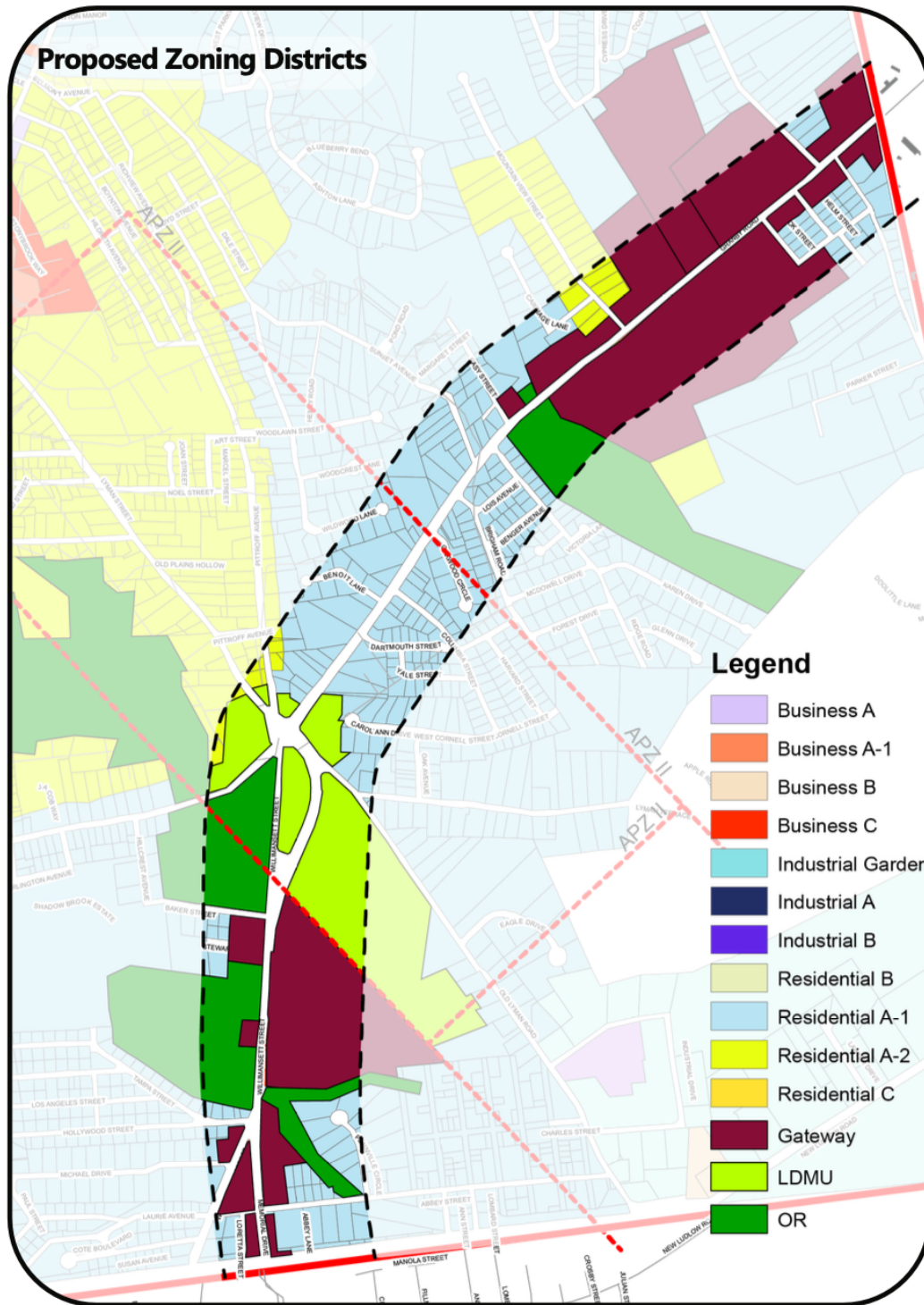
Mixed-use developments are projects that combine housing with commercial uses such as retail, food service, and/or offices. Large-scale mixed-use developments may include different uses in separate buildings, but smaller-scale developments usually have a mix of uses in a single building. Typically this is ground-floor retail and upper-floor housing. In South Hadley, the Village Commons development is a well-known (and relatively recent) example of mixed-use development. It includes retail/restaurants, offices, and housing within the same structures and laid out in a walkable, neighborhood-style setting. Mixed-use development can add incremental housing production, while including amenities that can be enjoyed by all and building connections between places in town.

Beyond Village Commons, there are places in South Hadley where more mixed-use development would be desirable—with ground-level retail serving the surrounding community and apartments above adding more diverse housing options. Mixed-use development is already permitted through much of South Hadley Falls, though the area has not seen significant mixed-use development recently. The Town has also proposed mixed-use development in its Master Plan and considered mixed-use zoning for parts of

the Route 33/202 corridor. The Town's Route 33/202 Corridor Study includes two proposed mixed-use districts: the Low-Density Mixed-Use district and the Gateway district.

South Hadley should study which forms of mixed-use development would be desirable in which places, and it should consider the specifics of mixed-use design that could be implemented through zoning. This could include the allowed uses within mixed-use development, the proportion of active uses to other kinds of uses on the ground floor, the height and density of mixed-use development, the types of ground floor frontages, the relationship between front and back buildings, and more. Working through the Planning Board, the Town should craft zoning amendments for community-supported mixed-use development, and Town Meeting should adopt those amendments.

Figure 50: Proposed zoning districts in the Route 33/202 Corridor Study



Source: Route 33/202 Corridor Study

Objective C:

Encourage incremental and contextually sensitive “gentle” density.

Strategy 8: Missing Middle Zoning

Allow more “missing middle” housing types by right in more zoning districts.

Figure 51: US missing middle housing diagram



Source: *Opticos Design*

Prior to the introduction of zoning, housing in Massachusetts towns tended to include a wide variety of housing types that catered to people with different needs and price-points. With the arrival of zoning codes and through successive decades of amendments, housing tended more and more to conform to one of two poles—either increasingly large and low-density detached single-family homes or large apartment buildings. The housing types in between these two poles were either illegalized or disincentivized through zoning and other land use regulations. As a result, there is a set of “missing middle” housing types in the US, and especially in suburban contexts.

Missing middle home types include duplexes and triplexes, townhomes, small apartment buildings in a variety of shapes and sizes. While detached single-family homes and large apartment buildings will be perfect for some households, they do not meet everyone's needs. They are an especially poor fit for new families and lower-income families who may desire access to private outdoor space but cannot afford the high land costs mandated by low-density housing. The lack of these homes makes it materially more difficult for people seeking to downsize, who want to form their own household, who want to live near amenities, etc.

South Hadley has a history of missing middle development—historically in South Hadley Falls and more recently in small pockets around the town. Missing middle housing is found as small duplexes (both side-by-side and stacked), triplexes (usually in a building that looks to be adapted from a large one- or two-family structure, rather than a New England triple decker), townhomes (often in more recent condominium developments), and six-family apartment buildings.

Under South Hadley's current zoning, missing middle housing largely requires a Special Permit—where it is allowed at all. There are a few exceptions:

- New duplex development is only allowed by-right in the Residential B district and in the two Smart Growth districts.
- Single-family-to-duplex conversions are allowed by-right in the Residence B, Business B, and Business C districts.
- Triplex development is allowed by-right in the Residence C district and in the two Smart Growth districts, and allowed via Site Plan Review in the Residence B district.
- Development of four or more units is allowed by right only in the two Smart Growth districts.

Some form of missing middle housing is allowed by-right or by Special Permit in all Residence districts, and in Business B and Business C districts. However, the opportunities for missing middle housing development are few when considering the size of the districts.

Figure 52: Missing middle housing in South Hadley



Table 18: Missing middle allowances in base zoning (in bolded green cells)

Use table summary (not for official use)	Residential				Agri.	Business				Industrial			Relevant Overlays		
	RA1	RA2	RB	RC	AGR	BA1	BA	BB	BC	IA	IB	IGD	SHFO*	SHF SGD	N-L SGD
Single-family residences (SFR)	Y	Y	Y	Y	Y		Y	Y	SP				Y	Y	Y
SFR-to-duplex conversions		SP	Y		SP		Y	Y					Y		
Duplex	SP	SP	Y				SP	SP					Y	Y	Y
Triplex	SP	SP	SPR	Y			SP	SP					SPR	Y	Y
Multifamily (4+ units)	SP	SP	SP	SPR			SP	SP	SP				SP	Y	Y
Retirement communities		SP													
"Flexible developments"	SP	SP	SP	SP	SP								SP		

Highlighted residential uses indicate uses that can be missing middle housing. A green “Y” indicates the use is permitted by-right. A yellow “SPR” indicates the use is permitted via Site Plan Review. An orange “SP” indicates the use is allowed by Special Permit. Bolded cell borders indicate a missing middle housing use that is permitted by-right.

*Note that the South Hadley Falls Overlay District uses listed here are those in the RB district, which underlies large portions of the Overlay District and is the most permissive district underlying the Overlay District. This overlay largely does not change the underlying uses, except when overlaying IA and IB districts, where it allows uses in the BB district (including residential uses). Portions of the South Hadley Falls Overlay District are further overlaid with the South Hadley Falls Smart Growth District, which allows missing middle uses by right.

South Hadley should consider where it allows missing middle housing, particularly where those allowances are by-right. Discretionary permitting can be useful in maintaining the standards of new development vis-a-vis the existing environment, but they also increase risks and reduce project viability, creating a chilling effect on reasonable missing middle housing proposals. Through study and public engagement, the Town should propose zoning amendments that would allow missing middle housing types in more places, and Town Meeting should adopt those zoning amendments. This recommendation can be

paired with others (e.g., [Strategy 11: Pre-Permit Designs](#)) to ensure new missing middle housing matches the character of the community and preferences for new development.

Strategy 9: Reflect Historic Patterns in Zoning

Align residential dimensional requirements (e.g., minimum lot size, setbacks, etc.) with the historic pattern of development.

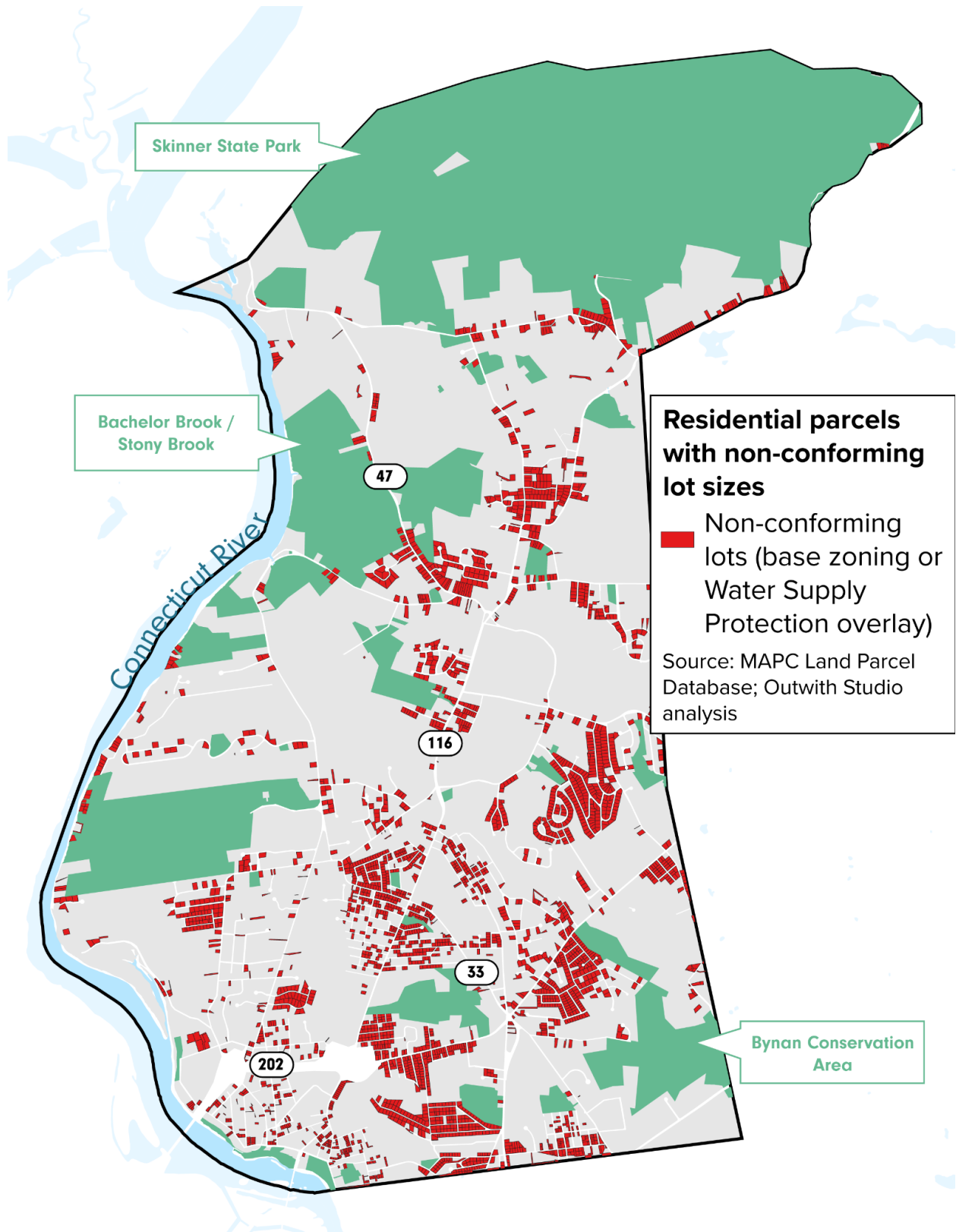
Zoning regulations do not always align with the conditions evident in the places they govern. Though a place may have been built over time in one pattern or style, zoning rules now in place may mandate a different kind of development. Generally in Massachusetts, with the introduction of zoning in the early 20th Century to the spate of reforms in the 1970s–1990s, more and more places valued by Massachusetts communities have become “nonconforming” (illegal to build under current law). This plan conducted no research into the introduction of zoning in South Hadley or later reforms or the motivations behind them. However, it did look into some of the inconsistencies between places that are reportedly valued by residents in public engagement, and the presence of zoning nonconformities.

Zoning nonconformities can be related to use, dimensional requirements, parking requirements, or other pieces of the zoning bylaw. In South Hadley, minimum lot size is among the biggest generators of zoning nonconformity.

Based on lot size requirements alone, an estimated 53% of residential lots are smaller than the minimum lot size found in the base zoning and the Water Supply Protection Overlay District (other zoning districts did not have minimum lot sizes that could be assessed in this analysis). This is likely an overestimate, since some of the developments violating the minimum lot size requirement were likely developed with more permissive zoning mechanisms, such as Flexible Developments. Nonetheless, many of the lots are genuinely nonconforming, with zoning rules changing after their development.

Some generally nonconforming areas include the neighborhoods around Hillside Avenue, the Woodlawn area on either side of Newton Street, the area south of Rt. 202 between Rt. 33 and Leaping Well Reservoir, the southern parts of Hadley Street, the area around Woodbridge Terrace, and other pockets around town.

Figure 53: Lot size nonconformities (base zoning and Water Supply Protection Overlay)



Perhaps less dramatically, there are also nonconformities created by setback requirements. Some sites in the Woodlawn area, for instance, have front setbacks of 20 feet, rather than the required front minimum of 25. Setbacks were not assessed systematically, but spot checks around town show that there are some setback nonconformities, but their impact may be minimal.

