TOWN OF SCITUATE
HOUSING PRODUCTION PLAN

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1. EXECUTIVE SUMMARY

1.1 Introduction

Scituate was one of the first settlements in the United States, founded in 1636 by a group of men from Kent, England. The town's name was taken from the Wampanoag for "cold brook", based on the Satuit Brook, which still runs through town. At one time Scituate encompassed approximately 52 square miles including the present town of Norwell and parts of Marshfield, Hanover and Cohasset. Over the years the town's boundaries have shrunk to about one-third its original size, now about 17 square miles but with 54 miles of coastline.

Scituate is primarily a residential community approximately 25 miles southeast of Boston, bordered by the Atlantic Ocean as well as the four communities of Marshfield, Norwell, Hingham and Cohasset. The community has striven to maintain its historic character and prides itself on its distinct sense of place as a coastal town on the South Shore. The social focus of the town is divided among three villages including Scituate Harbor, North Scituate, and Greenbush with historical and physical distinctions still widely evident throughout town including lighthouses, a bustling harbor, open vistas, canopied roads, and farming structures, highly valued by its citizens and those willing to pay the increasingly escalating prices associated with a move to the community.

Population growth put particular pressures on the housing market between 1950 and 1970 when the population almost tripled in size. The rate of growth slowed down somewhat after that but spiked a bit in 2004 when the population surpassed 20,000 residents. Since then there have been some modest decreases and as of the June 2007, the population was 18,340.

Scituate had 7,685 housing units in 2000,[1] and recent growth has increased the housing stock to 8,041 units, almost 90% of which are owner-occupied, single-family houses on typically large lots with average price tags now at least $450,000. The escalating market prices, while out of reach for most long-term residents and those who do not already own a home, are attracting greater attention from private developers interested in high-end housing development or Chapter 40B comprehensive permit projects. This surge of interest is precipitating concern among Town leaders and residents that different strategies might be required to better plan for housing development and insure that it is more directed to serving local needs and priorities.

According to Chapter 40B regulations, if a municipality has less than 10% of its year-round housing set-aside for low- and moderate-income residents, it is not meeting the regional and local need for affordable housing. Not meeting this affordability standard makes the town susceptible to a state override of local zoning if a developer chooses to create affordable housing through the Chapter 40B comprehensive permit process.[2]

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[1] While there are 7,685 total housing units cited in the 2000 census, there are 6,869 year-round housing units on which the 10% state Chapter 40B goal is based.

[2] Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in

Based on the Massachusetts Department of Housing and Community Development's most recent data on the Chapter 40B Subsidized Housing Inventory, Scituate had 6,869 year-round housing units, of which 311 can be counted as affordable, representing 4.53% of the year-round housing stock. Scituate is therefore vulnerable to losing control over housing development through Chapter 40B comprehensive permit applications. To meet the 10% standard, at least 687 of the existing units would have to be "affordable" based on the state's definition, requiring at least another 376 more housing units to be converted to affordability to meet just the 10% standard. Assuming future housing growth, this 10% figure is a moving target and ultimately the required minimum number of year-round units will increase over time. Additionally, as this Housing Needs Assessment indicates, there are needs that extend beyond what would be required to reach the 10% threshold, and the Town should also attempt to exert some control related to the appropriateness of new development including siting, renewing critical areas in town, promoting pedestrian circulation, etc.

This Housing Production Plan suggests a range of options to meet pressing local housing needs, as identified in its Housing Needs Assessment, and to enable Scituate to come closer to meeting the state 10% affordable housing threshold, presenting a proactive housing agenda of Town-sponsored initiatives. The Plan will also meet the requirements of 760 CMR 56.03(4) under the state's Chapter 40B comprehensive permit requirements that will allow the Town to deny unwelcome Chapter 40B comprehensive permit applications. Moreover, the Plan will increase the Town's score under the state's Commonwealth Capital Program and make it more competitive for a wide range of state discretionary funding (see Appendix 5 for a description of this program).

1.2 Housing Goals and Challenges

As part of a Housing Plan approved by Town Meeting in 2002 and a Master Plan approved in 2004, the Town adopted the following overall goal for housing:

> *Provide housing that meets the needs of residents of all ages and income levels, while preserving the town's historic homes and traditional neighborhoods.*

To achieve this goal, the Town also established the following objectives:

1) Provide an adequate supply of land that is appropriately zoned and encourage a variety of housing options to better serve the wide range of ages and income levels found in Scituate. Housing options may include cluster development, accessory units, mixed-use development, and multi-family housing where appropriate.

2) Develop guidelines and bylaws to assure that all new residential development is consistent with the town's environment, historic context, and diversity of design. These guidelines may address density, diversity of housing types, architectural styles, and landscaping.

3) Consider housing demand in all future planning for zoning and land use. This should include exploring zoning and land use changes that provide an adequate supply of land for diverse types of housing.

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communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

4) Encourage a variety of housing sizes that meets the needs of Scituate residents and discourage the destruction of existing homes, alteration of neighborhood environments, and excessive consumption of resources.

5) Develop a plan for the creation of housing that serves the needs of residents of Scituate and the region and helps meet the state's target percentage of affordable homes. This plan should include re-use of existing structures, use of Town-owned land and innovative ways of providing affordable housing throughout the community.

6) Work cooperatively with developers and the state to obtain some level of local preference in new affordable housing developments for persons living or working in Scituate.[3]

While housing goals articulate a commitment to producing affordable housing in Scituate, obstacles to new development exist that will challenge new initiatives including:

- *Infrastructure*
  A major constraint and cost factor for new development relates to infrastructure, particularly the lack of sewer services throughout many areas of town as well as water capacity issues that raise concerns about the impacts of any new development on water supply and quality. In Scituate, approximately 70% of all homes in Scituate use on-site septic systems, including some that still utilize cesspools, and local soil conditions are often not conducive to these systems. Residential water use is currently about 80% to 90% of the total demand, but projections indicate that there may be a water system deficit in 2020.

- *Zoning*
  As is the case in most American communities, a zoning bylaw or ordinance is enacted to control the use of land including the patterns of housing development. Like most localities in the Commonwealth, Scituate's Zoning Bylaw embraces large-lot zoning that maintains low housing densities and severely constrains the construction of affordable housing. Scituate has three residential zoning categories, A-1, A-2 and A-3, with minimum lot sizes of 40,000, 20,000 and 10,000 sq. ft., respectively. Single-family homes and duplexes are permitted, but multi-family development of more than two attached units is not allowed in the Residential Zoning Districts, however is permitted in the Business Districts with typically a minimum lot size of 10,000 sq. ft. per unit but very few parcels can meet this requirement. While this zoning was put in place to slow development, preserve the town's small semi-rural character and accommodate septic systems in compliance with Title V requirements, the zoning maintains low housing densities, severely constrains the construction of affordable housing, and promotes sprawl that unless checked may ultimately degrade the community's historic charm, scenic resources, wildlife habitats, and air quality.

  The Scituate Zoning Bylaw includes several alternative development scenarios in its Planned Development District, Residential Cluster District, Open Space Preservation Development, Flexible Open Space Development, Accessory Apartment provisions, and Village Business Overlay District, and Residential Compound Development. Some of these development scenarios can accommodate multi-family housing, however, incentives may be needed to encourage the use of these techniques and integrate affordable housing where feasible.

[3] State local preference requirements currently allow up to 70% of affordable units in any development be reserved for those who have a connection to the community based on local criteria.

- *Environmental Concerns*
  Scituate's long coastline, wetlands, rivers, water resources and open spaces give the town a sense of character. Most residents are aware of the town's natural treasures and are rightly concerned about conserving them. Since most areas of town do not have sewer services and are reliant on septic systems, controlling construction has also been a major concern. While regulations to protect the environment (e.g., wetlands, aquifers, septic systems) are important and essential, they present challenges to development by reducing the amount of buildable land, limiting the amount of construction allowed, and increasing the time and costs of developing new housing.

- *Transportation*
  To accommodate new development, state build-out projections anticipate that another 41 miles of roadway will be created. In view of present traffic and projected increases, it is essential that the Town evaluates and selects appropriate measures to relieve the impact of growth on traffic yet still grow incrementally, a formidable challenge. The Greenbush commuter rail has been restored with stops in Greenbush and North Scituate. This new service links Scituate with Boston and other employment and commercial centers along the corridor, and will surely result in increased commercial and residential development in town.

- *School Enrollment*
  State build-out projections indicate that the school-age population should increase by another 1,395 children. However, projections of the student population age five to 19, prepared by the Metropolitan Area Planning Council (MAPC) in January 2006, further suggest that by 2030 the student population will have declined from 3,711 students in 2000 to an estimated 3,264. The Town has an excellent reputation for its schools, with a former elementary school, the Jenkins School, restored for use and reopened in 2003 to meet the needs of a growing school population. It is likely that the Town will need to build another middle school in the future because of existing capacity issues.

- *Availability of Subsidy Funds*
  Financial resources to subsidize affordable housing preservation and production as well as rental assistance have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly difficult to secure necessary funding and must be creative in determining how to finance projects and tenacious in securing these resources. Scituate is fortunate to have passed the Community Preservation Act that provides an important local resource for affordable housing in over 100 other communities across the state, but it will have to leverage additional public and private financing to make affordable development feasible.

- *Community Perceptions*
  Affordable housing, subsidized housing, low-income housing, projects, Section 8, etc. – these terms can conjure images of potential neglect, plunging property values, increased crime, and even tensions concerning class and race. On the other hand, with soaring real estate prices, community perceptions are beginning to tilt towards the realization that affordable housing is needed in the community. More people are recognizing that the new kindergarten teacher, their grown children, or the elderly neighbor may not be able to afford to live or remain in the community. It is this growing awareness, impending 40B developments, and some appreciation that affordable housing can be well designed and integrated into the community, which are spurring communities such as Scituate to take a more proactive stance in support of affordable housing initiatives. Also, once residents understand that the Town will be able to reserve up to

70% of the affordable units in any new development for those who have a connection to Scituate, referred to as "community preference", greater local support is typically more forthcoming.

1.3 Summary of Housing Needs Assessment

The Housing Needs Assessment presents an overview of the current housing situation in the town of Scituate, providing the context within which a responsive set of strategies can be developed to address housing needs and meet production goals. The following table summarizes key demographic and housing characteristics in Scituate and compares this information to that of Plymouth County and the state.

Summary of Key Demographic and Housing Characteristics for Scituate, Plymouth County and the State 2000

Characteristics	Scituate	Plymouth County	Massachusetts
Household Characteristics			
Total Population	17,863	472,822	6,349,097
% less than 18 years	26.1%	26.8%	23.6%
% 20 to 34 years	11.9%	30.5%	21.0%
% 45 to 54 years	16.0%	14.7%	13.8%
% 65 years or more	15.3%	11.8%	13.5%
Median age	40.7 years	36.8 years	36.5 years
% non-family households[4]	26.5%	27.3%	36%
Average household size	2.64 persons	2.74 persons	2.51 persons
Median income/ Adjusted income*	$70,868/$92,832	$55,615	$50,502
Individuals in poverty	2.6%	6.6%	9%
% earning less than $25,000	23.9%	20.5%	24.6%
% earning more than $100,000	13.1%	18.8%	17.7%
% occupied housing	87.1%	92.7%	93.2%
% owner-occupied	83.0%	75.6%	61.7%
% renter-occupied	17.0%	24.4%	38.3%
% seasonal or occasional use	10.6%	4.7%	3.6%
% in single-family, detached structures	86.2%	71.7%	52.4%
Median sales price	$276,000/$447,500**	$179,000	$185,700

Source: U.S. Census Bureau, 2000

* Income adjusted by percentage change in HUD area median income levels from 2000 to 2008 by 31%.

** The Warren Group data as of September 2008 for single-family home sales in 2008.

This information shows some sizable differences and similarities from other communities in the region and the state such as:

[4] Non-family households are those single individuals or those living together who are unrelated.

- *Population and Housing Growth*
  The 2000 census data indicated that the town of Scituate had a total population of 17,863, a 6.4% increase over the 1990 population of 16,786 but only a 3.29% increase since 1980 when the population was 17,317, higher than it was in 1990. These figures represent fairly comparable growth to the 6% growth rate experienced in the overall Boston region and the state from 1990 to 2000[5]. As of the end of 2007, the population increased by almost another 500 residents to 18,340.

- *Level of Homeownership*
  Of the 7,685 total housing units in 2000, Scituate had 6,694 occupied units, of which 5,559 or 83% were owner-occupied while the remaining 1,135 units or 17%, were rental units. These figures represent a considerably higher level of owner-occupancy than that for Plymouth County as a whole with 76% and for the Boston region at 57%.

- *Age of Population*
  In comparison to Plymouth County and state in general, Scituate's population tends to on average be significantly older, with a median age of 40.7 years as opposed to 36.8 years for the county and 36.5 years for the state. This is driven largely by higher relative portions of those over the age of 45. For example, Scituate had a higher percentage of those 45 to 54 years of age entering the prime of their earning potential and better able to afford the higher cost of housing, 16.0% as opposed to 14.7% for the county and 13.8% for the state. Scituate also had a higher portion of seniors 65 years of age or older, 15.3% versus 11.8% for the county and 13.5% for the state. On the other hand, the town had a considerably smaller number of those aged 20 to 34 forming new families and entering the labor market, 11.9% of all households in Scituate but 30.5% for the county and 21% for the state. The escalating costs of homeownership are likely creating barriers for this age group, making it increasingly more likely that those who grew up in Scituate will be less able to raise their own families locally. The town had a comparable proportion of children to that of Plymouth County with 26.1% of the population less than 18 years of age compared to 26.8% for the county, while the state level was 23.6%.

- *Types of Households*
  Scituate also had a relatively comparable proportion of non-family households to that of the county, 26.5% versus 27.3% for the county, while the state level was at 36%. This correlates to the comparable levels of children in the county as well as the median household size of 2.64 persons as to 2.74 persons in Plymouth County.

- *Higher Incomes*
  Median income levels per the 2000 census were substantially higher in Scituate, $70,868 as opposed to $55,615 and $50,500 for the county and state, respectively. Also, Scituate had a lower proportion of residents living in poverty, 2.6%, while the percentage for the county was 6.6% and state was 9.0%. There were also much higher proportions of Scituate residents earning more than $100,000, 32.7% as opposed to 18.8% for the county and 17.7% for the state. Interestingly, Scituate had 23.9% of all households earning $25,000 or less which is a higher level than that for the county at 20.5% and not much lower than that for the state at 24.6%.

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[5] The Boston region is defined here as the area stretching west from Boston to include most of the communities inside the I-495 corridor, consisting of 22 cities and 79 towns, as part of the Metropolitan Area Planning Council's (MAPC) planning area that includes the town of Scituate.

- *Housing Market Conditions*
  The 2000 median housing prices provides a comparison of the Scituate housing market to that of Plymouth County and the state, demonstrating higher market values -- $276,000 for Scituate, $179,200 for the county and $185,700 for the state. Since that time housing prices have almost doubled as the median house value as of the end of 2007 was $500,000 and down to $447,500 as of September 2008. To afford a home priced at about $450,000, a household would have to earn about $136,500, significantly higher than adjusted median income levels of almost $90,000. While house prices have softened somewhat housing expenses remain high and property taxes, in combination with rising energy bills and insurance costs, can cause a serious financial strain on long-term residents, particularly those with fixed incomes.

- *Supply of Workforce Housing*
  Based on recent sales data from the Multiple Listing Service for single-family homes, there are virtually no longer habitable, year-round homes available in Scituate for under $300,000, and even homes for less than $400,000 are becoming scarcer. The houses that were sold in the $200,000 to $300,000 range tend to be older homes, typically smaller capes or summer cottages marketed as "handyman specials" requiring lots of "TLC".

Based on this Housing Needs Assessment, there are a number of key indicators that suggest there are significant local needs for affordable housing that go beyond what is required to meet the 10% state goal including:

1. ***Households with Limited Incomes***
   Need: Given the high costs of housing, more subsidized rental housing is necessary to make living in Scituate affordable, particularly to those who have very limited financial means.
   Goal: About half of all new affordable units created should be rentals.

2. ***Gaps in Affordability and Access to Affordable Housing***
   Need: Wider range of affordable housing options including first-time homeownership opportunities, particularly for younger households entering the job market and forming their own families as well as seniors looking to downsize from their existing single-family homes.
   Goal: About half of all new affordable units created should be directed to homeownership, either small starter homes or affordable condominiums.

3. ***Disabilities and Special Needs***
   Need: Some amount of new housing should be built adaptable or accessible to the disabled, and seniors need housing with supportive services.
   Goal: 10% of all new affordable units created should be made handicapped accessible and some should include on-site support services.

4. ***Housing Conditions***
   Need: Programs to support necessary home improvements, including deleading and septic repairs for units occupied by low- and moderate-income households, particularly the elderly living on fixed incomes, and including investor-owned properties tenanted by qualifying households.
   Goal: Continue to help qualifying households access assistance to make necessary home improvements.

There is a sizable population of those who are seniors, have special needs and/or have very low incomes who have significantly reduced capacity to secure decent, safe and affordable housing in Scituate. A broader range of housing options is required to meet these varied needs.

1.4 Summary of Production Goals

The state administers the Housing Production Program that enables cities and towns to adopt an affordable housing plan that demonstrates production of .50% over one year or 1.0% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory.[6] Scituate would have to produce at least 34 affordable units annually to meet these production goals through 2010. When the 2010 census figures become available in 2011, this number will be higher. If the state certifies that the locality has complied with its annual production goals, the Town may be able, through its Zoning Board of Appeals, deny comprehensive permit applications.[7]

Using the strategies summarized under the Housing Action Plan described in Section 7.0, the Town of Scituate has developed a Housing Production Program to project affordable housing production activity over the next five (5) years. The projected goals are best guesses at this time, and there is likely to be a great deal of fluidity in these estimates from year to year. The goals are based largely on the following criteria:

- Given the limited supply of Town-owned land, most affordable housing activity will have to come from private development through the standard regulatory process or the "friendly" comprehensive permit process. The Town will continue to work with private developers to fine-tune proposals to maximize their responsiveness to community interests and to increase affordability to at least 30% of total project units to the greatest extent feasible, perhaps even committing CPA funds if necessary.
- On publicly-owned parcels, to the greatest extent possible, at least fifty percent (50%) of the units should be affordable to households earning at or below 80% of area median income and at least another 10% affordable to those earning up to 120% of area median income, depending on project feasibility. Rental projects will also target some households earning at or below 60% of area median income and lower depending upon subsidy program requirements.
- Projections are based on no fewer than four (4) units per acre when they are located in areas without available Town sewer services and up to eight (8) units per acre where such services are available. However, given specific site conditions and financial feasibility it may be appropriate to decrease or increase density as long as projects are in compliance with state Title V and wetlands regulations.

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[6] The state has prepared draft changes to Chapter 40B, including proposed modifications to the Planned Production requirements. For example, the annual production goals are instead based on one-half of one percent of total housing units and plans are now referred to as Housing Production Plans (HPP).

[7] If a community has achieved certification within 15 days of the opening of the local hearing for the comprehensive permit, the ZBA shall provide written notice to the applicant, with a copy to DHCD, that it considers that a denial of the permit or the imposition of conditions or requirements would be consistent with local needs, the grounds that it believes have been met, and the factual basis for that position, including any necessary supportive documentation. If the applicant wishes to challenge the ZBA's assertion, it must do so by providing written notice to DHCD, with a copy to the ZBA, within 15 days of its receipt of the ZBA's notice, including any documentation to support its position. DHCD shall review the materials provided by both parties and issue a decision within 30 days of its receipt of all materials. The ZBA shall have the burden of proving satisfaction of the grounds for asserting that a denial or approval with conditions would be consistent local needs, provided, however, that any failure of the DHCD to issue a timely decision shall be deemed a determination in favor of the municipality. This procedure shall toll the requirement to terminate the hearing within 180 days.

- Because housing strategies include some development on privately owned parcels, production will involve projects sponsored by private developers. The projections involve a mix of rental and ownership opportunities. The Town will work with private developers to promote a diversity of housing types directed to different populations with housing needs including families, seniors and other individuals with special needs to offer a wider range of housing options for residents.

Production goals over the next five (5) years include the creation of 182 affordable units and 28 workforce units[8], and 165 market units with 375 total projected number of housing units created.

1.5 Summary of Housing Strategies

The strategies outlined below are based on previous plans, reports, studies, a recent survey, the Housing Needs Assessment, and the experience of other comparable localities in the area and throughout the Commonwealth. The strategies are grouped according to the type of action proposed – Building Local Capacity, Planning and Regulatory Reform, Housing Production, and Housing Preservation – and prioritized. As such the Plan starts with organizational issues, moves to regulation, identifies key production strategies to guide new development, and then finally looks at how to preserve the housing in place. Priority 1 actions are those that will begin within the next two years, most of which will involve some immediate actions. Priority 2 strategies involve focused attention after the next couple of years. A summary of these Housing Actions is included in Appendix 2.

It should be noted however, that while a major goal of this Plan is to eventually meet the state's 10% goal under Chapter 40B, another important goal is to serve the range of local housing needs and there are instances where housing initiatives might be promoted to meet these needs that will not necessarily result in the inclusion of units in the Subsidized Housing Inventory (examples include the promotion of accessory apartments or even workforce housing for those earning between 80% and 120% of area median income).

Within the context of the compliance issues, local needs, existing resources, affordability requirements, and the goals listed in Section 2 of this Plan, the following housing strategies are offered for consideration. It is important to note that these strategies are presented as a package for the Town to consider, prioritize, and process, each through the appropriate regulatory channels. Moreover, the proposed actions present opportunities to judiciously invest limited Community Preservation funding to build local capacity, modify or create new local zoning provisions and development policies, subsidize actual unit production (predevelopment funding and/or subsidies to fill the gap between total development costs and the affordable rent or purchase prices) and leverage additional resources, and help preserve the existing affordable housing stock.

Build Local Capacity

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In order to be able to carry out the strategies included in this Housing Plan and meet the production goals, it will be important for the Town of Scituate to build its capacity to promote affordable housing activities. This capacity includes gaining access to greater resources – financial and technical – as well as building local political support, developing partnerships with public and private developers and lenders, and creating and augmenting local organizations and systems that will support new housing production.

[8] Workforce units are defined in this Plan as those earning between 80% and 120% of area median income who are still largely priced out of the existing housing market.

- *Conduct ongoing educational campaign*
  Continue to engage the community in discussions on affordable housing to present information on the issue needed to dispel myths and negative stereotypes and to help galvanize local support, political and financial, for new production.

- *Hire an Affordable Housing Specialist*
  Hire the necessary professional expertise to provide ongoing staff-support to effectively coordinate the implementation of various components of the Housing Plan.

- *Access housing resources*
  Reach out to private, public and nonprofit entities to secure additional housing resources – technical and financial – in support of efforts to produce affordable housing, using Community Preservation funding as important leverage.

- *Create an inventory of properties potentially suitable for affordable housing*
  In concert with other Town boards and committees, review the inventory of publicly-owned properties and determine which parcels might be appropriate for some amount of affordable housing development.

- *Encourage training for board and committee members*
  Promote opportunities for Town board and committee members to take advantage of ongoing training and educational programs related to affordable housing.

- *Establish the Municipal Affordable Housing Trust Fund*
  Appoint members of the Municipal Affordable Housing Trust Fund, which was approved at the March, 2008 Annual Town Meeting, and enable it to become operational.

1.5.2 Planning and Regulatory Reforms

The Town of Scituate should consider the following planning and zoning-related strategies to provide appropriate incentives and guidance to promote the creation of additional affordable units.

- *Adopt inclusionary zoning*
  Adopt inclusionary zoning to ensure that any new residential development in Scituate provides a percentage of affordable units.

- *Adopt Affordable Housing Guidelines*
  Prepare and approve Affordable Housing Guidelines to provide guidance to developers on the types of housing proposals that will be acceptable to the community.

- *Allow residential development under more conditions*
  Amend the Zoning Bylaw to allow more types of housing in more areas, accompanied by design guidelines.

- *Amend the accessory apartment bylaw*
  Amend the existing accessory apartment bylaw to better promote new accessory units that meet a range of local needs and help diversify the housing stock without significant impacts on the surrounding neighborhood.

- *Allow starter housing on nonconforming lots*
  Explore zoning options for promoting starter homes on lots that do not meet minimum area or dimensional requirements but might still be suitable for the development of smaller homes, and prepare and adopt a zoning bylaw to enable these lots to be developed under specific criteria.

- *Pursue tax title properties*
  Monitor the status, availability and appropriateness of tax title property for affordable housing and convey suitable properties based on competitive requests for proposals.

- *Change permit fee policies*
  Consider waiving various permit fees as additional incentives and financial support for affordable housing.

- *Explore use of 40R/40S*
  Explore the adoption of 40R and 40S to promote smart growth and mixed-use, mixed-income development in suitable locations, securing important state subsidies to help make projects financially feasible and cover financial burdens related to additional school costs.

1.5.3 Housing Production

To accomplish the actions included in this Housing Plan and meet production goals, it will be essential for the Town of Scituate to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources to create actual affordable units. While some of the units produced will rely on the participation of existing homeowners, most of the production will require joint ventures with developers – for profit and non-profit – to create affordable housing. In addition to the participation of the development community, it will be important for Scituate to actively seek support from state and federal agencies to fund new projects and initiatives.

- *Make publicly-owned land available for affordable housing*
  Conduct necessary feasibility studies to publicly-owned properties and convey suitable properties for some amount of affordable housing.

- *Support private development in line with local guidelines*
  Reach out to area developers who have been active in producing affordable housing to discuss the Town's interest in promoting these units, possible areas and opportunities for new development, local guidelines and priorities for new development and the prospects for working together in the future. This will be particularly useful after the Town has produced Affordable Housing Guidelines and has passed key zoning changes.

- *Convert existing housing to long-term affordability*
  Explore various program models for converting existing housing to units that have long-term affordability restrictions and prepare an implementation plan that outlines program procedures and the respective roles and responsibilities of various municipal staff persons and boards and committees to implement.

- *Support new infill housing*
  Work with non-profit and for profit developers as well as with abutters of vacant land to develop new infill housing on available vacant sites scattered throughout town.

1.5.4 Housing Preservation

Housing production is critical, but the Town also needs to be concerned that it does not lose units already counted as part of its Subsidized Housing Inventory and provides resources to support the deferred home maintenance needs of lower income residents, including seniors.

- *Insure long-term affordability*
  Insure that all affordable units, current and future, remain a part of the Town's Subsidized Housing Inventory to the greatest extent possible. This includes Kent Village that has affordability restrictions due to expire in 2013.

- *Help qualifying homeowners access housing assistance*
  Disseminate information and make referrals to local, regional and state programs that provide technical and financial assistance to help qualifying property owners make necessary home improvements including building code violations, septic repairs, handicapped accessibility improvements, lead paint removal, etc.

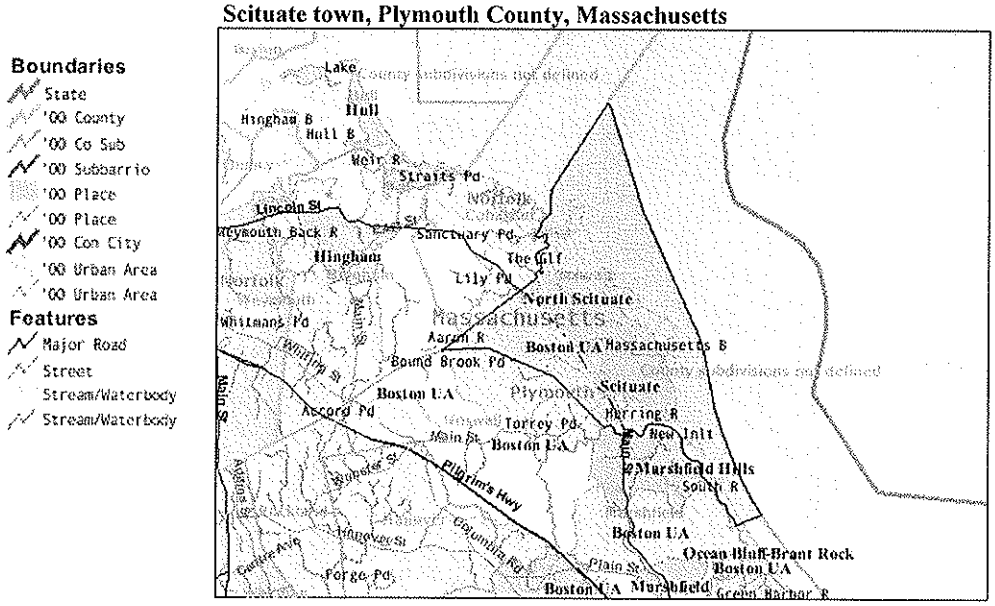
2. INTRODUCTION

Scituate is a seacoast community approximately 25 miles southeast of Boston that has evolved from a summer colony to a primarily residential community that accommodates a mix of rural, suburban and seaside lifestyles. The town is bordered by the Atlantic Ocean on the north and east, Marshfield on the south, Norwell on the southeast, Hingham on the west, and Cohasset on the northwest.

Founded in 1636, Town residents pride themselves on the town's historic heritage and celebrate historic points of interests including the Scituate Lighthouse, the Old Oaken Bucket Homestead and Well, Lawson Tower, Stockbridge Mill, Little Red School House and the Cudworth House to name a few. Additionally, the Town has established a well-respected school system where as many as 85% of students go on to higher education. The combination of these distinctions as well as the physical amenities, such as a bustling harbor, open vistas, canopied roads, and farming structures that are still widely evident throughout town, remain highly valued by residents and provide a draw to those willing to pay the increasingly escalating prices associated with a move to Scituate.

While historically the town encompassed 52 square miles that included the existing town of Norwell as well as parts of Marshfield, Cohasset and Hanover, Scituate is now approximately 17 square miles with a 54-mile coastline along the Atlantic Ocean. The social and physical focus of the town is divided among three villages including Scituate Harbor, North Scituate, and Greenbush.

Scituate town, Plymouth County, Massachusetts



The Master Plan that was prepared by the Town's Planning Board in 2004, offered the following overriding housing goal:

> *Provide housing that meets the needs of residents of all ages and income levels, while preserving the town's historic homes and traditional neighborhoods.*

The Master Plan recognized that Scituate's charming historic character and location on the ocean, coupled with its close proximity to Boston, have put significant pressures on the housing market and local services. Scituate had 7,685 housing units as of the 2000 census,[9] and new development has added another 356 units to the housing stock for a total as of June 2007 of 8,041. Almost 90% of Scituate's dwellings are owner-occupied, single-family houses and most are built on relatively large lots with average price tags of about $450,000. The escalating housing prices in the current market are attracting greater attention from private developers interested in Chapter 40B development and causing Town leaders and residents to recognize that different strategies might be required to better plan for housing development and insure that it is more directed to serving local needs and priorities. Channeling development to areas where construction could benefit the town, such as denser village centers, using housing development as a way to rehab and preserve historic buildings, clustering development to preserve open space, and creating incentives for affordability are some of the strategies that are worth consideration in planning for Scituate's future.

Population growth since the mid-20th century has increasingly put pressures on the housing market, especially between 1950 and 1970 when the population tripled in size. The Town's annual census indicates a slower rate of growth since 1980 with a number of fluctuations as noted in Table 2-1. As of mid-2007 the population was 18,340 based on local records.

Table 2-1
Scituate, Population
1910-2007
Population Increase From Previous Period

Year	Population	Increase in # Residents	Percentage Increase
1910	2,482	-	-
1920	2,534	52	2.1
1930	3,118	584	23.0
1940	4,130	1,012	32.5
1950	5,993	1,863	45.1
1960	11,214	5,221	174.4
1970	16,744	5,530	49.3
1980	17,316 (17,317)	572 (573)	3.4 (3.4)
1990	18,002 (16,786)	686 (-531)	4.0 (-3.1)
2000	19,317 (17,863)	1,315 (1,077)	7.3 (6.4)
2001	19,618	301	1.6
2002	19,926	308	1.6
2003	19,998	72	0.4
2004	20,085	87	0.4
2005	18,779	-1,306	-6.5
2006	18,223	-556	-3.0
2007	18,340	117	0.6

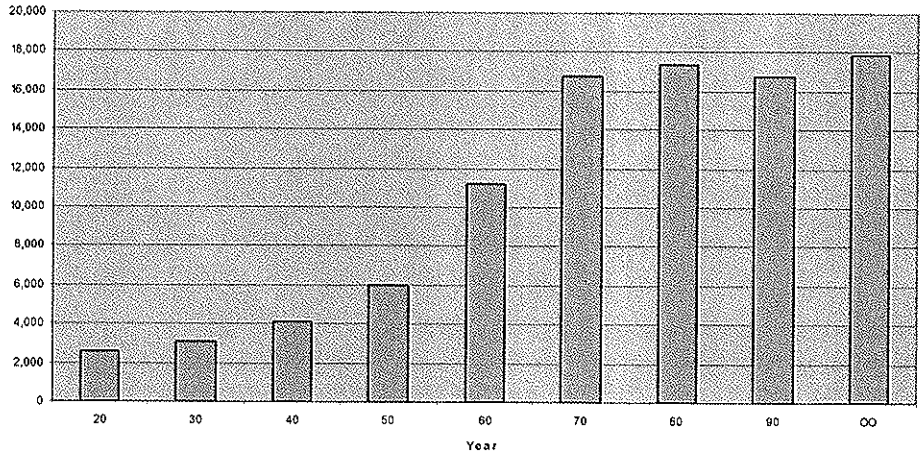
Source: U.S. Census Bureau and Town of Scituate. Numbers in parentheses are from the census.

Population growth in Scituate over the decades since 1920 is graphically presented in the following chart.

[9] While there were 7,685 total housing units cited in the 2000 census, there were 6,869 year-round housing units on which the 10% state Chapter 40B goal is based until the next census is issued.

Figure 2-1

Population Change 1920 to 2000



Due largely to an imbalance between supply and demand for housing throughout the Boston region, housing prices have escalated to unprecedented levels in most communities in proximity to Boston and in fact throughout the Commonwealth. Those more desirable locations, including small coastal communities with well-regarded school systems such as Scituate, have experienced some of the highest surges in real estate values. Despite some softening of the market over the past year, local realtors are claiming that prices are clearly on the rise.

With median single-family house sales hovering near $450,000 and virtually no habitable year-round homes on the market for less than $300,000, it is increasingly more difficult for buyers to find housing that they can afford even with some softening of the housing market, particularly if they have not owned a home in the past. This situation presents a real problem for young families who are attempting to purchase their first home or for Town employees seeking to live in Scituate closer to work. The recent trend towards larger homes also makes it difficult for empty nesters to downsize to smaller homes with reduced maintenance needs.

The extension of the Greenbush MBTA commuter rail line into Scituate is expected to further intensify housing demand. This makes it even more important that the Town better direct new development by ensuring there is a sufficient supply of affordable housing, a wider range of housing types, and incentives to building new housing in "smart" locations. This Housing Plan that will help guide the Town as it pursues these challenges.

2.1 Purpose

This Housing Production Plan represents a critical step forward in better understanding housing issues in Scituate including the review and assessment of documentation and research already compiled as well as the collection and analysis of new information to document the range of local needs and existing resources, remaining gaps in housing services and programs, as well as current obstacles to development. This information, in addition to substantial opportunities for community input, provides the context for the Town to chart its own course on affordable housing development, preservation, and conversion and to provide a blueprint for how the Town can produce affordable units over the next five years. While Town leaders have recognized the importance of becoming more proactive on the issue, the skyrocketing

housing prices and heightened interest from developers in producing housing in Scituate through the Chapter 40B comprehensive permit process, has established the importance of learning more about existing housing needs and detailing strategies to meet these needs that would create new affordable housing opportunities more in line with community priorities.

This Plan also identifies production goals, per the requirements of the state's Housing Production Program, to offer the Town more control over housing development. The Massachusetts Department of Housing and Community Development (DHCD) is administering the this Housing Production Program in accordance with regulations that enable cities and towns to prepare and adopt an affordable housing plan that demonstrates production of an increase of .50% over one year or 1.0% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory. Scituate will have to produce at least 34 affordable units annually to meet these ambitious production goals through 2010. When the 2010 census figures become available in 2011, this number will be somewhat higher.

If a community has achieved certification within 15 days of the opening of the local hearing for the Comprehensive Permit, the ZBA shall provide written notice to the Applicant, with a copy to DHCD, that it considers that a denial of the permit or the imposition of conditions or requirements would be Consistent with Local Needs, the grounds that it believes have been met, and the factual basis for that position, including any necessary supportive documentation.

If the Applicant wishes to challenge the ZBA's assertion, it must do so by providing written notice to DHCD, with a copy to the ZBA, within 15 days of its receipt of the ZBA's notice, including any documentation to support its position. DHCD shall review the materials provided by both parties and issue a decision within 30 days of its receipt of all materials. The ZBA shall have the burden of proving satisfaction of the grounds for asserting that denial or approval with conditions would be consistent with local needs, provided, however, that any failure of the DHCD to issue a timely decision shall be deemed a determination in favor of the municipality. This procedure shall toll the requirement to terminate the hearing within 180 days.

