SOUTH HADLEY

HOUSING PRODUCTION PLAN

June 16, 2016
What is affordable housing?

Housing Production Plan

Affordable Housing Goals

Where and what in South Hadley?
What is affordable housing?

Housing costs considered unsustainable if > 30% household gross income.

Springfield MSA Area Median Family Income: $67,700
What is affordable?

FY2015 Springfield MSA (Hamden and Hampshire)
Area Median Family Income: $67,700

<table>
<thead>
<tr>
<th>Income Limit</th>
<th>1-person</th>
<th>2-person</th>
<th>3-person</th>
<th>4-person</th>
<th>5-person</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY2015 Low-Income Limits (80%)</td>
<td>$46,100</td>
<td>$52,650</td>
<td>$59,250</td>
<td>$65,800</td>
<td>$71,100</td>
</tr>
<tr>
<td>Sales Price (estimated)</td>
<td>$131,000</td>
<td>$150,000</td>
<td>$168,000</td>
<td>$185,000</td>
<td>$202,000</td>
</tr>
<tr>
<td>Rental Price (estimated)</td>
<td>$1,153</td>
<td>$1,316</td>
<td>$1,481</td>
<td>$1,645</td>
<td>$1,778</td>
</tr>
</tbody>
</table>
40% of current households in South Hadley earn less than 80% of Area Median Income (AMI).
Housing Costs
As Percentage of Income

<table>
<thead>
<tr>
<th></th>
<th>0%</th>
<th>10%</th>
<th>20%</th>
<th>25% to 29.9%</th>
<th>30% to 34.9%</th>
<th>35% or More</th>
</tr>
</thead>
<tbody>
<tr>
<td>Owned</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>without</td>
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</tr>
<tr>
<td>Mortgage</td>
<td></td>
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<tr>
<td>Owned</td>
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<tr>
<td>with</td>
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</tr>
<tr>
<td>Mortgage</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Renter</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
## Population Trends

<table>
<thead>
<tr>
<th></th>
<th>2000</th>
<th>2010</th>
<th>% Change 2000 to 2010</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>#</td>
<td>%</td>
<td>#</td>
</tr>
<tr>
<td>Total Group Quarters</td>
<td>1,847</td>
<td>10.7%</td>
<td>2,200</td>
</tr>
<tr>
<td>Total Households</td>
<td>6,586</td>
<td>100.0%</td>
<td>6,793</td>
</tr>
<tr>
<td>Family households</td>
<td>4,208</td>
<td>63.9%</td>
<td>4,156</td>
</tr>
<tr>
<td>Families with children under 18</td>
<td>1,746</td>
<td>26.5%</td>
<td>1,575</td>
</tr>
<tr>
<td>Husband-wife family</td>
<td>3,399</td>
<td>51.6%</td>
<td>3,206</td>
</tr>
<tr>
<td>Husband-wife with children under 18</td>
<td>1,315</td>
<td>20.0%</td>
<td>1,094</td>
</tr>
<tr>
<td>Female householder, no spouse</td>
<td>611</td>
<td>9.3%</td>
<td>690</td>
</tr>
<tr>
<td>Female householder, no spouse with children</td>
<td>343</td>
<td>5.2%</td>
<td>366</td>
</tr>
<tr>
<td>Non-family households</td>
<td>2,378</td>
<td>36.1%</td>
<td>2,637</td>
</tr>
<tr>
<td>Living alone</td>
<td>2,004</td>
<td>30.4%</td>
<td>2,189</td>
</tr>
<tr>
<td>Over 65</td>
<td>902</td>
<td>13.7%</td>
<td>971</td>
</tr>
<tr>
<td>Households with person younger than 18</td>
<td>1,875</td>
<td>28.5%</td>
<td>1,725</td>
</tr>
<tr>
<td>Households with person age 65+</td>
<td>2,102</td>
<td>31.9%</td>
<td>2,178</td>
</tr>
</tbody>
</table>
Population Trends

South Hadley by Age Cohort

- Under 5
- 5-9
- 10-14
- 15-19
- 20-24
- 25-29
- 30-34
- 35-39
- 40-44
- 45-49
- 50-54
- 55-59
- 60-64
- 65-69
- 70-74
- 75-79
- 80-84
- 85-89
- 90+