In addition to dimensional requirements, parking requirements may encourage development that is out-of-scale with South Hadley's history. This is less true for residential neighborhoods and more the case for village center areas like South Hadley Falls. Those areas were developed before the advent of the automobile and are scaled to walking as the primary mode of transport. South Hadley's 1.5 space per unit parking requirement for multifamily housing (which can be discretionarily increased for units of two or more bedrooms) is both out of scale with this style of development and limits housing development.

South Hadley should consider how its current zoning laws are written and the motivations behind them. The Town could rewrite some of its dimensional requirements (particularly lot size), to align with the neighborhoods that are already there. If the community loves their neighborhoods, allowing development that conforms to the existing character will be intuitive (and may already be the broadly held expectation). Such reforms would make infill redevelopment more practical and consistent, and could increase housing production at the margins by making more existing parcels conform to zoning requirements.

Strategy 10: Facilitate Implementation of ADU Zoning

Support implementation of new ADU zoning and encourage production under the new law.

At South Hadley's 2023 Annual Town Meeting, the Town adopted a zoning warrant that allows accessory dwelling units (ADUs). ADUs are secondary housing units that are located on a property occupied by a single-family home. They are typically much smaller than a standalone new-build home, and while they have complete facilities (kitchen, bathroom) and their own entrance, they are clearly accessory to the main home. ADUs can be attached to the existing home (or created from a part of an existing home, or detached. Some detached ADUs are new-builds, while others are converted garages.

Under the adopted ADU warrant article, attached ADUs are allowed by-right and detached ADUs via Site Plan Review in all Residence districts, the Agricultural district, and Business A, B, and C districts. ADUs cannot be more than half the size of the principal home or 900 square feet, whichever is smaller, and detached ADUs can be no more than 1.5 stories tall. Either the principal home or the ADU must be the principal residence of the property owner. An ADU is not eligible to be a short-term rental unit.

As of this writing, the adopted warrant article is under review by the Town Counsel and Attorney General. Should it be approved, the Town should work to ensure its implementation follows the intent of the law and should encourage the right kind of new ADU construction.

Figure 54: A diagram of ADU types.



Table 19: Allowances for ADUs in South Hadley’s amended zoning bylaw

Use Classification	Residence				AGR	Business				Industrial		
	RA-1	RA-2	RB	RC		BA-1	BA	BB	BC	IA	IB	IG
Accessory Dwelling Unit - Attached	Y	Y	Y	Y	Y	N	Y	Y	N	N	N	N
Accessory Dwelling Unit - Detached	SPR	SPR	SPR	SPR	SPR	N	SPR	SPR	N	N	N	N

Y = Allowed by-right

N = Prohibited

SPR = Site Plan Review

ADU production faces a number of barriers, including and especially cost. ADU construction costs depend on the size of the ADU, whether it is attached or detached, the availability of utilities, the site work needed, the use of modular construction components, and more. A 900 square foot detached ADU, constructed on-site with utility work included, could cost in the ballpark of \$300,000 at today’s prices. Funding that construction will take a very wealthy homeowner or a lender who is willing to finance an asset that may not be properly valued in the market (given the scarcity of ADUs and the owner-occupancy restrictions). In order to ensure the ADU bylaw is implemented according to its purpose statements, the Town should work with community banks in the region to identify a lender who is willing to finance ADU development for South Hadley

households with typical incomes. Similarly, the Town should research quality modular ADU producers working in the area, who could help lower overall construction costs.

Beyond costs, there are other barriers to development aligned with the community's wishes. Typical residents have no development experience and may be confused or intimidated by the Site Plan Review process for detached ADUs. Similarly, residents may need clearer guidance on what is possible and intended for detached ADU site planning. The Town should publish an accessible how-to guide on the ADU permitting process and example site plan configurations that could apply to typical South Hadley parcels. If desired, this could be combined with [Strategy 11: Pre-Permit Designs](#), which could facilitate easier and better ADU design while retaining the guardrails of Site Plan Review.

Strategy 11: Pre-Permit Designs

Pre-permit designs for housing and open source the plans (leaving ability for site plan review).

Many complaints about new housing stem from the clash between the design of new buildings and the character of the existing built environment. Particularly for infill development, the differences can be stark. Purely market-driven designs can exaggerate certain aspects of homes while undermining others. To address these concerns and speed up the process of development for *desirable* housing, some communities have turned to developing their own housing designs and pre-permitting those designs in given zoning districts.

To do this, a community first hires an architect. That architect draws up design concepts and schematics, which are then vetted by the public. These schematics often include several home types and sizes to meet varying needs, and can also include elements that can be mixed-and-matched. Once desirable designs are agreed upon, the architect draws up construction documents, which the town posts online or offers for a nominal fee to homebuilders. The community would also publish a document that lists which zoning districts different pre-designed homes are permitted in by-right.

Homebuilders then take the construction documents and amend them with a site plan for the specific parcel where they intend to build. Depending on the zone and scale of development, the site plan would either go to administrative review or to Site Plan

Review. Once the site plan is approved (or revised and approved), a building permit is issued.

The pre-permitted option is one of the easiest ways to align the community’s desires with homebuilding opportunities, reduce uncertainty for homebuilders and the community, and clear the way for desirable development.

Figure 55: Screenshots from South Bend, Indiana’s pre-permitted housing catalog and permit application



Pre-Approved Building Plan Type

Select the pre-approved building plan type you would like to receive. If you are unsure of which plan type you would want, refer to the Pre-Approved Building Type Catalog.

Building Plan Type

- Carriage House
- Cottage
- Narrow House I (2-bedroom)
- Narrow House II (3-bedroom)
- Standard House I (3-bedroom)
- Standard House II (4-bedroom)
- Stacked Duplex
- Small Apartment (6 units)
- Side-by-Side Duplex

Allowed Zoning Districts

S1	S2	U1	U2	U3	UF	NC	DT
S1	S2	U1	U2	U3	UF	NC	DT
S1	S2	U1	U2	U3	UF	NC	DT
S1	S2	U1	U2	U3	UF	NC	DT
S1	S2	U1	U2	U3	UF	NC	DT
S1	S2	U1	U2	U3	UF	NC	DT
S1	S2	U1	U2	U3	UF	NC	DT
S1	S2	U1	U2	U3	UF	NC	DT
S1	S2	U1	U2	U3	UF	NC	DT

Objective D:

Use zoning and permitting to encourage deed-restricted Affordable Housing production.

Land use regulations impact broad market affordability, but they also have a tangible impact on the development of deed-restricted Affordable Housing. The strategies falling under this objective are aimed at zoning and permitting practices that can encourage more of that formal Affordable Housing stock.

Strategy 12: Zoning Incentives for Affordable Housing

Adopt zoning-based incentives for deed-restricted Affordable Housing (e.g. density bonuses, dimensional relief, parking relief).

Affordable Housing does not operate at a profit. Like all housing, it is expensive to build and requires ongoing maintenance, but the affordable rents or sale prices do not cover those expenses. Specialized Affordable Housing developers (e.g., nonprofits like Wayfinders or Habitat for Humanity) work by piecing together government subsidies and/or foundation funding to make the projects work.

But market-rate developers sometimes also build deed-restricted Affordable Housing. These homes are typically included within larger developments (either subdivisions or apartment buildings), wherein the profits from market-rate units “cross-subsidize” the affordable units.

Communities can incentivize the production of deed-restricted Affordable Housing units by offering the ability to develop more market-rate units. This allowance needs to be calibrated so that the profits from the additional market-rate units not only cover the affordable units, but make the development more profitable than the base case. (In some “hot” real estate markets, a number of affordable units can be mandated, because the market-rate prices are extremely high. In South Hadley, the prices/rents are likely not high enough to mandate that affordability, especially at the densities presently allowed in

most of the town.) These types of zoning incentives are often called “inclusionary zoning.”

Allowing more units can be explicit through density bonuses or implicit through less restrictive dimensional and parking regulations. South Hadley should consider where and at what levels it could create more affordability by offering such incentives. It can also consider unit size and bedroom count requirements for developments that take the incentive.

Theoretically, the Chapter 40R Smart Growth districts already offer this incentive structure. In those districts, a market-rate developer has the right to build up to 24 units per acre (given parking availability), as long as a portion of the units are affordable. The Smart Growth districts have shown that getting this incentive right, overcoming an existing property’s value, and generating mixed-income development is difficult.

The Town should consider (through study and public engagement) if incentives could be viable more broadly, and at what level the community wishes to balance development complexity and character with ensured affordability. There should be consideration of incentives for various housing types, ranging from single-family homes to apartment buildings.

Among the potential mechanisms the town should consider is adjustment to the Flexible Development section of the zoning bylaw (§255-31). This section allows housing development that does not conform to the housing type or dimensional requirements required for conventional development, enabling these projects to produce compact developments while preserving open space and ecosystems. (See [Residential Use Types](#) in this plan’s zoning analysis for more details.) Presently Flexible Developments allow a density bonus for providing up to 25% of units as deed-restricted Affordable Housing, and allowed densities are greater than conventional development in some districts. However, few projects ever come forward using the Flexible Development section, in part because sites must be at least five acres and because Flexible Developments are permitted by Special Permit (rather than by-right for conventional detached single-family development in the districts where Flexible Developments are allowed).

Strategy 13: Friendly 40B Permitting**Use the “Friendly 40B” process and Local Initiative Program to strategically permit mixed-income development.**

Chapter 40B creates a process, the “Comprehensive Permit,” for permitting mixed-income housing development that does not conform to local land use regulations like zoning. When a community’s Subsidized Housing Inventory is less than 10% of its year-round housing units, developers can apply for a Comprehensive Permit from the local Zoning Board of Appeals (ZBA), and that board has no right to deny or condition the application. These are sometimes called “Hostile 40B” projects when the ZBA (and community) is against the proposed development. They are the most famous Comprehensive Permit projects, since their development is controversial.

However, there also exist “Friendly 40B projects,” which are community-sponsored developments that use a Comprehensive Permit process to get local land use permissions. Standard local zoning and land use processes can, of course, always be used to permit affordable developments. If the zoning does not allow for that kind of development, the town could simply rezone the area at the next Town Meeting. But because the rezoning process can take a long time and can have unexpected effects outside the targeted property, a Comprehensive Permit process might be preferable. This Friendly 40B process is a site-specific, one-time, limited land use permission. The process includes public notice and public hearings, but if the community truly supports the project, it can be completed in under a year. Friendly 40B projects are essentially highly targeted public processes to make specific, well-supported projects move forward.

Paired with this Friendly 40B process is the state’s Local Initiative Program (LIP). LIP enables and encourages locally sponsored and community-supported affordable or mixed-income projects by offering technical assistance that helps a project qualify as Affordable Housing in order to be counted on the Subsidized Inventory.

The Friendly 40B process and LIP has enabled numerous community-supported developments across the Commonwealth. Friendly 40Bs have enabled developments large and small. For instance, in the rural Boston suburb of Acton, the Town has used a Friendly Comprehensive Permit process to permit the 86-unit Avalon Acton project and 2-unit Acton Meadows project.

South Hadley should bear in mind the Friendly 40B process and the Local Initiative Program to strategically permit housing projects supported by the community.

Figure 56: Two LIP projects in Acton—the Avalon Acton and Acton Meadows



Objective E:**Encourage new development that meets high environmental, and accessibility standards.**

Housing does not exist in a vacuum, but touches on all aspects of life. Two key concerns that are often overlooked when dealing with the housing crisis are the environmental impact of new housing and providing housing for all, regardless of ability. Strategies that fall under this objective address those points directly.

Strategy 14: Specialized Energy Code**Consider adopting the Specialized Energy Code for new development.**

Alongside the housing crisis, the world is facing a set of interrelated environmental, climate, and biodiversity crises that threaten the nature of the environment, the structure of society, and countless lives. South Hadley will experience these crises through extreme heat events; increased flooding; more powerful and unpredictable storms; supply chain disruptions; utilities disruptions; communications disruptions; new disease vectors for plants, animals, and humans; and more. This process is already well underway and is being experienced in South Hadley and beyond.

The most significant aspect of these environmental crises is climate change driven by greenhouse gas (GHG) emissions. Buildings, including housing, are a major driver of GHG emissions: heating, cooling, and powering homes alone accounts for 20% of all US GHG emissions.⁶⁴ Reducing operational GHG emissions in housing involves electrification of home systems (and transition to renewables as electric source fuel), as well as increasing energy performance standards of homes. Homes must be better insulated; the windows, doors, and wall seams must retain heat; their siting must encourage natural

⁶⁴ Goldstein, Gounaridis, and Newell. "The carbon footprint of household energy use in the United States," *PNAS* 117 (32), 19122-19130, <https://www.pnas.org/doi/10.1073/pnas.1922205117>

heating and cooling; heating and appliances must run on electricity (versus directly fossil fuels), and more.

Massachusetts has recently promulgated updates to its Building Energy Code that significantly advance energy performance requirements for new construction and additions. South Hadley had previously adopted the state's Stretch Energy Code, so updates to the Stretch Code for residential construction of less than 20,000 square feet are now in effect. Updates that apply to residential developments greater than 20,000 square feet and all other building types will go into effect soon.

In addition to these updates to the Stretch Code that applies in South Hadley, the state is also issuing a new Specialized Code, which towns can choose to adopt by a vote at Town Meeting. The Specialized Code mandates Net Zero standards for new construction and significantly alters how buildings can be designed. Net Zero construction under the Specialized Code is a significantly more intense energy standard than that mandated under the Stretch Code. As such, it is much more expensive to build Net Zero buildings.

The Town should review the new Stretch and Specialized Building Energy Codes and determine what is the best option for the community. South Hadley will need to weigh (through further study and community input) the trade-offs between the gains of the Specialized Code and the costs and chilling effects it might have on housing development. If the Specialized Code is not so burdensome that development becomes unviable and if the community determines the Specialized Code is desirable, the Town should put forward a warrant at Town Meeting to adopt the Specialized Code.

Strategy 15: Zoning for Sustainability

Allow zoning-based incentives for development that meets specific sustainability standards beyond what is required in the building code.

Beyond the Stretch and Specialized Building Energy Code considerations discussed in [Strategy 14: Consider the Specialized Energy Code](#), South Hadley can consider zoning-based incentives to address other aspects of environmental sustainability and resilience.

These incentives could be targeted at many different goals, including (but not limited to):

- Reduced embodied GHG emissions (those generated in the production of the materials and building construction) by building with specialized, local, and/or reused materials;
- Flood- and heat-resilient designs;
- Ecologically restorative buildings and site plans;
- Site plans that connect new or existing homes to amenities and encourage walkability

This tool could be used to create new development that is not just less environmentally costly, but actually ameliorates past damage to the environment. The incentives themselves could include increasing allowed density, reduced dimensional requirements, and/or parking requirements.

Judicious use of these incentives (and the marginal densification they imply) could also make South Hadley's neighborhoods less GHG emitting. Researchers have noted the complex relationship between density and carbon emissions:

“According to Jones and Kammen, ‘Population density does correlate with lower HCF [household carbon footprints] when controlling for income and household size,’ but mean emissions increase until a population density of 3,000 persons per square mile and then decline as density increases until leveling out at densities of 50,000 persons per square mile.”⁶⁵

South Hadley's performance against these rough metrics varies depending on how they are measured. If an area's population is measured against the entirety of the area (including non-residential parcels, open spaces, streets, and water), the entire town except Mount Holyoke is beneath the 3,000-person threshold at which household emissions decline. If the population is measured against only the residential parcels, the areas above the 3,000-person threshold include Mount Holyoke College; South Hadley Falls; and the area south of Lyman Street, east of Newton Street, and west of Willimansett Street. Regardless of which measure is used, it is clear that incremental additions of housing in certain parts of town could reduce GHG emissions, even when that densification isn't directly tied to reduced emissions, but to other environmental goals.