The Housing Plan will also increase the Town's score under the state's Commonwealth Capital Program and make it more competitive for a wide range of state discretionary funding (see Appendix 5 for a description of this program).

2.2 Housing Goals

As part of the Master Plan approved by Town Meeting in 2004, the Town has adopted the following overall goal for housing:

> *Provide housing that meets the needs of residents of all ages and income levels, while preserving the town's historic homes and traditional neighborhoods.*

To achieve this goal, the Town has established the following objectives:

1) Provide an adequate supply of land that is appropriately zoned and encourage a variety of housing options to better serve the wide range of ages and income levels found in Scituate. Housing options may include cluster development, accessory units, mixed-use development, and multi-family housing where appropriate.

2) Develop guidelines and bylaws to assure that all new residential development is consistent with the town's environment, historic context, and diversity of design. These guidelines may address density, diversity of housing types, architectural styles, and landscaping.

3) Consider housing demand in all future planning for zoning and land use. This should include exploring zoning and land use changes that provide an adequate supply of land for diverse types of housing.

4) Encourage a variety of housing sizes that meets the needs of Scituate residents and discourage the destruction of existing homes, alteration of neighborhood environments, and excessive consumption of resources.

5) Develop a plan for the creation of housing that serves the needs of residents of Scituate and the region and helps meet the state's target percentage of affordable homes. This plan should include re-use of existing structures, use of Town-owned land and innovative ways of providing affordable housing throughout the community.

6) Work cooperatively with developers and the state to obtain some level of local preference in new affordable housing developments for persons living or working in Scituate.[10]

2.3 Planning Process

The Scituate Planning Board is overseeing the preparation of this Housing Production Plan, as well as the previously completed Housing Needs Assessment. This work builds on efforts that commenced back in 1998 when the Town brought on a graduate student to work on the fundamentals of a Housing Plan, which was approved by Special Town Meeting in September 2002. In April 2005, the Town completed a Housing Needs Analysis conducted by Community Opportunities Group. In addition to regular meetings with the Consultant, Karen Sunnarborg Consulting, the Planning Board sponsored a public forum on February 14, 2008, to present the findings of the Needs Assessment and to obtain feedback from residents. Another public meeting on the Housing Production Plan took place on November 20, 2008, presenting another opportunity for the Planning Board to obtain public input on a wide range of housing issues and the specific elements of the Housing Plan.

2.4 Definition of Affordable Housing

There are a number of definitions of affordable housing, as federal and state programs offer various criteria. For example, the federal government identifies units as affordable if gross rent (including costs of utilities borne by the tenant) is no more than 30% of a household's net or adjusted income (with a small deduction per dependent, for child care, extraordinary medical expenses, etc.) or if the carrying costs of purchasing a home (mortgage, property taxes and insurance) is not more than 30% of gross income. If households are paying more than these thresholds, they are described as experiencing housing affordability problems; and if they are paying 50% or more for housing, they have severe housing affordability problems.

Affordable housing is also defined according to percentages of median income for the area, and most housing subsidy programs are targeted to particular income ranges depending upon programmatic goals. Extremely low-income housing is directed to those earning at or below 30% of area median income as defined by the U.S. Department of Housing and Urban Development ($25,750 for a family of four for the Boston area) and very low-income is defined as households earning less than 50% of area median income ($42,900 for a family of four). Low-income generally refers to the range between 51% and 80% of area median income ($66,150 for a family of four at the 80% level), and moderate-income from 81% to 100%, and sometimes 120% of median income ($85,800 and $102,960, respectively). These income levels are summarized in the table below:

[10] State local preference requirements currently allow up to 70% of affordable units in any development be reserved for those who have a connection to the community based on local criteria.

Table 2-2
2008 TARGETED INCOME LEVELS FOR AFFORDABLE HOUSING IN THE BOSTON AREA

# Persons in Household	30% of Median Income	50% of Median Income	80% of Median Income
1	$18,050	$30,050	$46,300
2	20,600	34,300	52,950
3	23200	38,600	59,550
4	25,750	42,900	66,150
5	27,800	46,350	71,450
6	29,850	49,750	76,750
7	31,950	53,200	82,050
8+	34,000	56,650	87,350

2008 Median Household Income for the Boston PMSA = $85,800

In counting a community's progress toward the 10% threshold, the state counts a housing unit as affordable if it is subsidized by state or federal programs that support low- and moderate-income households at or below 80% of area median income under Chapter 774 of the Acts of 1969, which established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B). Additionally, most state-supported housing assistance programs are targeted to households earning at or below 80% of area median income, as well as some at lower income thresholds.

In general, programs that subsidize rental units are targeted to households earning within 50% or 60% of median income, and first-time homebuyer programs typically apply income limits of up to 80% of area median income. The Community Preservation Act allows resources to be directed to those within a somewhat higher income threshold – 100% of area median income. It is worth noting that according to the 2000 census about 1,416 households, or approximately 29% of all Scituate's households, were likely to be income-eligible for affordable housing using the 80% of area median income level without reference to existing assets.

As noted previously, based on the Massachusetts Department of Housing and Community Development's most recent data on the Chapter 40B Subsidized Housing Inventory, Scituate had 6,869 year-round housing units of which 311 can be counted in the Subsidized Housing Inventory, representing 4.53% of the year-round housing stock. The Chapter 40B definition of affordable housing is as follows:

Figure 2-2

FOR THE PURPOSES OF CHAPTER 40B, AFFORDABLE HOUSING IS GENERALLY DEFINED AS HOUSING UNITS THAT ARE:

- Subsidized by an eligible state or federal program.
- Subject to a long-term deed restriction limiting occupancy to income eligible households for a specified period of time (at least 30 years or longer for newly created affordable units, and at least 15 years for rehabilitated units).
- Subject to an Affirmative Fair Housing Marketing Plan.

As mentioned earlier, to meet the 10% standard, at least 687 of the existing units would have to be "affordable" based on the state's definition, requiring at least another 376 more housing units to be built or converted to affordable units in Scituate to meet just the 10% standard based on the existing housing stock. Assuming future housing growth, this 10% figure will change and ultimately the required minimum number of year-round units will increase over time.

3. HOUSING NEEDS ASSESSMENT

This Housing Needs Assessment presents an overview of the current housing situation in the town of Scituate, providing the context within which a responsive set of strategies can be developed to address housing needs and meet production goals.

3.1 Demographic Characteristics

3.1.1 Population, Race and Household Type

Since 1980 Scituate's growth has fluctuated and has not increased substantially. The 2000 census data indicated that the town of Scituate had a total population of 17,863, a 6.4% increase over the 1990 population of 16,786 but only a 3.29% increase since 1980 when the population was 17,317, higher than it was in 1990. These figures represent fairly comparable growth to the 6% growth rate experienced in the overall Boston region from 1990 to 2000[11]. Since 2000, the town has welcomed another 477 residents, bringing the population total to 18,340 as of the end of June 2007.

Table 3-1
Scituate, Demographic Characteristics
1980-2000

	1980		1990		2000	
	#	%	#	%	#	%
Total Population	17,317	100.0	16,786	100.0	17,863	100.0
Minority Population*	142	0.8	441	2.6	587	3.3
Total Number Households	5,579	100.0	6,033	100.0	6,694	100.0
Family Households**	4,545	81.5	4,558	75.6	4,921	73.5
Female Heads of Households**	229 w/ children	4.1	597	9.9	549 (250 w/ children)	8.2/3.7
Non-family Households**	1,034	18.5	1,475	24.4	1,773	26.5
Average Household Size	3.12 persons		2.75 persons		2.64 persons	

Source of above table: 1980, 1990 and 2000 U.S. Census Bureau
*All non-White classifications
** Percent of all households

The population has remained predominately White although the growth in minority households has been steadily increasing over the past two decades. For example, in 2000 the census describes 587 persons or 3.3% of the population as minorities, up from 441 persons in 1990 and 142 persons in 1980. More than one-quarter of the 2000 minority population identified themselves as Hispanic, about another quarter as Black or African American and one-fifth as Asian.

[11] The Boston region is defined here as the area stretching west from Boston to include most of the communities inside the I-495 corridor, consisting of 22 cities and 79 towns, as part of the Metropolitan Area Planning Council's (MAPC) planning area that includes the town of Scituate.

There were 6,694 households[12] living in Scituate in 2000, up 20% from 5,579 households in 1980. Throughout the twentieth century, the average size of the American household has decreased, and the size of Scituate households has followed this trend. In 1980, the average household in Scituate contained 3.12 people. According to the U.S. Census, by 1990 this figure had declined to 2.75, then to 2.64 persons in 2000. Higher divorce rates, families with fewer children, and an increase in single person households have most likely all contributed to this trend. The decrease is household size is also consistent with Scituate's gradual increase in non-family households from the 1980's to the present.

Non-family households have increased by 72% since 1980, becoming a more significant part of Scituate and representing more than one-quarter of all households and reflecting regional and national trends to smaller and more nontraditional households. These non-family households, comprised of single or non-related persons, excluding single parents or grandparents with children, increased by 739 households from 1980 to 2000, up from 18.5% of all households in 1980 to 26.5% in 2000. While family households increased by 376, they decreased as a proportion of all households from 1980 to 2000, from 81.5% to 73.5%. The number of female-headed households decreased from 1990 to 2000, from 597 to 549, however, the number of these households with children only increased a bit from 1980 to 2000, 229 to 250.

The tendency towards smaller families may affect the type of housing units that are in demand. As family sizes decrease there is typically a greater need for smaller homes as well as increased demand for apartments or condominiums. When other options are not available, unrelated individuals may be forced to live with relatives or leave the community entirely.

3.1.2 Age Distribution

Demographic trends indicate fewer school age children, fewer younger adults and more seniors. The school-age population of those less than 18 years of age has decreased in numbers and in proportion to the total population since 1980. In 2000 this group comprised 26.1% of the population, or 4,660 persons, but was down proportionately from 30.7% of the population in 1980, but then up somewhat from 23.4% in 1990. This decline has continued since 2000, as indicated by Town records through 2007. Information on the distribution of ages is presented in Tables 3-2A and B.

Demographic trends also suggest that escalating housing costs may be pricing younger individuals and families out of the housing market. Those entering the labor market and forming new families have been dwindling in numbers, reducing the pool of entry level workers and service employees as well as potentially forcing the grown children who were raised in town to relocate outside of Scituate. This *population age 21 to 34 has decreased 40%*, from 3,361 residents in 1980 to 2,024 in 2000, and has remained at about the same level since then.

On the other hand, the number of those baby boomers, age 45 to 64, increased 27% from 1980 to 2000, and almost another 24% as of 2007, suggesting that those in the prime of their earning potential are increasing in number in Scituate. This is likely related to the relatively high housing costs that require

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[12] The use of the term "household" in this plan is as defined by the U.S. Bureau of the Census, that is, all the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit, such as partners or roomers, is also counted as a household.

higher incomes and typically equity in a previous house to enter the private housing market. Greater numbers of more middle-aged residents is also reflected in the median age of 40.7 years in 2000, significantly higher than the state median of 36.5 years.

In regard to seniors, in 2000 there were 2,726 persons 65 years of age or older, representing 15.3% of the population, as compared to 1,810 or 10.4% of the total population in 1980. This level of seniors was higher in Scituate than it was for Plymouth County or the state at 11.8% and 13.5%, respectively, in 2000. The number of Scituate residents over 65 years of age increased by 22% during the 1990's, with the greatest increase, 36%, in the 75 to 84 age group. These increases are greater than those for neighboring communities and support a likely increase in demand for elderly housing in Scituate in the future (see Table 3-3). Since 2000, those over the age of 65 have increased by another 15%.

Table 3-2A
Scituate, Age Distribution
1980, 1990 and 2000

	1980		**1990**		**2000**	
Age Range	#	%	#	%	#	%
Under 5 Years	921	5.3	1,139	6.8	1,235	6.9
5 – 17 Years	4,395	25.4	2,785	16.6	3,425	19.2
18 – 20 Years	790	4.6	603	3.6	386	2.2
21 – 24 Years	960	5.5	842	5.0	358	2.0
25 – 34 Years	2,401	13.9	2,494	14.9	1,666	9.3
35 – 44 Years	2,264	13.1	2,803	16.7	3,275	18.3
45 – 54 Years	2,015	11.6	2,096	12.5	2,862	16.0
55 – 59 Years	1,031	6.0	942	5.6	1,059	5.9
60 – 64 Years	730	4.2	848	5.0	871	4.9
65 – 74 Years	996	5.8	1,284	7.6	1,508	8.4
75 – 84 Years	621	3.6	667	4.0	907	5.1
85 Years and Over	193	1.1	283	1.7	311	1.7
Population Under 18	5,316	30.7	3,924	23.4	4,660	26.1
Population 21-34	3,361	19.4	3,336	19.9	2,024	11.3
Population Age 65+	1,810	10.4	2,234	13.3	2,726	15.3
Total	17,317	100.0	16,786	100.0	17,863	100.0
Median Age	Not available		Not available		40.7 years	

Source: 1980, 1990 and 2000 U.S. Census Bureau

Table 3-2B
Scituate, Age Distribution
2000, 2002 and 2007

Age Range	2000 (Census)	2002 (Town Clerk)	2007 (Town Clerk)
0-5 Years	1,235	811	645
5-14 Years	2,675	2,512	2,410
15-19 Years	1,036	1,238	1,287
20-24 Years	458	1,081	1,192
25-34 Years	1,666	1,992	1,206
35-44 Years	3,275	3,511	2,539
45-54 Years	2,862	2,666	3,359
55-64 Years	1,930	2,938	2,555
65-74 Years	1,508	1,670	1,565
75-84 Years	907	1,101	1,108
85+	311	406	474
TOTAL	17,863	19,926	18,340

Sources: U.S. Bureau of the Census, 2000 Data; Scituate Town Clerk, 2002 and 2007 Data

Table 3-3 illustrates the changes in age distribution between 1990 and 2000 in comparison to a number of South Shore towns[13].

Table 3-3
Age Distribution in Scituate and Selected South Shore Towns, 1990 and 2000

Age Group	1990	2000	% Change, Scituate	% Change, South Shore Towns
0-5	1,139	1,235	8.4%	.5%
5-14	2,114	2,675	26.5%	N/A
15-19	1,061	1,036	-2.4%	-.5%
20-24	1,005	458	-54.4%	-21.4%
25-34	2,494	1,666	-33.2%	-13.2%
35-44	2,803	3,275	16.8%	14.2%
45-54	2,096	2,862	36.5%	39.0%
55-64	1,790	1,930	7.8%	N/A
65-74	1,284	1,508	17.4%	-4.5%
75-84	667	907	36.0%	14.1%
85+	283	311	9.9%	24.2%
TOTAL	16,736	17,863	6.7%	

Sources: U.S. Bureau of the Census, 1990 and 2000 Data/Town of Scituate Master Plan 2004

[13] Includes Cohasset, Duxbury, Hanover, Hingham, Hull, Marshfield, Norwell, Pembroke, Rockland, Scituate and Weymouth.

Table 3-3 also demonstrates that the increase of middle age and elderly residents in Scituate is occurring at a comparable or faster pace than in surrounding communities. The town's middle-aged cohorts aged 35 years to 44 and 45 years to 54 increased by 17% and 37%, respectively, between 1990 and 2000, fairly comparable to regional trends. These increases in the middle-age categories explain some of the high market demand for single-family homes to accommodate families with children. However, as those in the 45 years to 64 age group become "empty nesters" there will be an increasing demand to downsize their homes and yards to reduce maintenance and housing costs, and there are not many such housing opportunities in Scituate to meet their needs.

Based on population projections prepared by the Metropolitan Area Planning Council, Scituate may face the following demographic trends over the next 15 to 20 years[14] that by in large involve continuations of changes during the past couple of decades:

- An overall population increase of approximately 7.5% to 19,203 residents in 2030.
- Decline in the number of pre-school children and the school-age population from 5 to 14 years old from 3,910 in 2000 to 3,403 in 2030, despite an overall population increase;
- Decrease in the number of high school-age children age 15 to 19 from 1,036 in 2000 to 987 in 2030, after an increase in this population from 2000 to 2020;
- Growth in the household-formation years of 20 to 29, up from 1,053 residents in 2000 to 1,297 in 2020 and then down again to 1,117 in 2030;
- Drop in trade-up demand fueled by declining numbers of those between the ages of 35 and 44 (from 3,275 in 2000 to 2,076 in 2020 to 2,370 in 2030) and some increase and then slight drop-off of those 45 to 49 (1,491 in 2000 up to 1,719 in 2010 and then down to 1,249 in 2030);
- Large overall growth in empty-nesters age 50 to 59 from 2,430 in 2000 to 3,086 in 2020 and then a drop-off from 2020 to 2030 to 2,373 residents;
- Increase in early seniors aged 60 to 64 from 871 in 2000 to 1,778 in 2020 and 1,647 in 2030;
- Large increase in seniors age 65 to 74 from 1,508 in 2000 to 3,228 in 2030; and
- Increase in seniors over the age of 75 from 1,218 in 2000 to 2,066 in 2030.

The significant increase in the population projections for seniors confirms the likely boost in demand for smaller units that are easier to maintain than the average single-family home as well as the need for assisted living options in the long-term. Another consideration is the increase of those in the household formation years of 20 to 34 over the next couple of decades, suggesting the need for first-time homebuyer options that are affordable to those who do not have equity from a previous house or sufficient income to enable them to enter the private housing market.

3.1.3 Income Distribution

Residents of Scituate are on average becoming significantly more affluent. The median household income in 1999 was $70,868, up 36% from the 1989 median income of $52,044 and a huge increase of 176% over the median income in 1979 of $25,694, not adjusted for inflation. A comparison of 1979, 1989 and 1999 income figures is presented in Table 3-4.

[14] Metropolitan Area Planning Council Community Population Forecasts, 1990 to 2030 as of January 31, 2006.

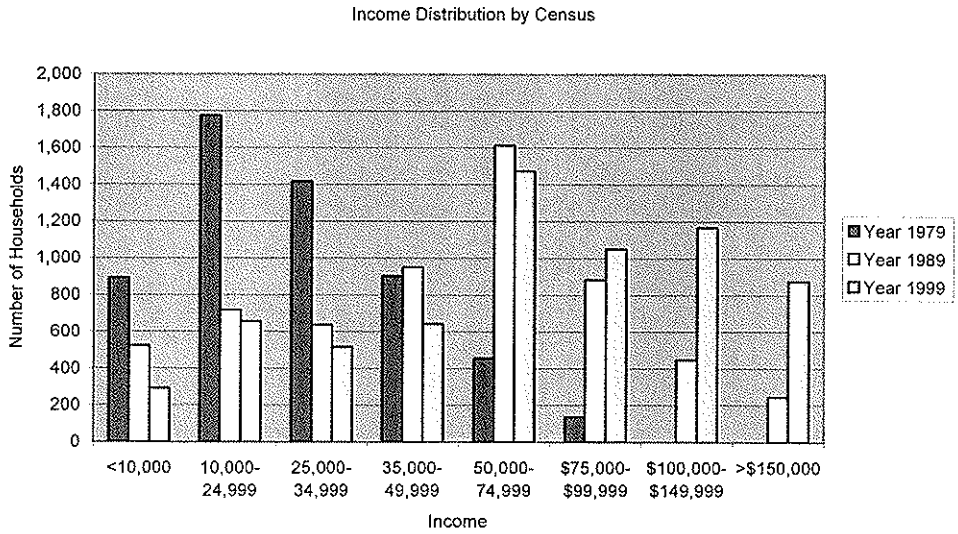
Table 3-4
Scituate, Income Distribution by Household
1979-1999

	1979		1989		1999	
	#	%	#	%	#	%
Under $10,000	893	16.0	523	8.7	292	4.4
10,000-24,999	1,774	31.8	716	11.9	655	9.8
25,000-34,999	1,419	25.4	636	10.6	516	7.7
35,000-49,999	901	16.2	950	15.8	643	9.6
50,000-74,999	456	8.2	1,614	26.8	1,474	22.1
75,000-99,999	136	2.4	882	14.7	1,050	15.7
100,000-149,999			448	7.4	1,167	17.5
150,000 or more			245	4.1	873	13.1
Total	5,579	100.0	6,014	100.0	6,670	100.0
Median income	$25,694		$52,044		$70,868	

Source: 1980, 1990 and 2000 U.S. Census Bureau

There were decreases in the numbers of households in all of the income ranges except for those earning in the income categories above $50,000 between 1980 and 2000 (excluding an increase in the numbers earning between $35,000 and $49,999 between 1980 and 1990) and even a decrease in those earning between $50,000 and $75,000 from 1990 to 2000. Those households earning more than $100,000 almost tripled from 1989 to 1999 – from 693 to 2,040 households. The income distribution for those households that include children – families – is somewhat higher with a median family income in 1999 of $86,058, with 1,864 families or almost 40% of all families earning more than $100,000, including 418 or 8.5% earning more than $200,000.

Figure 3-1



The chart above clearly demonstrates the tremendous increase in income levels for households in Scituate over the past two decades. Despite inflation these figures are dramatic, as more recent data shows that

those earning above $100,000 now comprise about one-third of all households residing in Scituate, while 20 years ago there were few if any in this income category.

Table 3-5 offer some comparison of Scituate's 1999 median income level to those of neighboring communities. Median incomes range from a low of $66,508 in Marshfield to as much as $97,124 in Duxbury. Scituate's income level, while substantially higher than the statewide median of $50,500, is in the lower range of this comparison.

Table 3-5
Comparison of Median Incomes in South Shore Towns, 1999

Town	Median Income
Cohasset	$84,156
Duxbury	$97,124
Hanover	$73,838
Hingham	$83,018
Marshfield	$66,508
Scituate	**$70,868**

Source: U.S. Bureau of the Census, 2000 Data/2004 Master Plan

Scituate's income distribution is in fairly striking contrast to that of Plymouth County as a whole when viewed proportionately as demonstrated in Table 3-6.

Table 3-6
Income Distribution by Household: Plymouth County vs. Scituate – 1999

	Plymouth County		Scituate	
	#	%	#	%
Under $10,000	10,990	6.5	292	4.4
10,000-24,999	23,509	14.0	655	9.8
25,000-34,999	15,827	9.4	516	7.7
35,000-49,999	24,301	14.4	643	9.6
50,000-74,999	37,053	22.0	1,474	22.1
75,000-99,999	25,077	14.9	1,050	15.7
100,000-149,999	20,722	12.3	1,167	17.5
150,000 or more	10,969	6.5	873	13.1
Total	168,448	100.0	6,670	100.0
Median income	$55,615		$70,868	

Source: 1990 and 2000 U.S. Census Bureau

The percentage of those earning less than $75,000 was about two-thirds for Plymouth County in contrast to half of all households for the town of Scituate, whereas those earning above the $100,000 threshold included approximately one-fifth of households in the county versus one-third of the households in Scituate. Scituate's median income was also 75% higher than the median for Plymouth County as a whole as well as the Boston region with a median income in 2000 of $55,234.

Based on the percentage change in HUD's median income levels from 2000 to 2008 (31%), from $65,500 to $85,800, an adjusted income level of $92,832 can be calculated that perhaps better reflects current economic conditions.

Despite increasing household wealth, there still remains a population living in Scituate with very limited financial means. Of the 6,670 total households counted in 1999, almost 300 or 4.4% had incomes of less than $10,000 and another 655 or 9.8% had incomes between $10,000 and $24,999, representing extremely low-income levels at or below 30% of area median income. An additional 516 households had incomes within what public agencies would define as very low-income levels, within 50% of area median income. The total number of households within these lower income categories was almost 1,500 households in 2000 or more than 20% of all Scituate households, not an insignificant number given the general affluence of the community. Additionally, based on this income information, approximately 40% of Scituate households (or about 2,667 households) would likely have qualified for housing assistance as their incomes were at or below 80% of area median income defined now by the U.S. Department of Housing and Urban Development (HUD) or $59,550 for a family of three.[15]

3.1.4 Poverty

The Federal Department of Health and Human Services issues the federal poverty guidelines yearly for administrative purposes. Financial eligibility for many federal housing programs is based on these guidelines. Many of the people who fall within this category are disabled, elderly, minorities, or unemployed.

The 2000 census indicates that the absolute numbers of those with incomes below the poverty level decreased between 1979 and 1999 as shown in Table 3-7 after increasing somewhat in 1989. The U.S. Bureau of the Census defined poverty status for 1999 as income falling below the exceedingly low annual income level of $12,700 for a family of four. In 1999, there were 451 individuals, and 69 families at this income level in Scituate. There were 52 families headed by women, and three-quarters of these included one or more children less than eighteen years of age for a total of 70 children. More than one-quarter of the individuals below the poverty level were 65 years of age or older including 122 seniors. The presence of residents at this income level demonstrates the need for additional subsidized rental housing for those at very low-income levels.

Table 3-7
Scituate, Poverty Status, 1979-1999

	1979		1989		1999	
	#	%	#	%	#	%
Individuals Below Poverty	569	3.3	648	3.9	451	2.6
Families	102	2.2	82	1.8	69	1.4
Related Children Under 18 Years (Under 17 Years for 1980 data)	90	1.7	196	5.1	70	1.5
Individuals 65 and Over	68	3.8	146	7.1	122	4.8

Source: 1980, 1990 and 2000 U.S. Census Bureau
*Percentage of total population
**Percentage of all families
***Percentage of all related children under 18 years
****Percentage of all individuals age 65+

[15] While these households' incomes might be at or below 80% of area median income, many households are likely to have assets that are more than the allowable state or federal standards that would disqualify them from housing assistance.

3.1.5 Education

In 2000, 95.8% of those 25 years and older had a high school diploma or higher, and almost 50% had at least a Bachelor's degree. These levels are higher than the 2000 figures for college attainment of 27.7% for Plymouth County and 41% for the Boston region. Moreover, these figures represent a significant improvement in overall educational attainment from 1990 of 93.3% with at least a high school degree and about 40% with at least a college degree.

Those enrolled in school (nursery through graduate school) totaled 4,553 students or 25.5% of the population, and those enrolled in nursery school through high school totaled 3,987, 87.6% of those who are enrolled in school and 22.3% of the total population. These figures are 44% higher than the 1990 enrollment figures of 2,775 students in nursery school through high school, a gain of 1,212 students. However, as noted in Section 3.1.2, demographic projections point to an overall decline in school enrollments over the next several decades.

3.1.6 Disability Status

Of the 2000 population age 5 to 20 years old, 199 or 5.3% had some disability, and of the population age 21 to 64, 1,379 or 13.7% claimed a disability, but 70.8% of this group was employed leaving almost 30% who were unemployed, likely due to disability. In regard to the population 65 years of age or older, 828 or 32.3% claimed some type of disability. These levels of disability were lower than the Boston region as a whole where 7.9% of those five to 20 years of age claimed a disability, 16.5% of those 21 to 64 claimed a disability (38.2% of whom were not employed), and more than one-third, 37.1%, of those over 65 were disabled.[16]

3.1.7 Residency in 1995

More than one-third of the households in Scituate, 34.4% or 5,707 persons, moved to a new residence from 1995 to 2000. Of these, 18.6% came from within Plymouth County, 15.1% came from a different county, with 8.7% coming from the same state and 6.4% coming from a different state or elsewhere, representing significant mobility of the town's population but not as high as the county's where 36.5% of all households moved during this same time period.

It is important to note that housing turnover drives up housing prices in an escalating real estate market, and typically the buyers are more affluent than sellers, fueling demographic changes in the community over time. This suggests that it is useful to find ways to reduce housing turnover, to maintain the affordability in the existing housing stock to the greatest extent possible, and to help those who want to remain in town afford to do so.

3.2 Housing Characteristics

Table 3-8 provides a summary of the key characteristics of Scituate's housing stock. There has been a moderate expansion in Scituate's overall housing supply since the 1990's, with a steady pace of growth that has recently tapered off somewhat. The 2000 census counted 7,685 total housing units, up 10% from 6,983 units in 1990 and a 13% increase from 6,797 units in 1980. Out of total housing units, Scituate had 6,694 occupied units, of which 5,559 or 83.0% were owner-occupied while the remaining 1,135 units or 17.0%, were rental units. These figures represent a considerably higher level of owner-occupancy in 2000 than that for Plymouth County as a whole of 75.7% and for the Boston region of 57%.

[16] These figures were based on 2000 census data for the Boston SMSA.

Table 3-8
Scituate, Housing Characteristics
1980-2000

	1980		1990		2000	
	#	%	#	%	#	%
Total # Housing Units	6,797	100.0	6,983	100.0	7,685	100.0
Occupied Units *	5,548	81.6	6,033	86.4	6,694	87.1
Occupied Owner Units **	4,575	82.5	4,863	80.6	5,559	83.0
Occupied Rental Units **	973	17.5	1,170	19.4	1,135	17.0
Total Vacant Units/ Seasonal, Recreational or Occasional Use*	1,217/1,081	17.9/15.9	950/723	13.6/10.4	991/816	12.9/10.6
Average House-Hold Size of Owner-Occupied Unit	Not Available		2.90 persons		2.78 persons	
Average House-Hold Size of Renter-Occupied Unit	Not Available		2.14 persons		1.97 persons	

Source: 1980, 1990 and 2000 U.S. Census Bureau
* Percentage of total housing units
** Percentage of occupied housing units
*** Data not available

Table 3-9 presents levels of owner-occupied versus rental housing for surrounding communities and Plymouth County.

Table 3-9
Owner and Rental Occupancy in Scituate, Surrounding Towns and Plymouth County, 2000[17]

	Owner-Occupied Units	Renter-Occupied Units	Total	% Owner-Occupied Units
Cohasset	2,284	389	2,673	85%
Duxbury	4,394	552	4,946	89%
Hanover	3,179	511	3,690	86%
Hingham	5,752	1,081	6,833	84%
Marshfield	7,233	1,672	8,905	81%
Scituate	5,559	1,135	6,694	83%
Plymouth County	127,266	41,095	168,361	76%

Source: U.S. Bureau of the Census

[17] Figures do not reflect vacant housing units.

Total growth in Scituate's housing stock from 1980 to 1990 was 186 units and from 1990 to 2000 was a much higher amount of 702 units. All of the increase between 1990 and 2000 was in the owner-occupied housing stock accompanied by a loss of 35 rental units during this period.

The 2000 census counted 12.9% of the housing stock, or 991 units, as vacant, of which 816 units involved seasonable, recreational or occasional use. Given Scituate's seaside location and reputation as a desirable community, it has had a robust seasonal and second-home housing market.

Table 3-10
Scituate, Vacancy Rates
1990 and 2000

Vacancy Rates by Tenure				
	1990	**2000**	**MA 2000**	**Nation 2000**
Rental	4.5	2.2	3.5	5.0
Owner-Occupied	2.2	0.7	0.7	3.0

Source: 2000 U.S. Census

The 2000 the homeowner vacancy rate was 0.7%, down a bit from 2.2% in 1990; and the rental vacancy rate of 2.2% also represented a decline from 4.5% in 1990. These vacancy statistics reflect tightening housing market conditions as anything below 5% is considered to represent a very limited housing vacancy directed primarily only to normal patterns of housing turnover. As Table 3-10 further indicates, the 2000 vacancy rates in Scituate were considerably lower than state and national levels.

The 2000 census indicates that the vast majority of the existing housing units are in single-family detached structures, 6,621 units or 86.2% of the housing stock, significantly higher than the 71.1% level for the county, 44% for the Boston region and 52.4% for the state. Another 291 units were located in single-family attached dwellings, 401 in two to four-unit buildings, and 181 in five to nine-unit structures. Another 191 units were included in developments of more than ten units. There were also twelve (12) mobile homes counted as part of the 2000 census, down from 41 mobile homes in 1990. This data confirms that most of the new housing production has been directed to single-family homes, most likely owner-occupied. Some modest increases have occurred in townhouse development, 61 units, the small multi-family stock, another 61 units, as well as in larger structures, 79 units. Forty-eight units were lost in the five to nine-unit housing stock, most likely correlated to the loss of rental units.

Table 3-11
Scituate, Units in Structure, 1990 – 2000

Type of Structure	**1990**		**2000**	
	#	%	#	%
1 Unit Detached	6,043	86.5	6,621	86.2
1 Unit Attached	230	3.3	291	3.8
2 to 4 Units	340	4.9	401	5.2
5 to 9 Units	229	3.3	181	2.4
10 or More Units	100	1.4	179	2.3
Other	41	0.6	12	0.2
Total	6,983	100.0	7,685	100.0

Source: 1990 and 2000 U.S. Census Bureau

The distribution of housing between single and multi-family homes in Scituate does not differ greatly from that of surrounding communities, as shown in Table 3-11. Multi-family structures range from a low of 12% in Hanover to 17% in Cohasset and Hingham to 28% for the county. The higher proportion in Plymouth County most likely reflects housing in the city of Brockton, an urban community with a high proportion of multi-family development.

Table 3-12
Single Family vs. Multi-Family Housing in Scituate, Surrounding Towns and Plymouth County
2000

Town	Single Family	Multi-Family	Total	% Multi-Family
Cohasset	2,328	477	2,805	17%
Duxbury	4,537	808	5,345	15%
Hanover	3,925	520	4,445	12%
Hingham	7,368	1,252	7,368	17%
Marshfield	8,489	1,465	9,954	15%
Scituate	**6,621**	**1,064**	**7,685**	**14%**
Plymouth County	130,157	51,367	181,524	28%

Source: U.S. Bureau of the Census, 2000 Data/2002 Master Plan

Almost three-quarters of Scituate's housing stock, 5,700 units or 74%, was built prior to 1970, however there were significant numbers of units produced between 1970 and 1990, totaling 1,350 units or almost 18% of the housing stock. For the county as a whole, almost 60% of the units were built prior to 1970, suggesting that Scituate demonstrated a somewhat lower level of housing growth over the last several decades than Plymouth County. Most of the growth in fact occurred during the mid-20th century, just before and after World War II when almost 60% of Scituate's housing stock was built.

Table 3-13
Scituate, Year Structure Built
2000

	#	%
1999 to March 2000	37	0.5
1995 to 1998	255	3.3
1990 to 1994	343	4.5
1980 to 1989	583	7.6
1970 to 1979	767	10.0
1960 to 1969	1,222	15.9
1940 to 1959	2,269	29.5
1939 or earlier	2,209	28.7
Total	7,685	100.0

Source: 2000 U.S. Census Bureau

Scituate had a lower level of housing growth in recent years in comparison to most of its neighbors with 25.8% of its housing stock (based on the 2000 census count of 1,985 units) constructed after 1970. Only neighboring Cohasset had a comparable level of more recent construction activity. This level of housing growth is significantly lower than that for Plymouth County, with 40.6% of its housing stock added since 1970, and lower than the state's as well at 32.3%.

Table 3-14
Recent Housing Development
Scituate and Neighboring Communities

Community	# Units Built Since 1970	% Units Built Since 1970
Abington	1,661	31.1
Cohasset	745	26.6
Hanover	1,955	44.0
Hanson	1,249	39.3
Hingham	2,250	30.5
Marshfield	4,158	41.8
Norwell	1,343	40.5
Pembroke	2,624	44.5
Rockland	2,321	34.9
Scituate	1,985	25.8
Plymouth County	73,719	40.6
State	847,922	32.3

Source: 2000 U.S. Census Bureau

The median number of rooms per housing unit was 6.7, indicating that the average home had about three to four bedrooms. The dwelling size ranged from 1,083 units or 14% with four rooms or less to 1,146 units or 14.9% of the housing stock with nine (9) rooms or more. There were 58 housing units that involved only single rooms. About two-thirds of all households had two or more vehicles, but there were another 304 households that indicated that they did not own a car.

The building permit data summarized below in Table 3-15 indicates a high of 52 permits, involving 63 units, issued in 1996 to a low of 18 permits, involving 18 total units, issued in 1999.