2000
2010
### Residents with Disabilities

<table>
<thead>
<tr>
<th>Category</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population 18 to 64 years</td>
<td>7.0%</td>
</tr>
<tr>
<td>With a disability</td>
<td>7.0%</td>
</tr>
<tr>
<td>With a hearing difficulty</td>
<td>0.6%</td>
</tr>
<tr>
<td>With a vision difficulty</td>
<td>0.7%</td>
</tr>
<tr>
<td>With a cognitive difficulty</td>
<td>2.8%</td>
</tr>
<tr>
<td>With an ambulatory difficulty</td>
<td>3.5%</td>
</tr>
<tr>
<td>With a self-care difficulty</td>
<td>1.4%</td>
</tr>
<tr>
<td>With an independent living difficulty</td>
<td>3.2%</td>
</tr>
<tr>
<td>Population 65 years and over</td>
<td>31.4%</td>
</tr>
<tr>
<td>With a disability</td>
<td>31.4%</td>
</tr>
<tr>
<td>With a hearing difficulty</td>
<td>12.8%</td>
</tr>
<tr>
<td>With a vision difficulty</td>
<td>4.1%</td>
</tr>
<tr>
<td>With a cognitive difficulty</td>
<td>6.5%</td>
</tr>
<tr>
<td>With an ambulatory difficulty</td>
<td>18.7%</td>
</tr>
<tr>
<td>With a self-care difficulty</td>
<td>6.1%</td>
</tr>
<tr>
<td>With an independent living difficulty</td>
<td>12.0%</td>
</tr>
</tbody>
</table>
Housing Prices

Median: $241,853
Rental Prices

Mar 2016
- South Hadley $1,648/mo
- Hampshire $1,725/mo
- Hampden $1,468/mo

2011 - 2016

$1.8K
$1.6K
$1.3K
$1.1K

South Hadley Hampshire Hampden
<table>
<thead>
<tr>
<th>Year</th>
<th>Renter-occupied</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1990</td>
<td>1,668</td>
<td>4,216</td>
</tr>
<tr>
<td>2000</td>
<td>1,710</td>
<td>4,876</td>
</tr>
<tr>
<td>2010</td>
<td>1,774</td>
<td>5,019</td>
</tr>
<tr>
<td>2014</td>
<td>1,768</td>
<td>5,358</td>
</tr>
</tbody>
</table>

Housing: Growth
What is affordable housing?

MGL 40B

Housing Production Plan

Affordable Housing Goals

Where and what in South Hadley?
Goal is at least **10%** of a community’s housing stock is “Affordable.”

MHCD’s Subsidized Housing Inventory (SHI) list records the qualifying units.
... and if the goal isn’t met?

Towns have little control over “40B” affordable housing projects.
### 2010 Census Year-Round Housing Units

<table>
<thead>
<tr>
<th>Project Name</th>
<th>Address</th>
<th>Type</th>
<th>Total SHI Units</th>
<th>Affordability</th>
<th>Built w/ Comp. Permit?</th>
<th>Subsidizing Agency</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lathrop Village</td>
<td>69 Lathrop St.</td>
<td>Rental</td>
<td>48</td>
<td>Perp</td>
<td>No</td>
<td>DHCD</td>
</tr>
<tr>
<td>Newton Manor</td>
<td>543 Newton St</td>
<td>Rental</td>
<td>40</td>
<td>Perp</td>
<td>No</td>
<td>DHCD</td>
</tr>
<tr>
<td>Abbey St.</td>
<td>Abbey St.</td>
<td>Rental</td>
<td>12</td>
<td>Perp</td>
<td>Yes</td>
<td>DHCD</td>
</tr>
<tr>
<td>Hampshire City RHA</td>
<td>North Street</td>
<td>Rental</td>
<td>2</td>
<td>Perp</td>
<td>No</td>
<td>DHCD</td>
</tr>
<tr>
<td>Riverboat Village</td>
<td>River Lodge Road</td>
<td>Rental</td>
<td>170</td>
<td>Perp</td>
<td>Yes</td>
<td>DHCD</td>
</tr>
<tr>
<td>DDS Group Homes</td>
<td>Confidential</td>
<td>Rental</td>
<td>24</td>
<td>N/A</td>
<td>No</td>
<td>DDS</td>
</tr>
<tr>
<td>Hubert Place</td>
<td>93 Canal St</td>
<td>Rental</td>
<td>44</td>
<td>2043</td>
<td>NO</td>
<td>HUD</td>
</tr>
</tbody>
</table>
Which housing is eligible for the SHI?