⁶⁵ HUD Office of Policy Development and Research, “The Role of Housing in Climate Change Mitigation and Adaptation,” *Evidence Matters*, Summer 2022, <https://www.huduser.gov/portal/periodicals/em/Summer22/highlight1.html>

Strategy 16: Encourage Universal Design**Encourage Universal Design principles in new housing development (through consultations with developers, pre-permitted designs, or other means).**

Universal Design (UD) is an approach to design that aims to create products, environments, and systems that are accessible, usable, and inclusive to people with diverse abilities, ages, and backgrounds. The goal of UD is to ensure that everyone, regardless of their physical, sensory, or cognitive abilities, can fully participate in and benefit from the designed spaces. UD goes above and beyond the standards set by the Americans with Disabilities Act (which does not apply at all in most forms of housing on the private market) and the protections of Fair Housing law. In contrast to that legal baseline, UD is committed to integrated housing designed for all.

The principles of UD, as outlined by the UNC Center for Universal Design, are as follows:⁶⁶

- **“Equitable use.** The design is useful and marketable to people with diverse abilities. A website that is designed so that it is accessible to everyone, including people who are blind, employs this principle.
- **Flexibility in use.** The design accommodates a wide range of individual preferences and abilities. A museum that allows a visitor to choose to read or listen to a description of the contents of a display case employs this principle.
- **Simple and intuitive.** Use of the design is easy to understand, regardless of the user's experience, knowledge, language skills, or current concentration level. Science lab equipment with control buttons that are clear and intuitive employs this principle.
- **Perceptible information.** The design communicates necessary information effectively to the user, regardless of ambient conditions or the user's sensory abilities. Video captioning employs this principle.

⁶⁶ Sheryl Burgstahler, “Universal Design: Process, Principles, and Applications,” <https://www.washington.edu/doiit/universal-design-process-principles-and-applications>

- **Tolerance for error.** The design minimizes hazards and the adverse consequences of accidental or unintended actions. An educational software program that provides guidance when the user makes an inappropriate selection employs this principle.
- **Low physical effort.** The design can be used efficiently and comfortably, and with a minimum of fatigue. Doors that open automatically employ this principle.
- **Size and space for approach and use.** The design provides appropriate size and space for approach, reach, manipulation, and use, regardless of the user's body size, posture, or mobility. A science lab with adjustable tables employs this principle.”

In housing, UD includes features such as no-step entries, single-floor living, and wide halls and doorways, appliances and outlets aligned to accommodate wheelchair users, adequate turning radii (especially in kitchens and bathrooms), lever-style handles, and more. The Residential Universal Design Building Code includes 150 features that enable people of all abilities to live comfortably in their home.⁶⁷ According to the Harvard Joint Center for Housing Studies, only 1% of homes in the US offer the five most fundamental UD features, and that currently these homes tend to be located in larger multifamily buildings.⁶⁸ Existing smaller multifamily homes and mobile homes are the least accessible, and existing detached single-family homes are the next least accessible.⁶⁹

Through the standards the Town sets and its discretionary permitting processes, South Hadley can encourage Universal Design in new housing development. The Town can ensure UD in any new public buildings, can incorporate UD features into the Smart Growth Districts’ required design standards, can provide UD-related input in pre-proposal meetings with developers, can assess Special Permit applications against UD principles, and can include UD features in any pre-permitted housing designs (if that recommendation of this HPP is implemented).

⁶⁷The UD Project, “Residential Universal Design Code,” <https://universaldesign.org/code>

⁶⁸ Harvard Joint Center for Housing Studies, “Projections and Implications for Housing a Growing Population: Older Households 2015-2035,” <https://www.jchs.harvard.edu/research-areas/reports/projections-and-implications-housing-growing-population-older-households>

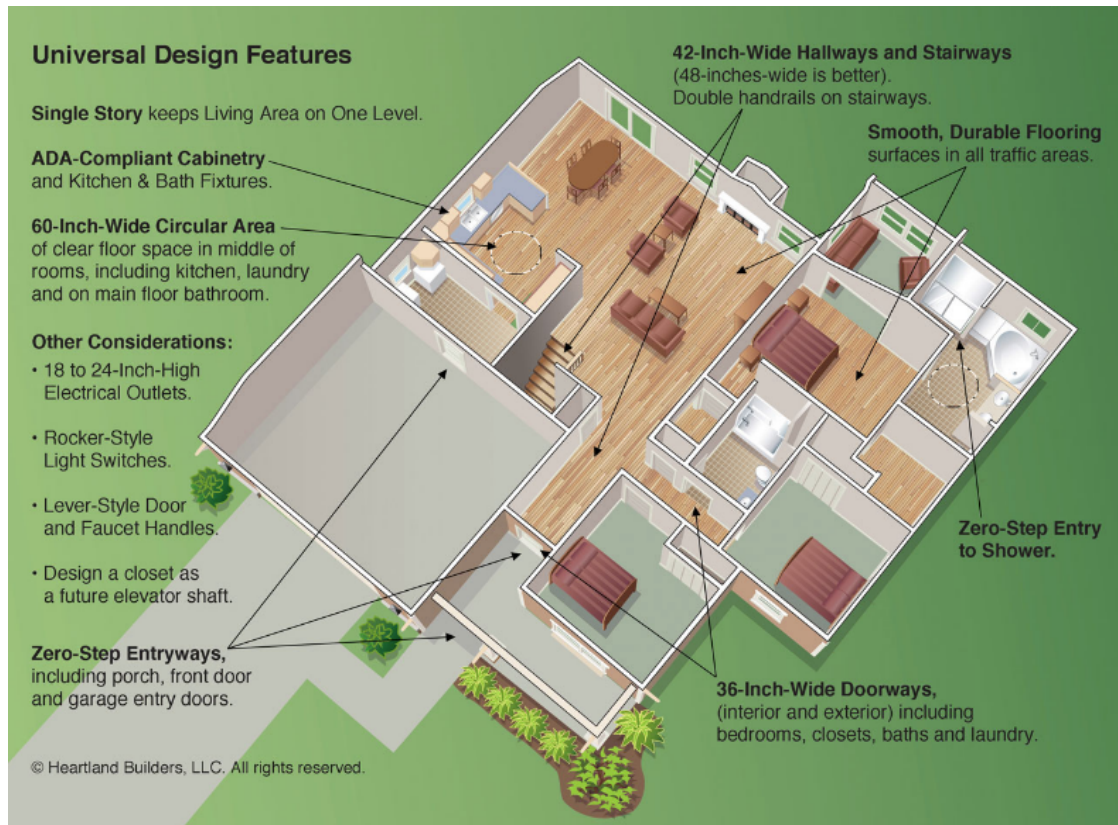
⁶⁹ *ibid.*

Figure 57: A kitchen built with UD features included



Source: Lifeway Mobility

Figure 58: Universal Design Features diagram



Source: Heartland Builders

Objective F:

Promote South Hadley as a development destination.

South Hadley sits at a unique place in the market. The Town itself includes elements of a historic Massachusetts mill town, a classic American suburb, a small college town, a bucolic mountain town, and more. It is part of the Connecticut River Knowledge Corridor, with ties to (a) Springfield and surrounding communities in the south and (b) the other Five Colleges communities in the north. (36% of residents commute to Springfield, Holyoke, Chicopee, West Springfield, and Westfield, and 13% commuting to Amherst and Northampton.⁷⁰)

Sitting between these north and south economic poles, it can be hard to see how exactly South Hadley fits into the regional market for housing development. At least part of the Smart Growth districts' production issues seem tied to the lack of developer knowledge about South Hadley. Making the Town's policy responses work will involve some level of promotion to the private sector. To address that concern, strategies falling under this objective relate to making the opportunity in South Hadley more apparent to the outside world.

Strategy 17: Housing Ecosystem Relationships

Build relationships with a variety of organizations in the housing ecosystem, including nonprofit developers, for-profit developers, commercial real estate brokers, lenders, and others, whose interest could benefit housing in South Hadley.

Housing development is a complex field that includes many different types of people and organizations working on different kinds of projects. There are for-profit developers who range vastly in size and the scale of projects they produce. This includes home flippers, one-off single-family developers, subdivision developers, small multifamily developers,

⁷⁰ US Census Bureau, Longitudinal Employer-Household Dynamics, 2020 data, accessed via OnTheMap

large multifamily developers working regionally or nationally, and mixed-use developers, who have skills in residential and commercial operations. One developer may take on multiple types of projects, but they usually cultivate a niche in one or two categories. The nonprofits can range from small and local community development corporations to regional and national tax credit specialists to organizations that provide support services for elderly and disabled residents. There are also real estate brokers and agents who source deals and facilitate transactions; banks, opportunity zone funds, and other financial institutions that provide capital; contractors who build labor and supply networks, and beyond.

This “housing ecosystem” all must be in place for the system to function. Compared to other nearby communities, South Hadley has a less developed active housing ecosystem. Small and large for-profit multifamily developers are largely absent, as are the range of nonprofits seen elsewhere. Many of these entities are working in adjacent communities, but have not yet worked in South Hadley.

Town staff should cultivate relationships with players in the industry. Knowing what their interests are, what makes their projects work, and constraints they avoid can be valuable to identify potential development connections as opportunities arise.

Strategy 18: Development Opportunity Catalog

Create and maintain a catalog of development opportunities.

As part of its promotion effort, Town staff could assemble and regularly update a catalog of potential development opportunities in South Hadley. This catalog would include site maps, photos, a description of existing conditions, the site’s zoning district, a list of allowed housing development types, a description of site constraints, and any other relevant details. Development opportunity catalogs have been used in a variety of Massachusetts communities, especially in lower income Gateway Cities, to attract interest in difficult-to-develop or overlooked sites. While South Hadley is not a Gateway City, it does have lower-income areas with sites that are both highly constrained and potentially overlooked by the market. A development catalog would be an easy way to showcase these properties and garner more interest.

Figure 59: Screenshots of development site catalogs from Lynn and New Bedford.

810 Lynnway

With 8.5 acres and a direct view of the Atlantic Ocean, this property is currently being used as a market but is primed for mixed-use development. The owner is anxious to sell, and the new owner can build as high as 20 stories by right.



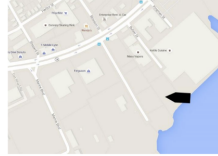
Investment Profile:

Map/Parcel: 034-760-005
 Ownership: South Harbor Assoc, LLC
 Zoning: WF1
 Current Use: DISC ST
 Lot Size: 8.464 Acres
 Assessed Value: \$6,120,000
 Contact: Pat McGrath 781-844-5630

Notes:

244 Blossom Street

The city, via the EDIC, owns this nearly three-acre site. It is in the Waterfront 1a Zone, which allows for mixed-use development. A portion of the site is within the Designated Port Area. The site abuts the recently completed Ferry Terminal, public parking and boat launch.



Investment Profile:

Map/Parcel: 067-751-021
 Ownership: EDIC
 Zoning: WF1A
 Current Use: Vacant
 Lot Size: 2.828 Acres
 Assessed Value: \$715,000
 Contact: James Cowdell,
 Executive Director
 EDIC 781-581-9399

Notes:

5 Underutilized Site

Area: 6,458 sf / 0.15 acres

Current Zoning: MUB

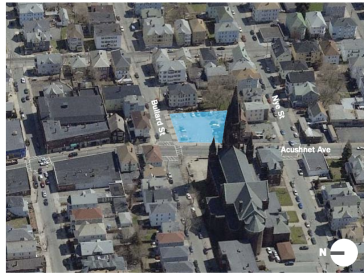
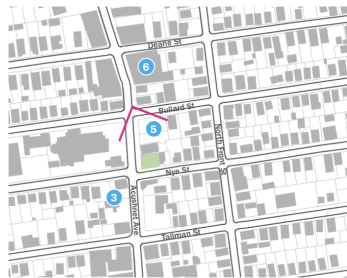
Site Address: Acushnet Avenue

Current Owner: City of New Bedford

Development type: Ground-up

Implementation Timeframe: Mid term (3-5 years)

Notes: This municipal lot currently offers additional off-street parking for the commercial district. A well-designed mixed-use liner building along Acushnet Avenue that preserves parking in the rear of the site would be a better street-defining development on the parcel, in this important location across from St. Anthony's plaza. Ground floor commercial space is recommended, with small office or residential above.



The Town should take the development opportunities section of this plan as a starting point, and create a development catalog that can be updated annually or biannually.

Alignment with Goals

The following table details how each strategy interacts with the goals articulated by this HPP. (See [Chapter 3: Goals](#) for the full text of the goal. The names used here are merely shorthand.) A strategy is marked with an “X” under the name of the goal that it directly affects.

Table 20: Strategies by Impacted Goals

Strategy Text ▼	Goals					
	Market affordability	Deed-restricted Affordable Housing	Housing options	Equity and inclusion	Connections to neighborhoods	Multiple benefits
Objective A: Dedicate funding to affordable housing development and maintenance of existing housing.						
Strategy 1: ARPA for Housing		X	X	X		
Strategy 2: Adopt CPA		X	X	X	X	X
Strategy 3: Land Purchase for Housing		X	X	X		
Strategy 4: Affordable Housing Trust		X	X	X		
Strategy 5: Home Repair Funding	X		X	X		X

Strategy Text ▼	Goals					
	Market affordability	Deed-restricted Affordable Housing	Housing options	Equity and inclusion	Connections to neighborhoods	Multiple benefits
Objective B: Create more opportunities for village style development through zoning.						
Strategy 6: Amend Smart Growth District Regulations	X	X	X	X	X	X
Strategy 7: Mixed-Use Zoning	X	X	X	X	X	X
Objective C: Encourage incremental and contextually sensitive “gentle” density.						
Strategy 8: Missing Middle Zoning	X	X	X	X		X
Strategy 9: Reflect Historic Patterns in Zoning	X		X	X		X
Strategy 10: Facilitate Implementation of ADU Zoning	X		X	X		X
Strategy 11: Pre-Permit Designs	X		X	X		
Objective D: Use zoning and permitting to encourage deed-restricted Affordable Housing production.						
Strategy 12: Zoning Incentives for Affordable Housing		X	X	X		X

Strategy Text ▼	Goals					
	Market affordability	Deed-restricted Affordable Housing	Housing options	Equity and inclusion	Connections to neighborhoods	Multiple benefits
Strategy 13: Friendly 40B Permitting	X	X	X	X		X
Objective E: Encourage new development that meets high environmental, and accessibility standards.						
Strategy 14: Consider the Specialized Energy Code.			X	X		X
Strategy 15: Zoning for Sustainability			X	X	X	X
Strategy 16: Encourage Universal Design			X	X	X	X
Objective F: Promote South Hadley as a development destination.						
Strategy 17: Housing Ecosystem Relationships	X	X	X			X
Strategy 18: Development Opportunity Catalog	X	X	X			X

Strategy Implementation

The following table offers guidance on the rough priority, timeline, lead implementer, and potential implementation partners for each strategy.

- Priority is determined by the potential material impact of each strategy in advancing goals, given as High, Medium, or Low. High priority strategies are likely to produce either a significant number of housing units or produce Affordable Housing units through the efforts of the Town during the next five years. Medium priority strategies may produce units but their effects must be filtered through the housing market, or these strategies will impact goals other than production. Low priority strategies are nice-to-have practices and can play an important role, but are not strictly necessary for production (i.e., the Town could achieve the same ends, though alternatives may be more difficult in practice). These ratings are necessarily subjective, and implementing agencies should act as opportunities arise to achieve the community's housing goals, regardless of the ratings here.
- Timeline provides a rough order of operations for the Town to pursue each strategy over the five-year course of this plan. Near-term means there should be action in the next year, mid-term means action in 2-3 years, and long-term means action in 4-5 years. This timeline is given in the abstract, while recognizing that opportunities for funding, support from the civic sector, or the needs of particular development projects may alter the timeline in reasonable ways.
- Lead and partner agencies are Town departments, boards and commissions, or quasi-municipal agencies that are responsible for or have expertise in the subject matter.