Table 3-15
Units Constructed in Scituate, 1996-June, 2007

Year	Single-Family		Two-Family			Three/Four-Family			Five + Units		
	# Units	Const. Cost	# Bldgs	# Units	Const. Cost	# Bldgs.	# Units	Const. Cost	# Bldgs	# Units	Const. Cost
1996	48	$6,905,960	3	5	N/A	0	0	0	1	10	$600,000
1997	46	$7,040,900	1	2	$196,040	0	0	0	0	0	0
1998	39	$6,763,610	0	0	0	0	0	0	0	0	0
1999	18	$4,149,500	0	0	0	0	0	0	0	0	0
2000	18	$5,319,684	0	0	0	3	12	$1,053,500	0	0	0
2001	31	$7,296,301	1	2	$500,000	0	0	0	1	9	$1,284,400
2002	27	$8,368,500	5	10	$1,500,000	0	0	0	2	24	$7,867,845
2003	29	$8,886,700	9	18	$2,700,000	0	0	0	0	0	0
2004	29	$8,340,920	3	4	$489,000	1	4	$1,060,000	0	0	0
2005	38	$12,575,032	4	4	$324,000	0	0	0	1	37	$7,000,000
2006	28	$8,493,512	4	9	$2,119,000	3	9	$1,763,600	0	0	0
2007	21	$6,512,200	2	3	$775,000	1	3	$630,000	0	0	0
2008*	12	$4,468,500	0	0	0	8	29	$7,006,000	0	0	0
TOTAL	384	$95,121,319	32	57	$8,603,040	16	57	$11,513,100	5	80	$16,752,245

Sources: Town of Scituate Building Department/2004 Master Plan (data through 2002)
*Through November, 2008

Since 2000, building activity has slowed down somewhat with an average of 29 permits per year from 2000 through 2006, focusing solely on single-family units. There was an average of 34 total permits issued for all types of housing units from 2000 through 2006. During this same time period 200 single-family units were built, 26 two-family dwellings, seven three- or four-family structures, and four larger structures of five or more units (that involved 70 total units) and an average of 49 units per year. Since the last census through June 2007, an additional 208 single-family units and 148 multi-family units have been added to the housing stock bringing the total number of housing units in Scituate to 8,041.

A buildout analysis prepared by MAPC[18] (1998) projected that Scituate could accommodate approximately 2,890 additional dwelling units. Prior trends suggest that these will be primarily single-family homes based on existing zoning. Given previous rates of growth, it is projected that buildout would occur around 2060, at a total of 10,575 units, assuming the construction of 50 units per year.

Additional information from the 2000 census indicates that Scituate's housing stock is generally of very high quality. Only 14 housing units lacked plumbing, and only 63 units had, on average, more than one person per room, an indicator of overcrowding. The latter statistic shows an increase over the 29 such homes reported for 1990. Although in 2000, 29% of the housing stock was over 60 years old, in general, the town had little housing that was overcrowded or in very poor condition.

3.3 Housing Market Conditions

3.3.1 Ownership

Census data also provides information on housing values based on 2000 data. The census indicated that the 2000 median house value was $276,000, up about 36% from the median in 1990 of $203,600. In 2000, only 39 homes were valued at less than $100,000 but another 922 were valued between $100,000 and $199,999, making up the bulk of the more affordable housing stock. On the other hand, 2,056 homes were valued at more than $300,000, priced beyond the means of the average Scituate household that included 516 homes valued at more than $500,000. Census housing values are summarized in Table 3-16.

Table 3-16
Scituate, 2000 Housing Values

Value	Number of Units	% Units
Less than $50,000	7	0.1
$50,000 to $99,999	32	0.6
$100,000 to $149,999	200	3.8
$150,000 to $199,999	722	13.7
$200,000 to $299,999	2,238	42.6
$300,000 to $499,999	1,538	29.3
$500,000 to $999,999	440	8.4
$1 million or more	76	1.4
Total	5,253	100.0
Median (dollars)	$276,000	

Source: 2000 U.S. Census Bureau

Housing prices in Scituate were 54% higher than Plymouth County's with a median house value of $179,200, based on the 2000 census.

[18] Metropolitan Area Planning Council, the regional planning agency for towns in the greater metropolitan Boston area.

More updated market data is tracked by The Warren Group from Multiple Listing Service data based on actual sales. This market information since 1988 is summarized in Table 3-15. The number of home sales in Scituate (for full years) ranged from a low of 214 sales in 1990 to a high of 450 in 1997. After a decline in market prices in the early 1990's, due largely to the economic slump, the market began to revive in the mid-90s but did not surpass the 1988 median sales price until 1996. Since then the market has escalated precipitously, more than doubling, up 123%, from $223,750 in 1998 to $500,000 by the end of 2007 for single-family homes despite a regional market slump. In 2008, Scituate began to also feel the effects of a declining housing market with the median single-family sales price down near the 2003 level, at $447,500, and with a corresponding decrease in sales volume, from 433 sales in 2004 to 214 as of the end of September 2008. The condominium market also demonstrated substantial price escalation, rising from a low of $130,000 in 1993 to $467,500 in 2006, a 260% increase. However, since then the condo market has declined considerably to a median price of $368,000 as of September 2008.

Table 3-17
Scituate, Median Sales Prices
1988 Through September 2008

Year	Months	Single-family	Condo (#)	All Sales	# Sales
2008	Jan – Sept	$447,500	$368,000 (19)	$442,000	214
2007	Jan – Dec	500,000	$427,825 (36)	$500,000	285
2006	Jan – Dec	475,000	467,500 (46)	452,250	327
2005	Jan – Dec	510,000	515,000 (27)	500,000	347
2004	Jan – Dec	459,000	494,950 (42)	447,500	433
2003	Jan – Dec	445,000	495,000 (51)	458,000	383
2002	Jan – Dec	390,000	399,900 (35)	395,000	359
2001	Jan – Dec	329,000	250,000 (20)	322,000	357
2000	Jan – Dec	300,000	285,500 (33)	297,600	327
1999	Jan – Dec	245,000	297,500 (22)	249,000	361
1998	Jan – Dec	223,750	245,000 (36)	216,850	400
1997	Jan – Dec	210,000	251,500 (48)	209,250	450
1996	Jan – Dec	188,950	205,000 (75)	183,750	410
1995	Jan – Dec	175,500	215,000 (33)	169,500	338
1994	Jan – Dec	170,000	196,250 (36)	164,500	385
1993	Jan – Dec	158,000	130,000 (23)	150,000	357
1992	Jan – Dec	154,500	167,650 (20)	151,000	337
1991	Jan – Dec	159,000	175,000 (21)	152,000	297
1990	Jan – Dec	172,000	179,950 (26)	172,000	214
1989	Jan – Dec	175,000	251,250 (35)	175,450	298
1988	Jan – Dec	188,000	188,500 (27)	182,500	357

Source: The Warren Group, February 11, 2008 and October 22, 2008.

Table 3-18 compares median sales data for Scituate and neighboring communities for single-family homes as well as all sales in 2006 and 2007.

Table 3-18
Median Home Prices – 2006/2007

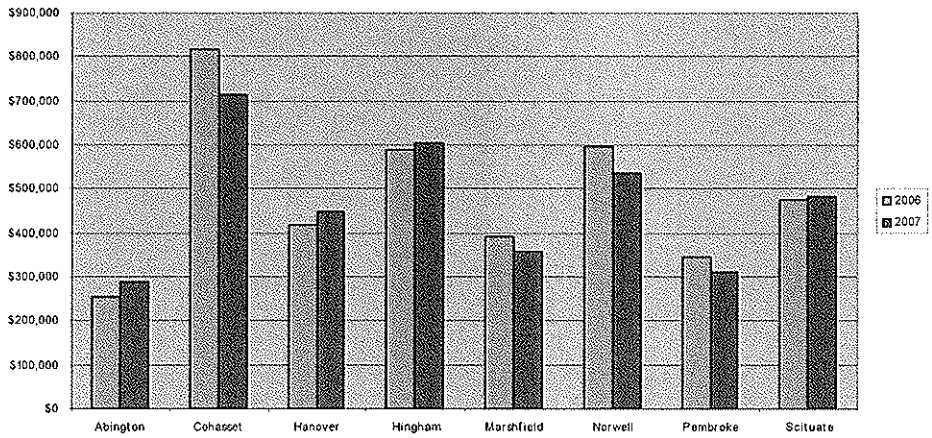
Town	Median Price for Single-family Homes --	Median Price for All Sales
Abington	$255,000/$290,500	$265,000/$287,000
Cohasset	815,000/713,750	650,000/578,000
Hanover	417,500/449,900	454,200/458,900
Hanson	306,000/290,000	305,450/284,000
Hingham	590,000/605,000	585,413/605,000
Marshfield	390,000/358,000	384,500/350,000
Norwell	597,000/535,000	597,000/524,000
Pembroke	344,000/309,875	337,000/299,900
Rockland	300,000/276,000	290,000/274,000
Scituate	75,000/482,200	452,250/482,000

Source: The Warren Group, April 2, 2007 and February 11, 2008.

As is so visually clear in Figure 3-2, Scituate's market values exceeded all of its neighbors with the exception of Cohasset, Hingham and Norwell with median prices for single-family homes of more than $600,000 for Hingham, above $500,000 for Norwell, and beyond $700,000 in Cohasset. It is also interesting to note the changes in median prices between the end of 2006 and 2007, with values in Abington, Hanover, Hingham and Scituate increasing somewhat despite the national housing slump. It is likely that these median values have eroded somewhat more recently given the continued deterioration of the housing market.

Figure 3-2

Median Home Prices for Scituate and Its Neighbors 2006 and 2007



Source: The Warren Group, February 11, 2008. Prices are for single-family homes sales.

Information from the Town Assessor on the assessed values of residential property in Scituate is presented in Table 3-19.

Table 3-19
Assessed Values of Residential Properties

Assessment	Single-family Dwellings		Condominiums		Multi-family Dwellings*		Total	
	#	%	#	%	#	%	#	%
0-$199,999	8	0.1	26	6.3	0	0	34	0.5
$200,000-$299,999	25	0.4	27	6.6	1	0.4	53	7.5
$300,000-399,999	1,548	24.3	104	25.3	10	4.0	1,662	23.7
$400,000-499,999	2,067	32.5	72	17.5	91	36.6	2,230	31.8
$500,000-599,999	1,262	19.8	133	32.4	62	24.9	1,457	20.8
$600,000-699,999	687	10.8	38	9.2	37	14.9	762	10.8
$700,000-799,999	378	5.9	3	0.7	15	6.0	396	5.6
$800,000-899,999	158	2.5	6	1.5	10	4.0	174	2.5
$900,000-999,999	92	1.4	1	0.2	8	3.2	101	1.4
Over $1 million	135	2.1	1	0.2	15	6.0	151	2.2
Total	6,360	100.0	411	100.0	249	100.0	7,020	100.0

Source: Scituate Town Assessor, Fiscal Year 2006.
* Includes two-family, three-family, four-family, multiple homes on one lot, and four + unit properties, and apartments.

Table 3-19 confirms that there are few residential properties that are valued in the affordable range below $200,000, only 34, the bulk of which are either single-family homes on Tilden Avenue or Glades Road or condominiums on New Kent Street or Meeting House Lane. Additionally, there were only 53 other units assessed at less than $300,000. On the other hand, there were quite a few residences assessed in the higher ranges as 43% of residential structures were valued above $500,000 and of these 6% were valued at more than $800,000. Approximately another third of Scituate's residences were assessed in the $400,000 to $499,999 range and about 30% in the $500,000 to $699,999 range, representing the bulk of the Town's housing inventory.

There are relatively few large multi-family properties in Scituate, 181 units in structures of five to nine units and another 179 units in buildings of ten units or more according to the 2000 census. These include the subsidized developments owned by the Scituate Housing Authority and comprehensive permit projects such as Whitcomb Pines. Assessor's records list three apartment developments including Kent Village.

There are also a relatively limited number of condominiums, 411 units, a substantial number of which are located near the water in Scituate Harbor and largely fetching prices of more than $400,000, beyond the means of most Scituate residents.

Table 3-20
Approximate Cost of Homeownership Units in Scituate, 2006

Approximate Home Price Range	Affordability Range (% HUD Median Family Income for 2006/2007)	Single-Family Units Available in Home Price Range	
		Number	%
Less than $135,000	Less than 50% (Less than $37,850)	1	0.02
$135,000 - $204,999	50% - 80% ($37,850 - $59,550)	7	0.1
$205,000 - $284,999	80% - 100% ($59,550 – $82,400)	13	0.2
$285,000 - $344,999	100% - 120% ($82,400 - $98,880)	303	4.8
More than $345,000	More than 120% (More than $98,880)	6,036	94.9
Total		**6,360**	**100.0**

Source: Town of Scituate Assessor's Database for Fiscal Year 2006. Please note that as a standard practice, assessed value is assumed to be 93% of actual value or potential sale price.

Table 3-20 provides a breakdown of the number of units existing within various affordability ranges. According to Assessor's data, almost all, 94.9%, of the Scituate's single-family homes are affordable only to households earning 120% or more of the area median income ($82,400) in 2007. There were only eight houses valued within the means of those low- and moderate-income households earning at or below 80% of area median income, or $59,550 for a household of three. Only another 13 single-family houses in Scituate could be considered moderately-priced, affordable to households earning between 80% and 100% of the area median income, and another 303 valued within the means of those earning between 100% and 120% of the area median.

Another analysis of housing market data is presented in Table 3-21, which demonstrates the escalation of prices based on a breakdown of sales data from the Multiple Listing Service for single-family homes. This data indicates that there are no longer homes available in Scituate for under $200,000 that would be affordable to low- and moderate-income households, and even homes for less than $300,000 are scarce and considered for the most part uninhabitable in their present condition. The houses in the $200,000 to $300,000 range tend to be older homes or summer cottages, typically smaller capes or bungalows marketed as "handyman specials" or requiring lots of "TLC".

Average sales prices are significantly higher than the median, largely skewed by those houses fetching more than $1 million near water or in high-end subdivisions. In fact, 50 houses have come on the market or have been sold above $1 million and another 63 are priced between $800,000 and $1 million.

It is also interesting to note that despite headlines about dire market conditions and the softening of the housing market, housing prices, at least in 2007, had not decreased substantially as indicated in Table 3-21. Average and median sales prices increased from an average of $576,377 in 2006 to $590,778 as of July 11, 2007. Listings at that time averaged about $730,000 and even with sales prices approximating 95% of the listings, some significant price escalation was evident. Median sales prices maintained the same dynamic with current prices well above 2006 sales, $531,000 versus $487,500. However, while sales prices remained robust, the average days on the market increased from 168 days in 2006 to 184 days in 2007, suggesting that it was taking significantly longer to find willing purchasers, a continuing trend.

Table 3-21
Single-family House Sales

Price Range	Current Listings	Under Agreement	Sold 2006	Sold 2007 1/1/07-7/11/07	Total #/%
Less than $199,000*	0	0	0	0	0/0/0
$200,000-299,999	2	1	6	1	10/2.0
$300,000-399,999	26	5	32	19	82/16.1
$400,000-499,999	41	8	54	20	123/24.2
$500,000-599,999	30	4	27	17	78/15.3
$600,000-699,999	28	6	14	7	55/10.8
$700,000-799,999	22	2	14	10	48/9.4
$800,000-899,999	13	3	11	8	35/6.9
$900,000-999,999	12	3	6	7	28/5.5
Over $1 million	31	3	12	4	50/9.8
Total	205	35	176	93	509/100.0
Average List/Sales Price	$730,054	$648,791	$576,377	$590,778	--
Median Price	$624,900	$599,000	$487,500	$531,000	--
Average # Days on Market	155.41 days	112.29 days	168 days	184 days	--

Source: Multiple Listing Service, July 11, 2007

Table 3-22 provides a summary of the same information for condominium sales which demonstrates a significant range of prices from a listing of $299,000 for a 930 square foot unit in a mid-rise building in the heart of Scituate Harbor to a sold $1.2 million condo at Mill Wharf Plaza with 1,907 square feet, also in Scituate Harbor.

The types of condominiums also varies considerably from units in mid-rise structures, garden apartment buildings, townhouses, condexes (converted single-family homes), and half duplexes. Many of the units are near the water and some are located in "over 55" developments.

As Table 3-22 further indicated, the prices of condominiums were not substantially lower than those for single-family homes with median values as of July 11, 2007 of $495,000 for condos and $531,000 for single-family houses, only about 7% lower. Unlike the single-family home market, the prices of condominiums dropped somewhat more with the median price of current listings of $539,900, less than the median of units sold in 2006 of $549,000. Condo prices continue to decline as noted in Table 3-17, the median value of condos sold in 2008 at $368,000.

Table 3-22
Condominium Sales

Price Range	Current Listings	Under Agreement	Sold 2006	Sold 2007 1/1/07-7/11/07	Total #/%
Less than $199,000*	0	0	0	0	0/0.0
$200,000-299,999	1	0	3	0	4/4.6
$300,000-399,999	6	1	4	3	14/16.3
$400,000-499,999	9	2	4	1	16/18.6
$500,000-599,999	11	1	10	6	28/32.6
$600,000-699,999	4	0	5	1	10/11.6
$700,000-799,999	3	0	1	0	4/4.6
$800,000-899,999	3	0	1	0	4/4.6
$900,000-999,999	1	1	1	0	3/3.5
Over $1 million	0	1	2	0	3/3.5
Total	38	6	31	11	86/100.0
Average List/Sales Price	$562,618	$671,167	$559,590	$491,201	--
Median Price	$539,900	$599,000	$549,000	$495,000	--
Average # Days on Market	221.26 days	132.17 days	105.87 days	207.82 days	--

Source: Multiple Listing Service, July 11, 2007

Multi-family structures represent a small segment of Scituate's housing stock, but it is worth noting that a number of condominiums were actually a result of the conversion of some of these larger multi-unit properties. There were five active listings of multi-families, all two-family dwellings including:

- A two-unit house built in 1900 for $450,000 in a business zone where only one unit is currently occupied
- A ranch with an in-law apartment on two acres, built in 1976 and priced at $459,000
- An historic house built in 1685 located on Old Country Way priced at $495,000 with a three-room apartment
- Another property, "a legal two-family home" built in 1920, in Minot involving two lots advertised as a possible tear-down, potential single-family home or condos prices at $585,000
- A custom-built 3,250 square foot house on Third Cliff priced at more than $1.2 million.

Only one multi-family property had sold during 2006 and early 2007, fetching $780,000 in April 2007 and involving a 6-unit Victorian structure approximately one mile from downtown Scituate.

3.3.2 Rentals

The 2000 census indicated that there were 1,135 occupied rental units in Scituate and that the median gross rental was $809, 29% higher than the 1990 median rent of $627 and 132% higher that the 1980 rental of $348. Rental units remain a sizable segment of Scituate's housing market, 17%, but smaller than that for Plymouth County and the state at 24.4% and 38.3% respectively. The median rent for the county was $679 in 2000, almost 20% less than the 2000 median gross rental for Scituate. Because almost all of Scituate's Subsidized Housing Inventory consists of rental units, more than one-quarter, 26.9%, of the

Town's existing occupied rental stock is publicly assisted and as such has restricted below market rents thus skewing gross rental figures considerably.

Data on the costs of rental units from 1980 through 2000 is included in Table 3-23.

Table 3-23
Scituate, Rental Costs
1980-2000

Gross Rent	1980		1990		2000	
	#	%	#	%	#	%
Under $200	182	19.5	176	15.6	51	4.5
200-299	128	13.7	72	6.4	105	9.3
300-499	389	41.6	139	12.3	93	8.3
500-749			229	20.3	236	20.9
750-999	151	16.2	175	15.5	248	22.0
1,000-1,499					234	20.8
1,500 or more			267	23.7	81	7.2
No cash Rent	84	9.0	68	6.1	79	7.0
Total	934	100.0	1,126	100.0	1,127	100.0
Median rent	$348		$627		$809	

Source of above table: U.S. Census Bureau
* Figures in 1990 census data are listed as $1,000 or more and do not break numbers into the $1,500 or more range.

Like housing values for homeownership units, rental values tend to be underestimated in the census data and actual market rents are typically much higher. Updated information on rents from the Multiple Listing Service indicates that there are virtually no apartments available for less than $1,200 per month and summer rentals for waterfront locations fetch as much as $3,000 per week. A number of examples from recent listings offer a good perspective of the rental market including:

- A 450 square foot apartment on Old County Way with 3 rooms, 1 bedroom and 1 bath available for short-term rental or tenant at will at $1,000 (only listing for less than $1,200/month).
- A 725 square foot second floor apartment described as "very clean" near North Scituate Village with 2 bedrooms and 1 bath for $1,200 per month.
- Winter rental available from October through May for $1,500 per month with views of the ocean and harbor, across the street from the beach next to Scituate Harbor. This single-family house has 900 square feet of living area with 4 rooms, 2 bedrooms and 1 bath.
- Oceanfront summer rental in Humarock facing the river and ocean at $1,600 per week with 5 rooms, 3 bedrooms and 1 ½ baths.
- Year-round, single-family house in "nice neighborhood close to the beach" with 1,100 square feet of living area, 5 rooms, 3 bedrooms and 1 bath at $1,800 per month.
- Winter rental on Minot Beach with 8 rooms, 4 bedrooms and 2 baths involving 2,548 square feet of living space for $2,000 per month.
- Single-family house with harbor views available for a summer rental at $2,200 per week or during the winter months at $2,500 per month. The house has 7 rooms, 4 bedrooms and 2 ½ baths with almost 2,000 square feet of living area.
- Single-family house on Minot Beach with 9 rooms, 5 bedrooms, 1 bath and 1,354 square feet of space available for $2,900 per week.

- Year-round rental of a single-family house in a cul-de-sac neighborhood close to Egypt Beach for $3,000 per month that includes 9 rooms, 4 bedrooms, 2 ½ baths with 2,200 square feet of space.
- Oceanfront condominium on Minot Beach available year-round with 5 rooms, 3 bedrooms, 2 baths and 1,455 square feet of living area for $3,500 per month.

The average listed price on 41 rental listings on July 11, 2007, was $2,077. One realtor indicated that apartments priced below $1,800 are becoming more rare and get "snatched-up" quickly.

3.4 Cost Analysis of Existing Market Conditions

As housing prices escalate, the affordability gap widens, defined as the gap between the cost of housing and the proportion of income that is reasonable to pay for housing, typically defined as 30% of gross income. To afford the median sales price of a single-family home in Scituate of $482,000 (based on The Warren Group information for 2007), a household would have to earn approximately $136,500,[19] significantly more than the adjusted median income of $92,832. The median price as of September 2008 of $447,500 is only a bit more affordable requiring an income of $127,500.

The borrowing power of the average household, based on the adjusted median household income of $92,832 is about $330,000, somewhat higher than the median house value as reported in the 2000 census of $276,000 but still substantially less than the $447,500 median sales prices for single-family homes as of September 2008. The affordability gap is then about $117,500 - the difference between the price of the median priced home and what a median income household can afford. The affordability gap increases to $242,500 if the analysis focuses on those low- and moderate-income households earning at or below 80% of area median income, or $59,550 for a family of three (the average household size is 2.64 persons in Scituate), who are unable to afford a house costing more than $205,000 based on conventional lending terms.

The following table presents a range of homes that sold recently from a small bungalow that needed substantial repairs to progressively more expensive homes priced well beyond the means of many existing year-round Scituate residents.

Table 3-24
Scituate, Affordability of Existing Housing

House Type	Recent Sale Prices	Estimated Annual Income Required
Cape-style bungalow with 3 rooms, 1 bedroom, 1 bath, 522 sq. ft. of living space, no garage, .18 acre lot, built in 1987, 223 days on market, involving an estate sale, convenient to the Harbor	$251,000	$71,200
Condo on Meeting Housing Lane in an over 55 development, 3 rooms, 1 bedroom, 1bath, 600 sq. ft. of living space, 1-car garage, storage, $397 condo fee, built in 1996,	$275,000	$90,000

[19] Figures based on 95% financing, interest of 6.5%, 30-year term, annual property tax rate of $9.22 per thousand, insurance costs of $1.25 per $1,000 of combined valuation of dwelling value (value x 0.5), personal property ($100,000 fixed), and personal liability ($100,000 fixed), and private mortgage insurance estimated at 0.3125 of loan amount, projected rent of $800 for in-law apartment, and estimated monthly condo fees of $300.

78 days on market		
Ranch with 4 rooms, 2 bedrooms, 1 bath, 1,160 sq. ft. of living space, 2-car garage, on 3.5 acres in West End of town, built in 1948, 180 days on market	$370,000	$105,000
Cape with 7 rooms, 3 bedrooms, 2 ½ baths, 1,783 sq. ft. of living space, no garage, on 7,000 sq. ft. lot with ocean views, built in 1951, 34 days on market	$465,000	$132,000
Two-family house with 3 bedrooms, 1 bath and an in-law apt. with 1 bedroom and 1 bath, 1,976 sq. ft. of total living space, open floor plan, 1 acre lot, built in 1976, no garage, on Ann Vinal Rd., 239 days on market	$459,000	$106,000 with in-law apt rented
Colonial with 9 rooms, 4 bedrooms, 1 full bath and 2 half baths, 2,204 sq. ft. of living space, 2-car garage, gas fireplace, finished basement, office area, ½ acre lot, built in 1961, 199 days on market	$615,000	$171,500
Condo on Minot oceanfront in mid-rise building, 5 rooms, 2 bedrooms, 2 baths, no garage but on site parking, 1,454 sq. ft. of living space, private deck, open floor plan, fireplace, elevator, $400 condo fee, built in 2003	$639,000	$192,500
Colonial in Walnut Hill subdivision with 8 rooms, 4 bedrooms, 2 full baths, 1 half bath, 2,672 sq. ft. of living space, 2-car garage, 1.13 acre lot, adjacent to conservation land, built in 2004, 193 days on market	$792,500	$224,000
Colonial on oceanfront beach on Second Cliff, 10 rooms, 5 bedrooms, 2 full baths, 2,040 sq. ft. of living space, 1-car garage, .31 acre lot, built in 1950, 212 days on market	$1,250,000	$352,500

Source: Multiple Listing Service, July 11, 2007.

As is evident in the above table, all of the units, which included the lowest priced unit sold in 2007, were beyond the means of those earning within 80% of area median income, a requirement of housing affordability under Chapter 40B.[20] The remaining units that include a cross-section of homes that have sold in 2007, were even too expensive for households earning up to the town's adjusted median income of $92,832. It is interesting to note the relative affordability of the two-family house that includes an in-law

[20] The maximum income a four-member household would be eligible to make within the Chapter 40B affordability parameters is $66,150 in 2008.

apartment and offers some rental income in comparison to the condos and single-family homes. The condos, each with condo fees of at least $300 and often close to $400 per month, are the least affordable options based on this extra fee.

As homes continue to emerge on the market with sale tags of more than $500,000, fewer existing longer-term residents will be able to afford them. However, it is important to recognize that those who have owned their homes for some time are likely to have gained significant assets, particularly through the escalating value of their land, despite potentially limited incomes.

Over the years *condos* have represented a relatively small segment of Scituate's housing stock, now including about 6% of Scituate's housing market with 411 total units. Most of these condos have been developed near Scituate Harbor with sales prices of more than 400,000. The median priced condo sold in 2006 was $467,500, requiring an income of about $143,000. In 2007 the condo market softened somewhat with the median price dropped to $427,825, requiring an income of about $133,000, still remaining beyond the means of most Scituate residents. As of September 2008, the condo market continued to take a hit and the median price fell to $368,000, now somewhat more affordable but still requiring an income of $116,300 based on conventional lending terms.

In regard to *rentals*, the gross median rent of $809, according to the 2000 census, required an income of about $32,360, well within HUD's current income limit for three-person households earning at 80% of area median income. Nevertheless, based on 2000 data, almost one-quarter, 23.4%, of Scituate's households would have been unable to afford to rent at this level based on the standard of spending no more than 30% of one's income on housing. Local realtors indicate that market rents are actually higher with nothing coming on the market for less than $1,200 and apartments renting for between $1,300 and $1,800 "going instantly". A small garden-style, two-bedroom apartment on a busy street miles away from the water, renting at the lowest end of the market for $1,200, requires an income of about $48,000 based on a household spending no more than 30% of its income on just the rent. When considering additional housing-related expenses such as utilities, the required income goes up still further for the unit to meet the 30% of income test.

Most of the rentals involve houses, and summer rentals are fetching prices of as much as $3,000 per week near the water. Scituate also has a fairly active winter market with rentals available between October and May on desirable properties near the water that are rented out for typically more per week in the summer than they are priced per month during the off-season. The average listing was $2,077, requiring an income of $83,000, well beyond those earning at 80% of area median income and comparable to the region's current median income level.

While current housing market data tells us that approximately 70% of town residents are unlikely to have sufficient incomes to afford the median sales price of $475,000, and more than 40% of households cannot afford rentals at $1,500 per month, it is also useful to identify numbers of residents living beyond their means due to the extent of their housing costs. The 2000 census provides data on how much households spent on housing whether for ownership or rental. Such information is helpful in assessing how many households are overspending on housing or encountering housing affordability problems, defined as spending more than 30% of their income on housing. The 2000 census identified that approximately 936 Scituate homeowners, or 17.8% of all owners, spent 35% or more of their household income on housing costs, while an additional 409 or 7.8% spent between 30% and 34.9%. Of renters, 2000 census data indicated that at least 253 households or 22.4% of renter households spent 35% or more of their monthly income on housing costs, while another 127 or 11.3% spent between 30% and 34.9%. *This data suggests that 1,725 households or 26% of all Scituate households were living in housing that by common definition was unaffordable.*

HUD provides additional data on housing affordability problems through its CHAS Report. This report, based on 2000 census data for Scituate, indicates the following:

- About 25% of all households were spending too much for housing including 8.5% who were spending more than 50% of their income on housing-related expenses.
- For renters, about 44% of elders, 20% of small families (2 to 4 related household members), and 34% of large families (5 or more related family members) were spending too much of their income on housing.
- Almost half of elderly renters (75 households) and three-quarters of the small family households (29 households) who earned within 30% of area median income were spending more than 50% of their income on housing.
- All 204 elderly homeowners earning at or below 30% of median income were spending more than 30% of their income on housing and 129 were spending at least 50% of income on housing-related expenses.
- Small households (nonelderly) who were homeowners and spending more than half of their income on housing included more than half of the small family households earning at or below 30% of area income or 19 such households, another 30 small households earning between 30% and 50% of area median income, and 65 additional households earning between 50% and 80% of area median income for a total of 114 households.
- All large household homeowners, or 29 households, who earned at or below 50% of area median income were spending more than 50% of their incomes on housing as were ten such households earning between 50% and 80% of area median income.

3.5 Subsidized Housing Inventory

The state lists 311 affordable housing units in the current state-approved Subsidized Housing Inventory, 4.53% of the total year-round housing stock in Scituate. Therefore, the town needs to produce at least 376 more affordable units to reach the state's 10% goal based on the existing housing stock.
The Buildout analysis that was performed by the Metropolitan Area Planning Council (MAPC) under the state's Executive Office of Environmental Affairs guidelines in 1999, and then updated after the 2000 census data was available,[21] projected that the town of Scituate could support an additional 2,890 housing units based on current zoning. The analysis also projected approximately 1,395 additional school children. Infrastructure requirements to support the added growth included approximately 502,875 gallons of water per day and 3,440 tons of municipal solid waste per year, including about 2,446 tons of non-recycled solid waste.

This analysis indicates that in order to meet the 10% state standard the projected population growth would require at least an additional 289 units of affordable housing over and above the 376 units required based on the 2000 year-round housing unit count, totaling 665 affordable units still needed at buildout. Based on past affordable housing development patterns, this goal is ambitious and not likely achievable without a considerable investment of public and private resources, changes to current zoning requirements, and ample political will.

MAPC projections do not make any estimates as to when buildout will be obtained, however, the 2004 Master Plan provides some estimates based on the average number of new units produced between 1990 and 2000, at 44 new units, summarized in Table 3-28.

[21] Buildout analysis is a planning technique that projects the greatest amount of development that can occur based on existing zoning and past growth trends. These projections provide input regarding potential future burdens on community infrastructure and services.

Table 3-28
Projected Buildout Over Time

	2000	2010	2020	2030	2040	2050	2060
Total Units	7,685	8,125	8,565	9,005	9,445	9,885	10,325
Total Population	17,829	18,850	19,871	20,892	21,912	22,933	23,954
Total Students	3,710	3,923	4,135	4,348	4,560	4,772	4,985
Residential Water Use (GPD)	1,337,190	1,413,375	1,490,325	1,566,900	1,643,400	1,719,975	1,796,550
Municipal Solid Waste (tons)	9,146	9,670	10,194	10,718	11,241	11,765	12,288
Non-recycled Solid Waste (tons)	6,504	6,877	7,249	7,622	7,993	8,366	8,738

Source: 2004 Master Plan

These projections suggest that if buildout involves 2,890 more units, then full residential buildout will occur in about 2066. Once again, these statistics are based on existing zoning and development averaging 44 units per year. Consequently, changes in zoning and development patterns will have significant impacts on where, when and how much housing will be developed at buildout. Better planning to guide development towards the most appropriate "smart" locations will make an important difference in how the town will ultimately be developed.

To be counted as affordable under Chapter 40B, housing must be dedicated to long-term occupancy of income-eligible households through resale or rental restrictions. The following table presents the income limits for the affordable units based on the 2007 HUD guidelines for the Boston area, including the town of Scituate, directed to those earning at or below 80% of area median income adjusted by family size.

Table 3-25
Affordable Housing Income Limits for Boston PMSA
Based on 80% of Area Median Income for 2008

Number of Persons in Household	Income Limit
1	$46,300
2	52,950
3	59,550
4	66,150
5	71,450
6	76,750
7	82,050
8	87,350

Using these income guidelines a family of three (the average household size in Scituate is 2.64 persons) could afford to purchase a house for no more than approximately $205,000 under conventional lending terms. Based on housing market information described above, there are no longer any habitable units available for even under $300,000. Also the condominium market is relatively small and quite out of the range of these households as well.

Scituate has actually made fairly comparable progress towards meeting the 10% state threshold as many of its neighbors as indicated in Table 3-26.

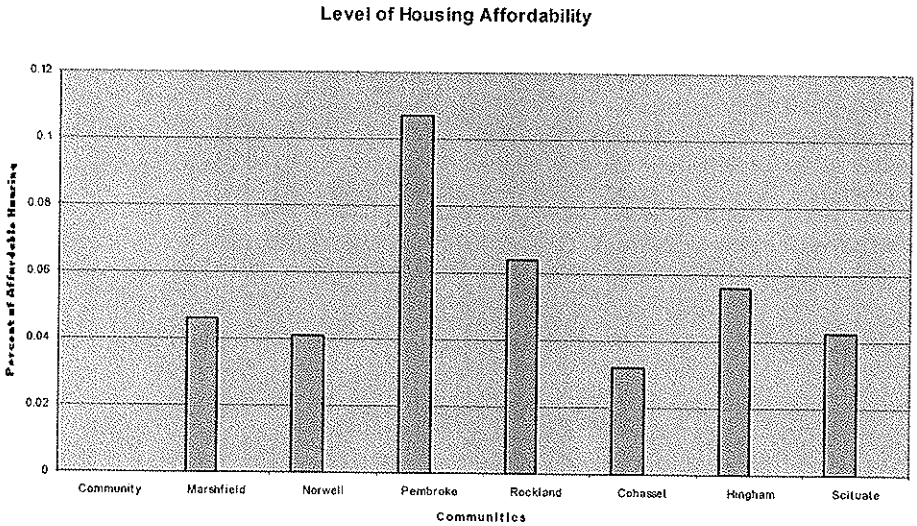
Table 3-26
Level of Affordable Housing, Scituate and Neighboring Communities

Town	# Year-round units	# Affordable Units	% Affordable Units
Abington	5,332	458	8.6%
Cohasset	2,752	89	3.2%
Hanover	4,440	375	8.4%
Hanson	3,167	143	4.5%
Hingham	7,307	407	5.6%
Marshfield	9,117	416	4.6%
Norwell	3,299	134	4.1%
Pembroke	5,834	627	10.7%
Rockland	6,632	425	6.4%
Scituate	6,869	292	4.25%

Source: Massachusetts Department of Housing and Community Development, June 1, 2006

Only Pembroke has produced enough affordable units to meet the state target of 10% of its year round housing stock, one of very few towns in the state to do so. Only Abington, Hanover and Rockland have surpassed 6%. The levels of affordability for some of these nearby communities are presented graphically in Figure 3-3.

Figure 3-3



3.5.1 Current Inventory

As mentioned above, of the 6,869 year-round housing units, the state currently counts 311 units, or 4.53%, as part of Scituate's Subsidized Housing Inventory. These developments are summarized in Table 3-28. Approximately two-thirds of these units, 209 units, were created for the elderly or disabled, which are owned and operated by the Scituate Housing Authority. Table 3-27 indicates that both seniors and younger disabled applicants must wait at least two (2) years for a unit with the exception of seniors

interested in the older developments of Lincoln Park and Wheeler I and II. Approximately one-quarter of all SHA applicants are local residents, and there were 22 physically disabled residents as part of the wait list for Lincoln Park and Wheeler I and II that suggests pent up demand for special needs housing.

Table 3-27
Scituate Housing Authority Wait Lists and Turnover Rates

Development	Type of Unit	Total # on Waitlist	Local Residents On Waitlist	Turnover
Lincoln Park Wheeler I and II/ State Funded	Elderly	79	17	6 mos. – 1 Year for residents
				Unusual for non-residents to get a unit
	Disabled (Under 60 years of age)	62	22	More than 2 years for residents
				Unusual for non-residents to get a unit
Central Park/ Federally Funded	Elderly	40	Approximately 5	More than 2 years
	Disabled (Under Age 62)	4	Only a couple	More than 2 years
		185	Approximately 45	

Source: Scituate Housing Authority, July 19, 2007.