- **Housing is priced** so monthly housing costs do not exceed 30% of monthly income for a household earning 80% of area median income.
- **Deed-restricted** (30 years for new construction).
- 10% percent or more of the units in developments must have **3+ bedrooms**.
- **Entire project counts** if 25% of rental units for 80% AMI households or if 20% units for 50% AMI households.
- **Fair Housing** practices observed.
How to create Affordable housing?

Eligible state or federal subsidy programs:

Affordable Housing Trust Fund
Chapter 167 (Special Needs Housing)
Chapter 200 (Veterans’ Housing)
Chapter 667 (Elderly Low Income Housing)
Chapter 689 (Special Needs Housing)
Chapter 705 (Family Low Income Housing)
DHCD Capital Improvement and Preservation Fund (CIPF)
DHCD Commercial Area Transit Node Housing Program (CATNHP)
DHCD Community Based Housing Program (CBH)
DHCD Community Development Block Grant (CDBG) including:
  Homeowner Rehab, HDSP (some uses), and CDF (some uses)
DHCD Facilities Consolidation Fund (FCF)
DHCD Homeownership Opportunity Program (HOP)
DHCD Housing Innovations Fund (HIF)
DHCD Housing Stabilization Fund (HSF)
DHCD Local Initiative Program (LIP)
DHCD Mass Rental Voucher Program (MRVP) Project Based Vouchers
DHCD Tax Exempt Local Loans to Encourage Rental Housing (TELLER)
DMH Community Based Housing (Group Homes)
DMR Community Based Housing (Group Homes)
MGL Chapter 40R (Smart Growth Zoning Act)
Massachusetts Low Income Housing Tax Credits (LIHTC)
Massachusetts Housing Partnership Fund (MHP)
Massachusetts Housing Partnership Fund (MHP) Permanent Rental Financing Program
EOT Transit Oriented Development (TOD) Infrastructure & Housing Support Program
MassDevelopment Tax-Exempt Bond Programs
MassHousing Chapter 13A Interest Reduction Subsidy Program
MassHousing Chapter 236 Program
MassHousing Elder Choice
MassHousing Elder Mixed Income Program
MassHousing Housing Starts
MassHousing Mixed-Income (Taxable/Tax-Exempt) Financing Program
MassHousing Multi-Family Rental
MassHousing Options for Independence
MassHousing Rental Development Action Loan (RDAL)
MassHousing State Housing Assistance for Rental Production (SHARP)
MassHousing Tax Exempt Local Loans to Encourage Rental Housing (TELLER)
Who builds Affordable housing?

Towns – often provide land, funds (esp. through CPA)
Housing Trusts / Partnerships
Non-Profits (ex.. HAP Housing)
For-profit developers
How to create Affordable housing?

**Other typical methods:**

- Town zoning approval w/ affordable housing conditioning (40R districts are an example).
- Accessory Dwelling Units.
- Financial assistance from town funds.
- Provision of town-owned or acquired land or buildings.
What is affordable housing?

MGL 40B

Housing Production Plan

Affordable Housing Goals

Where and what in South Hadley?
Why a Housing Production Plan?

A proactive way to meet the State’s 10% goal.

Opens up preference for state grant funds.

Potentially allows Town control over 40B projects.
Parts of a Housing Production Plan

1. Comprehensive Housing Needs Assessment
   • Projection of future population and housing needs.
   • Development constraints and limitations.
   • Plans to mitigate such constraints where possible.
   • Infrastructure capacity to accommodate growth.
Parts of a Housing Production Plan

2. Affordable Housing Goals
   • What mix of housing types is consistent with community and regional needs?
   • What is feasible within the housing market?
   • Numerical goal for annual unit production, increasing the number by at least 0.50% of 10% goal.
Parts of a Housing Production Plan

3. Implementation Strategies

• Zoning districts or geographic areas in which to modify regulations to allow SHI developments.
• Sites where the Town will encourage the filing of Comprehensive Permits.
• Characteristics of proposed developments preferred by the municipality (may not apply constraints).
• Town-owned parcels to issue requests for proposals to develop SHI Housing.
• Participation in regional collaborations.
What is affordable housing?