Table 21: Strategies by Implementation Notes

Strategy Text	Priority	Timeline	Lead	Partners
Objective A: Dedicate funding to affordable housing development and maintenance of existing housing.				
Strategy 1: ARPA for Housing	High	Near	Town Administrator	Planning and Conservation, Planning Board, Housing Authority, Redevelopment Authority
Strategy 2: Adopt CPA	High	Mid	Town Administrator	Selectboard; Planning and Conservation; Planning Board
Strategy 3: Land Purchase for Housing	High	Mid	Town Administrator	Planning and Conservation, Housing Authority, Redevelopment Authority
Strategy 4: Affordable Housing Trust	Low	Mid	Planning and Conservation	Selectboard, Planning Board, Redevelopment Authority
Strategy 5: Home Repair Funding	Medium	Mid	Planning and Conservation	Inspection Services, Town Administrator
Objective B: Create more opportunities for village style development through zoning.				
Strategy 6: Amend Smart Growth District Regulations	High	Near	Planning Board	Planning and Conservation
Strategy 7: Mixed-Use Zoning	High	Mid	Planning Board	Planning and Conservation

Strategy Text	Priority	Timeline	Lead	Partners
Objective C: Encourage incremental and contextually sensitive “gentle” density.				
Strategy 8: Missing Middle Zoning	High	Long	Planning Board	Planning and Conservation
Strategy 9: Reflect Historic Patterns in Zoning	Medium	Long	Planning Board	Planning and Conservation
Strategy 10: Facilitate Implementation of ADU Zoning	Medium	Mid	Planning and Conservation	Planning Board
Strategy 11: Pre-Permit Designs	Low	Long	Planning and Conservation	Inspection Services, Planning Board
Objective D: Use zoning and permitting to encourage deed-restricted Affordable Housing production.				
Strategy 12: Zoning Incentives for Affordable Housing	Medium	Long	Planning Board	Planning and Conservation
Strategy 13: Friendly 40B Permitting	Low	When relevant	Planning and Conservation	Zoning Board of Appeals
Objective E: Encourage new development that meets high environmental, and accessibility standards.				
Strategy 14: Consider the Specialized Energy Code.	High	Near	Inspection Services	Planning and Conservation, Planning Board
Strategy 15: Zoning for Sustainability	Medium	Mid	Planning Board	Planning and Conservation
Strategy 16: Encourage Universal Design	Medium	Mid	Planning Board	Planning and Conservation

Strategy Text	Priority	Timeline	Lead	Partners
Objective F: Promote South Hadley as a development destination.				
Strategy 17: Housing Ecosystem Relationships	High	Near	Planning and Conservation	Planning Board, Housing Authority, Redevelopment Authority
Strategy 18: Development Opportunity Catalog	Low	Near	Planning and Conservation	Planning Board

Chapter 7: Opportunity Sites

As part of the HPP process, the Town is required to name opportunity sites that could support new housing development. These are **not defined housing proposals**, and it is not necessary for the landowner to be pursuing housing development currently. Some of these properties are being considered for development by their owners, while others are not. The plan's named opportunity sites are only meant to demonstrate that, given the right conditions, housing development is possible in town.

This plan did not begin fresh when assessing opportunities sites. Recent planning processes in South Hadley have identified general areas where new housing or mixed-use development would be appropriate. These plans include the 2022 Master Plan, the 2019 South Hadley Falls Urban Redevelopment and Renewal Plan, the Route 33/202 Corridor Study, and more. The Town has also undertaken significant conservation planning in that frame where housing may be less appropriate. Ultimately, the Town's efforts identified four general areas that could be appropriate for new housing: South Hadley Falls, the Village Commons area, the Woodlawn (Newton-Lyman) area, and the Route 33/202 corridor.

A map of those four areas was given to the public via an online survey that ran from November 2022 to January 2023. Participants could place a virtual dot anywhere on the map they felt was appropriate for new housing. The four identified areas were largely affirmed by this survey question, though other areas of town were shown to be popular among some respondents.

The insights from past plans, the surveys, and town staff's knowledge of development discussions was used to assemble a list of fourteen properties. During a second survey that ran in June–July 2023, these properties were assessed by the public. The entire list is reproduced here for further consideration.

In addition to naming opportunity sites, this plan also conducted scenario analyses on a subset of three sites. Information on those scenarios is included at the end of this chapter.

Figure 60: Areas identified by past plans for housing development

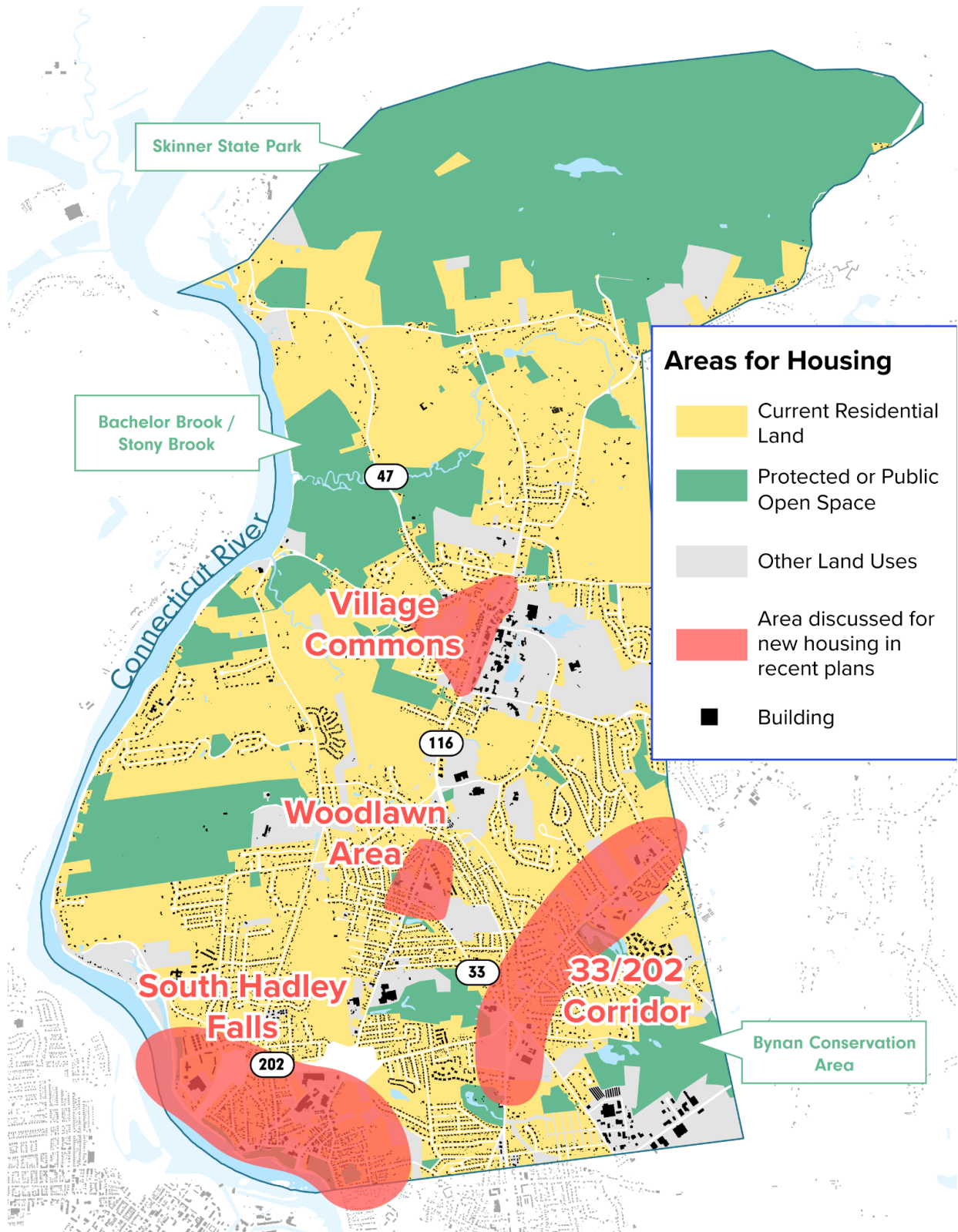


Figure 61: Survey results heatmap for desired development locations

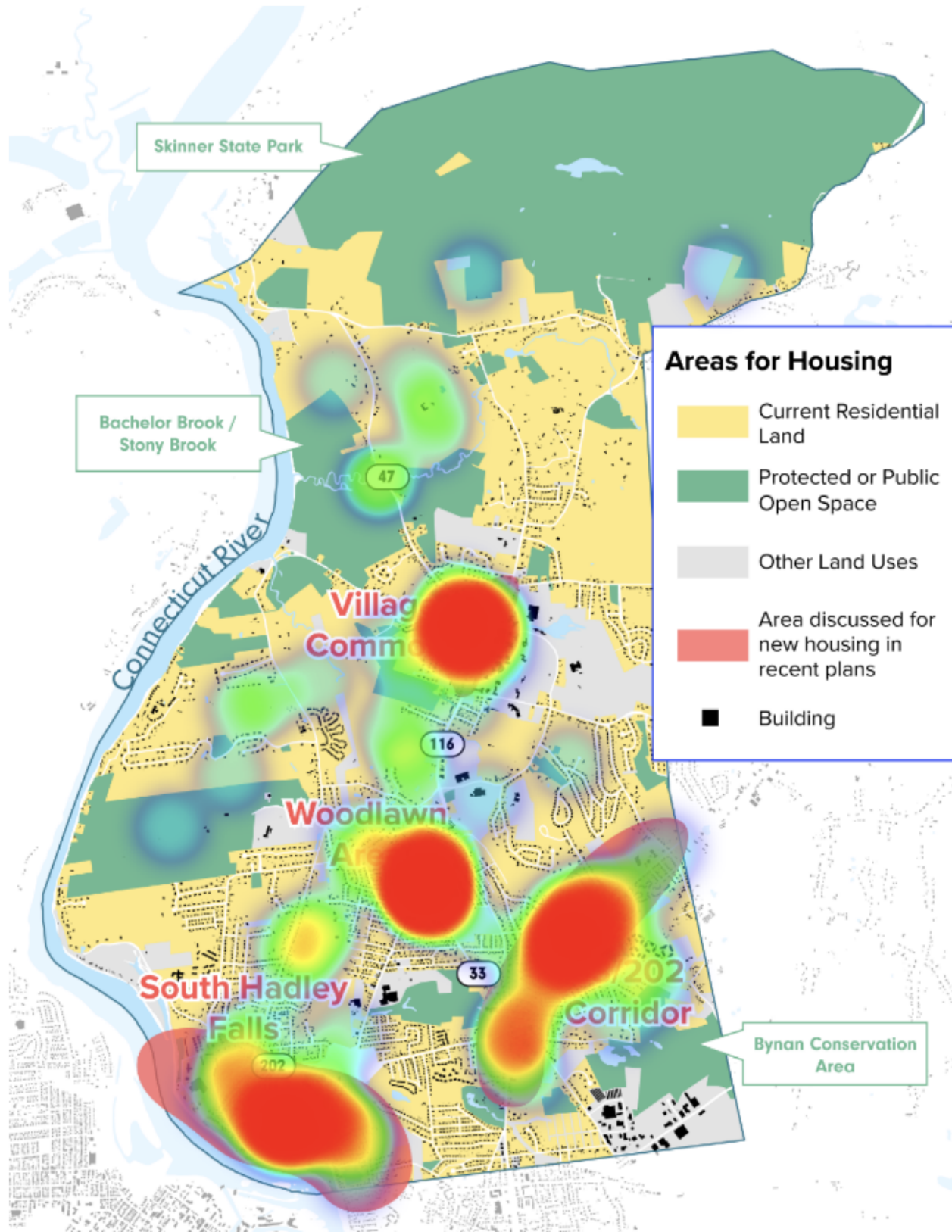
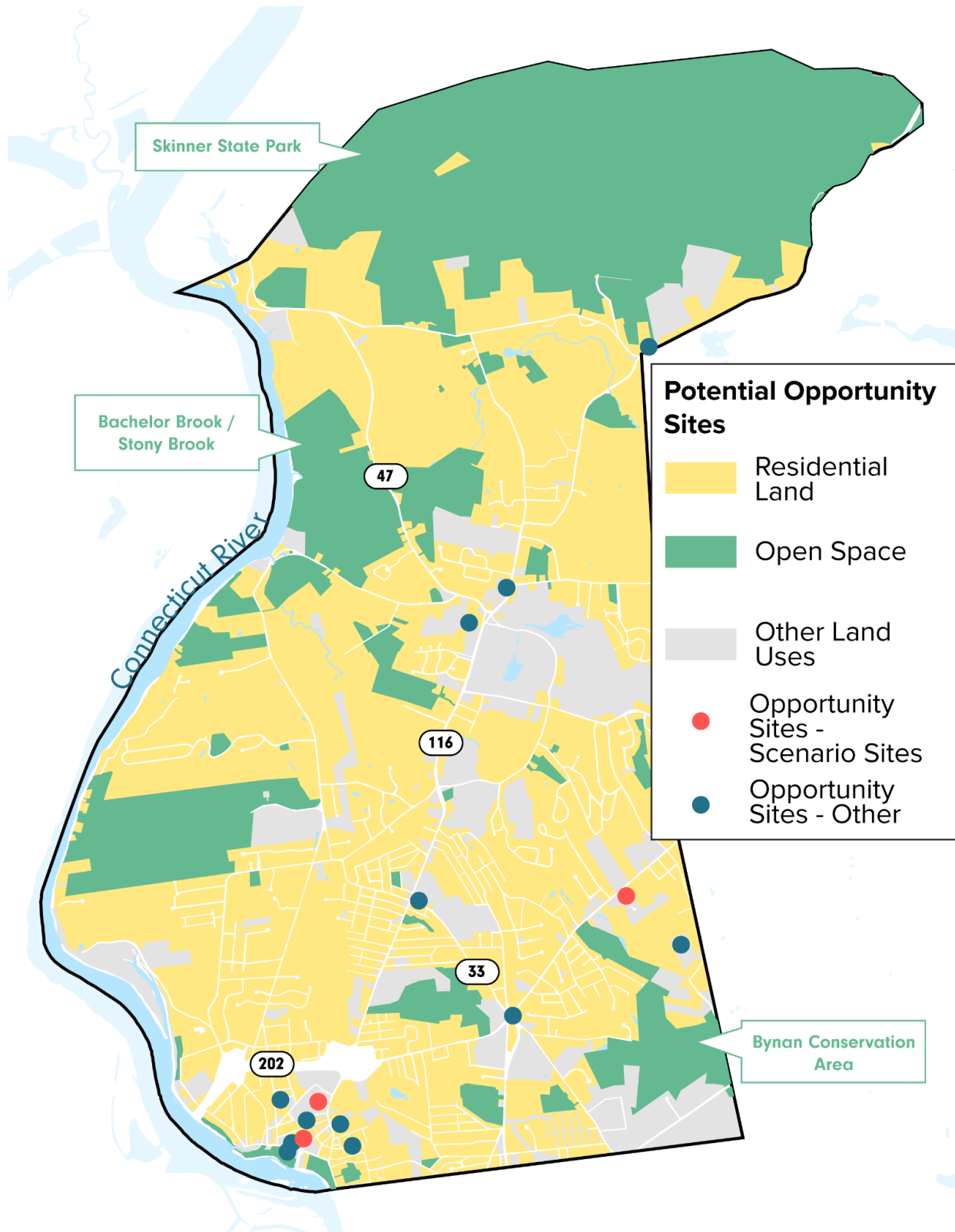
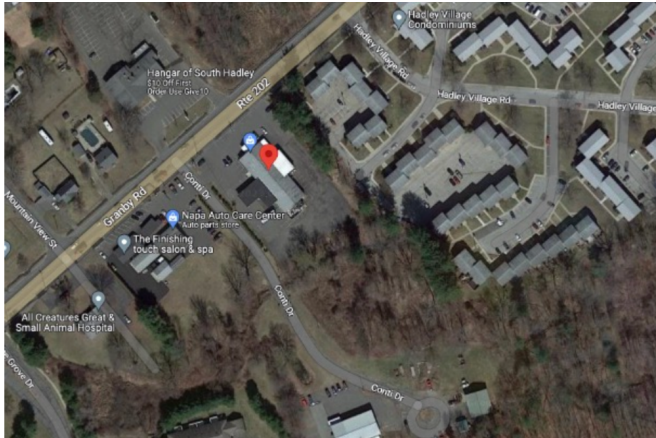