Recent affordable housing development included Fairway Village, Scituate's first condominium project directed to first-time homebuyers. Four affordable units were constructed within this twelve-unit development. According to state guidelines, first-time buyers and individuals or households who have not owned a single-family home in the past three years and meet income and assets requirements can qualify. A lottery with 181 pre-approved applicants was held by the Scituate Housing Authority to select the families who purchased the units, representing substantial demand for this type of housing in Scituate.

Table 3-28
Scituate's Subsidized Housing Inventory

Project Name	Type	Affordable Units	Affordability Expires	Built with a 40B permit	Subsidizing Agency/ Management Entity
Central Park	Rental Seniors and Disabled	51	Perpetuity	No	HUD/SHA
Lincoln Park	Rental Seniors and Disabled	40	Perpetuity	No	DHCD/SHA
Wheeler Park I	Rental Seniors and Disabled	40	Perpetuity	No	DHCD/SHA
Wheeler Park II	Rental Seniors and Disabled	78	Perpetuity	No	DHCD/SHA

Curt Merritt Bldg.	Rental/Special Needs	8	Perpetuity	No	DHCD
Gene Burns House	Rental/Special Needs	4	2035	No	EOHHS/HUD
Kent Village	Rental/Family	64	2013	Yes	MassHousing/ Corcoran
Vernon Road	Rental/Special Needs	4	Perpetuity	No	EOHHS
Fairway Village	Ownership/ HOP	4	Perpetuity	No	DHCD
Whitcomb Pines	Ownership	2	Perpetuity	Yes	MassHousing
DMR Group Homes	Special Needs	16	NA	No	DMR
TOTAL		311			

Source: Massachusetts Department of Housing and Community Development, January 16, 2007.

3.5.2 Proposed Projects

There are a number of residential housing developments that are in the conceptual, planning or regulatory approval process, in litigation or for sale without starting construction including:

- *Whitcomb Pines*
  This project involves 40 units of ownership housing on Mann Lot Road with ten (10) affordable units. Construction of this project will be phased over five years. Thirteen units (including ten market and three affordable) have received permits to date. Three of the affordable units have already been added to the Inventory.

- *Autumn Woods*
  There are 12 single-family units that will become part of a homeowners association that are proposed in the Scituate portion of this Chapter 40B development off Summer Street, of which three (3) are planned to be affordable. A title dispute was recently resolved in Land Court in favor of the developer, but considerable additional litigation is pending.

- *Oceanside Village*
  The developer of this project, Pulte Homes, proposed 250 condominiums off of Hatherly Road through a Chapter 40B comprehensive permit. Due primarily to lack of sewer, the ZBA approved the project with 150 units, and the developer appealed to the state's Housing Appeals Committee (HAC). HAC in turn approved the full 250 units, and the Town had initiated an appeal of that approval. The developer has decided not to proceed with the project.

- *Walden Woods*
  A total of 28 condominium units, with seven (7) affordable units, is proposed off of Stenbeck Place through an approved Comprehensive Permit obtained by developer Richard Walden. This development was approved in 2003, and several appeals were resolved. A decision on the last of several appeals from HAC is expected shortly. The project will be ready for construction in the near future.

- *Stockbridge Woods*
  This project on Stockbridge Road involves 69 units under an approved Chapter 40B Comprehensive Permit. It includes 48 garden-style apartment units in a single multi-story building, and 21 single-family homes. The project is currently for sale.

- *Harborside Village*
  This 37-unit condominium project was constructed on Front Street in Scituate Harbor in 2006. However, because the units are reserved for Scituate residents only, the 7 affordable units will not qualify for inclusion in the Subsidized Housing Inventory.

- *Herring Brook Meadow*
  This Comprehensive Permit project is located off Route 3A with a total of 60 condominium units, 15 of which will be affordable. The project is under litigation and awaiting comments from DEP.

- *Habitat for Humanity House*
  South Shore Habitat for Humanity has recently completed a house on Route 3A, but because the unit will not be affirmatively marketed to those living outside of Scituate, it will not be eligible for inclusion in the Subsidized Housing Inventory. The organization is discussing the possibility of building another home in Scituate with a private property owner.

- *6 Old Country Way*
  This is a proposed mixed-use property in Greenbush Village that will include eleven (11) new rental units, two of which will be affordable. The project was processed under the Town's Village Business Overlay District Bylaw.

- *Village at South River*
  The ZBA approved the comprehensive permit for 14 units in Humarock by South River Partners in the summer of 2008, that includes a single affordable unit that will be built off-site. An abutter has appealed the decision.

- *Driftway Parcel*
  This 9.16-acre parcel was conveyed by the Town of Scituate to the Housing Authority. The Housing Authority pursued a multi-family development involving 20 affordable rental units at the intersection of the Driftway and New Kent Street with South Shore Housing Development Corporation providing technical support. Due to the existing concentration of rental housing near this location, the Housing Authority is planning a homeownership development instead with 20 condos, including 10 that will be affordable.

There has been some initial discussion about the possibility of adding a second level or redeveloping the existing Lincoln Park and/or Wheeler Park developments that are owned and managed by the Housing Authority for seniors and younger disabled individuals. These developments were built with only a single story, and there may be creative ways for increasing the number of units on site. The state has added some funding to support such initiatives through a special demonstration program. Additionally, there is some Town-owned land adjacent to Wheeler Park which may allow for further expansion.

It should be noted that some of these projects have already received approval for their comprehensive permits and could be added to the Subsidized Housing Inventory including at least 62 additional affordable units.

3.6 Gaps Between Existing Housing Needs and Current Supply

As the affordability analysis indicates in Section 3.4 above, significant gaps remain between what most current residents can afford and the housing that is available. In fact the current housing market, both ownership and rental, is becoming increasing outside the means of those earning median income and low- and moderate-income households are virtually shutout. As prices continue to increase, it is likely that some current Scituate residents such as renters, first time homebuyers and the elderly will no longer be able to afford to live in Scituate even though they may have lived in the community for quite some time. Given starting salaries such as those for DPW skilled laborers of about $26,000, and $29,000 to $40,000 for teachers[22], many local employees, including those who provide essential services, are effectively priced out of the market in Scituate.

In an effort to obtain more current information on unmet local needs, the Scituate Housing Partnership hired Community Opportunities Group, Inc. (COG) in 2004 to prepare a housing survey for distribution to a random sample of Scituate households and to conduct a statistical analysis of the results. The project also involved several public forums where municipal and school employees, housing advocates, human service providers, developers, and real estate brokers were invited, in addition to community residents, to discuss a range of issues related to housing.

About 1,000 surveys were mailed and 354 were received, which largely reflected the demographic profile of Scituate residents based on 2000 census data. The most typical respondent was a White, Non-Hispanic male, 41 to 54 years of age in a two-person household with income over 80% of area median income. Over half of the respondents were over the age of 55, 88% lived in single-family homes, and 77% earned above 80% of area median income. One-third of the respondents resided in family households and 58% lived in large seven to nine room homes.

The major results of this Housing Needs Survey were summarized in the April 2005 Final Report and included:

- Housing is too expensive for first-time homebuyers.
- There are not enough housing choices.
- Many respondents indicated that they would like to buy up or downsize but could not afford to move. Consequently, they either resign to stay in place or expand their current residence, thus reducing the number of smaller homes on the market.
- Twenty-one percent of respondents were considering a move because of high housing costs, home maintenance expenses, as well as an interest in downsizing or a move to a retirement community.
- Seventy-five percent of respondents supported townhouse development.
- One-third supported each of the following – two-family houses, changes in zoning, improving the permitting process, and reducing property taxes for landlords that provide affordable housing.
- Thirty-four percent were spending more than 34% of their income on housing and 13% were spending at least 40% or more on housing.
- Fifteen percent indicated that they had difficulty affording their monthly housing costs.
- Twenty out of 22 renters who responded to the survey stated that they have not purchased a home because they cannot afford the monthly payments and/or the down payment.
- Thirty-eight percent stated that they had at least one family member who would like to move to Scituate but could not afford to do so.

[22] $29,000 is a starting salary for teachers with a B.A. or M.A. with no experience. According to the School Department's Business Manager, a number of new teachers are hired with five years of experience and start at about $40,000 per year. Figures reflect information for 2001.

- Ten percent of respondents said that they have considered sharing their home to help manage their high housing expenses.
- The housing preferences of respondents were single-family homes with townhouses a close second.
- Respondents were generally opposed to large multi-family development or negative impacts on Town services, water supply, environmental resources and open space.

Four main policy implications emerged from the survey results including:

1. Remove regulatory barriers and provide incentives to encourage affordable housing.
2. Maximize the value of revenue received under the Community Preservation Act (CPA).
3. Inform residents and build support for affordable housing.
4. Anticipate the future by paying attention to demographic and market changes.

Based on the results of this survey as well as the information incorporated in this Housing Needs Assessment, there are a number of key indicators that suggest there are significant local needs for affordable housing that go beyond what is required to meet the 10% state goal including:

1. Households with Limited Incomes

- Despite increasing household wealth, there still remains a population living in Scituate with very limited financial means. Of the 6,670 total households counted in 1999, almost 300 or 4.4% had incomes of less than $10,000 and another 655 or 9.8% had incomes between $10,000 and $24,999, representing extremely low-income levels at or below 30% of area median income. An additional 516 households had incomes within what public agencies would define as very low-income levels, within 50% of area median income. *The total number of households within these low-income categories was almost 1,500 households in 2000 or more than 20% of all Scituate households, not an insignificant number given the general affluence of the community.*
- *Approximately 40% of Scituate households (or about 2,667 households) would likely qualify for housing assistance as their incomes are at or below 80% of area median income defined by the U.S. Department of Housing and Urban Development (HUD) or $59,550 for a family of three.*[23]
- *In 1999, there were 451 individuals, and 69 families living below the poverty level.* More than one-quarter of the individuals below the poverty level were 65 years of age or older including 122 seniors. There were also 52 families headed by women living in poverty, and three-quarters of these included one or more children less than eighteen years of age for a total of 70 children. The presence of residents at this income level demonstrates the need for additional subsidized rental housing for those at very low-income levels.
- Small households (nonelderly) who were homeowners and spending more than half of their income on housing included more than half of the small family households earning at or below 30% of area income or 19 such households, another 30 small households earning between 30% and 50% of area median income, and 65 additional households earning between 50% and 80% of area median income for a total of 114 households.
- All large household homeowners, or 29 households, who earned at or below 50% of area median income were spending more than 50% of their incomes on housing as were ten such households earning between 50% and 80% of area median income.
- For renters, 20% of small families and 34% of large families (5 or more related family members) were spending too much of their income on housing.

[23] While these households' incomes might be at or below 80% of area median income, many households are likely to have assets that are more than the allowable state or federal standards that would disqualify them from housing assistance.

- Three-quarters of the small family households (29 households) who earned within 30% of area median income were spending more than 50% of their income on housing.

Need: *Given the high costs of housing, more subsidized rental housing is necessary to make living in Scituate affordable, particularly for those described above who have very limited financial means.*
Goal: *At least half of the affordable units produced should be rental units.*

2. ***Gaps in Affordability and Access to Affordable Housing***

- *About 26% of Scituate residents, or about 1,725 households, were living in housing that is by common definition beyond their means and unaffordable, and approximately 565 of these households were spending more than half of their incomes on housing.*
- There are only 21 homes that are currently assessed for under $285,000 that are affordable to those earning the median area income of $82,400.
- There are no longer homes available in Scituate for under $200,000 that would be affordable to low- and moderate-income households, and even homes for less than $300,000 are virtually no longer available.
- The affordability gap is about $117,500[24] - the difference between the price of the median priced home and what a median income household can afford. The affordability gap increases to $242,500 if the analysis focuses on those low- and moderate-income households earning at 80% of area median income, or $59,550 for a family of three (the average household size is 2.64 persons in Scituate), who are unable to afford a house costing more than $205,000 based on conventional lending terms.
- The median price of a condo sold in 2007 was $427,825 requiring an income of about $160,500, well above the adjusted median income of $92,832 and out of reach for many seniors looking to downsize and remain in the community. As of the end of September 2008, the median condo price had decreased substantially, to $368,000, but still requiring an income of about $116,300.
- The 2000 census indicated that the median gross rental was $809 requiring an income of $32,360 that would have been unaffordable to almost one-quarter, 23.4%, of Scituate's households based on the standard of spending no more than 30% of one's income on housing.
- Updated information on rents from the Multiple Listing Service indicates that there are virtually no apartments available for less than $1,200 per month and apartments renting for between $1,300 and $1,800 are "going instantly". A small garden-style, two-bedroom apartment on a busy street miles away from the water is renting at the lowest end of the market for $1,200, requiring an income of about $48,000 based on a household spending no more than 30% of its income on just the rent. When considering additional housing-related expenses such as utilities, the required income goes up still further for the unit to meet the 30% of income test.
- There are only a handful of subsidized units available to families in Scituate, but a recent lottery for first-time homebuyer units at Fairway Village involved 181 pre-approved applicants, suggesting substantial pent-up demand for this type of housing.
- Demographic trends suggest that escalating housing costs may be pricing younger individuals and families out of the housing market as those entering the labor market and forming new families have been dwindling in numbers, reducing the pool of entry level workers and service employees as well as forcing the grown children who were raised in town to relocate outside of Scituate. For example, the numbers of baby boomers in the 45 to 59-age range increased by 27% since 1980 while those between 21 and 34 years decreased by 40% during this same time period.

[24] The gap was as high as $192,000 as of the end of 2007, but has decreased as housing prices have fallen. The gap was $277,000 for those earning at 80% of area median income as of the end of 2007.

- Population projections suggest that those in the household formation years of 20 to 29 will increase by approximately 250 residents by 2020, supporting the need for some first-time homebuyer options that are affordable to those who do not have equity from a previous house to enable them access to the private housing market.

Need: *Wider range of affordable housing options, including first-time homeownership opportunities, particularly for younger households entering the job market and forming their own families, as well as affordable condominiums for empty nesters and seniors.*
Goal: *About half of all new affordable units created should be directed to homeownership, either small starter homes or affordable condominiums.*

3. Disabilities and Special Needs

- Of the 2000 population age 5 to 20 years old, 199 or 5.3% had some disability, and of the population age 21 to 64, 1,379 or 13.7% claimed a disability, but 70.8% of this group was employed leaving almost 30% who were unemployed, likely due to disability.
- In regard to the population 65 years of age or older, 828 or 32.3% claimed some type of disability.
- Almost half of elderly renters (75 households) who earned within 30% of area median income were spending more than 50% of their income on housing.
- All 204 elderly homeowners earning at or below 30% of median income were spending more than 30% of their income on housing and 129 were spending at least 50% of income on housing-related expenses.
- There are at least two-year waits for those seniors who seek subsidized housing at Central Park and six months to a year for Lincoln Park and Wheeler I and II.
- There were 22 younger disabled applicants for units at Lincoln Park and Wheeler I and II who were Scituate residents, out of 62 total applicants on the wait lists with waits of at least two years for residents.
- Population projections estimate that the population of older residents age 60 to more than 75, who are typically most in need of supportive services, will increase overall by almost 3,340 residents by 2030, suggesting some need for smaller units, assisted living options in particular.
- There are presently no assisted living options in Scituate.

Need: *Some amount of new housing should be built adaptable or accessible to the disabled and seniors need housing with supportive services.*
Goal: *10% of all new affordable units created should be made handicapped accessible and some should include on-site support services.*

4. Housing Conditions

- More than half of Scituate's housing stock, 5,700 units or 74%, was built prior to 1970, and is likely to have traces of lead-based paint, posing safety hazards to children. Some of these aging units are also likely to have deferred maintenance needs.
- There were 14 housing units that lacked plumbing and therefore considered substandard.
- The 2000 census identified 63 units that had, on average, more than one person per room, which is an indicator of overcrowding. This represents an increase over the 29 such homes reported for 1990, and suggests a trend towards increasing overcrowding.
- More than one-third of the households in Scituate, 34.4% or 5,707 persons, moved to a new residence from 1995 to 2000. It is important to note that housing turnover drives up housing prices in an escalating real estate market, and typically the buyers are more affluent than sellers, fueling demographic changes in the community over time. This suggests that it is useful to find ways to reduce housing turnover, to maintain the affordability in the existing housing stock to the greatest extent possible, and to help those who want to remain in town afford to do so.

Need: *Programs to support necessary home improvements, including deleading and septic repairs for units occupied by low- and moderate-income households, particularly the elderly living on fixed incomes, and including investor-owned properties tenanted by qualifying low- and moderate-income households.*
Goal: *Continue to help qualifying households access assistance to make necessary home improvements.*

There is therefore a sizable population of those who are seniors, have special needs and/or have very low incomes who have significantly reduced capacity to secure decent, safe and affordable housing in Scituate. A broader range of housing options is required to meet these varied needs.

4. OBSTACLES TO FUTURE DEVELOPMENT AND MITIGATION MEASURES[25]

At 1,057 persons per square mile, Scituate has a relatively high population density compared to surrounding towns. Although the town has significant area zoned for small-sized residential lots of a half and a quarter acre, this is offset by a very limited total acreage of remaining developable land. In addition, the town's poor soils add significant development costs for construction of septic systems and drainage infrastructure. All of these factors have probably contributed to the low annual numbers of new homes being constructed in recent years, and pose obstacles for development of large amounts of affordably priced housing in Scituate. It will be a great challenge for the town of Scituate to create enough affordable housing units to meet the state's 10% affordable housing standard, production goals and local needs, particularly in light of the following development challenges:

4.1 Infrastructure

Challenges

A major constraint and cost factor for new development relates to infrastructure, particularly the lack of sewer services throughout many areas of town as well as water capacity issues that raise concerns about the impacts of any new development on water supply and quality.

Sewers

Scituate has large areas where soils are unsuitable for typical septic systems. This increases the cost of construction, unless properties can be connected to Town sewer, also an expensive alternative. There are approximately 2,040, or 30% of all housing units in Scituate, that are sewered,[26] and it is anticipated that the newly expanded wastewater treatment plant will be able to accommodate between 1,400 and 2,900 new connections at capacity. The Sewer Expansion Study proposed that the neighborhoods with the greatest needs based on difficulty meeting Title V regulations will have first priority for extension of sewer service[27] including the following areas:

- Greenbush/Reservoir Area
- The Cliffs
- Musquashcut Pond
- Front Street (extended from present sewered area)
- North Scituate
- Minot

Approximately 70% of all homes in Scituate use on-site septic systems, including some that still utilize cesspools.[28] In the typical septic system, 99% of wastewater and sewage deposited in septic tanks or cesspools flows through the system into the ground, in some cases after distribution through a leaching area. Sewage contains bacteria and viruses, which to some extent are attenuated in the soil, but may cause contamination of groundwater, and studies have shown

[25] Some parts of this section taken adapted from 2004 Master Plan, McGregor & Associates, P.C., Community Investment Associates, Inc., Judith Nitsch Engineering, Inc., and TPMC/Perot Systems, Inc.

[26] Town of Scituate, Department of Public Works.

[27] Camp Dresser & McKee Inc., Town of Scituate, MA Sewer Expansion Study.

[28] Comprehensive Environmental Inc., Supplemental Facilities Plan for Wastewater Management, 1992.

that septic systems are a leading source of nitrogen in groundwater.[29] Additionally, it is difficult to properly site septic systems in Scituate due to the types of soil conditions typical of many locations,[30] and the presence of till in many locations makes it very difficult for wastewater from septic systems or storm water run-off to be absorbed into the ground. In their 1969 soil survey, the U.S. Department of Agriculture Division of Natural Resources and Conservation Services (NRCS) classified approximately 85% of the town's soils as having "severe" or "very severe" limitations for septic systems. These classifications were based on soil conditions such as shallow depth to bedrock, shallow depth to the water table, slow percolation rate due to compact, impermeable soils or hardpan, and periodic flooding. They indicate that soil properties in many parts of Scituate preclude on-site disposal systems without major and costly corrective measures.

Failing septic systems within the watersheds of surface waters or groundwater used for drinking water can have serious negative effects on water quality. High housing density, poor maintenance and inadequate sizing contribute to septic system failure. When septic systems are situated in locations with high groundwater, prominent changes to topography often result from mounded fill. These mounds permanently change the landscape and character of residential lots. This should be taken into account when the Town plans for long-term mitigation of failing systems.

Under a DEP Administrative Consent order, Scituate was required to upgrade its Wastewater Treatment Plant and expand the plant so it could handle a greater volume of sewage. Under the conditions of the Order, no new sewer connections were permitted until the plant was upgraded. In March 2001, Camp, Dresser & McKee completed a Sewer Expansion Study for the Town, which proposed geographic priorities for new sewer connections. This study established priorities using the following factors:

- Proximity to the existing sewer system;
- Cost per person served;
- Proximity to other areas proposed to be sewered;
- Impact on water supply; and
- Impact on water quality.[31]

The upgrade and expansion of the plant were completed, and the state's moratorium was lifted so that existing homes or businesses already on sewer could obtain approval for increases in flow. The Town has received DEP approval for extension of sewer in Districts 23 and 28 in the Greenbush area. This area includes a Business District and residential development adjacent to the Reservoir. Approval was also obtained for sewer extension to Districts 30, 31, 32 and 33, the Cliffs.

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[29] Studies by Horsley Witten and Hegmann, conducted by the Buzzards Bay Project, February 1992, found that septic systems contributed 74% of nitrogen in groundwater while storm water accounted for 23%.

[30] In 1996, the Metropolitan Area Planning Council initiated a study which identified sources of non-point pollution for towns on the South Shore, called the South Shore Nonpoint Source Management Plan (July 1998). This Plan suggested the presence of particular problem septic system areas at Hatherly Road/Egypt Beach, Minot, North Scituate Village, Musquasheut Pond, Sedgewick Drive, Pratt Road/Arborway, Harbor Heights Road, and Second Cliff within the Bound Brook/Gulf Basin. In the North River watershed, Greenbush was identified as a major problem area, with the special concern that it is adjacent to the Town's drinking water reservoir.

[31] Summary, Town of Scituate Sewer Expansion Study, Camp Dresser &McKee, Inc., prepared for Public Meeting No. 2, February 13, 2001, p. 12.

Water

Approximately 80% of the Town's drinking water is supplied by six public drinking water wells. These wells tap the groundwater, or underground water supply, located within the stratified drift aquifer underlying the town. The groundwater in this aquifer is classified "Class A" by the state's Department of Environmental Protection meaning that it is of high quality and suitable for public drinking water.

As mentioned in Section 3.6, an analysis prepared by MAPC projects that at current zoning, Scituate can accommodate approximately 2,890 additional dwelling units and an additional 560,000 gallons of drinking water per day will be needed to meet residential demand. This projected level of future demand should be used as a guide for planning for the Town's needs for its water supply. Scituate, like many other Towns on the South Shore, needs to continue to carefully assess the ability of its water supply to support additional development, and plan accordingly. MAPC (the Metropolitan Regional Planning Agency) completed a study that identified Scituate as one of a dozen municipalities within its region that will continue to face water supply problems.[32] This is due to a combination of rising consumption coupled with the discharge of significant quantities of water outside the watershed.

The total water supply safe yield including both surface water and ground water supplies is 2.35 million gallons per day (mgd). The system capacity, assuming the largest well (# 19) is offline, is 1.83 mgd. In 2000, water supply demand in Scituate was 1.66 mgd on average, with a maximum day demand of nearly 3.32 mgd. During the summer months, the population in Scituate increases to as much as two times the winter population, which places substantial seasonal demand on the system. Population projections indicate that the population in Scituate will rise to about 19,000 in the winter and 28,000 in summer by 2020. The buildout population in Scituate is estimated to be about 23,594 based on updated MAPC projections.

In Scituate, residential water use is about 80% to 90% of the total demand. The Town of Scituate groundwater withdrawal is now within the permit limit established by the Water Management Act. (1.66 mgd), and as mentioned above, the system's capacity is at 1.83 mgd. The Town of Scituate is implementing a number of conservation measures to reduce demand, however, the need to increase capacity still exists to meet both the summer demand and maximum day demand. By the year 2020, maximum day demand is estimated at 4.25 mgd that will create a water system deficit of about 2.4 mgd.

The current water distribution system is able to adequately handle the flows from average day demands, but cannot maintain adequate water pressure during the maximum day and peak hour demands. This is primarily due to the lack of large-sized transmission mains connecting the water storage tanks and supply sources with the remainder of the system. Unlined water mains make up 28% of the water mains in the system and account for several of the vital, large-sized mains. The inside diameter of these mains has been reduced from tuberculation, or iron deposits coating the inside of the pipes. This leads to reduced flow availability, reduced water pressure and poor water quality. The existing storage tanks are sufficient to supply adequate fire flow volume, but the hydraulic capacity of the distribution system must be increased to maintain recommended fire flow to all homes.

[32] South Coastal Basin Watershed Pilot Project, Final Report, MAPC, 2001

Other Infrastructure Issues
Community residents have also voiced concerns over the availability of roads, police and fire protection, and other Town services to accommodate new development and the resulting cost implications associated with extending these services. For example, there has been concern about availability of sidewalks for school children as school bus service has begun to be diminished.

Mitigation Measures
Sewer
The March 2002 Town Meeting authorized the expenditure of $13.5 million for sewer extensions, the funding to be recouped through betterments charged to new users. The Town must continue to address the problem of failing septic systems, particularly in recharge areas to Town wells and the Reservoir system, and near streams, wetlands and coastal waters. The Board of Health has developed a septic system management program to track information about on-site systems, including inspection and maintenance records and to identify sources of contamination. State funding programs have helped residents who cannot afford to upgrade their septic systems. Revisions to Title V[33] requirements and planned extension of sewer taken together should produce a significant reduction in the pollution of the streams and wetlands in the town.

Water
Several projects are planned for implementation during the next ten years to increase both groundwater and surface water supply to meet the projected 20-year supply deficit. In addition to the six active wells supplying potable water, the Kent Street Well (#2), which was closed in 1973 because of contamination, was reconstructed and reopened in 1995 to supply irrigation water for the Widow's Walk Golf Course. The Town has also developed a reserve groundwater supply in a location off Country Way south of Hollett Street, referred to as the "Dolan Well Site." In 1993, the Town purchased this property to serve as a groundwater source for a future municipal well. Based upon pumping tests it was determined that the estimated safe yield of this potential ground water supply is 0.3 million gallons per day, and water quality analysis indicated that water from this well is acceptable for public consumption without treatment. The Town of Scituate has purchased both the proposed well site property and all property within a 400-foot radius of the site. Other potential additional water sources include the expansion of the Reservoir and associated ponds, which could be accomplished through dredging, however sites for new wells are limited due to the town's small acreage of suitable undeveloped land.

It will be important for any new affordable housing development to address these infrastructure constraints, septic issues in particular, and insure that there are sufficient amounts of subsidies incorporated into the project to adequately service new residents and protect the environment.

4.2 Zoning
Challenges
As is the case in most American communities, a zoning bylaw or ordinance is enacted to control the use of land including the patterns of housing development. Like most localities in the Commonwealth, Scituate's Zoning Bylaw embraces zoning that maintains low housing densities in most residential areas and constrains the construction of affordable housing. Scituate has three residential zoning categories, Residential A-1, A-2 and A-3, with minimum lot sizes of 40,000, 20,000 and 10,000 sq. ft., respectively. Single-family homes and duplexes are permitted, but multi-family development of more than two attached units is not allowed in the Residential Zoning Districts, however is allowed in the Business Districts with a minimum lot size of 10,000 sq. ft. per unit but very few parcels can meet this requirement.

[33] Title V is the state law governing the placement of septic systems, and is administered locally by Boards of Health.

Table 3-29
Summary of Dimensional Requirements

District	Required Lot Area	Required Lot Width
A1	40,000 square feet	175 feet
A2	20,000 square feet	125 feet
A3	10,000 square feet	100 feet
GB, HB and C	10,000 square feet	100 feet

Source: Town of Scituate Zoning Bylaw
GB – General Business District, HB – Harbor Business, and C – Commercial District

The majority of the Town's vacant developable land lies within the Residential A-1 and A-2 Zoning Districts. In the MAPC Buildout Analysis (see Section 3.5), these zones account for over 78% of expected future residential growth. Only limited infill development can be expected in the Residential A-3 District because new development opportunities are limited. The extension of the Greenbush commuter rail can be expected to be a strong stimulus to residential growth in all parts of Scituate, as the proximity to the train makes the town an even more desirable place in which to live.

The varied patterns of development in the three Residential Zoning Districts reflect the historic pattern of development in town, with neighborhoods of different densities and character. Each of these districts has particular land use characteristics that are distinct from those of other sections of Scituate.

The Residential A-1 Zoning District is located in the West End section of Scituate, its acreage graced by winding roads flanked by woods and stonewalls. This district still has large tracts of open space, and the land in this area maintains some of its original rural character and also contains much of the watershed for the Reservoir. Environmental issues, particularly with regard to protection of water quality, are an important concern. Infrastructure in some areas needs to be upgraded to serve new construction. For example, water pressure is inadequate for large developments in some areas, and development generally requires new roads.

In the Residential A-2 Zoning District, the 20,000 sq. ft. minimum lot size has allowed smaller tracts of land to be developed as multi-lot subdivisions. Much of this land, like the West End, has high groundwater, poor drainage and soils inadequate for septic systems. Specialized drainage facilities and mounded septic systems are often necessary, but these are sometimes difficult to integrate into the surrounding landscape. A large area lies within the Water Resource Protection District. The Lawson Tower, Dreamwold, Town Common, Cudworth House and other well-known historic sites are in this District as well. New development at relatively high densities has the potential for significant impacts on the environment and the historic character of surrounding neighborhoods.

The Residential A-3 Zoning District, located along the water's edge, covers much of Scituate's coastline. Flood protection is critical in this District, but views of the shoreline are threatened by densely developed, elevated homes fronting the water. Mansionization is a concern because of the small lots typically found here (10,000 sq. ft. and less.) There is a real need for some greater amount of open space and recreational facilities, although little vacant land remains.

Single-family residential development is responsible for the pattern known as suburban sprawl, where many square miles of a community are consumed by regularly spaced housing that often reflects little of the traditional local character. The strong market for new residential development, combined with substantial acreage zoned for large lots, mean that the town's pattern of new building will consume large amounts of land. These growth patterns threaten local assets, and have had a statewide impact, resulting in land consumption far outpacing population growth[34].

The Scituate Zoning Bylaw includes several alternative development scenarios including the Planned Development District, Residential Cluster District, Open Space Preservation Development, Flexible Open Space Development, Accessory Apartment provisions, Village Business Overlay District, and Residential Compound Development. Some of these development scenarios can accommodate multi-family housing, however, incentives may be needed to encourage the use of some of these techniques and integrate affordable housing. The provisions are summarized below.

- *Planned Development District*
  The purpose of the Planned Development District was "to encourage a mix of land uses and activities, including an 18 hole golf course and a community recreation complex, a mix of residential land uses, including permanent affordable housing, and building types that complement each other; to provide for the development of these uses in a comprehensive manner instead of piecemeal and to save open space that otherwise would be lost or wasted; to promote more efficient use of land while protecting natural resources such as wetlands, water bodies, ground water and native vegetation; all in conformity with the provisions of Massachusetts General Laws, Chapter 40A, Section 9 for "planned unit developments".[35] This ambitious bylaw allowed the creation of subdistricts including a Subdistrict A – Affordable Residential Housing District – that further provided for two sub-subdistricts, A-1 for Affordable Homeownership and A-2 for Affordable Rental Housing. To provide this type of housing, the applicant for the special permit (the Planning Board is the special permit granting authority) must be a non-profit organization in response to a Request for Proposals issued by the Board of Selectmen that must hold title to the property. The sale of any affordable unit would involve a 99-year ground lease and the resale price would be based on the original purchase price plus an inflation allowance indexed on the Consumer Price Index. Each affordable unit occupant is also required to pay an annual fee to the non-profit organization. There is also a release provision that allows the affordability restrictions to be lifted under a three-quarters vote of the non-profit and all owners.

  The PDD provisions also include building and maintenance requirements such as:

  - Detached single-family homes and/or attached townhouses allowed to a maximum of 150 ownership units and 30 rental units.
  - Building height limits of two stories or 35 feet.
  - Required natural or landscaped buffer around property of at least 100 feet.
  - Two parking spaces per unit.
  - Building separations of at least 50 feet.
  - All units connected to public sewer at the developer's expense.

[34] This is born out by comparison of the population density in Massachusetts in 1950 (11.19 persons per acre) and today (4.97 persons per acre.) (Statistics from Mass. Audubon Society)
[35] Town of Scituate Zoning Bylaw, Section 490.1.

- Common open space must be conveyed to a homeowners association.

This bylaw was recently used in the Riverway development (formerly the Residences at Herring Brook). This 28-unit condominium project includes two affordable rental units above a retail building on the Driftway.

- *Residential Cluster District*
  The purpose of the Residential Cluster District is to "encourage the more efficient use of land in harmony with its natural features; to encourage the creativity in the design of developments through a carefully controlled process; to encourage a less sprawling form of development, a shorter network of streets and utilities, more economical development of land with less consumption of open space; to permanently preserve natural topography and wooded areas within developed areas to preserve usable open space and recreation facilities close to homes; to provide an efficient procedure to ensure appropriate high-quality design and site planning; and to enhance the neighborhoods in which they occur and to the town as a whole."[36] Once again the Planning Board is the special permit granting authority and detached single-family homes or attached townhouses are allowed in addition to accessory buildings and recreational uses. Other requirements include:

  - Minimum lot area of 20 acres.
  - Minimum of 10,000 square feet per unit and no more than four units per acre.
  - Height limits of 2 ½ stories or 35 feet.
  - Setbacks or buffer of at least 60 feet in natural or landscaped condition.
  - Parking requirements of 2 ½ spaces per unit.
  - Some pedestrian circulation facilities.
  - All units connected to public and private utilities at the developer's expense.
  - Land not devoted to housing or accessory uses must be set-aside as common open space and conveyed either to the Town of Scituate, a non-profit organization whose purpose is open space conservation, or to a homeowners association.
  - Buildings separated by at least 35 feet.
  - No more than two units can share a common façade line.
  - No building can be more than 150 linear feet in length or contain more than seven units.

  While this bylaw represents an attempt on the part of the Town to promote smarter, more compact development that is less disruptive of the natural environment, there are no specific provisions for the inclusion of affordable housing. However, the area of this zoning district is limited to a few parcels, which are mostly included in the proposed Oceanside Village Chapter 40B development.

- *Open Space Preservation Development*
  The Open Space Preservation Development bylaw represents another attempt by the Town to incorporate open space in residential development with the following requirements:[37]

  - Minimum parcel size of ten acres.

[36] Town of Scituate Zoning Bylaw, Section 500.1.
[37] Town of Scituate Zoning Bylaw, Section 520.

- Minimum area requirements of 20,000 square feet In Zoning District A-1 and 15,000 square feet for Zoning District A-2 as well as frontage requirements of 100 feet and 75 feet respectively. The Planning Board can grant a reduction of these intensity requirements if it determines it will lead to better design or the improved protection of natural resources.
- Not allowed in an established single-family neighborhood if the Planning Board determines it will have a detrimental effect on the surrounding area.
- The applicant must demonstrate that this form of development is more appropriate than the conventional pattern of subdivision.
- Detached single-family units allowed.
- Number of units cannot exceed the number permitted under conventional subdivision requirements.
- No less than 30% of land area should be devoted to common open space and no more than 20% of this open space can be covered by man-made impervious surfaces.
- Required setback of 50 feet from between the common open space and all property lines.
- The common open space should be conveyed either to the Town of Scituate, a non-profit organization whose purpose is open space conservation, or to a homeowners association.

Once again this bylaw attempts to direct housing towards more compacted development, clustered on open space, this bylaw also does not include any provisions related to affordable housing. This bylaw was used in the late 1990's for Heritage Trail, a subdivision in the West End, and a few other developments.

- *Flexible Open Space Development*
  This bylaw represents another set of requirements to promote smart growth development and "to preserve natural and cultural resources which contribute to the town's history and character, to discourage development sprawl which may result from conventional zoning, and to allow maximum flexibility and creativity in the design of single and two-family residential subdivisions, permitting greater preservation of open space than would normally occur with conventional development".[38] Again, the Planning Board is the special permit granting authority. Requirements under this bylaw include:

  - Minimum parcel size of 160,000 square feet for District A-1 development and 80,000 square feet for District A-2, exclusive of wetlands.
  - The number of units cannot exceed that permitted under conventional subdivision requirements.
  - The design should minimize the size of developed areas.
  - Important natural and historic features should be protected.
  - The design should enhance the overall semi-rural appearance of Scituate.
  - Each lot should be capable of supporting the size of a single or two-family dwelling and its accessory uses and not more than one house can be located on a lot.
  - Provisions should be made with regard to the ownership and maintenance of the common land and other common facilities, satisfactory to the Planning Board.