MGL 40B

Housing Production Plan

Affordable Housing Goals

Where and what in South Hadley?
2010 Master Plan

H-4: Attain the goal of 10% affordable housing by 2020.

4-1-1: Establish a Municipal Housing Trust with responsibility to plan for and develop affordable housing.

4-1-2: Establish a dedicated funding source to further affordable housing efforts, including adopting the Community Preservation Act.

4-1-3: Assign all tax title properties which are deemed unusable for municipal needs, to the Municipal Housing Trust for either rehabilitation, development, or disposition with all proceeds from disposition being used by the Trust to further affordable housing initiatives.
2010 Master Plan

4-1-4: Create partnerships with area institutions to collaborate on formation of resource pools to develop affordable housing.

4-1-5: Use local resources to leverage available private, state, and federal funding programs to implement affordable housing programs.

4-1-6: Assist the South Hadley Housing Authority to support and retain its low-income rental properties.
2010 Master Plan

4-1-7: Provide matching funds to build limited equity co-ops, housing for people with AIDS, etc.

4-1-8: Acquire a permanent preservation restriction to ensure the occupancy of certain units in a privately owned rental building for persons of low or moderate income.

4-1-9: Establish a housing development fund capitalized with developer contributions from an Inclusionary Housing bylaw.
What is affordable housing?

MGL 40B

Housing Production Plan

Affordable Housing Goals

Where and what in South Hadley?
4. Do you think there are enough of the following types of homes in South Hadley?

- Assisted living facilities for seniors & people with disabilities:
  - Not Enough: 42%
  - Right Number: 49%
  - Too Many: 6%

- Age "55+" active living communities:
  - Not Enough: 41%
  - Right Number: 52%
  - Too Many: 8%

- Single-family "starter" homes, less than $250,000:
  - Not Enough: 42%
  - Right Number: 58%
  - Too Many: 3%

- Apartments (Housing Authority):
  - Not Enough: 40%
  - Right Number: 38%
  - Too Many: 21%

- Apartments (privately owned):
  - Not Enough: 35%
  - Right Number: 46%
  - Too Many: 19%

- Duplexes and three-family homes:
  - Not Enough: 35%
  - Right Number: 48%
  - Too Many: 31%

- Group homes:
  - Not Enough: 20%
  - Right Number: 54%
  - Too Many: 14%

- Condominiums:
  - Not Enough: 21%
  - Right Number: 35%
  - Too Many: 43%

- Mid-level single-family homes from $250,000 to $400,000:
  - Not Enough: 36%
  - Right Number: 72%
  - Too Many: 18%
6. Where do you think most new homes, condos and apartments in South Hadley should be located?

South Hadley Falls was the most frequently mentioned location for new residential development. But only two areas—the Hadley/Pearl St/Amherst Rd and Alvord/Ferry St—received a majority of “no” votes as preferred areas for new home development.
7. What qualities do you think are necessary for new homes that will be built in South Hadley?

*Home design and quality are the most critical quality for new homes in South Hadley.*

*Proximity to amenities, such as parks, grocery stores and public transportation, were also rated as relatively important.*

*A large majority do not want new homes adjacent to farmland.*
8. What should our priorities be for helping to keep homes affordable and in good condition for people who live in South Hadley or may want to move here?

- Help residents rehabilitate their homes: 68% High Priority, 22% Medium Priority, 9% Low Priority
- Provide information about home financing to families that earn up to $59,250/year: 53% High Priority, 30% Medium Priority, 18% Low Priority
- Help provide access to financial assistance to pay rent increases for families that earn up to $59,250/year: 46% High Priority, 30% Medium Priority, 24% Low Priority
- Encourage construction of more single family homes that are affordable to families earning up to $59,250/year: 41% High Priority, 40% Medium Priority, 19% Low Priority
- Encourage accessory or "in-law" apartments: 34% High Priority, 33% Medium Priority, 34% Low Priority
- Allow larger single-family homes to be converted into two- or three-family homes where served by sewer: 26% High Priority, 19% Medium Priority, 56% Low Priority
- Encourage construction of more apartments for rent: 23% High Priority, 32% Medium Priority, 45% Low Priority
- Encourage construction of more condominiums for ownership: 22% High Priority, 28% Medium Priority, 50% Low Priority
- Develop neighborhoods with smaller lots (1/4) or less: 18% High Priority, 34% Medium Priority, 48% Low Priority
Discussion