Figure 62: Potential Opportunity sites



506 Granby Road



- Location notes: A large opportunity along Route 202, within the mixed-use Gateway District proposed by the Route 202/33 Corridor Study.
- Existing use: Single-story retail (containing the Liquor Town business) with a large wooded area in back
- Zoning: Business A-1
- Land-based constraints: None
- Assessed Value: \$962,900
- Owner: AMHERST MARKET TK, INC
- Size: 4.15 acres

Mill 6, 60 Lamb Street



- Location notes: A large potential redevelopment site in South Hadley Falls, presently owned by a commercial real estate receiver who will likely dispose of the property
- Existing use: Vacant mill site
- Zoning: Industrial B, South Hadley Falls Overlay, South Hadley Falls Smart Growth District
- Land-based constraints: Unknown levels of industrial contamination or potential remediation needs
- Owner: WBCMT 2007-C33 GAYLORD STREET LLC
- Size: 4.62 acres

36 Bridge Street



- Location notes: Near Bridge St. at Main St.
- Existing use: Vacant land
- Zoning: Business B, South Hadley Falls Overlay District, South Hadley Falls Smart Growth District
- Land-based constraints: A river protection zone makes 200 feet in the rear of the lot undevelopable. The land is within the FEMA 1% annual floodplain.
- Owner: LUIS BUILDERS INC
- Size: 0.29 acres

Haas Electric Site (90 Main Street)



- Location notes: A collection of parcels along Main Street and back into School street
- Existing use: Single story commercial, vacant land
- Zoning: Business B, Residence B, South Hadley Falls Overlay District, South Hadley Falls Smart Growth District
- Land-based constraints: BATTERY BROOK runs through the site, so a river protection area makes large portions of the site unbuildable. The land is within the FEMA annual, mostly in the 1% annual floodplain and otherwise in the 0.5% annual floodplain.
- Owner: LUIS BUILDERS INC
- Size: 2.36 acres

41 South Street



- Location notes: A neighborhood infill opportunity (may be representative of a broader set of development opportunities).
- Existing use: Single story commercial, vacant land
- Zoning: Residence B, South Hadley Falls Overlay District
- Land-based constraints: n/a
- Owner: BUSCAN, JOSE MANUEL
- Size: 0.35 acres

56 School Street



- Location notes: A portion of a large parcel that faces school street
- Existing use: Vacant serving as open space
- Zoning: Residence B, South Hadley Falls Overlay District, South Hadley Falls Smart Growth District
- Land-based constraints: Buttery Brook runs through the site, so a river protection area makes large portions of the site unbuildable.
- Owner: E INK, CORP
- Size: roughly 1 acre

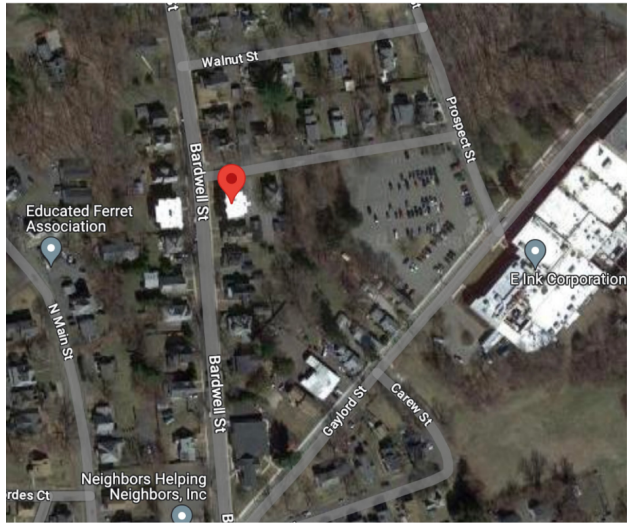
SHELD Site (85 Main Street)



- Location notes: Potential mixed-use or multifamily development opportunity on Town-owned land in the Falls. DHCD and the South Hadley Redevelopment Authority studied redevelopment scenarios for the site in a report published in 2021.⁷¹
- Existing use: Headquarters and operations for the South Hadley Electric Light Department
- Zoning: Business B, Industrial B, South Hadley Falls Overlay District, South Hadley Falls Smart Growth District
- Land-based constraints: The land is within the river protection area, the 1% annual flood zone, and the Biomap2 Critical Natural Landscape.
- Owner: TOWN OF SO HADLEY ELECTRIC LIGHT DEPARTMENT
- Size: 1.32 acres

⁷¹ DHCD Massachusetts Downtown Initiative, "South Hadley Falls Mixed Use Development," <https://www.southhadley.org/DocumentCenter/View/7776/South-Hadley-Falls-Mixed-Use-Development-Report---January-2021>

Bardwell @ Elm Streets



- Location notes: Potential redevelopment opportunity of existing multifamily housing.
- Existing use: Vacant multifamily and single-family structures.
- Zoning: Residence B, South Hadley Falls Overlay District
- Land-based constraints: n/a
- Owner: BARDWELL STREET, LLC; EG AND JG LLC
- Size: 0.59 acres

O'Brien Funeral Home



- Location notes: Potential South Hadley Falls multifamily development behind an existing business
- Existing use: Vacant land and parking behind a funeral home
- Zoning: Residence A-1
- Land-based constraints: A portion of the back area contains a wetland
- Owner: CURRAN-OBRIEN REALTY LLC
- Size: Approximately 1.8 acres, depending on how the existing parcel is divided

79 Lyman Street



- Location notes: A mid-size multifamily opportunity on an occupied commercial site at the intersection of 116 and 33.
- Existing use: Single story commercial
- Zoning: Business A, Newton Street Smart Growth District
- Land-based constraints: n/a
- Owner: CVVF SOUTH HADLEY MA LLC
- Size: 0.62 acres

33/202 Southeast Corner



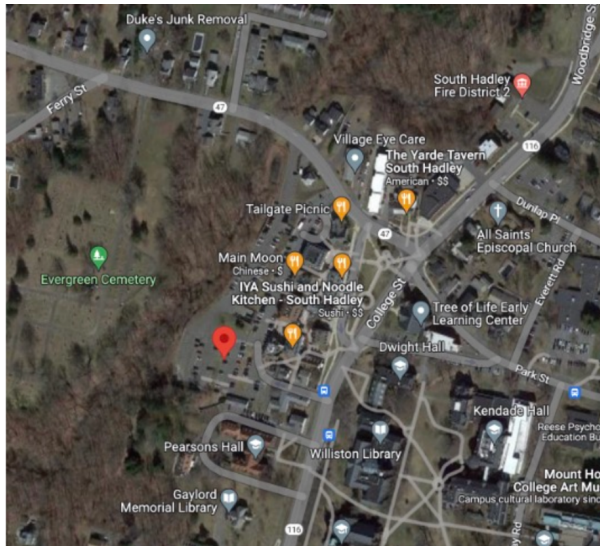
- Location notes: A collection of parcels fronting the junction of routes 33 and 202.
- Existing use: Vacant commercial land
- Zoning: Mostly Residence A-1, with a small in as Business A
- Land-based constraints: n/a
- Owner: CVVF SOUTH HADLEY MA LLC
- Size: 2.72 acres

28 Woodbridge (southern portion)



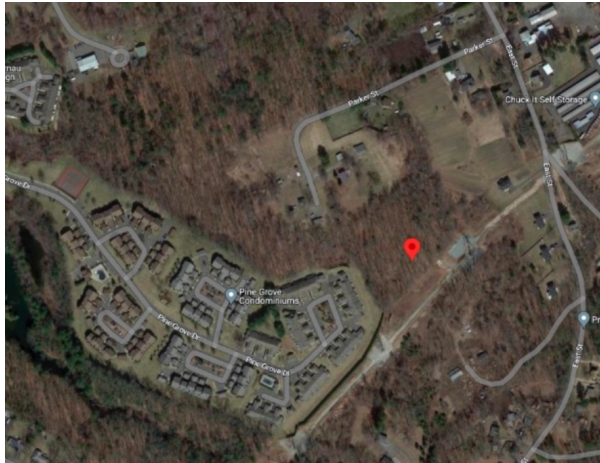
- Location notes: A historical site with the Sycamores and Rawsons house on a relatively large plot of land near the Village Commons. Any development would be located away from the historic structures.
- Existing use: Preserved historic homes
- Zoning: Residence A-1
- Land-based constraints: n/a
- Owner: SO HADLEY HISTORICAL SOCIETY
- Size: 3.60 acres

Village Commons lower parking area



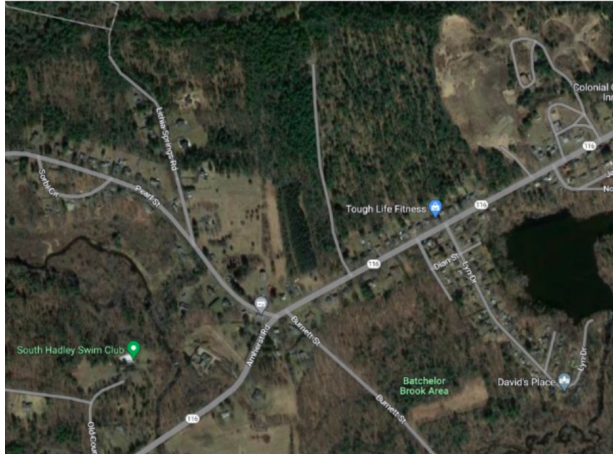
- Location notes: Potentially large extension of an existing popular mixed-use development
- Existing use: Parking
- Zoning: Residence A-2
- Land-based constraints: a stream on the west end of the site may constrain development
- Owner: CENTER REDEVELOPMENT CORP
- Size: Roughly 2 acres

East Cottage Street site



- Location notes: An interior lot with easement access to East Cottage Street. Potentially a site for a “cottage style” flexible development
- Existing use: mostly vacant with a utility easement running through the site
- Zoning: Residence A-1
- Land-based constraints: n/a
- Owner: LUIS BUILDERS INC
- Size: 11.2 acres

Amherst Road Site



- Location notes: The southern portion of a large Town-owned site. Developability is dependent on pending state agency decisions.
- Existing use: wooded area with a relatively cleared frontage on Amherst Road
- Zoning: Agricultural, Water Supply Protection Overlay
- Land-based constraints: n/a
- Owner: TOWN OF SO HADLEY, FIRE DISTRICT 2
- Size: Depends on site plan

Development Scenario Tests-Fits

This HPP included a process of testing housing development on a subset of the identified housing opportunity sites. By developing different housing scenarios, this plan identified where existing zoning worked to support housing goals, and what could be changed to create better outcomes. The scenarios used a method of “test-fitting” housing development, guided either by existing zoning or an alternative vision for housing on each site.

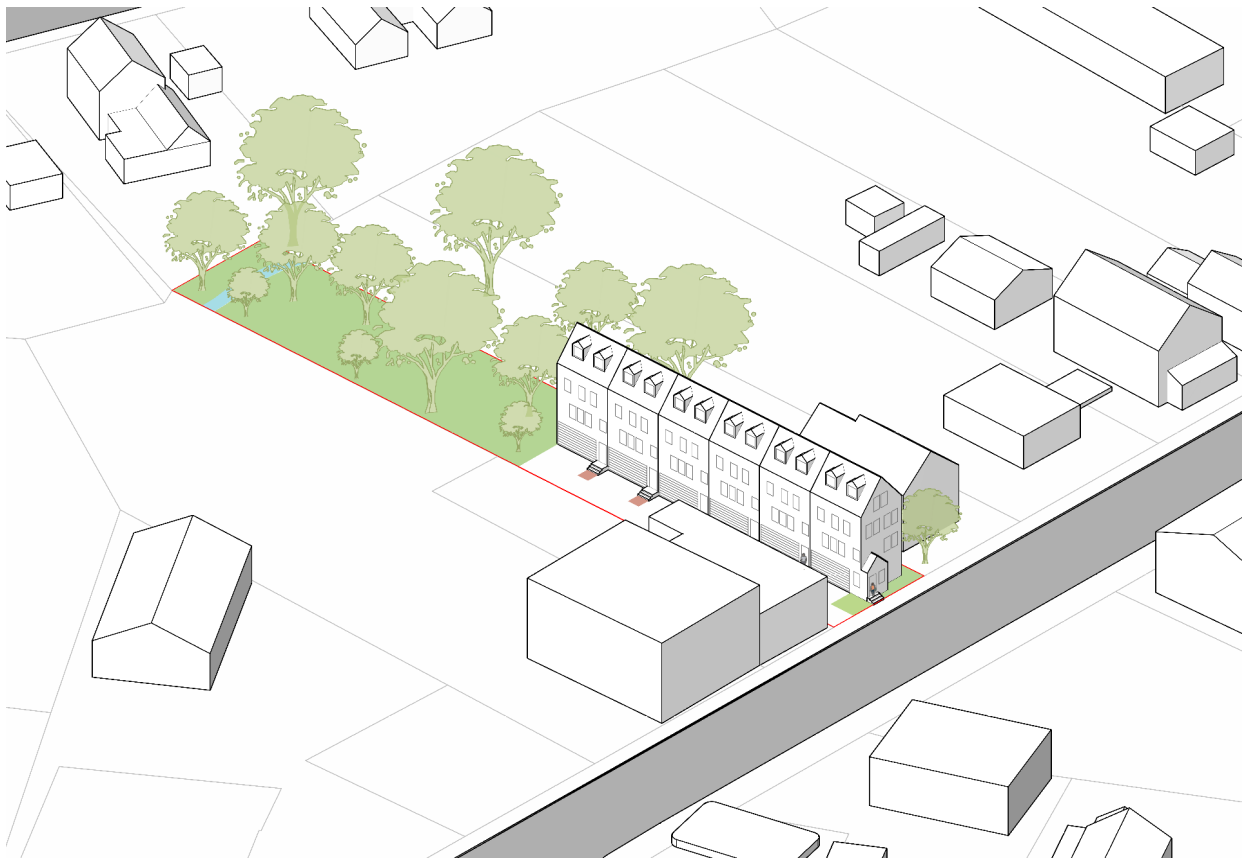
These are not development proposals. Rather, they are reality-based intellectual exercises meant to spur further thought and discussion.

Three sites were selected for test-fit scenarios: 506 Granby Road, Mill 6, and 36 Bridge Street. These three were chosen to test housing at different scales under different conditions. Two of the sites are in South Hadley Falls, an area with acute housing need and the subject of prior development interest, but the two are at massively different scales. Mill 6 is a large industrial redevelopment site, while 36 Bridge Street is a narrow infill site. The other site, 506 Granby, is on the Route 202 corridor, another area of development interest.