[38] Town of Scituate Zoning Bylaw, Section 550.1.

As with the bylaws mentioned above, these provisions also are directed to the clustering of residential dwellings on larger parcels, this one with some greater flexibility as to intensity requirements, but only single and two-family structures are allowed and, unlike PDD, there is no inclusion of affordability requirements.

This bylaw was actively used in the late 1990's and early 2000's. Some Flexible Open Space Developments approved during this period are Doctors Hill, Northey Estates, Greenfield Estates, Dreamwold Estates and Cornerstone Estates.

- *Accessory Dwellings*
  The Zoning Bylaw states that the purpose of the Accessory Dwelling bylaw is:

  A. To provide an opportunity for homeowners who can no longer physically or financially maintain their single-family home to remain in homes they might otherwise be forced to leave;
  B. To make housing units available to moderate income households and to employees of local businesses who might otherwise have difficulty finding homes within the town;
  C. To provide a variety of types of housing to meet the needs of its residents and workers;
  D. To protect stability, property values and the character of the single-family residential neighborhood and the vitality of business districts; and
  E. To legitimize conversions to enable the Town to monitor conversions for code compliance.[39]

  The Planning Board may grant a special permit for an accessory apartment if it meets a number of requirements including but not limited to the following:

  - Limit of 25 permits per calendar year.
  - Units must be complete and separate housekeeping units in the primary dwelling.
  - Accessory units within structures used for business purposes must be located above the first floor or street level and no more than three accessory units can be created in any one building.
  - In Business Districts, one affordable unit may be located on the first floor if it is entered from a side of the building other than that facing the street, has direct access to associated parking, and is accessible to persons with disabilities.
  - Only one accessory unit can be created in a single-family house and must comply with all zoning requirements for the district except for legal, pre-existing, nonconforming structures.
  - The accessory unit must not involve the expansion of the pre-existing structure, must clearly be a subordinate part of the single-family house or business, and designed so that the appearance of the building remains unchanged (new exterior stairs must be located on the side or rear of the building).
  - The accessory unit cannot exceed the maximum of either 750 square feet or 40% of the total square footage of the primary dwelling.
  - Two parking spaces per accessory unit are required.
  - The dwelling must comply with all building codes and regulations including Title V.

[39] Town of Scituate Zoning Bylaw, Section 530.1.

In 2004, the Town added an affordability component to the bylaw that included these requirements in addition to the basic accessory unit provisions mentioned above through the site plan review process:

- No more than 15 affordable accessory dwellings per calendar year.
- The affordable unit must comply with the state's Local Initiative Program (LIP).
- The Scituate Housing Authority will monitor the affordability restrictions and annually certify the eligibility of the unit for inclusion in the Subsidized Housing Inventory.
- Affordability restrictions are in effect for a minimum of 15 years, but for units created in a Residential Zoning District, the use restrictions may be revocable upon sale of the primary dwelling after a minimum of five years of occupancy of the accessory unit.
- The accessory unit cannot contain more than two bedrooms.
- The primary residence must be owner-occupied as a primary residence.

The Planning Board may also grant a special permit for an affordable accessory apartment under the following conditions:

- Affordable accessory units in a detached structure on the same lot, such as a barn or garage, in the Residence A-1 and A-2 Zoning Districts.
- Affordable accessory apartments on a nonconforming lot in the Residence A-1 and A-2 Zoning Districts.
- In Business Districts, the Planning Board may allow more than three affordable accessory apartments in one building or waive the requirements that first floor units be entered from a side of the building other than that facing the street, have direct access to associated parking, and be accessible to persons with disabilities.

As of June 30, 2007, Scituate had approved 63 accessory apartments and of these two are deed-restricted as affordable to those earning within 80% of area median income. However, because of recent changes to the state's Local Initiative Program, under which these affordable units would be counted towards the Subsidized Housing Inventory, none of these units can be counted. LIP now not only requires that all affordable accessory units be affirmatively marketed based on an affirmative fair marketing plan, but the Town also needs to establish and maintain a waiting list of qualified households applying to rent affordable units, a Ready Renters List, which Scituate has not implemented, allowing owners to select their own tenants instead. While these accessory units cannot be counted towards the Town's 10% affordability goal or Planned Production goals, they nevertheless serve an important need in Scituate for smaller affordable rental units.

- *Village Business Overlay District*
  The purpose of the Village Business Overlay District is to promote opportunities for local, small-scale businesses, encourage alternative models of transportation such as public transit, bicycling, and walking; provide for higher density of mixed-use and multi-family housing in village areas; provide for a variety in residential housing development patterns and which reflect the unique characteristics of each subarea; increase the production of housing affordable to low- and moderate- income households; and encourage efficient provision of necessary utilities and community services".[40] This

[40] Town of Scituate Zoning Bylaw, Section 560.1.

zoning district does not change the underlying zoning except when an applicant voluntarily chooses to follow the provisions of this section of the Zoning Bylaw.

The requirements for mixed-use development include:

- Fifteen percent of the proposed dwelling units must be affordable to low- and moderate-income households earning no more than 80% of area median income adjusted by household size and are as follows –

Table 3-30
Affordability Requirements

Total Housing Units	Required Number of Affordable Units
8-10	1
11-16	2
17-23	3
24-30	4
31-36	5
37-40	6
Above 40	15% of total

- Affordability restrictions will be controlled by a deed rider or use restrictions that operate in perpetuity and must be recorded with the Plymouth County Registry of Deeds. Units must be in compliance with the state's Local Initiative Program.
- All affordable units must be distributed throughout the proposed development so that exteriors are not distinguishable from the market rate units.
- At the discretion of the Planning Board the development of off-site affordable units may be allowed.
- The first floor should be occupied by retail uses.
- The number of permitted uses should be up to 16 units per 40,000 square feet, or 17 to 20 units per 40,000 square feet if significant public benefits are offered, or the equivalent of 36 units per 40,000 square feet in Scituate Harbor if parking is located underground and significant public benefits are involved.
- Density bonuses may be offered up to the equivalent of 20 units per 40,000 square feet of lot area in Greenbush or North Scituate or up to 36 units per 40,000 square feet in Scituate Harbor if parking is provide under the mixed-use structure and the developer provides significant improvements providing a public benefit such as off-site infrastructure, land suitable for a public way, open space, additional affordable units, etc.
- Twenty-percent of the lot area must be open space, however, this requirement can be waived in the case of the re-use of existing buildings for mixed-use development.
- Parking requirements are one space per 300 square feet within 400 feet of a Town Public Parking Lot if parking is available during the hours of operation of the retail or office use. This requirement may be waived if the applicant can demonstrate adequate on-street parking is available or that other special circumstances exist such as the shared use of a parking lot by activities having different peak demand times.
- In Greenbush and North Scituate, due to the proximity of transit, parking requirements may be reduced for residential units in a mixed-use building to one

space per one bedroom unit, 1.5 spaces per two-bedroom unit, and 2 spaces per three or more bedroom units.
- Developments of seven or fewer units are exempt from affordability requirements and may be waived if an existing historic structure is involved.

The Planning Board has recently received their first application for a Mixed Use Development at 6 Old Country Way. One affordable rental unit is proposed.

- *Residential Compound Development*
  Residential Compound Development provides another alternative to the conventional residential subdivision "by providing for limited residential development within a large tract of land without requiring the construction of a subdivision road to (1) promote large lot development; (2) reduce construction costs; (3) reduce impacts of new development on abutting properties; (4) eliminate future Town maintenance, responsibility and costs for the development; and (5) preserve the semi-rural character of the town".[41]
  Requirements include:

  - Such development is restricted to a group of not more than five single-family dwellings that share common frontage and a private access road.
  - The shared frontage must be at least 100 feet along a public or private way.
  - The tract of land must be at least four times the gross size that is required in the district for the number of proposed lots.
  - There are no minimum lot width or frontage requirements within the tract of land but no structure other than a fence can be built within 50 feet of any perimeter line for A-1 and A-2 districts or within 30 feet for A-3 districts.
  - No building lot can be less than two times the minimum lot requirement for the district.
  - Any land within such a tract that is not designated as a building lot should be preserved as permanent open space.

  Once again, there are no provisions for incorporating affordability. This provision was used in the Arrowwood Development, where ten additional homes were built beside seven in an approved subdivision.

The Zoning Bylaw currently allows substantial increases in height for nonconforming homes located close to sideline setbacks. This has resulted in the expansion of small seasonal cottages, which have become much larger homes in the coastal neighborhoods of Cedar Point, Sand Hills, Minot and Humarock.

The Zoning Bylaw contains a description of an E Zoning District that permits multi-family housing, which was never implemented because no locations where it would apply were ever identified on the Zoning Map. The development allowed in this District as described in the Bylaw would consist of structures of up to twelve units, with each building required to have changes in the front plane of the façade for a better appearance. This concern for the appearance of the structures, together with provisions for landscaping, parking, ample setbacks from lot lines and between buildings, and land for recreation, would result in attractive multi-family housing that was well-designed.

[41] Town of Scituate Zoning Bylaw, Section 610.2.D.

Other recent town involvement in affordable housing has included the Planning Board's efforts to obtain affordable housing from private developers. In 2006, the Housing Partnership requested Town Meeting approval of $100,000 in CPA finds for a feasibility study to develop five affordable condominiums on Town-owned land on Stockbridge Rd. This proposal was defeated.

Mitigation Measures
This Housing Plan includes a number of strategies that are directed to reforming local zoning regulations, making them "friendlier" to the production of affordable housing and smart growth development. These include adding inclusionary zoning, modifying accessory apartment provisions, allowing affordable housing on nonconforming lots, exploring the use of 40R and 40S and adopting a number of other measures that would allow affordable housing under more conditions (see Section 7.2).

4.3 Environmental Concerns

Challenges
Within Scituate's boundaries lie tracts of open land that remain from an agrarian and coastal past. These resources are significant for conservation and recreational interests but many are subject to intense pressure for residential development. Approximately 60% of the town's land area includes agriculture, forestry, recreational open space, and protected wetlands, and some of this land is protected. The town has had a history of preserving land to enhance its rural character, and it also has rich environmental and cultural resources such as its beaches, woodlands, stonewalls, ledge outcroppings, scenic vistas, and numerous agricultural and historical sites. To date, the Town has preserved over 2,100 acres of land in order to maintain its open space character and conserve important ecosystems. However, nearly half of the town's open space, 3,000 acres or 27% of the town's land area, could be viewed as potentially developable under current zoning.

Scituate's inland water resources consist of rivers, streams, ponds and wetlands. The Herring River, Musquashicut Brook, Satuit Brook, Herring Brook, and Bound Brook are some of the town's important fresh water rivers and streams. These waterways supply habitats for insects, fish and amphibians that in turn provide food for birds and mammals.

Scituate has in fact a large variety of native wildlife such as birds, small mammals, amphibians, fish and reptiles. Their habitats include wetlands, vernal pools, salt marshes, woodlands, transitions between woods and fields, barrier beaches, rocky shorelines, and other natural areas, which provide forage for species that subsist on the vegetation and other wildlife. No recent inventory of the wildlife of the entire town has been made, but the Massachusetts Natural Heritage and Endangered Species Program (MNHESP) maintains information on rare and endangered wildlife species, and has identified a number of such species in Scituate in these important and vulnerable habitats.

Salt marshes are extremely productive ecosystems which act as nurseries for the young of many salt water organisms, for example, and afford habitat for many species of wildlife that feed on these organisms. Scituate has 1,245 acres of salt marsh, which is 11.4% of the total acreage of the town. Salt marshes are generally typified by flat, open, grassy areas along tidal waters. They are usually found in sites protected from the high energy of the open coast: in estuaries, salt ponds, or low entrapped portions of barrier beaches.

Vernal pools are small ponds that dry up in the summer but reappear each spring in the same location. They are essential for the breeding of salamanders and certain other species. Through a process of certification with MNHESP, these ponds are provided with extra levels of protection

pursuant to several environmental regulatory programs, including the Wetlands Protection Act, Surface Water Quality Standards and Title V. Twenty vernal pools have been certified in Scituate, including three in North Scituate, fourteen in the West End, and three in Greenbush. The Conservation Commission's efforts to locate additional vernal pools are ongoing.

The Town's coastal areas offer another important habitat for many varieties of wildlife. In addition to fish, shellfish, and mammals such as seals, Scituate has long held an attraction for birdwatchers because of the wide diversity of species found here on a year-round basis. Scituate has historically been a breeding spot for many bird species because of its proximity to the ocean, rocky cliff areas suited to nesting and protection, and rich salt marsh areas filled with abundant food supplies. For example, the Fourth Cliff site is the home of the second largest tern colony in the country, listed for special concern in Massachusetts. Also, at Fourth Cliff is the nesting site of piping plovers, another threatened species in Massachusetts. The Natural Resources Appendix contains information regarding the Town's rich variety of migratory and resident bird species and endangered wildlife in Scituate. In addition to those listed in the Natural Resources Appendix , documented occurrences (sightings) of state-listed rare species including *Crangonyx Aberrans* (Mystic Valley Amphipod), *Terrapene Carolina* (Eastern Box Turtle), *Hemidactulium Scutatum, Clemmys Guttata* (Spotted Turtle), and *Circus Cyaneus* (Northern Harrier Hawk).

Scituate's prime shellfish beds for soft-shell clams and mussels include the South River, the North River and Cohasset Harbor. Surf clams, less popular for harvesting, are available along the shoreline from the Glades to Third Cliff. In the Briggs Harbor area on the southern side of Cohasset Harbor is a vast resource of soft-shelled clams and mussels. Shell fishing in Scituate Harbor and the South River has long been prohibited due to unsatisfactory water quality (Sanitary Survey Report of Scituate North and South Coastal in the Town of Scituate, Division of Marine Fisheries, November 30, 2000). The water quality of the North River has improved substantially over the past several years, and efforts are continuing to identify remaining sources of contamination. This system is complex, with heavily traveled roads, businesses and other land uses upstream, as well as wildlife, contributing coliform bacteria to the river's waters.

Approximately 30% of the Town's land, or 3,279 acres, lies within the Flood Plain and Watershed Protection Zoning District. Within this Town Overlay District, a special permit is required for major additions and renovations to existing homes. New construction can only be allowed if a property owner can show his land is not subject to flooding. The Town has a second flood-related Zoning District, the Flood Insurance District, which corresponds to the FEMA Zone A or hundred year flood plain. Although large sections of Scituate's barrier beaches are already extensively developed, they continue to provide excellent protection against flooding of more inland areas. They remain fragile and prone to erosion, and new building in these locations should be avoided to the greatest extent possible. It is important for the Town to continue its strong enforcement of local, state and federal building codes to make sure any improvements on the barrier beaches are able to withstand flooding to the greatest extent possible.

It should also be noted that a significant amount of land in Scituate is wetlands and protected from development. The presence of these un-buildable areas has helped Scituate to maintain its semi-rural character with woodlands woven into all areas of the town. The establishment of conservation land, recreation land and public and quasi-public open space offers further protection and reinforces the value of these unbuilt areas to residents. Both the use of open space and protected land for recreation and the value of these areas as a green backdrop for civic, commercial, and residential uses limits the amount of land on which new affordable housing can be easily developed.

The relative scarcity of developable land raises its value and the costs associated with acquisition and building. Environmental regulations and concerns suggest that the redevelopment of existing built areas, or development that offers protection to open space adjacent to construction offers the best opportunities for creating new affordable housing.

Mitigation Measures
Housing strategies are largely oriented to actions that will promote smart growth and limit impacts on the environment such as promoting accessory apartments, converting existing housing to long-term affordability, developing infill sites in existing neighborhoods, exploring 40R and 40S, and promoting cluster development that include affordable housing (see Section 7.0 for details on these strategies).

4.4 Transportation
Challenges
Access to Scituate is primarily via Routes 123 and 3A. While Route 123 provides east-west access eventually joining Route 53 and leading to Interstate 93, Route 3A bisects the town from the north to the south, separating the West End from other areas of town. The Greenbush commuter rail provides a north-south orientation as it has been restored with stops in Greenbush and North Scituate. This new service links Scituate with Boston and other employment and commercial centers along the corridor, and will surely result in increased commercial and residential development in town. The MBTA and Scituate Board of Selectmen continue to evaluate the impacts of these new rail stations and proposed mitigation measures.

Currently, the Town has limited local transit facilities or service in place. Dial-A-Ride service is provided for the elderly and physically challenged. Residents must call ahead of time to schedule a pickup. Medical appointments/needs take priority for service. In discussions with Scituate's Council on Aging, it was identified that seniors are having a difficult time gaining transportation to the Town's Senior Center and medical visits.

Mitigation Measures
The Town will have to pay particular attention to the projected traffic implications of any new development, working with the developer to resolve problems. Opportunities to direct development to areas that are most conducive to higher densities and transportation, such as Scituate's villages, commercial corridors and commuter rail, will serve to reduce transportation problems and access issues for Scituate's seniors and disabled.

4.5 Schools
Challenges
Build-out projections indicate that the school-age population should increase by another 1,395 children, however projections of the student population age five to 19 prepared by the Metropolitan Area Planning Council (MAPC) in January 2006, suggest that by 2030 the student population will have declined from a 3,711 students in 2000 to an estimated 3,264. According to Mike Hayes, member and former Chair of the School Committee, all the Town's elementary schools and the High School are currently at capacity. There are severe space problems at the High School. Extra teachers and classrooms are being sought to accommodate students who moved into Scituate over the summer. A goal of the School Committee is to build a Grade 5 through 8 Middle School to eliminate overcrowding in the Middle School, but this is a long-term proposal.

Mitigation Measures
This Housing Plan recognizes the need for a wider range of affordable housing options in Scituate, including first-time homebuyer opportunities for young families. However, the Plan also suggests

exploring options for covering some of the added municipal costs associated with new students, including 40R and 40S (see Section 7.2.8).

4.6 Availability of Subsidies

Challenges

Financial resources to subsidize affordable housing preservation and production as well as rental assistance have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly difficult to secure necessary funding and must be creative in determining how to finance projects and tenacious in securing these resources. In 2002 Scituate approved the creation of a Community Preservation Fund with funding support from the state for open space preservation, historic preservation and affordable housing production. These funds will make approximately $1.5 million available per year, at least 10% of which must be directed to affordable housing activities. This funding will be helpful, but additional public and private technical and financial resources will be required to meet production goals.

Mitigation Measures

This Housing Plan provides guidance on the use of Community Preservation Funds for affordable housing initiatives that will enable the Town to support the production of new affordable units and leverage other public and private funding sources. The Town has already voted to transfer $700,000 of its CPA funding to the recently approved Municipal Affordable Housing Trust Fund. The Plan also suggests that the Town hire an Affordable Housing Specialist that can commit time to grant writing and support for development applications (see Section 7.1.2).

4.7 Community Perceptions

Challenges

Affordable housing, subsidized housing, low-income housing, projects, Section 8, etc. – these terms can conjure images of potential neglect, plunging property values, increased crime, and even tensions concerning class and race. On the other hand, with soaring real estate prices, community perceptions are beginning to tilt towards the realization that affordable housing is needed in the community but maybe not perhaps in their neighborhood. More people are recognizing that the new kindergarten teacher, their grown children, or the elderly neighbor may not be able to afford to live or remain in the community. It is this growing awareness, impending 40B developments, and some appreciation that affordable housing can be well designed and integrated into the community, which are spurring communities such as Scituate to take a more proactive stance in support of affordable housing initiatives. Also, once residents understand that the Town will be able to reserve up to 70% of the affordable units in any new development for those who have a connection to Scituate, referred to as "community preference", greater local support is typically more forthcoming.

Mitigation Measures

Scituate proposes launching an ongoing educational campaign to better inform local leaders and residents on the issue of affordable housing, to help dispel negative stereotypes, provide up-to-date information on new opportunities and to garner political support (see details on this strategy in Section 7.1.1). It will be important to continue to be sensitive to community concerns and provide opportunities for residents to not only obtain accurate information on housing issues, whether they relate to zoning or new development, but have opportunities for real input.

5. PROPERTY INVENTORY

The following information represents a work in progress that will be fine-tuned on an ongoing basis in coordination with other Town boards and committees.

5.1 Public Properties

The Town of Scituate does not have a substantial amount of Town-owned property remaining as 95% of such property has already been restricted or designated for specific purposes other than housing. Nevertheless, some limited opportunities exist and Appendix 1 lists properties that are owned by the Town or Scituate or the Scituate Housing Authority that may potentially be suitable for some amount of affordable housing development. This list is based on information from the Town's Open Space Plan and the properties the Town has taken for tax title. Land was eliminated that was owned or managed by the Conservation Commission or Historical Society, contained large amounts of wetlands, lacked access, or was in the process of being reclaimed by the owner after a tax taking had commenced.

This Plan includes a strategy to prepare an inventory of potentially suitable parcels, fine-tuning the list in Appendix 1 by more fully assessing their appropriateness (see Section 7.1.4). The Town's Planning Board and Residential Development Committee have had some initial input into the preliminary list included in Appendix 1, but additional analysis is warranted for smaller infill sites or larger parcels where both open space and housing might be accommodated through cluster development. CPA funding can be used to support further environmental testing and analysis.

The Town of Scituate may also decide to acquire privately owned sites over the next decade for the purposes of protecting open space and developing some amount of housing, including affordable housing. Ideally such properties would meet a number of smart growth principals such as providing higher density or clustered development to preserve open space, offering accessibility to civic and commercial areas by foot, and serving as a catalyst for or product of brownfields remediation. Moreover, the Town might secure title to properties through the tax foreclosure process and eventually convey them for use as affordable housing through Requests for Proposals (see strategy 7.3.1 for more details on the development of Town-owned properties).

5.2 Private Properties

It is also likely that developers may continue to pursue comprehensive permit applications or development through normal regulatory channels, and it will be incumbent on the Town to determine the best approach for negotiating with these developers to guide new development to more appropriately satisfy local needs and requirements. One of the strategies recommended in this Housing Production Plan is to prepare Affordable Housing Guidelines that establish general local criteria for new housing development that would be acceptable to the Town (see Section 7.2.2).

Scituate's Housing Partnership, which is currently inactive, assembled a list of undeveloped land with the thought that the Town might acquire some property with Community Preservation funding as a number of other towns have done. Additional properties for future consideration include some large houses that might be converted to apartments, potential teardowns that might be donated and then moved to another site, as well as general areas where redevelopment will be encouraged through rezoning including Scituate's villages and sections of commercial corridors. The Town should oversee new zoning changes, have influence over future development planning and work with designated developers to insure that any development is beneficial to the community and includes some affordable housing.

6. HOUSING PRODUCTION GOALS

The Massachusetts Department of Housing and Community Development (DHCD) administered the Planned Production Program since December 2002, in accordance with regulations that have enabled cities and towns to prepare and adopt a Production Plan that demonstrated the production of an increase of .75% over one year or 1.5% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory.[42] If DHCD certified that the locality had complied with its annual goals or that it had met two-year goals, the Town could, through its Zoning Board of Appeals, deny comprehensive permit applications without opportunity for appeal by developers for one or two-years, respectively.

Recently adopted changes to Chapter 40B have established some new rules.[43] For example, Planned Production Plans are now referred to as Housing Production Plans. Moreover, annual goals changed from 0.75% of the community's year-round housing stock, translating into 52 units per year or 103 units over two years for Scituate, to 0.50% of its year-round units, meaning that Scituate will now have to produce at least 34 affordable units annually to meet production goals through 2010 (69 units for two-year certification). When the 2010 census figures become available in 2011, this number will be somewhat higher given past and projected growth since 2000.

Using the strategies summarized under the Housing Action Plan described in Section 7.0, the Town of Scituate has developed a Housing Production Program to chart affordable housing production activity over the next five (5) years as required by the state. The projected goals are best guesses at this time, and there is likely to be a great deal of fluidity in these estimates from year to year. The goals are based largely on the following criteria:

- Given the limited supply of Town-owned land, most affordable housing activity will have to come from private development through the standard regulatory process or the "friendly" comprehensive permit process. The Town will continue to work with private developers to fine-tune proposals to maximize their responsiveness to community interests and to increase affordability to at least 30% of total project units to the greatest extent feasible, perhaps even committing CPA funds if necessary.
- On publicly-owned parcels, to the greatest extent possible, at least fifty percent (50%) of the units should be affordable to households earning at or below 80% of area median income and at least another 10% affordable to those earning up to 120% of area median income, depending on project feasibility. Rental projects will also target some households earning at or below 60% of area median income and lower depending upon subsidy program requirements.
- Projections are based on no fewer than four (4) units per acre when they are located in areas without available Town sewer services and up to eight (8) units per acre where such services are available. However, given specific site conditions and financial feasibility it may be appropriate to decrease or increase density as long as projects are in compliance with state Title V and wetlands regulations.
- Because housing strategies include some development on privately owned parcels, production will involve projects sponsored by private developers. The projections involve a mix of rental and ownership opportunities. The Town will work with private developers to promote a diversity of housing types directed to different populations with housing needs including families, seniors and other individuals with special needs to offer a wider range of housing options for residents.

[42] Massachusetts General Law Chapter 40B, 760 CMR 31.07 (1)(i).
[43] Massachusetts General Law Chapter 40B, 760 CMR 56.00.

The final determination of the use of existing publicly owned parcels for new affordable housing is subject to a more thorough feasibility analysis of site conditions, and in the case of municipally-owned property, Town Meeting approval. If any of the preliminarily identified existing publicly-owned properties are finally determined infeasible or do not obtain approval from Town Meeting, it is anticipated that the projected numbers of affordable units would be met through the acquisition of privately owned properties or private development.

If Scituate was to meet all of these production goals, it would still not likely surpass the Chapter 40B 10% within five years given an existing gap of 376 affordable units, without even counting the implications of housing growth since 2000 and into the future. Moreover, these goals are ambitious, and it is unlikely that the Town will achieve certification every year, which will further delay reaching the 10% threshold.

Table 6-1
Scituate Housing Production Program*

Strategies by Year	Units < 80% AMI	Units 80-120% AMI	Total # Units
Year 1 – 2009			
Private development – continued phasing of Whitcomb Pines/homeownership	8	0	32
Development of publicly-owned property – Driftway/homeownership by Housing Auth.	10	2	20
Support new infill housing – Habitat house/ homeownership	1	0	3
Development of publicly–owned property – scattered tax-foreclosed property/duplexes combining ownership and rental	10	0	20
Private mixed-use development – Village Business Overlay District bylaw/rental	2	0	12
Infill development/ownership	3	0	6
Subtotal	*34*	*2*	*93*
Year 2 – 2010			
Development of publicly-owned property – Stockbridge Rd. or other Town-owned site/ homeownership	15	2	30
Private development – "friendly" 40B/rental	6*	0	6
Conversion of existing housing -- ownership	2	0	4
Private mixed-use development – Village Business Overlay District bylaw/condos	3	0	18
Infill development – special needs housing/ rental	8	0	8
Subtotal	*34*	*2*	*66*
Year 3 – 2011			
Development of publicly-owned property – Land behind Town Library or Central Park site (owned by Town) – senior rental housing	30	0	30
Development on nonconforming lots/ condo duplexes	4	0	8
Infill development – new duplex development bylaw/starter homeownership	4	0	8
Subtotal	*38*	*6*	*46*
Year 4 – 2012			
Development of publicly-owned property -- expansion of Wheeler Park/multi-family rental	20	4	40
Private development – cottage/ownership	8	8	24
Conversion of existing housing/ownership	2	0	4
Infill development/group home	6	0	6
Development on nonconforming lots/duplexes	2	0	4
Subtotal	*38*	*12*	*78*

Year 5 – 2013			
Private development – inclusionary zoning/ homeownership	4	2	20
Private development – Apartment Overlay District/rental	8	4	40
Private development – "friendly" 40B/rental	20*	0	20
Conversion of existing housing/ownership	2	0	4
Infill development/new duplex development bylaw/mix of rental and homeownership	4	0	8
Subtotal	*38*	*6*	*92*
TOTAL	182	28	375

* All units count in Chapter 40B rental developments.

7. HOUSING STRATEGIES

This Housing Production Plan proposes a mix of strategies that will boost the Town of Scituate's supply of affordable housing and meet priority local needs. It will be important to make efforts to accommodate the wide range of these needs, offering a mix of housing types and mixed-income opportunities. For example, both rental and homeownership housing should be developed for seniors, young adults, young families, empty nesters, and special needs populations. It will also be important to reach those within various income categories who are unable to find housing that is affordable in Scituate including those earning at or below 60% of area median income needing rental housing, those within 80% of median income who want to rent or afford their first home, and those who are over the 80% income threshold but still cannot compete in the private housing market and need a boost to afford to live or remain in Scituate. In fact, Community Preservation funding can be used to support housing for those earning at or below 100% of area median income. Moreover, the integration of market rate units in any development will offer internal subsidies to help support the financial feasibility of the below market units and reduce any stigma that might be attached to an affordable housing development.

These proposed actions are presented with an understanding that a broadened affordable housing agenda will place further burdens on local services and that there are currently many competing municipal needs and limited resources, including land. However, there are also resources that the Town can draw upon to support affordable housing including some existing publicly owned property, the Community Preservation Fund, and subsidies from the state and federal governments. Appendix 5 has a summary of housing resources and regulations.

The strategies outlined below are based on previous plans, reports, studies, a recent survey, the Housing Needs Assessment, and the experience of other comparable localities in the area and throughout the Commonwealth. The strategies are grouped according to the type of action proposed – Building Local Capacity, Zoning and Regulatory Reform, Housing Production, and Housing Preservation – and prioritized. As such the Plan starts with organizational issues, moves to regulation, identifies key production strategies to guide new development, and then finally looks at how to preserve the housing in place. Priority 1 actions are those that will begin within the next two years, most of which will involve some immediate actions. Priority 2 strategies involve focused attention after the next couple of years. A summary of these Housing Actions is included in Appendix 2.

The strategies also reflect the recent changes to state Housing Production requirements that ask communities to address all of the following major categories of strategies to the greatest extent applicable:[44]

- *Identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purposes of creating affordable housing developments to meet its housing production goal;*
    - Allow residential development under more conditions (see strategy 7.2.3)
    - Explore use of 40R/40S (see strategy 7.2.8)

- *Identification of specific sties for which the municipality will encourage the filing of comprehensive permit projects;*
    - Allow starter housing on nonconforming lots (see strategy 7.2.5)
    - Support private development in line with local guidelines (see strategy 7.3.2)

[44] Massachusetts General Law Chapter 40B, 760 CMR 56.03.4.

- Make suitable publicly-owned land available for affordable housing (strategy 7.3.1 which will likely rely on comprehensive permits for development)
- See "friendly" 40B projects in production goals.

- *Characteristics of proposed residential or mixed-use developments that would be preferred by the municipality;*
  - Adopt inclusionary zoning (see strategy 7.2.1)
  - Adopt Affordable Housing Guidelines (see strategy 7.2.2)
  - Promote accessory apartments (see strategy 7.2.4)
  - Allow residential development under more conditions (see strategy 7.2.3)
  - Allow starter housing on nonconforming lots (see strategy 7.2.5)
  - Explore use of 40R/40S (see strategy 7.2.8)
  - Convert existing housing to affordability (see strategy 7.3.3)
  - Support private development in line with local guidelines (see strategy 7.3.2)

- *Municipally owned parcels for which the municipality commits to issue requests for proposals to develop affordable housing.*
  - Make suitable public land available for affordable housing (see strategy 7.3.1)

- *Participation in regional collaborations addressing housing development*
  - Access new resources such as homebuyer counseling, other homebuyer services, and other regional programs and services (see strategy 7.1.3)
  - Help qualifying homeowners access housing assistance (see strategy 7.4.2)

It will be important to also insure that affordable units produced through this Plan get counted, to the greatest extent possible, as part of the Subsidized Housing Inventory (SHI), applied through the Local Initiative Program (LIP) administered by the state's Department of Housing and Community Development (DHCD) if another state or federal housing subsidy is not used. In addition to being used for "friendly" 40B projects, LIP can be used for counting those affordable units as part of a Town's Subsidized Housing Inventory that are being developed through some local action including:

- Zoning-based approval, particularly inclusionary zoning provisions and special permits for affordable housing;
- Substantial financial assistance from funds raised, appropriated or administered by the city or town; or
- Provision of land or buildings that are owned or acquired by the city or town and conveyed at a substantial discount from their fair market value.

In order to be counted as part of the Subsidized Housing Inventory the units must meet the following criteria:

- A result of municipal action or approval;
- Sold or rented based on procedures articulated in an affirmative fair marketing and lottery plan approved by DHCD;
- Sales prices and rents must be affordable to households earning at or below 80% of area median income; and
- Long-term affordability is enforced through affordability restrictions, approved by DHCD.

Additionally, a Subsidized Housing Inventory New Units Request Form must be submitted to DHCD to insure that these units get counted.

Some of the important tasks for insuring that the affordable units, now referred to as Local Action Units (LAU's), meet the requirements of Chapter 40B/LIP include:

- Meet with the developer to discuss requirements for insuring that the unit(s) meets the requirements for inclusion in the Subsidized Housing Inventory through the state's Local Initiatives Program (LIP).
- Determine the purchase price based on LIP Guidelines.
- Contact DHCD to discuss the project.
- Prepare a LIP Local Action Units application submitted by the municipality (chief elected official).
- Identify a marketing agent to conduct outreach and the lottery.
- Execute a regulatory agreement to further insure long-term affordability between the developer, municipality and DHCD.
- Prepare a Fair Housing Marketing Plan.
- Prepare a Purchaser Application and implement the Marketing Plan.
- Hold at least one information session about the lottery.
- Approve applicants for eligibility in the lottery.
- Prepare a letter to those eligible for inclusion in the lottery and another to those who do not qualify.
- Conduct the lottery.[45]
- Work with winning applicants and lenders to secure mortgage commitments.
- Obtain the deed rider and Resale Price Certificate from DHCD that requires the loan commitment letters, purchase and sale agreements, and contact info for the closing attorneys.
- Work with lenders and the developer to close on the units.
- Submit necessary documentation to DHCD to have the unit counted as part of the Subsidized Housing Inventory.
- Annually recertify the continued eligibility of affordable units.

The proposed Affordable Housing Specialist (see strategy 7.1.2), a designated municipal employee, the Housing Authority or a consultant should be identified to coordinate this work. The affordability restrictions for all units produced through the Local Initiative Program will be monitored by DHCD, but it is the premise of LIP that the municipality and DHCD work together to create affordable housing and fulfill the obligations of the affordability restrictions.

It should be noted however, that while a major goal of this Plan is to eventually meet the state's 10% goal under Chapter 40B, another important goal is to serve the range of local housing needs and there are instances where housing initiatives might be promoted to meet these needs that will not necessarily result in the inclusion of units in the Subsidized Housing Inventory (examples include the promotion of accessory apartments or even workforce housing for those earning between 80% and 120% of area median income).

Within the context of these compliance issues, local needs, existing resources, affordability requirements, and the goals listed in Section 2 of this Plan, the following housing strategies are offered for consideration. *It is important to note that these strategies are presented as a package for the Town to consider, prioritize, and process, each through the appropriate regulatory channels.*

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[45] Up to 70% of the affordable units in most developments can be reserved for those who have a connection to the community, "community preference units", including current residents and employees of the municipality or local businesses.

7.1 Build Local Capacity

In order to carry out the strategies included in this Housing Production Plan and meet production goals, it will be important for the Town of Scituate to build its capacity to promote affordable housing activities. This capacity includes gaining access to greater resources – financial and technical – as well as building local political support, developing partnerships with public and private developers and lenders, and creating and augmenting local organizations and systems that will support new housing production.

It should be mentioned that Scituate is fortunate to have a number of local entities in place, which have provided important leadership in the area of affordable housing. (These and a number of regional organizations are described in Appendix 3.)

First, the *Planning Board* paid for and prepared the Housing Needs Assessment, a major component of this Plan, and with CPA funding spearheaded the development of this Housing Production Plan. With professional support from its Town Planner, the Board continues to make progress in better planning, promoting and directing affordable housing to smarter locations. The Planning Board's continued involvement in the issue of affordable housing is an essential part of this Housing Plan, particularly the strategies included under Section 7.2 – Planning and Regulatory Reforms.

The Board of Selectmen also recently appointed a *Residential Development Committee*, largely to fill the void of the previously appointed Housing Partnership that was no longer active. The Planning Board has promoted the active involvement of this Committee in this planning process through public and special meetings to secure more detailed input into the priority strategies that are included in this Plan.