Each site was tested with three scenarios, meant to portray architecturally viable options. **These test-fits did not address the financial viability of any scenario, or assess non-regulatory and non-architectural questions.**

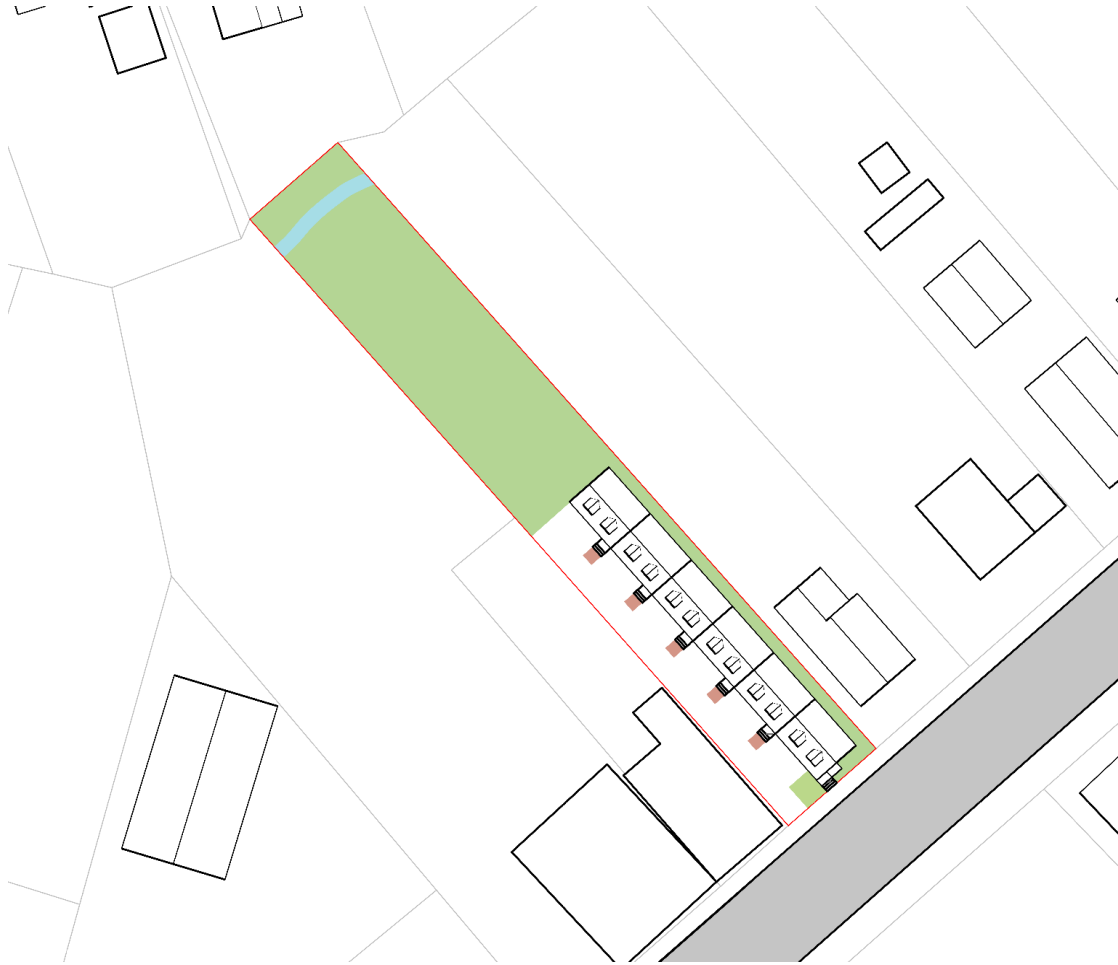
36 Bridge Street

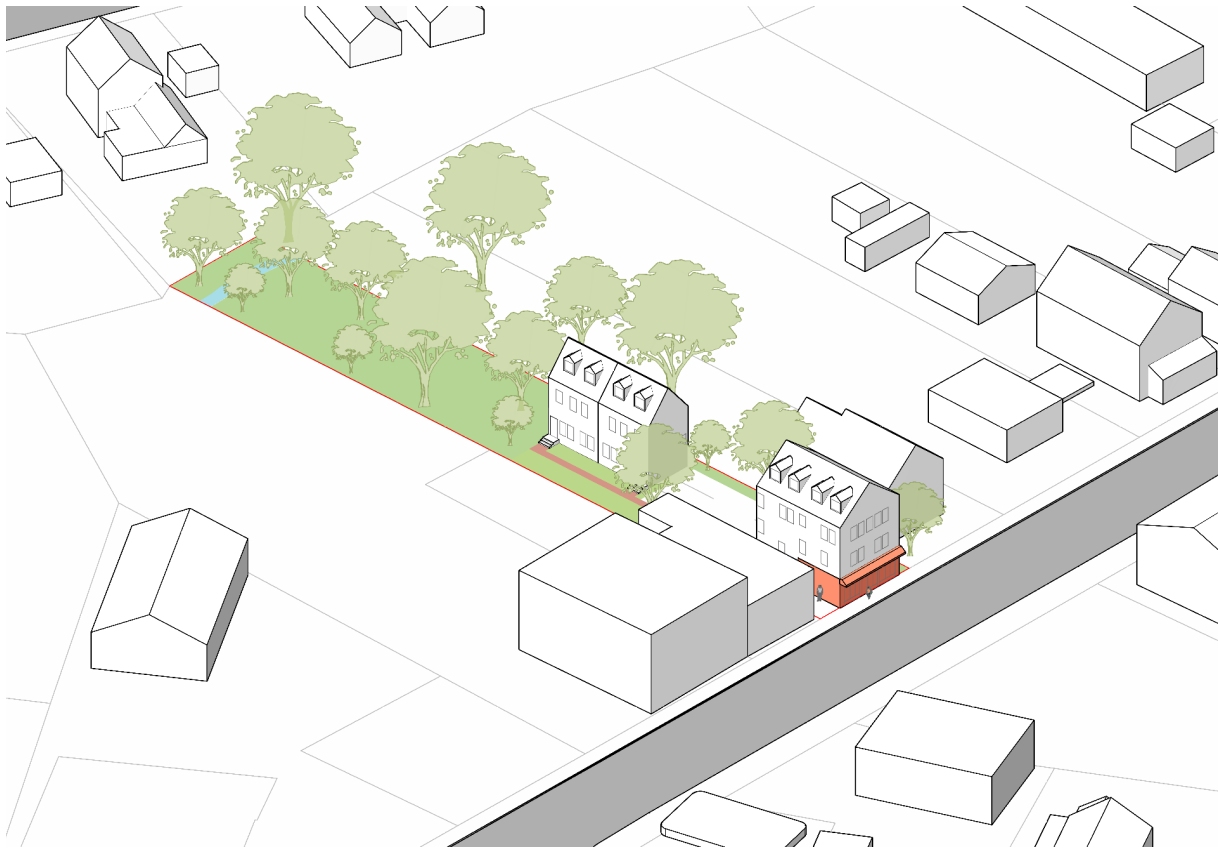
Scenario 1: Townhomes



- Site Area: 12,800 sq ft
- Building Footprint: 2,880 sq ft
- Stories: 3.5
- Height: 45'
- Dwelling Units: 6 (2 affordable)
- Unit Types: 3 bedrooms
- Unit Size: 1,250 sq ft
- Total Building Area: 7,500 sq ft
- Parking: 12 spaces (in unit)

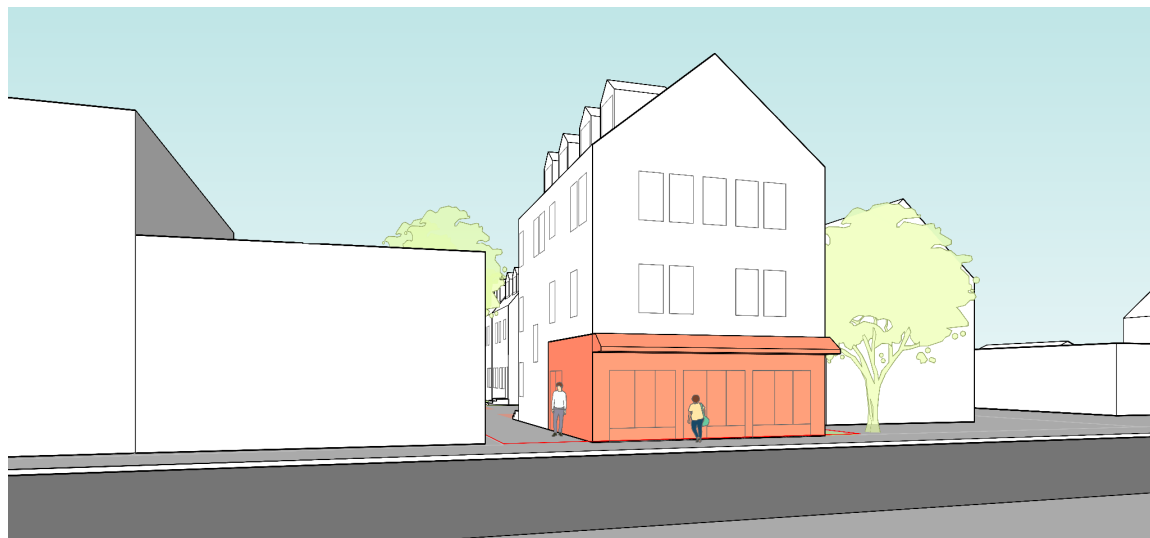
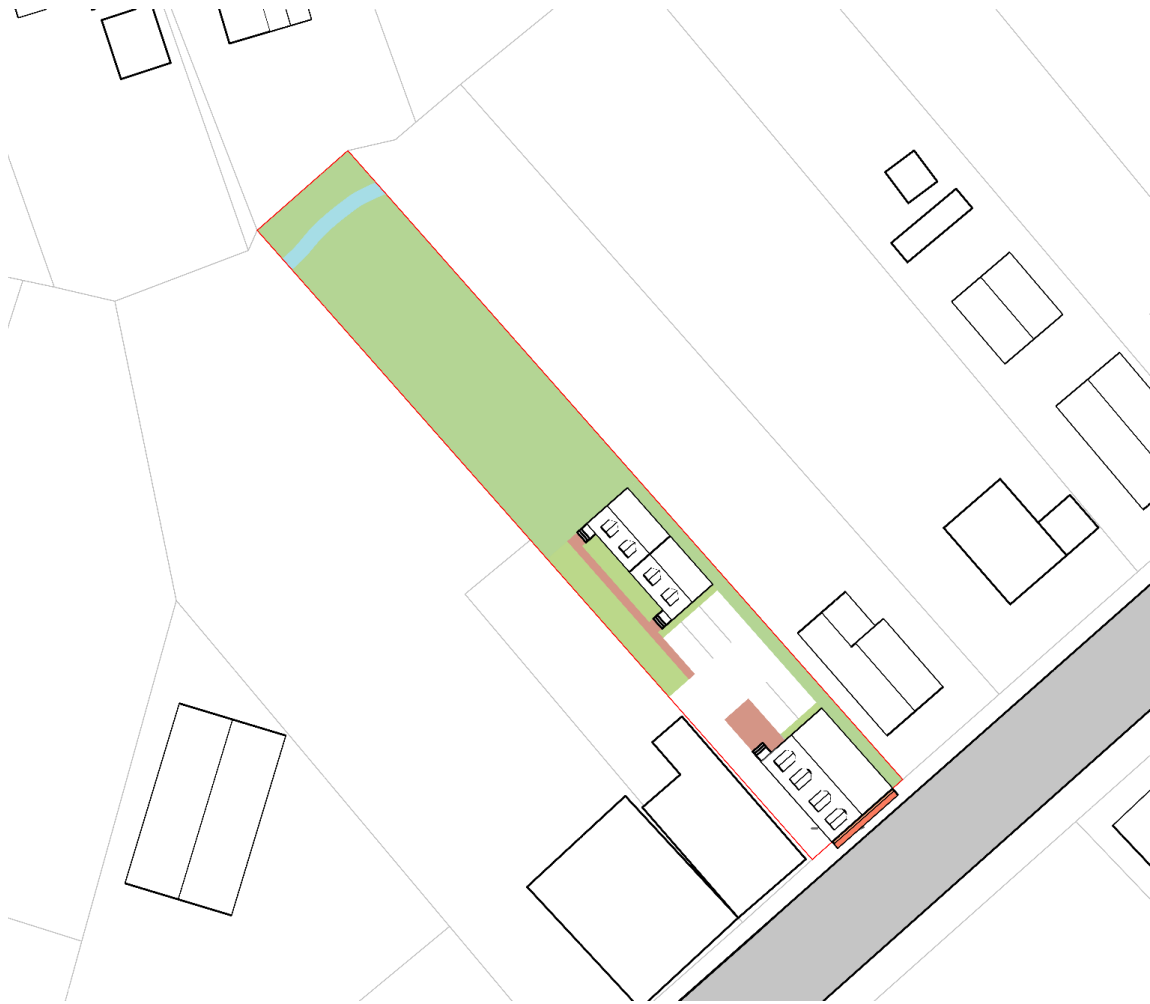
No zoning relief is needed. This development is permitted under the South Hadley Falls Smart Growth District.

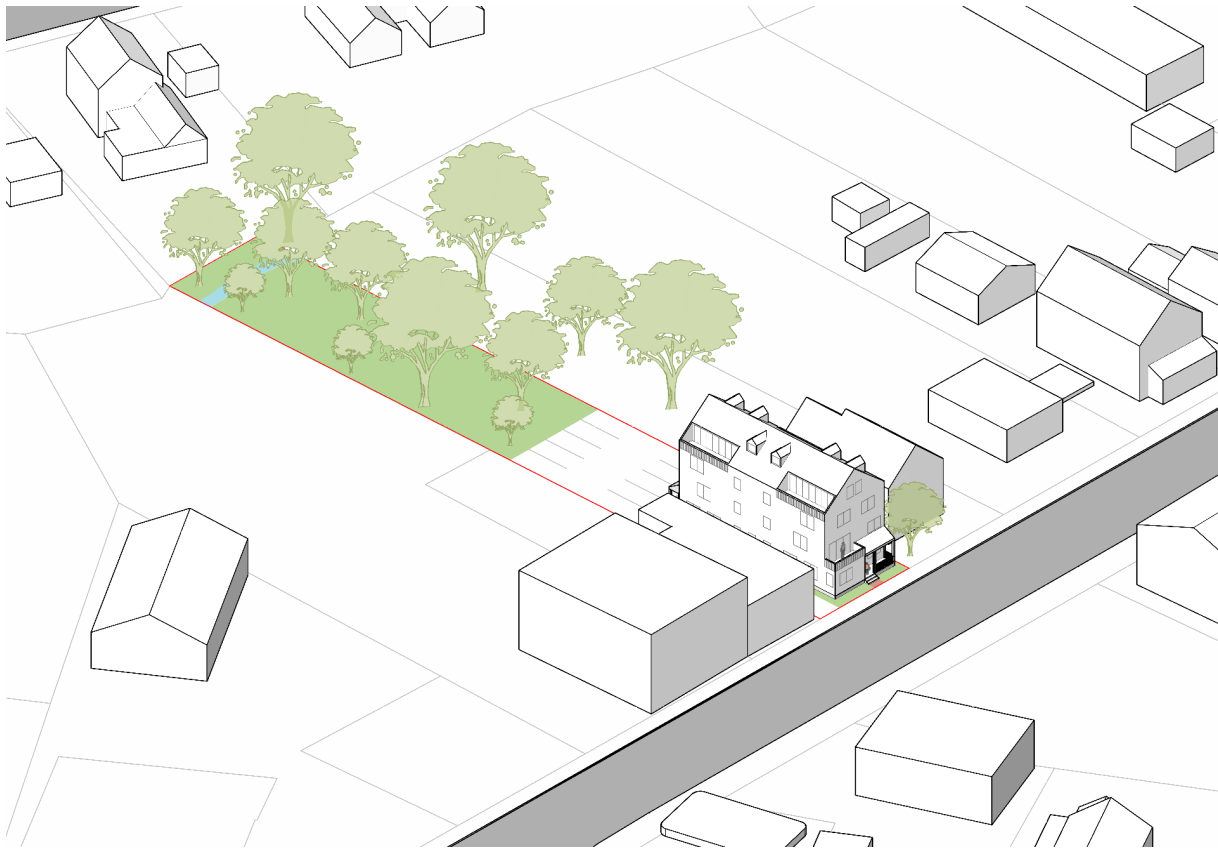


Scenario 2: Mixed-Use + Duplex

- Site Area: 12,800 sq ft
- Building Footprint: 2,160 sq ft
- Stories: 3.5
- Height: 45'
- Dwelling Units: 4 (1 affordable)
- Unit Types: 2-4 bedrooms
- Unit Size: 1,250–2,360 sq ft
- Total Building Area: 6,820 sq ft
- Parking: 5 (surface)

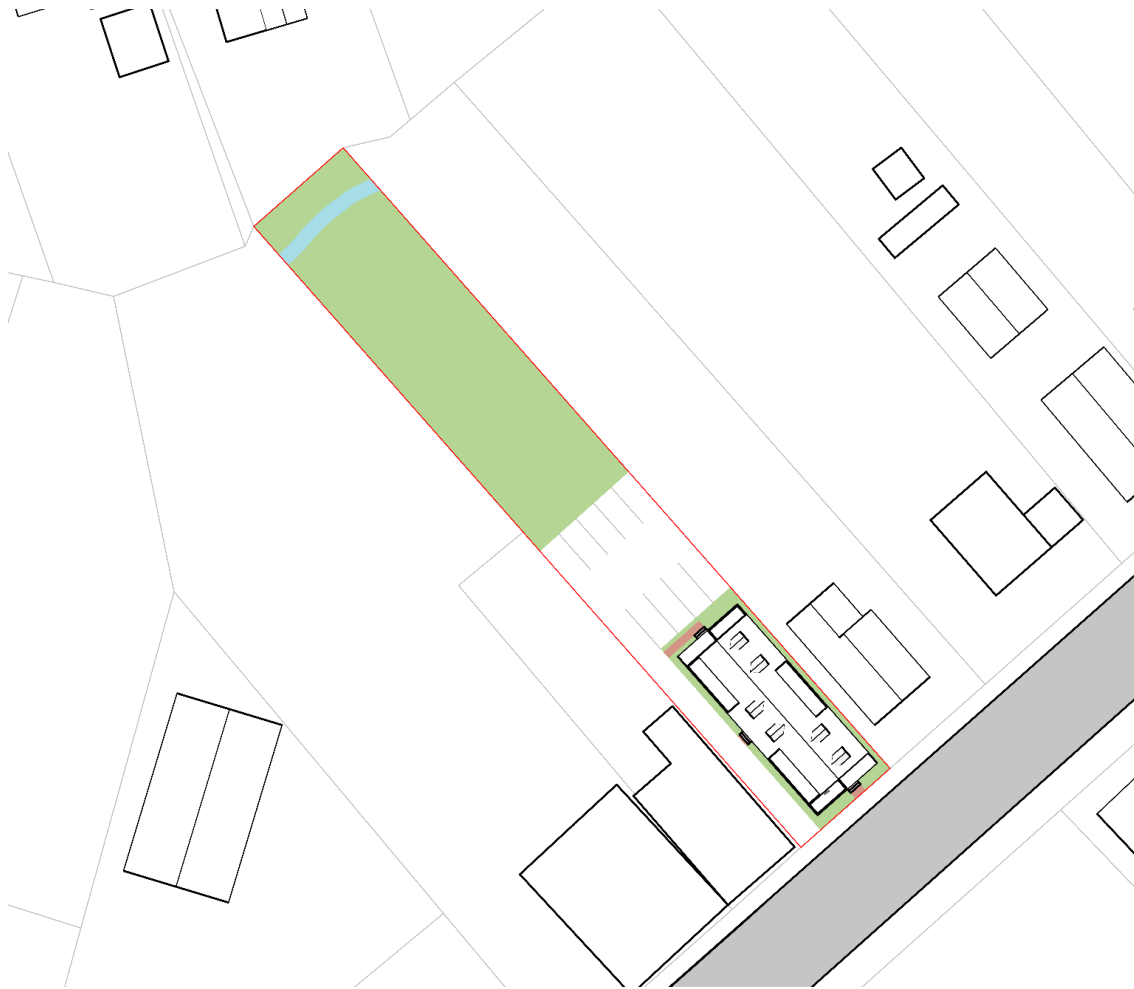
No zoning relief is needed. This development is permitted under the South Hadley Falls Smart Growth District.



Scenario 3: Small Multifamily

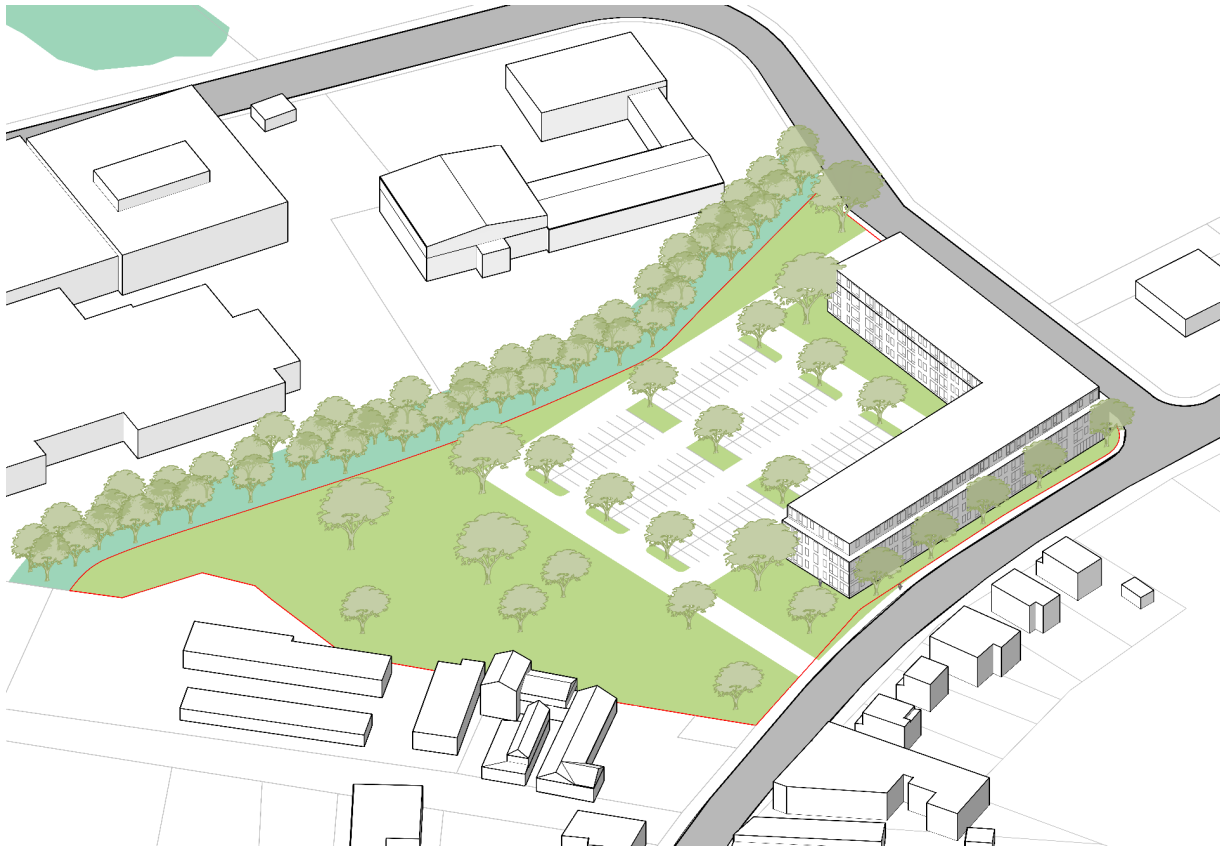
- Site Area: 12,800 sq ft
- Building Footprint: 2,400 sq ft
- Stories: 3.5
- Height: 45'
- Dwelling Units: 7 (2 affordable)
- Unit Types: 2 bedrooms
- Unit Size: 1,050–1,120 sq ft
- Total Building Area: 7,570 sq ft
- Parking: 9 (surface)

No zoning relief is needed. This development is permitted under the South Hadley Falls Smart Growth District.



Mill 6

Scenario 1: Conforming Corridor Building

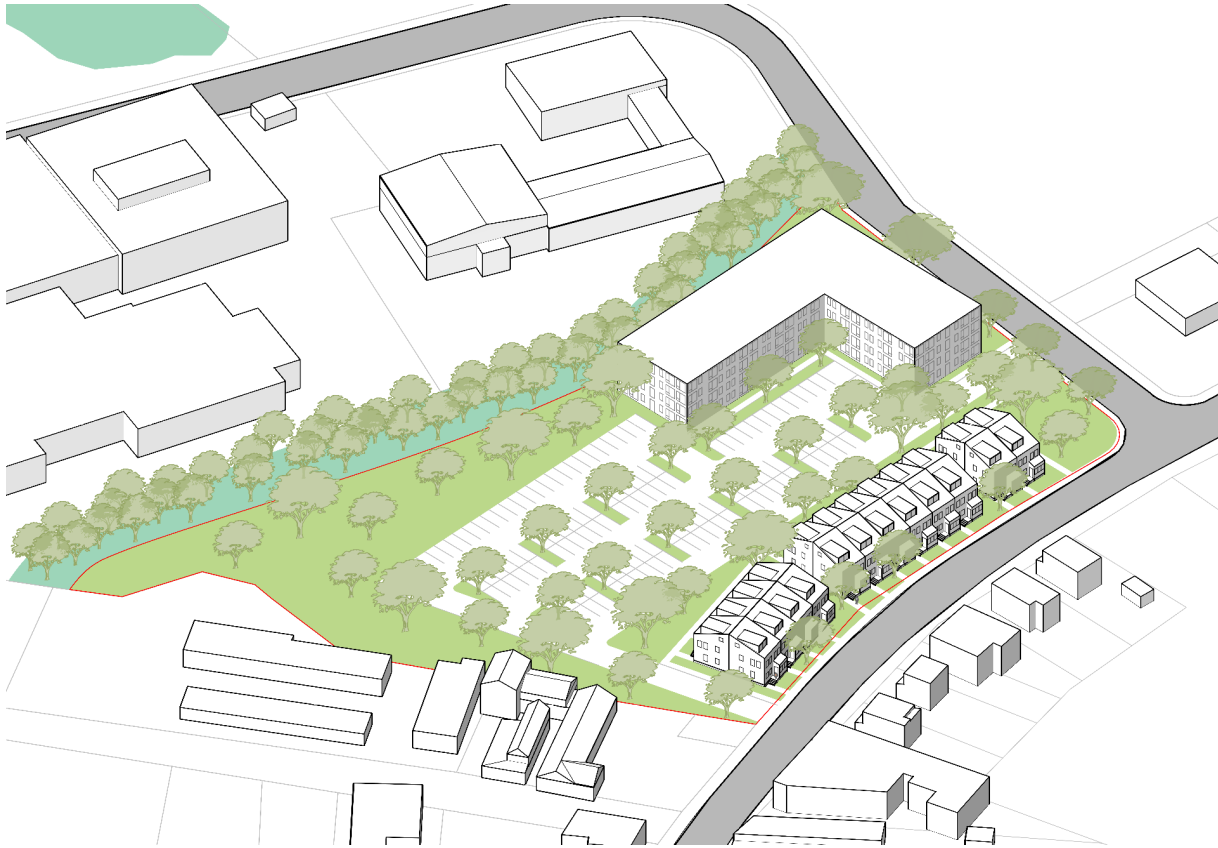


- Site Area: 178,000 sq ft
- Building Footprint: 26,800 sq ft
- Stories: 4
- Height: 42'
- Dwelling Units: 90 (18 affordable)
- Unit Types: 1–3 bedrooms
- Unit Size: 1,050 sq ft (average)
- Total Building Area: 104,000 sq ft
- Parking: 120 (surface)

No zoning relief is needed. This development is permitted under the South Hadley Falls Smart Growth District.



Scenario 2: Townhomes + Corridor Building

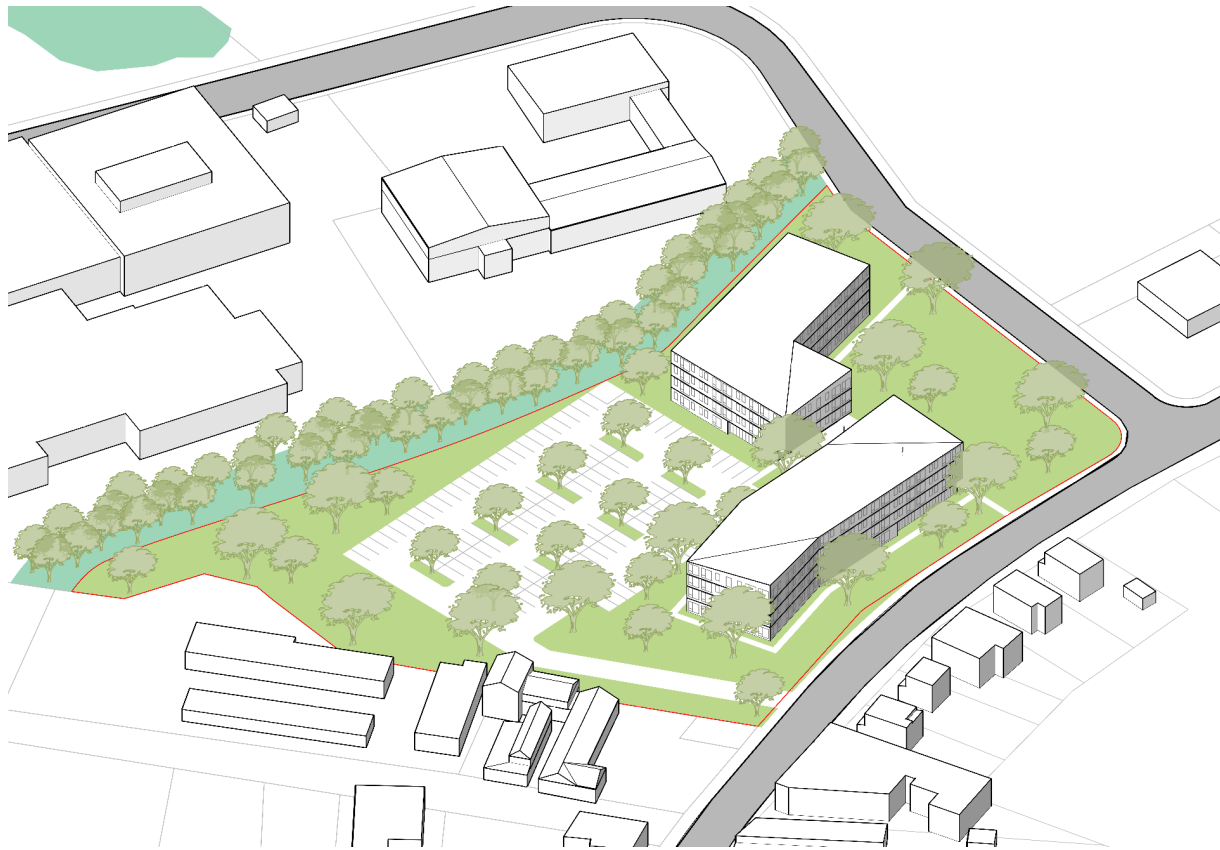


- Site Area: 178,000 sq ft
- Building Footprint: 24,220 sq ft
- Stories: 4
- Height: 42'; 35'
- Dwelling Units: 85 (17 affordable)
- Unit Types: 1,2,3 bedrooms
- Unit Size: 1,050 sq ft (avg multifamily); 1,500 TH
- Total Building Area: 110,000 sq ft
- Parking: 130 (surface)

This scenario would require regulatory changes to the Smart Growth District's required fourth floor setback. These changes directly connect to [Strategy 6: Amend Smart Growth District Regulations](#).