The Town of Scituate also approved a *Municipal Affordable Housing Trust* at its spring 2008 Town Meeting. While the members of the Housing Trust have not yet been appointed, it is expected that the Trust will begin operations before the end of the year. State enabling legislation was enacted on June 7, 2005, as the Municipal Affordable Housing Trust Fund Act, which simplified the process of establishing such funds. Previously, cities could create trusts through their own resolution, but towns had to get approval from the state legislature through a home rule petition. The law provides guidelines on what trusts can do and allows communities to collect funds for housing, segregate them out of the general budget into an affordable housing trust fund, and use these funds without going back to Town Meeting for approval. It also enables trusts to own and manage real estate, not just receive and disburse funds. The law further requires that local housing trusts be governed by at least a five-member board of trustees, appointed and confirmed by the Board of Selectmen, in the case of towns. While the new trusts must be in compliance with Chapter 30B, the law which governs public procurement as well as public bidding and construction laws, most trusts opt to dispose of property through a sale or long-term lease to a developer so as to clearly differentiate any affordable housing development project from a public construction project. The Housing Trust will need to work closely with the Residential Development Committee on local affordable housing initiatives, providing a vehicle for funding predevelopment and development activities and for conveying Town-owned land for eventual development by a selected developer.

Moreover, at the same Town Meeting, the Town approved the transfer of $700,000 currently reserved for housing in its Community Preservation Fund to the new Housing Trust Fund. This funding will provide a big boost to Scituate's efforts to begin investing in the implementation of this Housing Plan. In addition to CPA funds, the Town will want to identify other resources for capitalizing the Trust Fund to support local housing initiatives.

Many communities are reaching out to residents for private donations of land or funds to promote housing affordability. Such contributions and the "bargain sale" of real estate should become a part of the Scituate land ethic, but donations need to be promoted, nurtured, and facilitated. Inclusionary zoning (see strategy 7.2.1), if passed, may also provide cash resources for a wider range of possible developments that can

help capitalize the Housing Trust Fund if the developer decides to pay cash in lieu of constructing actual affordable units. Developers may also contribute to the Fund through negotiations on comprehensive permit projects or other local developments. Developers make additional contributions to these funds if the purchase prices for the market units are higher than the prices that were projected in their comprehensive permit applications and profits are more than the 20% allowed under Chapter 40B.

The *Scituate Housing Authority* is also an important component of Scituate's housing apparatus. The Authority owns and manages 209 units of housing for seniors and those who are disabled and under 60 years of age, representing two-thirds of all state-defined affordable units in town. The Housing Authority also owns some property on the Driftway that it hopes to develop as affordable housing that is an important component of this Housing Plan. The potential redevelopment of existing single-story developments to accommodate more units also bears exploration.

Specific actions to help build local capacity to meet local housing needs and production goals are detailed below. While these strategies do not directly produce affordable units, they provide the necessary support to implement a proactive housing agenda that ultimately will result in new units.

7.1.1 Conduct Ongoing Community Education

Current Status: While many residents are aware of escalating housing prices and some are encountering difficulties affording housing in Scituate, it is likely that many residents hold onto negative stereotypes of what affordable housing is and how it might change the character of their community. Some even claim that the term "affordable housing" instigates instant negative reactions from some residents. Given these perceptions and misinformation on the subject, it is important for the Town to work on building an active constituency for affordable housing in support of important local initiatives.

On April 17, 2008, the Scituate Planning Board sponsored a forum that was widely promoted for local leaders and the public to hear the results of the Housing Needs Assessment, which is a substantial component of this Housing Production Plan, and to participate in a discussion about what actions the Town should take to increase affordable unit production as input into the development of this Plan. Another public forum was held on November 20, 2008 to present the draft Housing Plan to not only get feedback on the Plan's strategies and goals, but also to offer another opportunity to showcase the issue of affordable housing in a light that demonstrates how the Town can be proactive on the issue to better serve the wide range of local needs and guide new development.

Additional opportunities to engage local leaders and community residents in discussions on affordable housing and to highlight information on the issue are needed to continue to dispel myths and help galvanize local support, political and financial, for new affordable housing production. In fact, most communities lack an effective mechanism for promoting regular communication between relevant Town boards and committees on issues related to affordable housing. It is useful for each locality to determine how it might more effectively communicate on this issue to insure that local leaders remain apprised of housing activities and have an opportunity for input. Some communities have attempted to promote and formalize this communication. For example, the Town of Holliston gathered representatives from various Town boards and committees interested and involved in housing issues to provide updates on housing developments and related issues from each entity and to obtain important feedback.

It can also be helpful to open these meetings to the public to continue to foster greater community understanding and participation in the area of affordable housing. The Town of Truro held a housing summit on a Saturday and after presenting its report on local housing initiatives, invited a panel of housing experts and representatives from other communities to make presentations on housing issues and best practices on Cape Cod. Yarmouth recently held its second annual Affordable Housing Summit, which included a spaghetti dinner, to update the community on what the Town was doing with respect to

implementing its Housing Plan and to get local input. These outreach efforts are mutually beneficial as they provide useful information to community residents and important feedback to local leaders on local concerns and suggestions.

Additionally, written materials that describe available programs, including existing bylaws, might be useful to better inform local residents on available local and regional resources related to affordable housing (see strategy 7.4.2) and also highlight existing zoning bylaws that offer incentives for producing affordable housing under prescribed conditions and in appropriate, "smarter" locations.

Next Steps: The Board of Selectmen should consider formalizing an Annual Housing Summit. Such a summit could include an annual report from the Scituate Planning Board, Residential Development Committee and Housing Trust on housing issues and progress towards implementing this Housing Plan. All Town boards and committees should designate at least one individual to participate in the Summit. The Town Planner, and eventually the proposed Affordable Housing Specialist, could provide the necessary staffing to organize the event. This annual meeting also presents an excellent opportunity to engage interested residents in the issue of affordable housing, offering them a progress report and forum for providing input.

Additional community outreach to various local groups (e.g., churches, PTA's, women's clubs, fraternal organizations, realtors, hospitality organizations, Council on Aging, etc.) can occur through speakers or information meetings, and a newsletter or some progress report can be periodically prepared for general distribution. The Town should consider preparing and distributing written materials on affordable housing resources for community residents as well as a brochure that describes existing zoning bylaws and how to navigate the regulatory process. The Residential Development Committee should oversee the preparation of an affordable housing resource brochure, also working with the Housing Trust, Housing Authority and Council on Aging, and the Planning Board should coordinate the development of the zoning brochure.

Additionally, it will be important to plan for ample community input when specific affordable housing initiatives are being proposed that require local approvals. The transparency of all local efforts to promote affordable housing is important to not only provide important information on these projects but to also establish credibility with residents over time. These public meetings can help build community interest, improve communication and garner support.

Timeframe: Priority 1

Responsible Parties: Scituate Planning Board and Residential Development Committee.

Resources Required: The donated time of volunteers as well as staff time from the Town Planner, proposed Affordable Housing Specialist, other designated municipal official or a consultant to prepare written materials and staff outreach events.

7.1.2 Hire an Affordable Housing Specialist

Current Status: If the Town of Scituate wants to assume a more proactive role in promoting affordable housing and effectively implement actions included in this Housing Production Plan, it will have to augment its capacity to coordinate these activities. While most of the strategies that are included in this Plan do not individually involve substantial amounts of staff time from Town officials or donated time from board and committee members, when considered altogether they require a significant time commitment and involve some specialized expertise in planning as well as housing programs, policy and development. The Town Planner is already working more than full-time and has limited capacity to take on all of the staff related tasks included in this Plan.

Various municipalities have handled this need for professional support differently. For example, the neighboring Town of Marshfield issued a Request for Proposals for a Housing Coordinator position and hired a full-time person for several years. Currently it splits this position between two consultants. The Town of Grafton has an Assistant Planner on board to assume many of these housing-related functions. Bedford has a consultant working part-time on overseeing its housing activities and at one time shared this consultant with the Town of Lincoln. Belmont is working with a non-profit development organization located in a nearby community to support its housing activities. Holliston is working with a consultant to implement key initiatives, and at some point in the future is likely to hire a housing professional on at least a part-time basis with CPA funds. Yarmouth has recently hired a part-time consultant to provide needed support. Communities such as Chatham rely heavily on its effective Housing Authority for program support related to affordable housing.

Next Steps: The Planning Board, Residential Development Committee and Housing Trust should present a proposal to the Community Preservation Committee for the funding of an Affordable Housing Specialist using Community Preservation funding, which ultimately will have to be approved by Town Meeting. This Affordable Housing Specialist could be hired at least initially on a part-time basis based on an agreed upon scope of services. This housing professional would be available to assist with public education (see Section 7.1.1); the marketing, lotteries, and monitoring of affordable units; grant writing; outreach to establish partnerships with developers, lenders, funders, etc. to promote affordable housing; and overall coordination of the implementation of this Housing Plan, providing necessary staff support as needed.

Scituate is also fortunate to have a number of local and regional entities in which it can partner to promote the implementation of various strategies and obtain professional support including:

- *Scituate Housing Authority*
  The Scituate Housing Authority may be interested in taking on specific tasks outlined in this Housing Plan, such as partnering with the Town on the development of a parcel it owns on the Driftway and potentially redevelop existing projects to increase the number of units. Also, until an Affordable Housing Specialist is hired, the Housing Authority may be able to perform some of the necessary functions on a fee for service basis, supported by CPA funding.

- *South Shore Housing Development Corporation*
  South Shore Housing is the region's non-profit housing organization and has decades of experience managing various housing services, developing affordable housing, and managing real estate. South Shore Housing has helped many communities in Plymouth and Bristol Counties advance their affordable housing agendas and can be helpful in providing support for the development of rental housing, marketing and outreach for lotteries, etc.

- *Habitat for Humanity of the South Shore*
  Habitat for Humanity is an ecumenical, non-profit Christian ministry dedicated to building simple, decent homes in partnership with families in need. The organization has grown over the past two decades into one of the largest private homebuilders in the world with almost 1,600 U.S. affiliates and over 2,000 affiliates worldwide, including Habitat for Humanity of the South Shore. These organizations have been able to build new homes for first-time homebuyers through donated land, materials, labor and funding as well as other special financing strategies. To date,

one habitat-sponsored home has been built in Scituate, but the organization is currently exploring some new opportunities in town.

It should also be noted that other consultants could be brought on as needed to handle specific activities including environmental engineers for predevelopment work, appraisers, surveyors, etc.

Timeframe: Priority 1

Responsible Party: Board of Selectmen in consultation with the Planning Board, Residential Development Committee, Housing Trust and Community Preservation Committee.

Resources Required: Fees will vary according to what strategies are undertaken and the scope of services. Community Preservation funds could cover the costs associated with this new position as long as all program activities are eligible under CPA. Part-time Housing Specialists tend to earn within the $25,000 to $35,000 range.

7.1.3 Access Housing Resources

Current Status: The affordability of most housing development projects relies on multiple sources of financing involving both private and public loans and grants. Even Chapter 40B comprehensive permit projects rely on what is referred to as "internal" subsidies where the market rate units support the costs of the affordable ones in tandem with increased density. It will be important for the Town to encourage the establishment of partnerships with other interested parties including non-profit organizations, lenders, public agencies, and developers to secure the necessary financial and technical resources to create affordable units. Future Community Preservation funding for housing will also be an essential ingredient for supporting the implementation of this Housing Plan in addition to various state and federal housing subsidy programs. This Plan provides recommendations on the use of CPA funds in many of the proposed strategies.

Next Steps: The Town of Scituate should reach out to private, public and non-profit entities to secure additional housing resources – technical and financial – in support of its efforts to produce new affordable housing. Descriptions of local and regional organizations are included in Appendix 3. Additionally there are numerous public programs that can be helpful in supporting local housing efforts. A summary of some of these resources as well as pertinent housing regulations (e.g., Chapter 40B, Local Initiative Program, Community Preservation Act is included in Appendix 5).

Timeframe: Priority 1

Responsible Party: Board of Selectmen, with support from the Residential Development Committee and Housing Trust, will need to work with developers to obtain important public funding, providing letters of support for subsidy applications for affordable housing projects. In the case of "friendly" 40B projects, the Town's chief elected official, a Selectmen in the case of Scituate, will in fact be responsible for submitting the applications for participation in the Local Initiative Program administered by DHCD.

Resources Required: Funding will be needed to support affordable housing initiatives such as the predevelopment funding necessary to determine project feasibility (CPA funds can cover these expenses as well as other state-funded programs) and subsidies to make projects financially feasible. CPA funds are an important tool for leveraging other state and federal funds, demonstrating the municipality's commitment to any particular project. CPA funding can serve as an important "gap filler" in that it fills the gap between the total costs of development and what a development can project as income from the affordable purchase prices and rents.

7.1.4 Create an Inventory of Properties Potentially Suitable for Affordable Housing

Current Status: This Housing Plan includes a preliminary list of potential public sites that may be suitable for the development of housing, including some amount of affordable housing (see Section 5.0 and Appendix 1). A more comprehensive review of existing properties would be helpful to determine future opportunities to create affordable housing in Scituate and help meet the production goals included in this Housing Plan.

Next Steps: The Planning Board, Housing Trust and Residential Development Committee should work with other Town boards and committees, such as the Open Space Committee, to more fully review the inventory of Town-owned property and determine which parcels, if any, might be appropriate for affordable housing or a mix of uses with affordable housing integrated into another municipal use or open space preservation. After some initial environmental testing and other preliminary feasibility analyses (the costs of which can be covered by CPA funds), the Town would declare any identified parcels as surplus and convey to the Housing Trust following Town Meeting approval. The Trust would then follow the basic process outlined in strategy 7.3.1, eventually conveying individual parcels to a developer based on prescribed terms and conditions for the development of affordable housing or mixed-income housing. The Planning Board and Residential Development Committee should also consider what privately held properties might be suitable for affordable housing and work with existing owners to develop or acquire[46]. Opportunities for acquiring additional property through the tax foreclosure process should not be overlooked as well.

Timeframe: Priority 1

Responsible Parties: Planning Board, Housing Trust and Residential Development Committee

Financial Resources Required: Staff time of the Town Planner, proposed Affordable Housing Specialist, another municipal official or a consultant to provide support.

7.1.5 Encourage Training for Board and Committee Members

Current Status: Town boards such as the Zoning Board of Appeals, Planning Board and other interested local leaders, including members of the Scituate Housing Authority, Housing Trust, and Residential Development Committee, should receive training on affordable housing issues including comprehensive permits as they relate to low- and moderate-income housing as defined by Chapter 40B. Well advised and prepared board and committee members are likely to conduct Town business in a more effective and efficient manner. New members without significant housing experience would benefit substantially from some training and orientation regarding their responsibilities. Funding for the professional development of staff, including the Town Planner and proposed Affordable Housing Specialist, would also help keep key professionals better informed and up-to-date on important new developments, best practices and regulations.

The University of Massachusetts Extension's Citizen Planner Training Collaborative (CPTC) offers classes on this subject periodically throughout the year and will even provide customized training sessions to individual communities. Examples of topics covered in their fall 2007 workshops included but was not limited to the following:

- Roles and responsibilities of Planning and Zoning Boards
- How to hold the perfect public hearing
- Chapter 40B

[46] Acquisition could occur directly through the proposed Housing Trust or through in collaboration with a developer.

- Inclusionary housing
- Open space residential development
- Sustainability

The Massachusetts Housing Partnership has initiated the Massachusetts Housing Institute, which is "an educational program to support municipalities and local participants to better understand the affordable housing development process and have an effective role in initiating and implementing local solutions to increasing housing choices".[47] This training is held over a two-day period, at least once a year. Topics during the last year's Institute included:

- The affordable housing development process
- What you should know about development finance
- Getting housing built in the community
- Designing for affordability – architecture, design and density

Other organizations and agencies such as DHCD, MHP, CHAPA, and the Community Preservation Coalition also provide conferences and training sessions on a wide variety of housing issues that would be useful for local officials and staff persons to attend. In addition, there are numerous written resources for localities. For example, DHCD has prepared a procedural "how to" booklet for local communities on the development process, the state's Executive Office of Environmental and Energy Affairs has a compendium of model zoning bylaws on their website, MHP has many technical guides for localities, and CHAPA has a wide variety of reports on many issues related to affordable housing as well.

Next Steps: The Town's Board of Selectmen should encourage members of appropriate committees – the ZBA, Planning Board, Housing Trust and Residential Development Committee in particular – to attend statewide and regional training sessions on housing-related issues. If fees are involved, this funding should be made available, and the Town should earmark funds from its CPA budget to support these costs. This training should also be accessed on an ongoing basis as members of these boards and committees turn over.

Timeframe: Priority 1

Responsible Party: Board of Selectmen and Community Preservation Committee

Resources Required: Information on available training should be tracked and made available and attendance fees paid through the Community Preservation Fund when required, the costs potentially ranging from $2,000 to $4,000 annually.

7.1.6 Establish the Municipal Affordable Housing Trust Fund

Current Status: Discussions with other communities regarding the success of their affordable housing initiatives indicate that it is often critical to have accessible funds available to respond immediately and effectively to housing opportunities as they arise. Also, many of the state subsidy sources require local contributions either through local funds, donation of Town-owned property, or private donations. In order to receive donations and avoid paying taxes, it is useful for each locality to have a dedicated housing fund that offers communities greater ability to support the development of affordable housing.

[47] Massachusetts Housing Partnership, Massachusetts Housing Institute agenda for June 14-15, 2007 Conference.

On June 7, 2005, the Governor signed new legislation, called the Municipal Affordable Housing Trust Fund Act, which simplified the process of establishing such funds. More than 40 communities have adopted these funds to date and many more have plans to do so during the coming year. Previously, cities could create trusts through their own resolution, but Towns had to get approval from the state Legislature through a home rule petition. The law provides guidelines on what trusts can do and allows communities to collect funds for housing, segregate them out of the general budget into an affordable housing trust fund, and use these funds without going back to Town Meeting for approval. It also enables trusts to own and manage real estate, not just receive and disburse funds. The law further requires that local housing trusts be governed by at least a five-member board of trustees, appointed and confirmed by the Board of Selectmen, in the case of towns, and including a member of the Board of Selectmen or the Town Administrator. While the new trusts must be in compliance with Chapter 30B, the law which governs public procurement as well as public bidding and construction laws, it is likely that most trusts will opt to dispose of property through a sale or long-term lease to a developer so as to clearly differentiate any affordable housing development project from a public construction project.

Scituate proposed the formation of such a Housing Trust in its spring 2008 Town Meeting and obtained approval. Town Meeting also approved $700,000 in Community Preservation Funding to initially capitalize the Housing Trust Fund.

Next Steps: The Board of Selectmen needs to move quickly ahead and appoint members to this Housing Trust so that the Trust can become operational. Following the formation of the Housing Trust, the Town should create a dedicated municipal account and initially deposit the allocated $700,000 in CPA funding. The Trust should also prepare a Declaration of Trust that will articulate the name, purpose, powers and procedural guidelines for the Trust.

The Town might want to also consider having the Housing Trust serve as the municipality's permanent committee for overseeing housing issues and the implementation of the Housing Production Plan, managing the Affordable Housing Trust Fund, defining policy issues that are in the public interest, and working with the Planning Board on establishing housing guidelines for housing efforts. Members of the existing Residential Development Committee might be considered for the positions in the Housing Trust, for example.

It will also be important to explore a wide range of possible fundraising options to capitalize the Trust Fund. In addition to CPA funding and other public sector resources, the Town should also consider private sector donations. Many communities are reaching out to residents for private donations of land to promote housing affordability. Such contributions and the "bargain sale" of real estate could become a part of the Scituate land ethic, but donations need to be promoted, nurtured, and facilitated. Inclusionary zoning (see strategy 7.2.1), if passed, may also provide cash resources for a wider range of possible developments that can help capitalize the Housing Trust Fund if the developer decides to pay cash in lieu of constructing actual affordable units. Developers may also contribute to the Housing Fund through negotiations on comprehensive permit projects or other local developments. Developers make additional contributions to these funds if the purchase prices for the market units are higher than the prices that were projected in their comprehensive permit applications and profits are more than the 20% allowed under Chapter 40B.

Faith-based affordable housing initiatives are also widely viewed as effective, as reported by the organization World Vision.[48] The Trust could work with local churches on some additional activities that focus on affordable housing, including, for example, donations to the Housing Fund, perhaps during Fair Housing month.

Timeframe: Priority 1

Responsible Party: Board of Selectmen

Resources Required: Once established, it will be incumbent upon the Town to support efforts to capitalize the Housing Trust Fund including the commitment of CPA funding in support of affordable housing initiatives. Other resources include the donated time of volunteers to coordinate fundraising activities with staff support at some point in the future.

7.2 Planning and Regulatory Reforms

Housing production is contingent not only on actual development projects but on the planning and regulatory tools that enable localities to make well informed decisions to strategically invest limited public and private resources. To most effectively and efficiently execute the strategies included in this Plan and meet production goals, some greater flexibility will be needed in the Town's Zoning Bylaw, and new provisions, in tandem with good planning practices, will be required to capture more affordable units, direct growth to the most appropriate locations, and expeditiously move development forward to completion.

Scituate's Zoning Bylaw includes minimum area and dimensional requirements that in most cases are typically not conducive to affordable housing. This creates the likely need for regulatory relief for many residential developments that include affordable units, possibly through the "friendly" comprehensive permit process that overrides local zoning. Zoning reforms will be required to better promote and guide new residential development.

The Town of Scituate will consider the following planning, regulatory and zoning-related strategies to encourage the creation of additional affordable units. These actions can be considered as tools in a toolbox that the Town will have available to promote new housing opportunities, each applied to particular circumstances and providing a powerful group of resources when available in combination. Also, note that units that are created as a result of these actions are counted as part of actual housing production strategies in Section 7.3.

7.2.1 Adopt Inclusionary Zoning

Current Status: Scituate's Zoning Bylaw does not currently include town-wide inclusionary zoning provisions. This mechanism has been adopted by more than one-third of the communities in the state to insure that any new development project over a certain size includes a set-aside in numbers of affordable units or funding from the developer to support the creation of affordable housing. Most of the bylaws include mandated percentages of units that must be affordable, typically 10% to 20% and density bonuses[49]. Many also allow development of affordable units off-site and/or cash in lieu of actual units.

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[48] Shabecoff, Alice. Rebuilding Our Communities: How Churches Can Provide, Support, and Finance Quality Housing for Low-Income Families, World Vision: Monrovia, California.

[49] Density bonuses allow increased densities beyond what is allowed under the subdivision requirements in the Zoning Bylaw.

Next Steps: The Scituate Planning Board should explore models of inclusionary zoning bylaws and prepare a zoning amendment that is best suited to support affordable housing in Scituate. The Planning Board must present the bylaw to Town Meeting for adoption.

As mentioned in the introduction to the Action Plan above, it will be important to insure that all affordable units produced through the bylaw get counted as part of the Subsidized Housing Inventory, applied through the Local Initiative Program (LIP) administered by DHCD as Local Action Units.

There are a variety of bylaws that have been adopted in localities throughout the state and requirements vary considerably. The Executive Office of Environment and Energy's Smart Growth Toolkit includes a model inclusionary zoning bylaw that highlights key local decisions and makes some commentary for consideration throughout (www.mass.gov/envir/smart_growth_toolkit/pages/SG-bylaws.html). The Citizen Planner Training Collaborative's website also has a model bylaw with commentary and some policies as well (www.umass.edu/masscptc/examplebylaws.html).

Timeframe: Priority 1
This process could be accomplished within the next year, ready for the Town Meeting in the spring of 2009.

Responsible Party: Planning Board

Resources Required: One of the benefits of this strategy is that it requires very little local investment to implement but will require a local structure to insure that all affordable units meet state requirements under the Local Initiative Program. This would have to be in place for any LIP Local Action Units anyway. Such support could come from the proposed Affordable Housing Specialist (see Section 7.1.2 for details), another designated municipal employee, a qualified non-profit organization, or a consultant.

7.2.2 Adopt Affordable Housing Guidelines – Promoting More Responsive Private Development

Current Status: "Affordable Housing Guidelines" should be considered by the Town of Scituate as a helpful tool for promoting greater cooperation between the Town and private for profit and non-profit developers on affordable housing production while protecting the Town from inappropriate development.

This Housing Plan incorporates production goals that identify development opportunities leading to the production of at least .50% of the year-round housing stock per year of at least 34 units, but requires private initiative and investment for full implementation. To this end the Planning Board, Residential Development Committee and Housing Trust should consider affecting the types of housing proposals submitted through the creation of reasonable Affordable Housing Guidelines that provide guidance on projects that will be acceptable to the community and therefore will more likely avoid prolonged and often litigious battles.

Affordable Housing Guidelines provide an aid to both non-profit and for profit housing developers to help them plan for residential development that will be in line with what the community seeks in affordable housing related to scale, siting, density, levels of affordability, location, design, etc. Through such Guidelines the developer "wins" because there is greater predictability in what the Town is willing to approve, and the Town "wins" because it gets new affordable units that meet locally established development criteria that help it meet local needs and production goals. These Guidelines will contribute to a more open environment where developers who meet these development criteria can approach the Town with the expectation that they will likely be able to pursue their project through a "friendly" Chapter 40B process or normal regulatory channels, working with instead of against the Town on housing creation strategies.

Next Steps: The Planning Board, working in coordination with the Residential Development Committee, Housing Trust and Zoning Board of Appeals, should draft Affordable Housing Guidelines and share them with the Board of Selectmen, Housing Authority, Conservation Commission, Board of Health, and other interested boards and committees for their review and comment. The Guidelines can then be finalized as local policy and made public.

The Town of Grafton has drafted LIP Policies that they are planning to revisit and revise sometime in the future. Chatham also has some guidelines that can be reviewed and adapted to Scituate.

Timeframe: Priority 1

Responsible Party: The Planning Board in coordination with the Residential Development Committee, Housing Trust and Zoning Board of Appeals

Resources Required: This strategy is also likely to require some technical support from the Town Planner, proposed Affordable Housing Specialist or a consultant and the donated time of local officials and various Town boards and committees.

7.2.3 Allow Residential Development Under More Conditions

Current Status: The current Bylaw allows the construction of alternatives to large lot, single-family houses under limited conditions. These conditions should be broadened to diversify housing options, including more types of housing in more areas, accompanied by design guidelines. One of the attractive aspects of Scituate has been its eclectic mix of people and housing in some areas. New housing development has almost exclusively been directed to luxury housing, typically barring access to none by the most affluent and leaving those who are even earning at median income virtually shutout of the private housing market. While market conditions have softened somewhat, housing prices remain high, particularly prices related to new development. Offering density bonuses for affordable housing, adopting inclusionary zoning, promoting accessory apartments, or allowing a wider range of housing types will result in public benefits associated with broader private development options and more opportunities for affordable units. Proposed changes to the current bylaw include:

- Create an Overlay District with incentives to allow the development of "cottage housing", a popular development style on the West Coast that features small, single-family cottages clustered on a single lot around a small common green. Such development might also accommodate several income tiers including affordable, workforce (for those earning above 80% of area median income but within 100% or 120% of area median), and market units.

- Create an Overlay District where eight (8) units per acre would be allowed with Site Plan Review, requiring that at least 20% of the units would be affordable and eligible for counting as part of the Subsidized Housing Inventory. This could accommodate apartments in three- to five-unit buildings and single family homes on small lots. There may be appropriate locations for this district along Route 3A.

- Allow waivers of road length, road width, and/or radius of the entrance road or road layout on any subdivision where the following are provided: 20% or more affordable housing, the inclusion of sidewalks on an accepted public street (minimum length to be determined), or 80,000 square feet or more of permanently protected upland open space.

- Allow artist work/studio space and assisted living developments by Site Plan Administrative Review with at least a 15% affordability requirement for either one (allowed density to be determined). The former could be pursued on town-owned property such as the existing house on the Ellis Estate.

- Reduce the minimum lot size required for small multi-family units, such as two-family homes and duplexes, in the A-1, A-2 and Business Zoning Districts based on design and affordability guidelines (one of the units would have to be affordable and eligible for inclusion in the Subsidized Housing Inventory), and three-family dwellings in the business zones. The affordable units will have to meet all state Local Initiative Program (LIP) requirements, and therefore, could not be rented to family members.

- Consider revising the Planned Development District, Residential Cluster District, Open Space Preservation Development, Flexible Open Space Development and Residential Compound Development to insert more incentives, such as density bonuses, for the inclusion of affordable units that will be eligible for inclusion in the Subsidized Housing Inventory and allowing small multi-family dwelling types.

All of these types of development must comply with parking requirements except where transit is available per the parking standards of the Village Business Overlay District. Also, all affordable units must meet state requirements under the Local Initiative Program (LIP) and be eligible for inclusion in the Subsidized Housing Inventory.

Next Steps: The Town Planner should work with the Planning Board to prepare zoning amendments on these proposed zoning provisions, reviewing model bylaws where available, and promote their approval.

Timeframe: Priority 2

Responsible Party: Planning Board with input from the Residential Development Committee and Housing Trust

Resources Required: This strategy requires zoning amendments that will need to be overseen by the Planning Board and drafted by the Town Planner or a consultant.

7.2.4 Make Accessory Apartment Bylaw More User-friendly

Current Status: The current Zoning Bylaw states that the purpose of the Accessory Dwelling bylaw is:

- To provide an opportunity for homeowners who can no longer physically or financially maintain their single-family home to remain in homes they might otherwise be forced to leave;
- To make housing units available to moderate income households and to employees of local businesses who might otherwise have difficulty finding homes within the town;
- To provide a variety of types of housing to meet the needs of its residents and workers;
- To protect stability, property values and the character of the single-family residential neighborhood and the vitality of business districts; and
- To legitimize conversions to enable the Town to monitor conversions for code compliance.[50]

[50] Town of Scituate Zoning Bylaw, Section 530.1.

The Planning Board may grant a special permit for an accessory apartment if it meets a number of requirements that are listed in Section 3.7 of this Housing Plan.

In 2004, the Town added an affordability component to the bylaw that included these requirements in addition to the basic accessory unit provisions mentioned above through the site plan review process:

- No more than 15 affordable accessory dwellings per calendar year.
- The affordable unit must comply with the state's Local Initiative Program (LIP).
- The Scituate Housing Authority will monitor the affordability restrictions and annually certify the eligibility of the unit for inclusion in the Subsidized Housing Inventory.
- Affordability restrictions are in effect for a minimum of 15 years, but for units created in a Residential Zoning District, the use restrictions may be revocable upon sale of the primary dwelling after a minimum of five years of occupancy of the accessory unit.
- The accessory unit cannot contain more than two bedrooms.
- The primary residence must be owner-occupied as a primary residence.

The Planning Board may also grant a special permit for an affordable accessory apartment under the following conditions:

- Affordable accessory units in a detached structure on the same lot, such as a barn or garage, in the Residence A-1 and A-2 Zoning Districts.
- Affordable accessory apartments on a nonconforming lot in the Residence A-1 and A-2 Zoning Districts.
- In Business Districts, the Planning Board may allow more than three (3) affordable accessory apartments in one building or waive the requirements that first floor units be entered from a side of the building other than that facing the street, have direct access to associated parking, and be accessible to persons with disabilities.

As of June 30, 2008, Scituate had approved 64 accessory apartments and of these two are deed-restricted as affordable to those earning within 80% of area median income. However, because of recent changes to the state's Local Initiative Program, under which these affordable units would be counted towards the Subsidized Housing Inventory, none of these units can be counted. LIP now not only requires that all affordable accessory units be affirmatively marketed based on an affirmative fair marketing plan, but the Town also needs to establish and maintain a waiting list of qualified households applying to rent affordable units, a Ready Renters List, which Scituate has not implemented, allowing owners to select their own tenants instead. *While these accessory units cannot be counted towards the Town's 10% affordability goal or production goals, they nevertheless serve an important need in Scituate for smaller affordable rental units.*

Some communities, such as the Town of Carlisle, are pursuing an affordable accessory apartment program in conformance with these requirements. Other communities have determined to put their efforts on hold, while others have decided to promote affordability outside of state requirements acknowledging that their accessory apartments, while affordable, will not be eligible for counting in the SHI.

For example, Wellfleet has an affordable accessory apartment bylaw that promotes the development of accessory units where tenants meet income requirements but owners are not required to enter into deed restrictions nor pick tenants from a Ready Renters List. The Town also has just recently initiated a new pilot initiative, the Affordable Accessory Dwelling Unit (AADU) Loan Program, to provide qualifying

local property owners with assistance in creating affordable accessory rental units. This loan program was developed by the Wellfleet Housing Authority (WHA) in conjunction with the Lower Cape Cod Community Development Corporation (Lower Cape Cod CDC) and is meant to support Wellfleet's existing effort to promote year-round rental units, providing another incentive for property owners to convert part of their residential or commercial properties to an affordable residential accessory unit. Wellfleet has also passed special legislation to offer tax exemptions on the portion of the property rented affordably.

Barnstable implemented a program a few years ago that has resulted in well more than a hundred affordable accessory apartments to date, added to the Subsidized Housing Inventory largely before major changes in state LIP requirements. The towns of Yarmouth and Brewster all have bylaws worth reviewing when considering adopting an accessory apartment bylaw, and all include affordability provisions. Brewster's bylaw is as-of-right and extends to mixed-use and multi-family properties.

Next Steps: In order to promote new accessory units, the Town should consider amending its Zoning Bylaw as follows:

- Consider by-right provisions;
- Extend and better define amnesty provisions of the bylaw;
- Publicize the Affordable Accessory Dwelling bylaw while developing a Ready Renters list.

Timeframe: Priority 2

Responsible Party: Planning Board

Resources Required: Staff time of the Town Planner and Executive Director of the Scituate Housing Authority to prepare the Ready Renters list. Staff time of Town Planner to review applications for accessory dwellings for the Building Commissioner if these are provided by right.

7.2.5 Allow "Starter Housing" on Nonconforming[51] Lots

Current Status: There are parcels of vacant land that at this time cannot be developed because they do not meet the area and other dimensional requirements of the Zoning Bylaw. It is likely that at least some of these parcels could in fact be suitably developed as housing. Smaller lots would encourage the construction of smaller homes under appropriate guidelines to provide some housing options that are not currently being created by the private market - such as "starter housing" or "workforce housing" – for those noted as being unable to buy into the Scituate market.

A revision to the bylaw that reduces the minimum square foot lot requirement under certain conditions or in certain locations, as well as other dimensional requirements, should also be considered to allow larger developments of smaller homes on smaller lots. Such development is consistent with patterns of construction that prevailed earlier in the last century that led to the construction of housing that was more broadly affordable. When coupled with design guidelines that encourage garages behind rather than in front of houses, this smaller scale development encourages the creation of more walkable neighborhoods. And when linked to open space preservation requirements, this development reduces sprawl and protects Scituate's semi-rural character – goals consistent with affordable housing production.

Next Steps: The Planning Board, with input from the Residential Development Committee, Housing Trust and Zoning Board of Appeals, should explore zoning options for promoting starter homes on nonconforming lots and work with the Town Planner or a consultant to prepare a zoning amendment that

[51] Some municipalities refer to these properties as "nonconforming" as well.

will enable these lots to be developed based on specific criteria or process each case as part of the Local Initiative Program (LIP).

The Town of Dennis has adopted a byław to allow "affordable lots" that enables nonconforming lots to be built on by special permit if they meet the following conditions:

- Contains at least 10,000 square feet and satisfies other Board of Health requirements.
- Has safe and adequate access to a public or private way.
- Is similar in size and shape to surrounding lots.
- The dwelling cannot have more than three bedrooms with a minimum of 5,000 square feet of lot area per bedroom.
- The applicable front, rear and side yard requirements are determined by establishing an average setback based on the homes adjacent to and across the street from the lot in question.
- Where two lots are in common ownership, one of the two lots must be deed restricted to insure permanent affordability and where more than two lots are held in common ownership, the second, third and fifty percent of the remaining lots to be built upon shall be deed restricted as permanently affordable (the fourth lot may be market rate, fifth affordable, sixth market rate, etc.).

In addition to the consideration of modifying this approach to suit Scituate's needs, another option might be to require that the new dwelling be no more than 1,500 square feet in size. While the Town might decide not to include an affordability requirement, this provision would nevertheless insure the production of some smaller, more affordable homes and diversify the supply of new housing in Scituate.

Still another consideration might be to decrease the minimum lot requirement to 15,000 or even 10,000 square feet in the Residence A-1 and A-2 Zoning Districts for two-family homes where one of the units is affordable and eligible for counting as part of the Subsidized Housing Inventory.

Timeframe: Priority 2

Responsible Party: Planning Board in consultation with the Zoning Board of Appeals

Resources Required: This strategy requires a zoning amendment that will need to be overseen by the Planning Board and drafted by the Town Planner or a consultant.

7.2.6 Pursue Tax Title Properties

Current Status: From time to time the Town has acquired property and buildings when owners failed to pay taxes. In appropriate cases the Town can sell such property and return it to the tax rolls, but it could also make such property available for family or senior housing with affordable deed restrictions. To date, the Town has not identified tax title lands or buildings specifically for affordable housing.

Next Steps: The Board of Selectmen, with support from the Residential Development Committee and in coordination with the Town Treasurer, should monitor the status, availability, and suitability of tax title land. The disposal of excess properties through auction has helped balance the town's budget in the past. A new policy could reflect that – maybe half the viable properties could be reserved for affordable housing at the Board of Selectmen/TA's discretion. If the Committee identifies a property or building that is suitable for affordable housing, it should seek Town Meeting approval to designate such property for residential development including some amount of affordable housing. The Town would then select a developer via a Request for Proposals prepared by the proposed Affordable Housing Specialist or a consultant, overseen by

the Residential Development Committee working with the Planning Board (see strategy 7.3.1 for details on the development of Town-owned property). The foregone amount the Town might have received by auctioning the property would be considered the Town's commitment to subsidizing the affordable unit(s).

Timeframe: Priority 1

Responsible Party: Board of Selectmen with support from the Residential Development Committee, Housing Trust and Town Treasurer. The Town may also want to consider conveying the property to the Housing Trust, which would then transfer title to the selected developer following the selection through an RFP and execution of a regulatory agreement that states the terms and conditions under which the development must occur.

Resources Required: Donated time from members of the Residential Development Committee and possibly the Housing Trust as well as staff time from the Town Treasurer or other identified local official to monitor tax title property and identify opportunities. The proposed Affordable Housing Specialist might be able to staff this process or another designated municipal staff person.

7.2.7 Change Permit Fee Policies for Affordable Housing

Current Status: Some communities are waiving application/permit fees for affordable housing developments, either for certain types of projects or on a case-by-case basis. All regulatory fees become part of a development budget that affects the affordability of the housing produced. The waiver of regulatory fees represents a signal to funding agencies that the Town is further invested in promoting affordable housing and is also a sign for developers that the Town is trying to make it easier to negotiate the regulatory process for affordable housing development. Moreover, the waiver of fees, while not a substantial amount of money, still helps directly support the financial feasibility of such projects.

Next Steps: The Town of Scituate should consider making fee waivers an institutionalized part of the Town's housing efforts. The Residential Development Committee should work with the Planning Board, Board of Selectmen, Building Department, Housing Trust, Housing Authority and other appropriate Town boards and committees to determine what types of projects would qualify for this waiver (e.g., Local Action Units, "friendly" 40B projects, non-profit developers, projects that require housing subsidy funds to be feasible, projects meeting Housing Production requirements) and the projected amount of foregone revenue that would result.

Additionally, the Town might explore several other measures to modify fee policies to better support affordable housing. For example, a small increase in permit fees, such as 5% across the board, might be dedicated to offset fee waivers for affordable housing or be directed to the Housing Trust Fund in support of affordable housing initiatives. Moreover, some consideration might be made to increasing building permit fees on large residential properties over a certain size or Floor Area Ratio (FAR) with the incremental increase in fees dedicated to the Housing Trust Fund. Another option might be to reduce water and sewer hook-up fees for affordable units that would count as eligible for inclusion in the Subsidized Housing Inventory.

Timetable: Priority 1

Responsible Party: Board of Selectmen with support from the Residential Development Committee and Housing Trust

7.2.10 Explore Use of Chapters 40R and 40S

Current Status: The Commonwealth Housing Task Force, in concert with other organizations and institutions, developed a series of recommendations, most of which were enacted by the State Legislature as Chapter 40R of the Massachusetts General Laws. The key components of these regulations are that "the state provide financial and other incentives to local communities that pass Smart Growth Overlay Zoning Districts that allow the building of single-family homes on smaller lots and the construction of apartments for families at all income levels, and the state increase its commitment to fund affordable housing for families of low and moderate income".[52]

The goal of 40R was to address several regional concerns at once: the need for more affordable housing, the need to avoid adding more traffic to roads and highways already choked during commuting hours, and to protect the New England landscape from additional sprawl, fostered by large-lot subdivisions. The legislation was also passed in recognition that escalating housing prices, now beyond the reach of increasing numbers of state residents, are forcing college graduates and young professionals to relocate to other areas of the country in search of greater affordability.

The key components of 40R include:

- Allows local option to adopt Overlay Districts near transit, areas of concentrated development, commercial districts, rural village districts, and other suitable locations;
- Allows "as-of-right" residential development of minimum allowable densities;
- Provides that 20% of the units be affordable;
- Allows mixed-use and infill development;
- Provides two types of payments to municipalities (incentive payments based on the number of projected housing units) and density bonus payments of $3,000 for each residential unit issued a building permit); and
- Encourages open space and protects historic districts.

The state also enacted Chapter 40S under the Massachusetts General Law that provides additional benefits through insurance to towns that build affordable housing under 40R that they would not be saddled with the extra school costs caused by school-aged children who might move into this new housing. This funding was initially included as part of 40R but was eliminated during the final stages of approval. In effect, 40S is a complimentary insurance plan for communities concerned about the impacts of a possible net increase in school costs due to new housing development. (See the Appendix 3 for more details on 40R/40S.)

Next Steps: In an effort to promote smart growth and mixed-use, mixed-income development, the Town should explore the adoption of 40R and convene a forum to discuss these new regulations and how they could be effectively implemented in Scituate. Representatives from DHCD are available to make presentations to communities on 40R and answer questions. There are areas in town that might be conducive to 40R Zoning Overlay Districts including areas in proximity to the Greenbush commuter rail station as well as some of the village centers and sections of commercial corridors. If there is general agreement to pursue the development of these Zoning Districts further, the Town can apply for funding from the state's Priority Development Fund or Smart Growth Technical Assistance Fund to secure the necessary technical assistance to implement the rezoning or more simply use CPA funds.

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[52] Edward Carman, Barry Bluestone, and Eleanor White for The Commonwealth Housing Task Force, "A Housing Strategy for Smart Growth and Economic Development: Executive Summary," October 30, 2003, p. 3.

The Overlay Zoning Districts will require approval by the Planning Board and a two-thirds vote of Town Meeting. The formal steps involved in creating Overlay Districts are as follows:

1. The Town holds a public hearing as to whether to adopt an Overlay District per the requirements of 40R;
2. The Town applies to DHCD prior to adopting the new zoning;
3. DHCD reviews the application and issues a Letter of Eligibility if the new zoning satisfies the requirements of 40R;
4. The Town adopts the new zoning through a two-thirds vote of Town Meeting subject to any modifications required by DHCD;
5. The Town submits evidence of approval to DHCD upon the adoption of the new zoning; and
6. DHCD issues a letter of approval, which indicates the number of incentive units and the amount of payment.

Models: Natick, Amesbury, North Andover, Plymouth, Brockton, Chelsea, Grafton, Kingston, Lawrence and Lynnfield have all created smart-growth districts, and Belmont, Boston, Gardner, Northampton, and Pittsfield are considering doing the same. Dartmouth, Lunenburg, Norwood, North Reading, Lakeville, and Haverhill have gone a step further and issued housing permits.

Timetable: Priority 2

Responsible Party: Planning Board with support from the Residential Development Committee/Housing Trust

Resources Required: The Town could apply to the state's Department of Housing and Community Development (DHCD) for funding through its Priority Development Fund, the Executive Office of Environment and Energy for its Smart Growth Technical Assistance funding, or use CPA funds (see Appendix 3 for details on these state resources) to secure the necessary technical assistance to implement the adoption of 40R locally. Clearly some staff time of the Town Planner would be required.

7.3 Housing Production

As emphasized in other sections of this Housing Production Plan, to meet production goals it will be essential for the Town of Scituate to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources to make development feasible. The recently-approved Municipal Affordable Housing Trust in cooperation with the Residential Development Committee should coordinate this outreach. It should be noted that members of the Housing Trust will be selected and appointed as soon as possible and more detailed guidelines and strategies should be developed for pursuing development (see Section 7.2.2 for details).

While some of the units produced will likely rely on the participation of existing homeowners, most of the production will require joint ventures with developers – for profit and non-profit – to create affordable housing. Competitive Requests for Proposals (RFP's) for the selection of developers will be necessary to build on publicly owned property. For profit developers continue to express interest in developing housing in Scituate, and there are a number of non-profit organizations that have successfully completed affordable housing projects in the area, which may want to become involved. Being certified under Housing Production (meeting production goals) will put the Town in an advantageous bargaining position with developers as to project terms and conditions, as the Town will not have to accept any unwanted development proposals.

In addition to the active participation of the development community, it will be important for Scituate to actively seek support from state and federal agencies and effectively leverage its limited Community

Preservation Funds. Because affordable housing is rarely developed without private financing, project developers will need to reach out to private lenders as well.

The following strategies provide the basic components for the Town to meet its housing production goals:

7.3.1 Make Suitable Publicly-Owned Land Available for Affordable Housing

Current Status: The contribution or "bargain sale" of land owned by the Town or other public entities but not essential for government purposes is a component of production goals, and this Plan includes a list of potential parcels that might be developed to include affordable housing (see Section 5.1 of this Plan for the list of properties under preliminary consideration). This Plan also includes a strategy to review current holdings and determine what, if any, properties (land or buildings) might be suitable for some amount of affordable housing (see Section 7.1.4 for information on this strategy). Final determination of the use of these parcels for affordable housing is subject to a more thorough feasibility analysis of site conditions, and Town Meeting approval is required for the conveyance of Town-owned properties.

In addition to publicly owned parcels, the Town of Scituate may decide to acquire privately owned sites over the next decade for the purposes of protecting open space and developing some amount of housing, including affordable housing, through cluster development on a portion of the sites. The Town may also have the opportunity of acquiring smaller infill sites through the tax foreclosure process.

Next Steps: The Town should conduct preliminary feasibility analyses on identified Town-owned parcels that might be suitable for affordable housing identified under Section 5.1, and sites identified at a later time that might potentially include some amount of affordable housing including those that will be identified under strategy 7.1.4. If this analysis indicates that housing might likely be accommodated on Town-owned parcels,[53] the Residential Development Committee and/or the Housing Trust should request approval from the Board of Selectmen and Town Meeting to designate these identified properties for affordable housing development. The Scituate Housing Authority has already in fact conducted some preliminary testing and feasibility analyses on its site listed in Table 5.1.

Following the necessary approvals, the Residential Development Committee in coordination with the Housing Trust, the Town's Chief Procurement Officer and a housing professional (consultant or proposed Affordable Housing Specialist), should prepare a Request for Proposals (RFP) to solicit interest from developers based on the Town's specific project requirements and select a developer based on identified criteria included in the RFP. Projects may require densities or other regulatory relief beyond what is allowed under the existing Zoning Bylaw, and the selected developer may be able to obtain this relief through normal channels, if community support is likely, or use the "friendly" comprehensive permit process through DHCD's Local Initiative Program (LIP), for example. Additionally, the Residential Development Committee and Housing Trust will need to support the selected developer in attracting the necessary financial, technical and political support. Evidence of municipal support is often critical when seeking financial or technical assistance from state or federal agencies.

Scituate should consider the following process when planning for the development of Town-owned land:

- *Conduct preliminary feasibility analysis on potential development sites.*
  The first responsibility for this action, besides the identification of the site(s) by the Residential Development Committee, Housing Trust and Planning Board, will be Town staff or representatives from other boards and committees who are capable of providing initial technical input as to possible development constraints. Additionally, the Town might explore technical

[53] Parcels that are owned by the Scituate Housing Authority do not require local approval by the Board of Selectmen or Town Meeting for disposition to a developer but must be review and approved by DHCD.

assistance funding from CPA, the state's Priority Development Fund, Smart Growth TA funds, or other program to hire a consultant(s) to conduct the necessary preliminary feasibility analysis.

- *Meet with DHCD*
  It is useful to meet with the state's Department of Housing and Community Development (DHCD) at this juncture or even before to discuss the project and obtain their early input into project financing options.

- *Secure approval from Town Meeting to convey parcel for development to incorporate affordable housing.*
  The Residential Development Committee in coordination with the Planning Board and Housing Trust should make this request and provide supportive documentation regarding the proposed project. Prior to Town Meeting, the Residential Development Committee should conduct a public process to increase awareness and support for the development and affordable housing in general. It might be useful to convey the property directly to the Housing Trust that will eventually transfer title to the selected developer or enter into a very long-term lease arrangement.

- *Prepare and issue a Request for Proposals (RFP) for developers that includes project guidelines (e.g., approximate size, density, ownership vs. rental, target market/income mix, level of affordability, design issues, community preference criteria, siting, financing available, ownership and management, other stipulations) and selection criteria.*
  The Residential Development Committee in coordination with the Planning Board and Housing Trust should work with Scituate's Chief Procurement Officer and/or proposed Affordable Housing Specialist on this task, potentially hiring a consultant to coordinate this activity and prepare the document.

- *Select developer.*
  The Residential Development Committee should work with the Town's Chief Procurement Officer, proposed Affordable Housing Specialist and potentially a consultant on the selection process keeping the Planning Board and Housing Trust updated on its progress. It will be important for the Town to conduct a fair and rigorous process for reviewing proposals to insure that it designates the most capable developer. The proposals are evaluated and ranked with the most highly qualified respondent earning designation. All of this information should be formally documented.

- *Prepare and finalize plans and budget.*
  The designated developer is responsible for this task with early guidance from the Residential Development Committee, Planning Board, Housing Trust, and other appropriate Town entities. The developer and Town representatives should also meet with DHCD to discuss progress and once again obtain input on development options and financing.

- *Secure regulatory approvals.*
  The designated developer is responsible for obtaining regulatory approvals. The Residential Development Committee and Housing Trust can also be helpful in intervening, as appropriate, to expedite approvals and lend local support. If the project involves a comprehensive permit, the affordable housing units can be counted as part of the Town's Subsidized Housing Inventory when the 40B permit is approved and sent to the Town Clerk, assuming no appeal (appropriate documentation must be sent to DHCD). If the project does not involve a comprehensive permit,

the affordable units would be counted through the subsidizing agency[54] and program when the building permits are issued. It will be important to insure that all requirements for incorporating the affordable units in the Subsidized Housing Inventory are followed (see introduction to Section 7 above for more details). The proposed Affordable Housing Specialist or other municipal staff person would be responsible for this oversight.

- *Secure financing.*
  The designated developer will ultimately be responsible for obtaining project financing, including both public and private sources. Support from the Board of Selectmen or Residential Development Committee will be helpful, and letters of support from them both will be critical in applying for subsidies where needed. It should be noted that most competitive state funding programs strongly urge that regulatory approvals be in place before funding applications are submitted.

- *Conduct closing including conveyance of property to the developer.*
  The Town will prepare and enter into an agreement that will contain all the terms and conditions of the development and the respective responsibilities of the Town and developer, including the disposition of the property through sale or a very long-term lease arrangement for typically a nominal value that represents the Town's commitment to the affordability of the new housing. This agreement, once executed, will be recorded with the title to the property at the Registry of Deeds. Agreements will also have to be executed with the subsidizing agency/agencies to close on any state or federal subsidies and to insure long-term affordability. An agreement must also be reached with the marketing agent for the affordable units, the fees to cover the costs of these marketing and lottery activities coming through the project budget.

- *Secure building permits.*
  The designated developer will take the lead. If the project does not involve a comprehensive permit, documentation can at this point be submitted to DHCD to insure that the affordable units are counted as part of the Town's Subsidized Housing Inventory.

- *Start construction.*
  The designated developer will be responsible.

- *Market and select tenants/owners for affordable units.*
  The proposed Affordable Housing Specialist could take on these responsibilities in the absence of another qualified person or organization identified by the developer. The developer or designated realtor could be involved in marketing the market rate units. It should be mentioned that South Shore Housing has been involved in these activities for a number of years and has the capacity to take on this work.

  Also worth noting is that, provided the community can demonstrate the associated need and the absence of any disparate impacts in the Affirmative Fair Housing Marketing Plan, up to 70% of the units in an affordable housing development can be set-aside as "local or community preference units." Within the parameters of fair housing laws and Section III.C of the Comprehensive Permit Guidelines, the criteria for these units can be defined by the Town as Scituate residents, employees of the Town of Scituate (including the School District) or employees of businesses located in town. Scituate should bear in mind that, however unintended, the use of local preference cannot have a discriminatory effect and as such housing lotteries must

[54] Affordable units that are created by local action (i.e., inclusionary zoning, CPA funding, special permit, contractual agreements, other regulation) are processed through the state's Local Initiative Program.

be marketed throughout the region to meet fair housing requirements and comply with all federal and state affirmative marketing regulations to have the affordable units counted as part of the Town's Subsidized Housing Inventory.

- *Complete construction.*
  The developer will be responsible.

- *Occupy property*
  The designated developer will be ultimately responsible for obtaining occupancy permits.

- *Manage property.*
  The professional management of new rental housing is critical to the future viability of the development, and the management entity must have a proven track record and be approved by the Board of Selectmen or Residential Development Committee/Housing Trust prior to conveying the property. If the proposed project sponsor does not have the expertise to undertake project management functions, it should work with the Committee/Trust to identify a private company, Housing Authority or a capable non-profit organization to assume these important management functions.

- *Monitoring of affordability including annual income recertification of tenants in affordable units in the case of rentals and resales in affordable homeownership projects.*
  DHCD is now providing monitoring services for units subsidized through their Local Initiative Program (LIP). Other entities have also performed these functions. Nevertheless, the Town is also responsible for monitoring functions, and the proposed Affordable Housing Specialist or other designated municipal staff person should be charged with oversight. Municipal responsibilities include:

  Rental Projects – Annual monitoring and certification to DHCD that tenants continue to meet income limits and the project has been maintained in a safe and sanitary condition.
  Ownership Developments – Annual monitoring and certification to DHCD that units continue to serve as owners' residences and those that have been resold during the year have been resold in compliance with LIP requirements.

As indicated above, in addition to existing Town-owned parcels, the Town might consider acquiring other privately owned properties in the future. This could be accomplished through CPA, a debt exclusion of Town tax revenues or by leveraging other financial resources. As sites are identified, the Residential Development Committee and/or Housing Trust should work cooperatively with the Board of Selectmen, the Community Preservation Committee and other entities to commit the needed resources to make projects feasible. If any of the preliminarily identified existing Town-owned properties are finally determined infeasible or do not obtain approval from Town Meeting, it is anticipated that the projected numbers of affordable units would be met primarily through this acquisition process or private development.

Lead Entity: Residential Development Committee/Housing Trust

Timeframe: Priority 1

Resources Required: It would be useful to have professional support to coordinate this effort, working with the Town's Chief Procurement Officer or a consultant to prepare a Request for Proposals, coordinate

the developer selection process and provide helpful Town support during the development and construction processes. The proposed Affordable Housing Specialist could be assigned to undertake these activities, otherwise another designated municipal employee or consultant should be identified.

Resources will also be required to help subsidize the development. Comprehensive permits typically do not involve external public subsidies but use internal subsidies by which the market units in fact subsidize the affordable ones. Many communities have used the "friendly" comprehensive permit process to take advantage of these internal subsidies, to create the necessary densities to make development feasible, and to make it easier to navigate the existing regulatory system. Other communities are finding that they require public subsidies to cover the costs of affordable or mixed-income residential development and need to access a range of programs through the state and federal government and other financial institutions to accomplish these objectives, including CPA. Because the costs of development are typically significantly higher than the rents or purchase prices that low- and moderate-income households can afford, multiple layers of subsidies are often required to fill the gaps. Sometimes even Chapter 40B developments are finding it useful to apply for external subsidies to increase the numbers of affordable units, to target units to lower income or special needs populations, or to fill gaps that market rates cannot fully cover.

It is likely that a number of financial and technical resources will be required to produce affordable units in Scituate. Appendix 5 includes summaries of many of these, however, some are listed below.

- Predevelopment funding from the state's Priority Development Fund, CEDAC, MHIC, Life Initiative, etc.
- Federal HOME Program financing of up to $65,000 per unit administered through the North Shore HOME Consortium and DHCD for a range of housing activities.
- Possible federal financing through Low Income Housing Tax Credits to developers of affordable housing that provide significant equity into a development. The allocating agency is DHCD and there are typically two funding rounds per year. These funds are directed to rental properties solely and are extremely competitive.
- Section 202 federal financing to non-profit organizations for the development of rental housing targeted to very low-income seniors or those with disabilities.
- Affordable Housing Program grant funding from the Federal Home Loan Bank Board, applied through participating banks.
- Rental subsidies through the Project Based Section 8 Program or individual Section 8 vouchers (this program is administered through the state, Housing Authorities and regional non-profit organizations).
- Section 8 to Homeownership Program, enabling Section 8 subsidy recipients to access homeownership.
- Additional resources that are directed solely to first-time homebuyer projects to make homeownership more affordable including the Soft Second Loan Program, American Dream Downpayment Assistance Program and MassHousing First-Time Homebuyer financing.
- Financing from CEDAC to support innovative forms of affordable housing including SRO's, transitional housing, limited equity cooperatives, etc. and to preserve existing affordable housing developments.
- OneSource Loan Program is a streamlined financing program offered jointly by MHIC and Massachusetts Housing Partnership Fund offering construction and permanent financing in a single package.
- Other state funding programs.

Community support will also be required for zoning relief or changes to bylaws that will support this kind of development.

Projected # Affordable Units Produced: 85 units

7.3.2. Support Private Development in Line with Local Guidelines

Current Status: With incentives created in the Zoning Bylaw to promote affordable housing (see Section 7.2), and with local policies that provide guidance to developers on what the Town would like to see with respect to new development (see strategy 7.2.2), the Town is in a good position to work cooperatively with developers, both for profit and non-profit, to guide new development that incorporates affordable units. This Housing Production Plan suggests that new provisions should be made to encourage the following types of housing:

- Mixed-use development in appropriate locations,
- Smaller infill housing on nonconforming lots,
- Duplex housing units,
- Group homes,
- Multi-family housing in appropriate locations,
- Cluster development that integrates affordable units and is more in keeping with smart growth principles, and
- Small scattered sites, like those developed by Habitat for Humanity or by agencies as group homes, when developed as affordable housing.

Support for such development could be processed through normal regulatory channels when the projects are in basic compliance with existing zoning or could be handled through the "friendly" 40B process offered through the state's Local Initiative Program (LIP) or 40R. "Friendly" comprehensive permits have proven to be a useful tool in many communities for projects that require significant waivers of local zoning but meet local needs and priorities. Some of these projects have also incorporated more affordable units than those required under Chapter 40B. Key to the success of these new developments has been the partnership between the Town and the developer to build affordable housing, the infusion of Community Preservation funding to enhance the affordability of these developments and leverage other sources of financing, as well as the proven expertise of the developer in building affordable housing.

Next Steps: The Town should *reach out* to local developers who have been active in producing affordable housing to discuss the Town's interest in promoting these units, possible areas and opportunities for new development, local guidelines and priorities for new development (see strategy 7.2.2), and the prospects for working together in the future. This will be particularly useful after the Town has produced Affordable Housing Guidelines and has passed key zoning changes summarized in Section 7.2.

To effectively guide development, the Town should also establish a *process for reviewing* local development proposals in their early conceptual stages to provide useful feedback to developers on preliminary plans. The Town should therefore identify a particular municipal entity, such as the Residential Development Committee or Housing Trust, to oversee this review and designate a municipal employee, such as the proposed Affordable Housing Specialist, and/or a consultant to bring in the necessary professional expertise to staff the review process and work with the developer throughout the project planning and the regulatory processes.

Timeframe: Priority 1

Responsible Party: Residential Development Committee/Housing Trust

Resources Required: Representatives of the Residential Development Committee should take the lead in reaching out to affordable housing developers and oversee the local proposal review process, working with developers on the "friendly" 40B process where appropriate. The support of a consultant or proposed Affordable Housing Specialist would be extremely useful.

Projected # Affordable Units Produced: 65 units

7.3.3 Convert Existing Housing Units to Affordability

Current Status: Scituate should not overlook the potential of working on strategies to not only preserve the affordability of the existing housing stock but to, when possible, convert existing market units to state-defined "affordable" ones, thus insuring the long-term affordability of existing units.

There are a variety of program strategies that provide affordability by focusing on existing dwelling units rather than new ones. Examples include:

- Homebuyer Assistance Programs: Provision of subsidies to qualified first-time homebuyers to fill the gap between the market purchase price and the affordable price that is allowed under the state's Local Initiative Program (LIP). Several towns have adopted such assistance programs. For example, the Town of Chatham has introduced the First Time Homebuyers Assistance Program that uses up to $60,000 in CPA funds per household to fill this gap. Purchasers are pre-qualified through the Program before they are able to search in the private housing market for a qualifying home and deed restrictions are required. Purchasers are also required to attend first-time homebuyer classes and encouraged to explore more affordable mortgage financing such as loans through the state's Soft Second Loan Program. The Chatham Housing Authority administers the Program. Comparable programs are also available in Marshfield, Acton, Cambridge, Newton, and Bourne, largely subsidized through Community Preservation funding. Most of these efforts have been recently implemented.

- Buy-down Programs: Purchase of two-family structures or other housing types, renting or reselling one (or possibly both/several) of the units subject to a deed restriction that assures permanent affordability. Buy-down programs have proven to be viable strategies in a number of communities including the Sandwich Home Ownership Program (SHOP) implemented several years ago that produced seven (7) affordable housing units under the coordination of the Housing Assistance Corporation (HAC), the Cape's regional non-profit housing organization. This work is usually coordinated by a non-profit housing organization and has also been implemented in Cambridge, Newton, Bedford and Arlington, for example.

- Equity Conversion Homeownership Programs (ECHO – also known as Affordable Deed Restriction Programs): Purchase of a restriction on housing occupied by an income-eligible senior or other lower income household, providing public assurance (deed restriction) that the house when resold will remain affordable and offering residents cash for rehab plus an annuity or lump-sum subsidy. While ECHO initiatives have been popular in communities, including Bedford, Marion, and Westport, for example, which provided set-asides of funding; there have not been any affordable units created through this strategy to date. The Town of Stow indicates that it has interested participants but its program design has been under review by DHCD for months.

Next Steps: The Town, through its Residential Development Committee and/or Housing Trust, should review these models and determine which makes the most sense in Scituate. It should then prepare a proposal to present to the Community Preservation Committee for funding. Following funding approval,

the Committee should prepare an implementation plan that details program procedures and the respective roles and responsibilities of various municipal staff persons and boards and committees. The initiative should target those housing units that are most affordable in Scituate's private housing market to minimize the amount of subsidy required to fill the gap between the purchase price and any costs of improvements and the affordable rents or purchase prices. Smaller homes are reasonable targets as well as some of the more affordable condos.

Timeframe: Priority 2

Responsible Party: Residential Development Committee/Housing Trust

Resources Required: Some professional time from the proposed Affordable Housing Specialist or a consultant paid through CPA funds to prepare an implementation strategy and oversee project operations.

Projected # Affordable Units Produced: 6 units

7.3.4 Support New Infill Housing

Current Status: There are small lots, both Town-owned and privately-owned, that are spread throughout Scituate and might accommodate more limited numbers of new housing units in support of production goals and local needs.

Next Steps: The Town can work with for profit and non-profit developers as well as with abutters of vacant land to develop new infill housing on available vacant sites scattered throughout town. Such infill new development may include:

- A single small home, like the Habitat for Humanity prototype.
- A two-family house that can accommodate an owner's unit and rental apartment that offers both a first-time homebuyer opportunity with rental income from an apartment and a new rental unit, serving several needs simultaneously.
- A group home for special needs populations.
- Multi-family residences, perhaps resembling rambling farmhouses, that can accommodate several individual units, either as rentals or condominiums. These units can also be developed as mixed-income housing, blending a couple of income tiers.
- A few adjoining townhouses that can also serve a variety of income levels.

The Town can play a helpful role in supporting developers in applying for subsidies to insure that at least some of the units are affordable and can be included in the Town's Subsidized Housing Inventory; can negotiate small "friendly" Chapter 40B projects through DHCD's Local Initiative Program, MassHousing's Housing Starts Program, or the Federal Home Loan Bank Board's New England Fund; and can encourage abutters to create affordable housing on vacant adjacent lots. The ability to develop noncomplying lots (see strategy 7.2.5) will also promote infill housing within existing neighborhoods. Additional resources to support such development can be accessed through the state and federal government. For example, the Housing Development Support Program provides gap financing for small affordable housing projects with fewer than eight units, including both new construction and rehabilitation (see Appendix 3 for more information.)

South Shore Habitat for Humanity has expressed interest in developing new affordable homes in Scituate, for example, and continues to look for donated public and private land on which to build. Organizations that support special needs housing are active throughout the area and may have an interest in developing group homes in Scituate. There are also excellent models of small "friendly" comprehensive permit

projects in other communities that incorporate several income tiers to meet the housing needs of those within a wide range of incomes.

Timeframe: Priority 2

Responsible Party: Residential Development Committee/Housing Trust

Resources Required: It will be helpful for the Residential Development Committee and/or Housing Trust to support such efforts and, when possible, make smaller Town-owned parcels, potentially acquired through tax title (see strategy 7.2.6), available for affordable housing development through Requests for Proposals. Community Preservation funding could continue to be helpful for promoting the affordability of new infill housing. Community support will also be required for zoning relief or changes to bylaws that will support this kind of development

Projected # Affordable Units Produced: 26 units

7.4 Housing Preservation

Housing production is critical, but the Town also needs to be concerned that it does not lose current as well as future units counted as part of its Subsidized Housing Inventory and provides resources to support the deferred home maintenance and financing needs of lower income homeowners, including seniors.

7.4.1 Insure Long-term Affordability

Current Status: Based on how housing was financed, how long the affordability requirements were established, and other stipulations in affordability agreements, the affordable status of housing units may be in jeopardy in many communities in the future. Scituate's existing Subsidized Housing Inventory includes 311 units, most of which have housing restrictions in effect in perpetuity. However, the affordability restrictions on the 64 units at Kent Village are due to expire in 2013 and restrictions for the four (4) special needs units at the Gene Burns House expire in 2035.

Next Steps: It is important to insure that all affordable housing units, current and future, remain a part of the Town's Subsidized Housing Inventory for as long a period as possible. The Residential Development Committee and/or Housing Trust should at some point contact the owner to determine their intent to refinance the Massachusetts Housing and Finance Agency's mortgage and maintain the units as affordable. The Residential Development Committee should intervene if necessary to maintain the units as affordable through the courts or through purchase and refinancing, working with organizations that specialize in saving expiring use properties.

Timeframe: Priority 1

Responsible Party: Residential Development Committee/Housing Trust

Resources Required: Some staff support from the proposed Affordable Housing Specialist or other designated Town employee to make sure that all new affordable units that are created have affordability restrictions in place to maintain them as affordable for as long a period as possible and to monitor these restrictions. At some point the affordability of Kent Village and the Gene Burns House (not a priority given an expiration date of 2035) will also have to be monitored to insure that they are extended after they expire.

7.4.2 Help Qualifying Homeowners Access Housing Assistance

Current Status: As indicated in the Housing Needs Assessment, almost three-quarters of Scituate's housing stock, 74% or 5,700 units, was built prior to 1970. It is quite likely that many of these older

residences would not meet today's various housing codes (plumbing, electricity, weather-proofing, building code, etc.), and there are likely to be lead paint hazards as well.

Some town residents, including seniors living on fixed incomes, are finding it increasingly difficult to afford the costs associated with rising taxes, energy costs, insurance and home improvements. Additionally, some seniors and those with special needs require handicapped adaptations and repairs to help them remain in their homes. Scituate residents might also benefit from technical and financial support in the case of septic failures and Title V compliance issues.

There are housing improvement resources, foreclosure prevention and first-time homeownership assistance offered through South Shore Housing Development Corporation, South Shore Community Action Council and MassHousing (see Appendix 3), for example, which can be helpful to residents. Also, various financing tools for homeowners are available to help lower income owners, particularly the elderly, remain independent in their own homes, such as reverse mortgages.

Next Steps: Through the community educational campaign recommended in Section 7.1.1, important information on housing improvement and financing resources, foreclosure prevention and first-time homeownership assistance could be disseminated to real estate professionals, local organizations and community residents. The Housing Authority and Council on Aging are also important resources for providing lower income households, including seniors, with information on available programs. Certainly some written materials would also be helpful resources for referring residents to various program opportunities.

Timeframe: Priority 1

Responsible Party: Residential Development Committee/Housing Trust working with the Scituate Housing Authority and Council on Aging.

Resources Required: The Town, through its Residential Development Committee and/or Housing Trust, Housing Authority and Council on Aging should provide the necessary education and referrals to programs sponsored by South Shore Housing, South Shore Community Action Council, and MassHousing for example, which provide low-cost financing for repair needs including de-leading, septic systems and other home improvements. They can also pass on important information on financing options for long-term homeowners who are experiencing difficulties affording to remain in their homes, for those facing foreclosure and those looking for assistance in purchasing their first home.

Appendix 1

TOWN-OWNED PARCELS WITH POTENTIAL FOR AFFORDABLE HOUSING

Map	Block	Lot	Address	Area	Advantages	Disadvantages	Potentia
12	2	30	Lincoln Park, 790 Country Way	5.39 acres	Existing housing on site	Need for additional parking, septic. May have difficulty meeting Title V.	Consider as sourc
20	4	47L	18 Three Ring Rd.	21,771	End of road in existing subdivision	Steep slope, poor percs reported	Low - ma purchase
15	0	0	9 Mitchell Ave.	8000 sq. ft.	Old Fire Station	Part of land outside flood plain	Possible
22	4	1	Wood Ave. at Hatherly Rd.	.325 acres	No wetlands; directly on town road	Possible issues with location on corner at turn in busy road	Possible
23	1	21	Cedar St.	6000 sq. ft.	? Size of upland area		Needs fu
25	1	2	Ellis Property (Part designated for general municipal purposes)	40 acres	Large tract; few wetlands	Politically difficult due to consideration as important, centrally located open space; high groundwater.	Investiga Arts Cen
25	2	7A	Mann Lot Rd. opposite Ellis property	2.97 acres	Good access		Possible
38	0	0	Land behind Town Library	10 + acres	Close to Library, churches	Access may be difficult; site was proposed for senior center	Senior h be a goo Commun
38	1	16	Central Park Housing, Central Park Drive	4.93 acres	Size of parcel may allow expansion of existing housing; close to Library, proposed Senior Center, churches.	Lawson Tower and adjacent land in this parcel is a special historic landscape. Potential land swap with Historical Society or Conservation should be investigated.	High

43	3	1	Brookland Rd.	7,914	Few close abutters	May have access problems; has wetlands close by	Needs fu
46	10	6	Hillcrest Rd.	14,784 sq. ft.	Owner willing to sell for housing	Proposed for single Habitat house	High for
49	1	2	Wheeler Park	9.75 acres	Size of parcel may allow expansion of existing housing.	May need expansion of septic system.	Consider as sourc
54	0	0	Stockbridge Rd.	2 to 4 acres	No other use planned at this time	Previously rejected at Town Meeting; wetlands may present access problem	Low ?

APPENDIX 2
Summary of Housing Strategies

Strategies	Priority for Implementation			
	Priority 1 Strategies	Priority 2 Strategies	# Affordable Units	Responsible Party**
Build Local Capacity				
1. Conduct ongoing educational campaign	X		*	RDC/PB
2. Hire Affordable Housing Specialist	X		*	BOS/PB/RDC/ CPC
3. Access housing resources	X		*	BOS/RDC/HT
4. Create property inventory	X		*	PB/RDC
5. Encourage training for board and committee members	X		*	BOS
6. Appoint members of Affordable Housing Trust and make fully operational	X		*	BOS
Planning and Regulatory Reforms				
1. Adopt inclusionary zoning	X		*	PB
2. Adopt Housing Guidelines	X		*	PB/RDC/ZBA
3. Allow residential development under more conditions	X		*	PB
4. Amend Zoning Bylaw to allow accessory apartments by right		X	*	PB
5. Allow starter housing on nonconforming lots		X	*	PB/ZBA
6. Pursue use of tax title properties for affordable housing	X		*	BOS/RDC/ Town Treasurer
7. Change permit fee policies	X		*	BOS/RDC
8. Explore use of 40R/40S		X	*	PB/RDC
Housing Production				
1. Make suitable public land available for affordable housing	X		85	RDC/HT
2. Support private development in line with local guidelines	X		65	RDC
3. Convert existing housing to long-term affordability		X	6	RDC
4. Support new infill housing		X	26	RDC
Housing Preservation				
1. Insure long-term affordability	X		*	RDC
2. Help qualifying homeowners access housing assistance	X		*	RDC/SHA/COA

** Indicates actions for which units are counted under other specific housing production strategies, have an indirect impact on production, or do not add to the Subsidized Housing Inventory.*

****Abbreviations**
Board of Selectmen = BOS
Planning Board = PB
Residential Development Committee = RDC
Housing Trust = HT
Community Preservation Committee = CPC
Scituate Housing Authority = SHA
Zoning Board of Appeals = ZBA
Council on Aging = COA

Appendix 3

Local and Regional Organizations

The town of Scituate has a number of local and regional agencies and organizations available to help support the production of affordable housing or provide housing-related services. These organizations represent important resources for the Town to continue to access, creating partnerships in the implementation of this Housing Plan and are described below. It is also important to note that the Town approved the establishment of a Municipal Affordable Housing Trust Fund at its spring 2008 Town Meeting, and the Town is now taking measures to create this entity.