Scenario 3: Corridor Building Redesign



- Site Area: 178,000 sq ft
- Building Footprint: 27,500 sq ft
- Stories: 4
- Height: 45'
- Dwelling Units: 85 (17 affordable)
- Unit Types: 1,2,3 bedrooms
- Unit Size: 1,050 sq ft (average)
- Total Building Area: 109,600 sq ft
- Parking: 130 (surface)

This scenario would require regulatory changes to the Smart Growth District's required fourth floor stepback and maximum front setbacks. These changes directly connect to [Strategy 6: Amend Smart Growth District Regulations.](#)



506 Granby Road

Scenario 1: Small-Unit Multifamily behind existing



- Site Area: 162,000 sq ft (whole lot)
- Building Footprint: 16,500 sq ft
- Stories: 3
- Height: 40'
- Dwelling Units: 57 (12 affordable if a 20% requirement was applied)
- Unit Types: 1 bedrooms
- Unit Size: 650 sq ft
- Total Building Area: 49,500 sq ft
- Parking: 66 (surface)

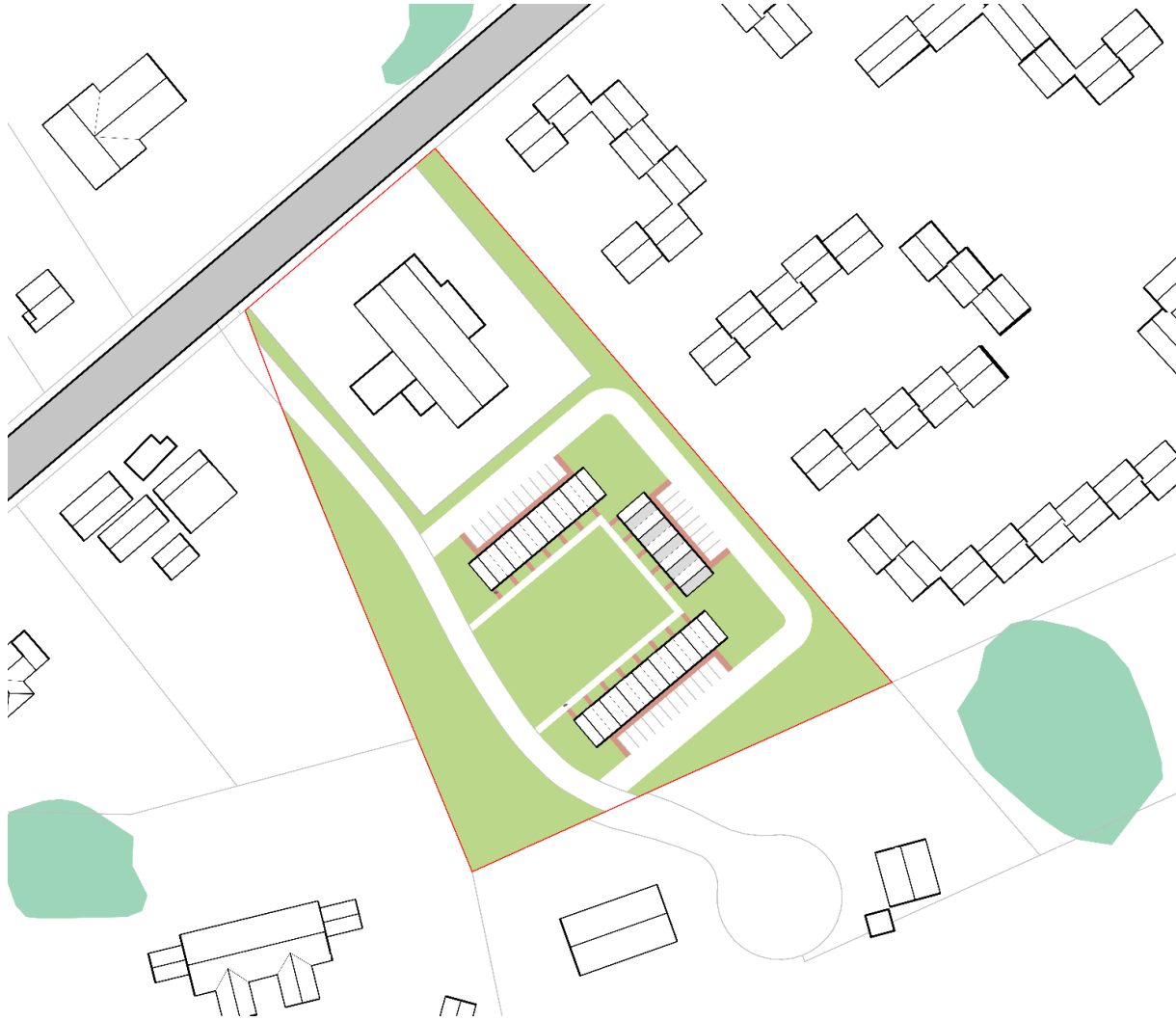
This scenario would require multifamily residential development to be allowed (presently no residential is allowed) and for parking requirements decreased. These changes directly connect to Strategy 8: Missing Middle Zoning and Strategy 9: Reflect Historic Patterns in Zoning.



Scenario 2: Townhomes behind existing

- Site Area: 162,000 sq ft (whole lot)
- Building Footprint: 10,800 sq ft
- Stories: 2.5
- Height: 30'
- Dwelling Units: 20 (4 affordable if a 20% requirement was applied)
- Unit Types: 2 bedrooms
- Unit Size: 985 sq ft
- Total Building Area: 19,700 sq ft
- Parking: 32 (surface)

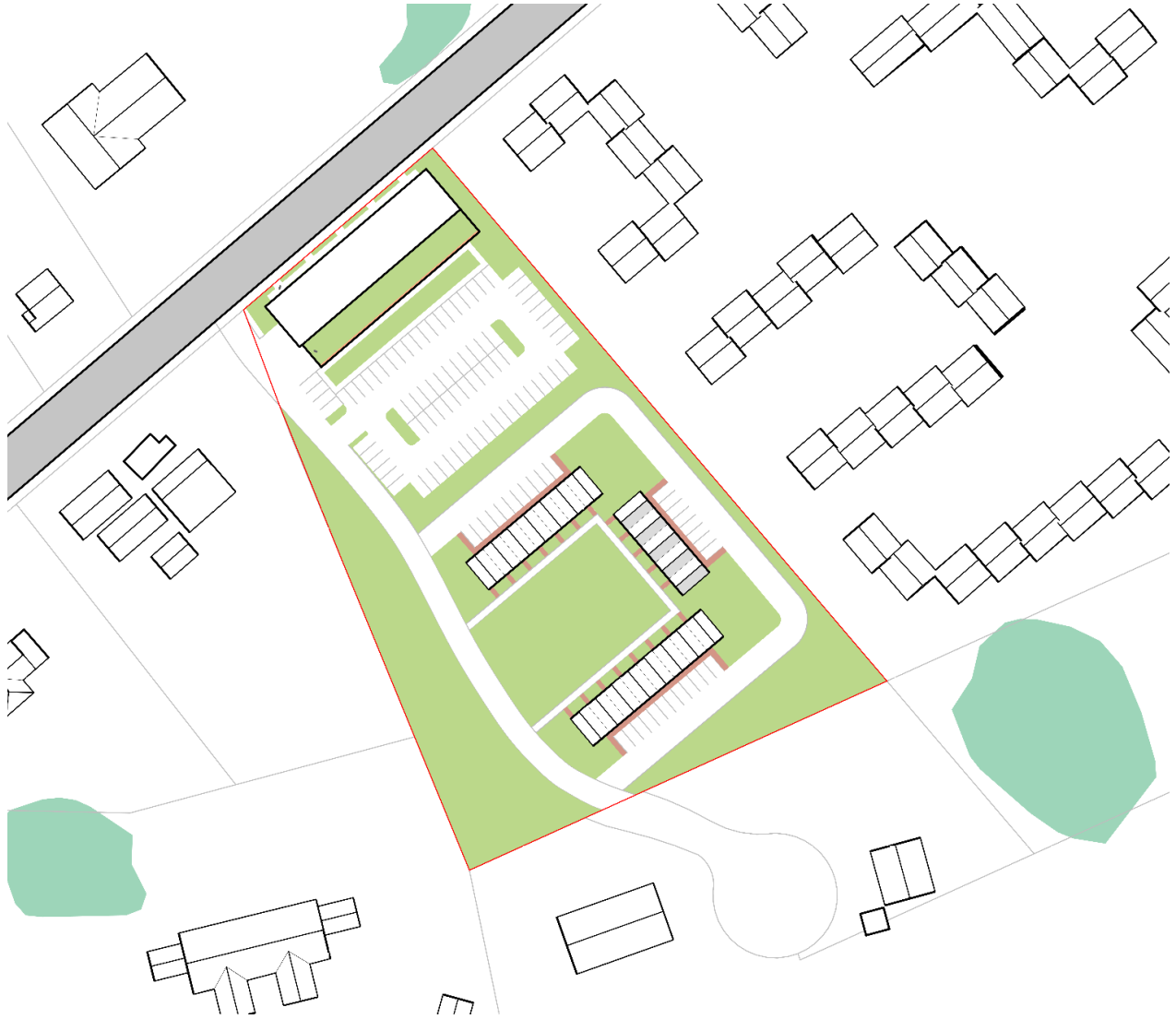
This scenario follows the zoning in the adjacent Residence C district, and would require the back of the site to be rezoned as Residence C. These changes directly connect to [Strategy 8: Missing Middle Zoning](#).



Scenario 3: Townhomes Behind New Mixed-Use

- Site Area: 162,000 sq ft
- Building Footprint: 10,800 sq ft
- Stories: 2.5 (TH), 3 (mixed-use)
- Height: 34' (mixed-use)
- Dwelling Units: 32 (7 affordable if a 20% requirement was applied)
- Unit Types: 2 bedrooms
- Unit Size: 985–1,015 sq ft
- Total Building Area: 48,500 sq ft
- Parking: 112 (surface - including commercial)

This scenario follows the zoning in the adjacent Residence C district in the back, and a vision for mixed-use multifamily zoning in the front. These changes directly connect to [Strategy 8: Missing Middle Zonings](#) and [Strategy 7: Mixed-Use Zoning](#).



Affordability Requirements

Both 36 Bridge Street and Mill 6 are in a Smart Growth District (under Chapter 40R), and under the rules of this district require that:

- 20% of all new units must be deed-restricted Affordable Housing
- 25% of all new rental units must be deed-restricted Affordable Housing
- 25% of all new housing reserved for seniors or people with disabilities must be deed-restricted Affordable Housing.

The zoning that applies to 506 Granby Road today does not allow residential development, and as such carries no affordability requirements. However, because rezoning would be required, the town has the opportunity to consider affordability requirements there and elsewhere.

The results of such requirements are given in Table 22.

Table 22: Affordable units by development scenario

	36 Bridge Street			Mill 6			506 Granby*		
	Total Units	Affordable Units	Affordable Rental / Senior	Total Units	Affordable Units	Affordable Rental / Senior	Total Units*	Affordable Units*	Affordable Rental / Senior*
Scenario 1 [†]	6	2	2	90	18	23	57	12	15
Scenario 2 [†]	4	1	1	85	17	22	20	4	5
Scenario 3 [†]	7	2	2	85	17	22	32	7	8

* These figures are calculated assuming that the affordability requirements active in today's Smart Growth Districts would be applied at 506 Granby.

† The development scenarios for each site are independent of other sites. The three test-fits for each scenario label are not meaningfully related.

Conclusion

This Housing Production Plan is a statement of intention. There is much more work to be done to monitor the market as it evolves, study the recommendations given here, consult the public on implementation details, and (ultimately) to take action. There is no simple solution to the housing crisis, but with determination and strategic action, South Hadley can produce the Affordable Housing it needs and advance its housing goals.

Approach to achieving targets and goals

When thinking specifically about achieving the [housing production targets discussed in Chapter 4](#), it is useful to consider how the existing development pipeline and Development Scenario test-fits relate to the targets.

- The 60-unit Wayfinders development at the Woodlawn Plaza will have at least 45 SHI-eligible units, and potentially up to 60 (depending on funding terms set by MassHousing).
 - Assuming this project progresses, the town would be eligible for one-year safe harbor (Target 2) when those units are counted on the SHI.
 - However, even if all 60 units were SHI eligible, only an additional 3 affordable units would need to be built that same year to reach the annual units needed to be on track for long-term safe harbor. Achieving long term safe harbor would still require four additional years of that scale of affordable housing production.
 - Assuming all 60 units of the Wayfinders project were SHI eligible, the town would need roughly 5 Wayfinders-scale projects to achieve long-term SHI (Target 1).
 - Receiving that much state subsidy over a five-year timeline, particularly when there are not more all-affordable projects in the pipeline, is very unlikely.
- Beyond the Wayfinders project, achieving one-year safe harbor (or any longer term safe harbor) is a difficult task if relying on mixed-income market-and-affordable developments like those featured in the [development scenarios](#). Assuming that each site is developed under its most unit-productive scenario:
 - There would need to be 19 projects the size of 36 Bridge Street to achieve one-year safe harbor.

- There would need to be two projects the size of Mill 6 to achieve one-year safe harbor.
- There would need to be three projects the size of 506 Granby Road to achieve one-year safe harbor.
- For more ambitious targets (two-year safe harbor, progress to long-term safe harbor, or actual long-term safe harbor) the number of projects needed is much greater. (See Table 23.)

Table 23: Number of projects needed to achieve safe harbor by development scenario site

	Target	36 Bridge-scale projects needed	Mill 6-scale projects needed	506 Granby-scale projects needed*
One-year	37	19	2	3
Two-year	74	37	4	5
Annual progress to long-term safe harbor	63	32	3	5
Long-term safe harbor	312	156	14	21

* Assuming affordability requirements similar to Chapter 40R

Clearly the scale of development required to achieve the housing production targets using *only* mixed-income approaches is beyond current housing production levels. It would be a real anomaly to have this much development in a given year or five-year timeframe, even if there was broad public support for this scale of development. Likewise, achieving the scale of development only from subsidized projects is highly unlikely with current subsidy programs (and especially in this plan's five-year time horizon with few, if any, all-affordable projects in the pipeline beyond Wayfinders).

South Hadley will, therefore, need to take a blended approach to achieving its production targets (and its broader housing goals). Courting and encouraging more all-affordable development is key, since this is the most "efficient" way of achieving targets in terms of total units produced. To do this, the Town will need to proactively work with affordable housing developers, bring money and/or land to the table, and offer a clear path to permitting (e.g., through the Smart Growth Districts or similar approaches like Friendly 40Bs). Additionally, it will need to encourage broader mixed-income development that can take advantage of some unsubsidized development. This will be

less “efficient” in terms of overall proportion of SHI-eligible units, but it will provide more consistent progress to targets and take advantage of the broader market conditions. To do this, the Town can focus on reforming the Smart Growth Districts and making other zoning reforms (assuming affordability requirements are included).

This blended approach incorporating all-affordable and mixed-income development has the best chance of helping the town to achieve its targets. In conjunction with the entire suite of strategies recommended here, this approach will also do the most to help the town achieve its broader housing goals.