Scituate Housing Authority (SHA)
The Scituate Housing Authority (SHA) was established in June of 1958 to produce and manage low- and moderate-income housing. The board includes five members who are elected at-large by the town and another member appointed by the state's Department of Housing and Community Development (DHCD). The Housing Authority currently owns and manages 209 units of studio, one-bedroom and wheelchair accessible units for seniors and younger disabled persons, which involves two-thirds of the town's affordable units as counted in the Subsidized Housing Inventory. SHA developments include Lincoln Park (40 units), Wheeler Park Phase I (40 units), Wheeler Park Phase II (78 units – 6 are wheelchair accessible), and Central Park (51 units – 5 are wheelchair accessible). Lincoln Park and both phases of Wheeler Park are of the garden apartment style and those Scituate residents and employees, particularly veterans, receive preference on the waiting list. Central Park involved the redevelopment of the Central School building but there are no preferences on the waiting list for Scituate residents and employees because of HUD requirements.

The Housing Authority owns some additional land in town that it hopes to develop at some time in the future. They have pursued a multi-family development, formerly known as New Abbey Park. This proposal included twenty affordable rental units at the intersection of the Driftway and New Kent Street with South Shore Housing Development Corporation providing technical support. Due to existing concentrations of rental housing near this location, the Housing Authority is about to pursue homeownership development instead.

Scituate Community Preservation Committee
The Scituate Community Preservation Committee (CPC) has been charged with the oversight of funds to be raised through Scituate's passage of the Community Preservation Act. In September of 2000 the Community Preservation Act was enacted to provide Massachusetts cities and towns with another tool to conserve open space, preserve historic properties and provide affordable housing. This enabling statute established the authority for municipalities in the Commonwealth to create a Community Preservation Fund derived from a surcharge of up to 3% of the property tax with a corresponding state match of up to 100%. Once adopted the Act requires at least 10% of the monies raised to be distributed to each of the three categories (open space, historic preservation and affordable housing), allowing flexibility in distributing the majority of the money to any of the three uses as determined by the community. The Act further requires that a Community Preservation Committee of five to nine members be established, representing various boards or committees in the community, to recommend to the legislative body, in this case Town Meeting, how to spend the Community Preservation Fund.

The Town of Scituate approved a 3% surcharge on most property taxes paid by residents in March 2002. Scituate chose to exempt the first $100,000 of property value, plus an exemption is also available for residential property owned and occupied by certain low-income residents and seniors.

Scituate's Community Preservation Committee is comprised of nine (9) members including representatives of the Planning Board, Historic Commission, Conservation Commission, Recreation Committee, Housing Authority, and four (4) "Members at Large" appointed by the Board of Selectmen. Almost $$786,000 will be collected from the Town's 3% surcharge in FY' 2007, and should be matched 100% by the state, totaling approximately $1,572,000 annually.

Funding allocated in support of community housing initiatives has involved $125,000 (not all of the money has been expended) that included support for a Housing Needs Survey, a contribution towards a Habitat for Humanity house, this Housing Plan, site assessment for Housing Authority property, and the redrafting of the Accessory Apartment bylaw. The balance of CPA funding available for housing is now approaching $900,000, which will give the Town a substantial boost in implementing this Housing Production Plan.

Scituate Housing Partnership
The Board of Selectmen appointed a Housing Partnership in 2002 to address housing issues for the town. This committee dwindled to a few members, and held their last meeting in March, 2006. The Board of Selectmen has recently sought applications for new members, and has given the Partnership a new name, the Residential Development Committee.

Scituate Council on Aging
The Scituate Council on Aging is a Town department that provides services to support the quality of life of area elders through a wide variety of services including the operation of a Senior Center that offers social programs for seniors, an information and referral service on a wide range of issues (e.g., housing advice, in-home help, nutritional programs, legal matters, health care, consumer issues, and home maintenance services), community-based outreach services to promote independent living (e.g., transportation, congregate meals, health programs, educational programs, fuel assistance, and social/recreational programs), and in-home support services (home-delivered meals, Senior-to-Senior Chore Program, and Friendly Visitor Program). The Council relies heavily on local volunteers to support its services.

The Council on Aging receives many inquiries from area seniors that are related to housing, with most of these calls related to how they can find more affordable housing options in the community. Some elders are encountering difficulties affording to remain in their current homes and cannot locate alternative housing that is affordable, particularly if they require supportive services. There are no assisted living options in Scituate, and a number of residents have had to seek alternatives outside of town. There are residents of existing senior housing that could also use some additional services such as dining facilities within the housing development. Some seniors looking to downsize from their single-family homes are also having difficulty finding suitable smaller units without home maintenance requirements, such as condominiums. Other needs that surface involve deferred maintenance problems and proximity to transportation and services.

The Council on Aging works with the Town on a program that abates taxes for up to $750 for seniors in exchange for minor services to the Town, for example, volunteering at a school or library. In addition to this work program, the Town also has a program for income-eligible seniors that reduces property tax bills by $500.

South Shore Housing Development Corporation
South Shore Housing Development Corporation (SSHDC) is committed to enhancing the quality of life for low- and moderate-income people by providing decent, safe and affordable housing; helping families move forward toward economic and social independence; and assisting individuals in reconnecting within their respective communities. This non-profit housing

development corporation was established in 1970 to serve Bristol and Plymouth counties in the Southeast region of Massachusetts, including the town of Scituate. The organization has expanded its housing services over the past decades to include rental assistance, new housing development, property management, homeless assistance, housing rehabilitation, as well as counseling and education. South Shore Housing continues to administer Section 8 rental assistance throughout Plymouth and Bristol Counties.

South Shore Habitat for Humanity

Habitat for Humanity is an ecumenical, non-profit Christian ministry dedicated to building simple, decent homes in partnership with families in need. The organization has grown over the past two decades into one of the largest private homebuilders in the world with almost 1,600 U.S. affiliates and over 2,000 affiliates worldwide, including one on the South Shore that has been able to build new homes for first-time homebuyers through donated land, materials, labor and funding as well as other special financing strategies. South Shore Habitat for Humanity has produced 43 affordable homes on the South Shore with several more underway. They have completed one house in Scituate but because the home was not affirmatively marketed to those living outside of the town of Scituate, it cannot be counted as part of the Subsidized Housing Inventory. The organization is currently exploring a potential opportunity to build another home in Scituate.

South Shore Community Action Council

South Shore Community Action Council, Inc. is the area's community action agency that was established to serve a wide range of education, housing, health and service needs of low-income and disadvantaged area residents. The organization is based in Plymouth but has expanded during the past three decades to include a number of cities and towns on the South Shore including Scituate. Programs include fuel assistance, weatherization, burner repair and replacement, Head Start, and other services directed to area families.

APPENDIX 4

Glossary of Housing Terms

Affordable Housing
A subjective term, but as used in this Plan, refers to housing available to a household earning no more than 80% of area median income at a cost that is no more than 30% of total household income.

Area Median Income (AMI)
The estimated median income, adjusted for family size, by metropolitan area (or county in nonmetropolitan areas) that is adjusted by HUD annually and used as the basis of eligibility for most housing assistance programs. Sometimes referred to as "MFI" or median family income.

Chapter 40B
The state's comprehensive permit law, enacted in 1969, established an affordable housing goal of 10% for every community. In communities below the 10% goal, developers of low- and moderate-income housing can seek an expedited local review under the comprehensive permit process and can request a limited waiver of local zoning and other restrictions, which hamper construction of affordable housing. Developers can appeal to the state if their application is denied or approved with conditions that render it uneconomic, and the state can overturn the local decision if it finds it unreasonable in light of the need for affordable housing.

Chapter 44B
The Community Preservation Act Enabling Legislation that allows communities, at local option, to establish a Community Preservation Fund to preserve open space, historic resources and community housing, by imposing a surcharge of up to 3% on local property taxes. The state provides matching funds from its own Community Preservation Trust Fund, generated from an increase in certain Registry of Deeds' fees.

Comprehensive Permit
Expedited permitting process for developers building affordable housing under Chapter 40B "anti-snob zoning" law. A comprehensive permit, rather than multiple individual permits from various local boards, is issued by the local zoning boards of appeals to qualifying developers.

Department of Housing and Community Development (DHCD)
DHCD is the state's lead agency for housing and community development programs and policy. It oversees state-funded public housing, administers rental assistance programs, provides funds for municipal assistance, and funds a variety of programs to stimulate the development of affordable housing.

Fair Housing Act
Federal legislation, first enacted in 1968, that provides the Secretary of HUD with investigation and enforcement responsibilities for fair housing practices. It prohibits discrimination in housing and lending based on race, color, religion, sex, national origin, handicap, or familial status. There is also a Massachusetts Fair Housing Act, which extends the prohibition against discrimination to sexual orientation, marital status, ancestry, veteran status, children, and age. The state law also prohibits discrimination against families receiving public assistance or rental subsidies, or because of any requirement of these programs.

Inclusionary Zoning
A zoning ordinance or bylaw that requires a developer to include affordable housing as part of a development or contribute to a fund for such housing.

Infill Development
The practice of building on vacant or undeveloped parcels in dense areas, especially urban and inner suburban neighborhoods. Promotes compact development, which in turn allows undeveloped land to remain open and green.

Local Initiative Program (LIP)
A state program under which communities may use local resources and DHCD technical assistance to develop affordable housing that is eligible for inclusion on the state Subsidized Housing Inventory (SHI). LIP is not a financing program, but the DHCD technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. At least 25% of the units must be set-aside as affordable to households earning less than 80% of area median income.

MassHousing (formerly the Massachusetts Housing Finance Agency, MHFA)
A quasi-public agency created in 1966 to help finance affordable housing programs. MassHousing sells both tax-exempt and taxable bonds to finance its many single-family and multi-family programs.

Metropolitan Statistical Area (MSA)
The term is also used for CMSAs (consolidated metropolitan statistical areas) and PMSAs (primary metropolitan statistical areas) that are geographic units used for defining urban areas that are based largely on commuting patterns. The federal Office of Management and Budget defines these areas for statistical purposes only, but many federal agencies use them for programmatic purposes, including allocating federal funds and determining program eligibility. HUD uses MSAs as its basis for setting income guidelines and fair market rents.

Mixed-Income Housing Development
Development that includes housing for various income levels.

Mixed-Use Development
Projects that combine different types of development such as residential, commercial, office, industrial and institutional into one project.

Overlay Zoning
A zoning district, applied over one or more other districts that contains additional provisions for special features or conditions, such as historic buildings, affordable housing, or wetlands.

Public Housing Agency (PHA)
A public entity that operates housing programs: includes state housing agencies (including DHCD), housing finance agencies and local housing authorities. This is a HUD definition that is used to describe the entities that are permitted to receive funds or administer a wide range of HUD programs including public housing and Section 8 rental assistance.

Regional Non-Profit Housing Organizations
Regional non-profit organizations include nine private, non-profit housing agencies, which administer the Section 8 Program on a statewide basis, under contract with DHCD. Each agency serves a wide geographic region. Collectively, they cover the entire state and administer over 15,000 Section 8 vouchers. In addition to administering Section 8 subsidies, they administer state-funded rental assistance (MRVP) in communities without participating local housing authorities. They also develop affordable housing and run housing rehabilitation and weatherization programs, operate homeless shelters, run homeless prevention and first-time homebuyer programs, and offer technical assistance and training

programs for communities. South Shore Housing Development Corporation serves as Scituate's regional non-profit organization.

Regional Planning Agencies (RPAs)
These are public agencies that coordinate planning in each of thirteen regions of the state. They are empowered to undertake studies of resources, problems, and needs of their districts. They provide professional expertise to communities in areas such as master planning, affordable housing and open space planning, and traffic impact studies. With the exception of the Cape Cod and Nantucket Commissions, however, which are land use regulatory agencies as well as planning agencies, the RPAs serve in an advisory capacity only. The Metropolitan Area Planning Council (MAPC) serves as Scituate's regional planning agency.

Request for Proposals (RFP)
A process for soliciting applications for funding when funds are awarded competitively or soliciting proposals from developers as an alternative to lowest-bidder competitive bidding.

Section 8
Refers to the major federal (HUD) program – actually a collection of programs – providing rental assistance to low-income households to help them pay for housing. Participating tenants pay 30% of their income (some pay more) for housing (rent and basic utilities) and the federal subsidy pays the balance of the rent. The Program is now officially called the Housing Choice Voucher Program.

Smart Growth
The term used to refer to a rapidly growing and widespread movement that calls for a more coordinated, environmentally sensitive approach to planning and development. A response to the problems associated with unplanned, unlimited suburban development – or sprawl – smart growth principles call for more efficient land use, compact development patterns, less dependence on the automobile, a range of housing opportunities and choices, and improved jobs/housing balance.

Subsidy
Typically refers to financial assistance that fills the gap between the costs of any affordable housing development and what the occupants can afford based on program eligibility requirements. Many times multiple subsidies from various funding sources are required, often referred to as the "layering" of subsidies, in order to make a project feasible. In the state's Local Initiative Program (LIP), DHCD's technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. Also, "internal subsidies" refers to those developments that do not have an external source(s) of funding for affordable housing, but use the value of the market units to "cross subsidize" the affordable ones.

Subsidized Housing Inventory (SHI)
This is the official list of units, by municipality, that count toward a community's 10% goal as prescribed by Chapter 40B comprehensive permit law.

U.S. Department of Housing and Urban Development (HUD)
The primary federal agency for regulating housing, including fair housing and housing finance. It is also the major federal funding source for affordable housing programs.

APPENDIX 5

Summary of Housing Regulations and Resources

I. SUMMARY OF HOUSING REGULATIONS

A. Chapter 40B Comprehensive Permit Law

The Massachusetts Comprehensive Permit Law, Chapter 40B Sections 20-23 of the General Laws, was enacted as Chapter 774 of the Acts of 1969 to encourage the construction of affordable housing throughout the state, particularly outside of cities. Often referred to as the Anti-Snob Zoning Act, it requires all communities to use a streamlined review process through the local Zoning Board of Appeals for "comprehensive permits" submitted by developers for projects proposing zoning and other regulatory waivers and incorporating affordable housing for at least 25% of the units. Only one application is submitted to the ZBA instead of separate permit applications that are typically required by a number of local departments as part of the normal development process. Here the ZBA takes the lead and consults with the other relevant departments (e.g., building department, planning department, highway department, fire department, sanitation department, etc.) on a single application. The Conservation Commission retains jurisdiction under the Wetlands Protection Act and Department of Environmental Protection, the Building Inspector applies the state building code, and the Board of Health enforces Title V.

For a development to qualify under Chapter 40B, it must meet all of the following requirements:

- Must be part of a "subsidized" development built by a public agency, non-profit organization, or limited dividend corporation.
- At least 25% of the units in the development must be income restricted to households with incomes at or below 80% of area median income and have rents or sales prices restricted to affordable levels income levels defined each year by the U.S. Department of Housing and Urban Development.
- Affordability restrictions must be in effect in perpetuity unless there is a justification for a shorter term that must be approved by DHCD.
- Development must be subject to a regulatory agreement and monitored by a public agency or non-profit organization.
- Project sponsors must meet affirmative marketing requirements.

According to Chapter 40B regulations, the ZBA decision to deny or place conditions on a comprehensive permit project cannot be appealed by the developer if any of the following conditions are met[55]:

- The community has met the "statutory minima" by having at least 10% of its year-round housing stock affordable as defined by Chapter 40B, at least 1.5% of the community's land area includes affordable housing as defined again by 40B, or annual affordable housing construction is on at least 0.3% of the community's land area.
- The community has made "recent progress" adding SHI eligible housing units during the prior 12 months equal at least to 2% of its year-round housing.
- The community has a one- or two-year exemption under Planned Production.
- The application is for a "large project" that equals at least 6% of all housing units in a community with less than 2,500 housing units.

[55] Section 56.03 of the new Chapter 40B regulations.

- A "related application" for the site was filed, pending or withdrawn within 12 months of the application.

If a municipality does not meet any of the above thresholds, it is susceptible to appeals by comprehensive permit applicants of the ZBA's decision to the state's Housing Appeals Committee (HAC). This makes the Town susceptible to a state override of local zoning if a developer chooses to create affordable housing through the Chapter 40B comprehensive permit process.[56] Recently approved regulations add a new requirement that ZBA's provide early written notice (within 15 days of the opening of the local hearing) to the applicant and to DHCD if they intend to deny or condition the permit based on the grounds listed above that make the application appeal proof, providing documentation for its position. Under these circumstances, municipalities can count projects with approved comprehensive permits that are under legal approval, but not by the ZBA, at the time.

If the applicant appeals the use of these "appeals proof" grounds, DHCD will review materials from the ZBA and applicant and issue a decision within 30 days of receipt of the appeal (failure to issue a decision is a construction approval of the ZBA's position). Either the ZBA or applicant can appeal DHCD's decision by filing an interlocutory appeal with the Housing Appeals Committee (HAC) within 20 days of receiving DHCD's decision. If a ZBA fails to follow this procedure, it waives its right to deny a permit on these "appeal-proof" grounds.

Recent changes to Chapter 40B also address when a community can count a unit as eligible for inclusion in the SHI including:

- *40R*
  Units receiving zoning approval under 40R count when the permit or approval is filed with the municipal clerk provided that no appeals are filed by the board or when the last appeal is fully resolved, similar to a comprehensive permit project.

- *Certificate of Occupancy*
  Units added to the SHI on the basis of receiving building permits become temporarily ineligible if the C of O is not issued with 18 months.

- *Large Phased Projects*
  If the comprehensive permit approval or zoning approval allows a project to be built in phases and each phase includes at least 150 units and average time between the start of each phase is 15 months or less, then the entire project remains eligible for the SHI as long as the phasing schedule set forth in the permit approval continues to be met.

- *Projects with Expired Use Restrictions*
  Units become ineligible for inclusion in the SHI upon expiration or termination of the initial use restriction unless a subsequent use restriction is imposed.

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[56] Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

- *Biennial Municipal Reporting*
  Municipalities are responsible for providing the information on units that should be included in the SHI through a statement certified by the chief executive officer.

Towns are allowed to set-aside up to 70% of the affordable units available in a 40B development for those who have a connection to the community as defined under state guidelines including current residents, municipal employees, or employees of businesses located in town. It is also worth noting that the Town, through its Affirmative Fair Housing Marketing Plan, must demonstrate the associated local need for the community preference and insure that there will be no discriminatory impacts with the use of community preference.

While there are ongoing discussions regarding how the state should count the affordable units for the purpose of determining whether a community has met the 10% goal, in a rental project if the subsidy applies to the entire project, all units are counted towards the state standard. For homeownership projects, only the units made affordable to those households earning within 80% of median income can be attributed to the affordable housing inventory.

There are up to three stages in the 40B process – the project eligibility stage, the application stage, and at times the appeals stage. First, the applicant must apply for eligibility of a proposed 40B project/site from a subsidizing agency. Under Chapter 40B, subsidized housing is not limited exclusively to housing receiving direct public subsidies but also applies to privately-financed projects receiving technical assistance from the State through its Local Initiative Program (LIP) or through MassHousing (Housing Starts Program), Federal Home Loan Bank Board (New England Fund), MassDevelopment, and Massachusetts Housing Partnership Fund. The subsidizing agency then forwards the application to the local Board of Selectmen for a 30-day comment period. The Board of Selectmen solicits comments from Town officials and other boards and based on their review the subsidizing agency typically issues a project eligibility letter. Alternatively, a developer may approach the Board of Selectmen for their endorsement of the project, and the Selectmen can submit an application to DHCD for certification under the Local Initiative Program (for more information see description in Section I.E below).

Recent changes to 40B regulations expands the items a subsidizing agency must consider when determining site eligibility including:

- Information provided by the municipality or other parties regarding municipal actions previously taken to meet affordable housing needs, including inclusionary zoning, multi-family districts and 40R overlay zones.
- Whether the conceptual design is appropriate for the site including building massing, topography, environmental resources, and integration into existing development patterns.
- That the land valuation, as included in the pro forma, is consistent with DHCD guidelines regarding cost examination and limitations on profits and distribution.
- Requires that LIP site approval applications be submitted by the municipality's chief executive officer.
- Specifies that members of local boards can attend the site visit conducted during DHCD's 30-day review period.
- Requires that the subsidizing agency provide a copy of its determination of eligibility to DHCD, the chief executive officer of the municipality, the ZBA and the applicant.

If there are substantial changes to a project before the ZBA issues its decision, the subsidizing agency can defer the re-determination of site/project eligibility until the ZBA issues its decision unless the chief

executive officer of the municipality or applicant requests otherwise. New 40B regulations provide greater detail on this re-determination process. Additionally, challenges to project eligibility determinations can only be made on the grounds that there has been a substantial change to the project that affects project eligibility requirements and leaves resolution of the challenge to the subsidizing agency.

The next stage in the comprehensive permit process is the application phase including pre-hearing activities such as adopting rules before the application is submitted, setting a reasonable filing fee, providing for technical "peer review" fees, establishing a process for selecting technical consultants, and setting forth minimum application submission requirements. Failure to open a public hearing within 30 days of filing an application can result in constructive approval. The public hearing is the most critical part of the whole application process. Here is the chance for the Zoning Board of Appeals' consultants to analyze existing site conditions, advise the ZBA on the capacity of the site to handle the proposed type of development, and to recommend alternative development designs. Here is where the ZBA gets the advice of experts on unfamiliar matters – called peer review. Consistency of the project with local needs is the central principal in the review process.

Another important component of the public hearing process is the project economic analysis that determines whether conditions imposed and waivers denied would render the project "uneconomic". The burden of proof is on the applicant, who must prove that it is impossible to proceed and still realize a reasonable return, which cannot be more than 20%. Another part of the public hearing process is the engineering review. The ZBA directs its consultants to analyze the consistency of the project with local bylaws and regulations and to examine the feasibility of alternative designs.

New Chapter 40B regulations now add a number of requirements related to the hearing process that include:

- The hearing be terminated within 180 days of the filing of a complete application unless the applicant consents to extend.
- Allows communities already considering three (3) or more comprehensive permit applications to stay a hearing on additional applications if the total units under consideration meet the definition of a large project (larger of 300 units or 2% of housing in communities with 7,500 housing units as of the latest Census, 250 units in communities with 5,001 to 7,499 total units, 200 units in communities with 2,500 to 5,000 units, and 150 units or 10% of housing in communities with less than 2,500 units).
- Local boards can adopt local rules for the conduct of their hearings, but they must obtain an opinion from DHCD that there rules are consistent with Chapter 40B.
- Local boards cannot impose "unreasonable or unnecessary" time or cost burdens on an applicant and cannot require an applicant to pay legal fees for general representation of the ZBA or other boards. The new requirements go into the basis of the fees in more detail, but as a general rule the ZBA may not assess any fee greater than the amount that might be appropriated from town or city funds to review a project of a similar type and scale.
- An applicant can appeal the selection of a consultant within 20 days of the selection on the grounds that the consultant has a conflict of interest or lacks minimum required qualifications.
- Specifies and limits the circumstances under which ZBA's can review pro formas.
- Zoning waivers are only required under "as of right" requirements, not from special permit requirements.
- Forbids ZBA's from imposing conditions that deviate from the project eligibility requirements or that would require the project to provide more affordable units than the minimum threshold required by DHCD guidelines.

- States that ZBA's cannot delay or deny an application because a state or federal approval has not been obtained.
- Adds new language regarding what constitutes an uneconomic condition including requiring applicants to pay for off-site public infrastructure or improvements if they involve pre-existing conditions, are not usually imposed on unsubsidized housing or are disproportionate to the impacts of the proposed development or require a reduction in the number of units other than on a basis of legitimate local concerns (health, safety, environment, design, etc.). Also states that a condition shall not be considered uneconomic if it would remove or modify a proposed nonresidential element of a project that is not allowed by right.

After the public hearing is closed, the ZBA must set-aside at least two sessions for deliberations within 40 days of the close of the hearing. These deliberations can result in either approval, approval with conditions, or denial.

Subsidizing agencies are required to issue final project eligibility approvals following approval of the comprehensive permit reconfirming project eligibility, including financial feasibility, and approving the proposed use restriction and finding that the applicant has committed to complying with cost examination requirements. New Chapter 40B regulations set forth the basic parameters for insuring that profit limitations are enforced, while leaving the definition of "reasonable return" to the subsidizing agency in accordance with DHCD guidelines. The applicant or subsequent developer must submit a detailed financial statement, prepared by a certified public accountant, to the subsidizing agency in a form and upon a schedule determined by the DHCD guidelines.

If the process heads into the third stage – the appeals process – the burden is on the ZBA to demonstrate that the denial is consistent with local needs, meaning the public health and safety and environmental concerns outweigh the regional need for housing. If a local ZBA denies the permit, a state Housing Appeals Committee (HAC) can overrule the local decision if less than 10% of the locality's year round housing stock has been subsidized for households earning less than 80% of median income, if the locality cannot demonstrate health and safety reasons for the denial that cannot be mitigated, or if the community has not met housing production goals based on an approved plan or other statutory minima listed above. The HAC has upheld the developer in the vast majority of the cases, but in most instances promotes negotiation and compromise between the developer and locality. In its 30-year history, only a handful of denials have been upheld on appeal. The HAC cannot issue a permit, but may only order the ZBA to issue one. Also, any aggrieved person, except the applicant, may appeal to the Superior Court or Land Court, but even for abutters, establishing "standing" in court is an uphill battle. Appeals from approvals are often filed to force a delay in commencing a project, but the appeal must demonstrate "legal error" in the decision of the ZBA or HAC.

B. <u>Housing Production Regulations</u>

As part of the Chapter 40B comprehensive permit regulations, the Massachusetts Department of Housing and Community Development (DHCD) is administering the Housing Production Program in accordance with regulations that enable cities and towns to do the following:

- Prepare and adopt an Housing Production Plan that demonstrates production of an increase of .05% over one year or 1.0% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory (34 units and 69 units, respectively, for Scituate until the new census figures are available in 2011) for *approval* by DHCD.[57]

[57] Massachusetts General Law Chapter 40B, 760 CMR 31.07 (1)(i).

- Request *certification* of compliance with the plan by demonstrating production of at least the number of units indicated above.
- Through local ZBA action, deny a comprehensive permit application during the period of certified compliance, which is 12 months following submission of the production documentation to DHCD, or 24 months if the 1.0% threshold is met.

For the plan to be acceptable to DHCD it must meet the following requirements:

- Include a comprehensive housing needs assessment to establish the context for municipal action based on the most recent census data. The assessment must include a discussion of municipal infrastructure based on future planned improvements.
- Address a mix of housing consistent with identified needs and market conditions.
- Address the following strategies including -
    - Identification of geographic areas in which land use regulations will be modified to accomplish affordable housing production goals.
    - Identification of specific sites on which comprehensive permit applications will be encouraged.
    - Preferable characteristics of residential development such as infill housing, clustered areas, and compact development.
    - Municipally owned parcels for which development proposals will be sought.
    - Participation in regional collaborations addressing housing development.

Plans must be adopted by the Board of Selectmen and Planning Board, and the term of an approved plan is five (5) years.

C. Chapter 40R/40S

In 2004, the State Legislature approved a new zoning tool for communities in recognition that escalating housing prices, now beyond the reach of increasing numbers of state residents, are causing graduates from area institutions of higher learning to relocate to other areas of the country in search of greater affordability. The Commonwealth Housing Task Force, in concert with other organizations and institutions, developed a series of recommendations, most of which were enacted by the State Legislature as Chapter 40R of the Massachusetts General Laws. The key components of these regulations are that "the state provide financial and other incentives to local communities that pass Smart Growth Overlay Zoning Districts that allow the building of single-family homes on smaller lots and the construction of apartments for families at all income levels, and the state increase its commitment to fund affordable housing for families of low and moderate income".[58]

The statute defines 40R as "a principle of land development that emphasizes mixing land uses, increases the availability of affordable housing by creating a range of housing opportunities in neighborhoods, takes advantage of compact design, fosters distinctive and attractive communities, preserves opens space, farmland, natural beauty and critical environmental areas, strengthens existing communities, provides a variety of transportation choices, makes development decisions predictable, fair and cost effective and encourages community and stakeholder collaboration in development decisions."[59] The key components of 40R include:

[58] Edward Carman, Barry Bluestone, and Eleanor White for The Commonwealth Housing Task Force, "A Housing Strategy for Smart Growth and Economic Development: Executive Summary", October 30, 2003, p. 3.
[59] Massachusetts General Law, Chapter 40R, Section 11.

- Allows local option to adopt Overlay Districts near transit, areas of concentrated development, commercial districts, rural village districts, and other suitable locations;
- Allows "as-of-right" residential development of minimum allowable densities;
- Provides that 20% of the units be affordable;
- Promotes mixed-use and infill development;
- Provides two types of payments to municipalities; and
- Encourages open space and protects historic districts.

The incentives prescribed by the Task Force and passed by the Legislature include an incentive payment upon the passage of the Overlay District based on the number of projected housing units as follows:

Incentive Payments

Incentive Units	**Payments**
Up to 20	$10,000
21-100	$75,000
101-200	$200,000
210-500	$350,000
501 or more	$600,000

There are also density bonus payments of $3,000 for each residential unit issued a building permit. To be eligible for these incentives the Overlay Districts need to allow mixed-use development and densities of 20 units per acre for apartment buildings, 12 units per acre for two and three-family homes, and at least eight units per acre for single-family homes. Communities with populations of less than 10,000 residents are eligible for a waiver of these density requirements, however significant hardship must be demonstrated. The Zoning Districts would also encourage housing development on vacant infill lots and in underutilized nonresidential buildings. The Task Force emphasizes that Planning Boards, which would enact the Zoning Districts, would be "able to ensure that what is built in the District is compatible with and reflects the character of the immediate neighborhood."[60]

The principal benefits of 40R include:

- Expands a community's planning efforts;
- Allows communities to address housing needs;
- Allows communities to direct growth;
- Can help communities meet planned production goals and 10% threshold under Chapter 40B;
- Can help identify preferred locations for 40B developments; and
- State incentive payments.

The formal steps involved in creating Overlay Districts are as follows:

- The Town holds a public hearing as to whether to adopt an Overlay District per the requirements of 40R;
- The Town applies to DHCD prior to adopting the new zoning;
- DHCD reviews the application and issues a Letter of Eligibility if the new zoning satisfies the requirements of 40R;

[60] "A Housing Strategy for Smart Growth and Economic Development: Executive Summary," p. 4.

- The Town adopts the new zoning through a two-thirds vote of Town Meeting subject to any modifications required by DHCD;
- The Town submits evidence of approval to DHCD upon the adoption of the new zoning; and
- DHCD issues a letter of approval, which indicates the number of incentive units and the amount of payment.

The state recently enacted Chapter 40S under the Massachusetts General Law that provides additional benefits through insurance to towns that build affordable housing under 40R that they would not be saddled with the extra school costs caused by school-aged children who might move into this new housing. This funding was initially included as part of 40R but was eliminated during the final stages of approval. In effect, 40S is a complimentary insurance plan for communities concerned about the impacts of a possible net increase in school costs due to new housing development.

D. Local Initiative Program (LIP) Guidelines

The Local Initiative Program (LIP) is a technical assistance subsidy program to facilitate Chapter 40B developments and locally produced affordable units. The general requirements of LIP include insuring that projects are consistent with sustainable or smart growth development principles as well as local housing needs. LIP recognizes that there is a critical need for all types of housing but encourages family and special needs housing in particular. Age-restricted housing (over 55) is allowed but the locality must demonstrate actual need and marketability. DHCD has the discretion to withhold approval of age-restricted housing if other such housing units within the community remain unbuilt or unsold or if the age-restricted units are unresponsive to the need for family housing within the context of other recent local housing efforts.

There are two types of LIP projects, those using the comprehensive permit process, the so-called "friendly" 40B's, and Local Action Units, units where affordability is a result of some local action such as inclusionary zoning, Community Preservation funding, other regulatory requirements, etc.

Specific LIP requirements include the following by category:

Income and Assets

- Must be affordable to those earning at or below 80% of area median income adjusted by family size and annually by HUD. Applicants for affordable units must meet the program income limits in effect at the time they apply for the unit and must continue to meet income limits in effect when they actually purchase a unit.
- For homeownership units, the household may not have owned a home within the past three years except for age-restricted "over 55" housing.
- For homeownership projects, assets may not be greater than $75,000 except for age-restricted housing where the net equity from the ownership of a previous house cannot be more than $200,000.
- Income and asset limits determine eligibility for lottery participation.

Allowable Sales Prices and Rents[61]

- Rents are calculated at what is affordable to a household earning 80% of area median income adjusted for family size, assuming they pay no more than 30% of their income on housing. Housing costs include rent and payments for heat, hot water, cooking fuel, and

[61] DHCD has an electronic mechanism for calculating maximum sales prices on its website at www.mass.gov/dhcd.

electric. If there is no municipal trash collection a trash removal allowance should be included. If utilities are separately metered and payed by the tenant, the LIP rent is reduced based on the area's utility allowance. Indicate on the DHCD application whether the proposed rent has been determined with the use of utility allowances for some or all utilities.

- Sales prices of LIP units are set so a household earning 70% of area median income would have to pay no more than 30% of their income for housing. Housing costs include mortgage principal and interest on a 30-year fixed term mortgage at 95% of purchase price, property taxes, condo fees[62], private mortgage insurance (if putting less than 20% of purchase price down), and hazard insurance.
- The initial maximum sales price or rent is calculated as affordable to a household with a number of household members equal to the number of bedrooms plus one (for example a two-bedroom unit would be priced based on what a three-person household could afford).

Allowable Financing and Costs

- Allowable development costs include the "as is" value of the property based on existing zoning at the time of application for a project eligibility letter (initial application to DHCD). Carrying costs (i.e., property taxes, property insurance, interest payments on acquisitions financing, etc.) can be no more than 20% of the "as is" market value unless the carrying period exceeds 24 months. Reasonable carrying costs must be verified by the submission of documentation not within the exclusive control of the applicant.
- Appraisals are required except for small projects of 20 units or less at the request of the Board of Selectmen where the applicant for the LIP comprehensive permit submits satisfactory evidence of value.
- Profits are limited to no more than 20% of total allowable development costs in homeownership projects.
- In regard to rental developments, payment of fees and profits are limited to no more than 10% of total development costs net of profits and fees and any working capital or reserves intended for property operations. Beginning upon initial occupancy and then proceeding on an annual basis, annual dividend distributions will be limited to no more than 10% of the owner's equity in the project. Owner's equity is the difference between the appraised as-built value and the sum of any public equity and secured debt on the property.
- For LIP comprehensive permit projects, DHCD requires all developers to post a bond (or a letter of credit) with the municipality to guarantee the developer's obligations to provide a satisfactory cost certification upon completion of construction and to have any excess profits, beyond what is allowed, revert back to the municipality. The bond is discharged after DHCD has determined that the developer has appropriately complied with the profit limitations.
- No third party mortgages are allowed for homeownership units.

Marketing and Outreach

- Marketing and outreach, including lottery administration in adherence with all Fair Housing laws and the state's Affirmative Fair Housing Marketing Plan Guidelines.

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[62] DHCD will review condo fee estimates and approve a maximum condo fee as part of the calculation of maximum sales price. The percentage interests assigned to the condo must conform to the approved condo fees and require a lower percentage interest assigned to the affordable units as opposed to the market rate ones. DHCD must review the Schedule of Beneficial Interests in the Master Deed to confirm that LIP units have been assigned percentage interests that correspond to the condo fees.

- LIP requires that the lottery draw and rank households by size.
- If there are proportionately less minority applicants in the community preference pool than the proportion in the region, a preliminary lottery must be held to boost, if possible, the proportion of minority applicants to this regional level.
- A maximum of up to 70% of the units may be local preference units for those who have a connection to the community as defined by the state under Section III.C of the Comprehensive Permit Guidelines.
- The Marketing Plan must affirmatively provide outreach to area minority communities to notify them about availability of the unit(s) and must demonstrate the need for local preference as well as insure that there will be no discriminatory impacts as a result of using local preference criteria.
- Marketing materials must be available/application process open for a period of at least 60 days.
- Marketing should begin about six (6) months before occupancy.
- Lottery must be held unless there are no more qualified applicants than units available.

Regulatory Requirements

- The affordable units design, type, size, etc. must be the same as the market units and dispersed throughout the development.
- Units developed through LIP as affordable must be undistinguishable from market units as viewed from the exterior (unless the project has a DHCD-approved alternative development plan that is only granted under exceptional circumstances) and contain complete living facilities.
- For over 55 projects, only one household member must be 55 or older.
- Household size relationship to unit size is based on "households" = number of bedrooms plus one – i.e., a four-person household in a three-bedroom unit (important also for calculating purchase prices of the affordable units for which LIP has a formula as noted above).
- Must have deed restrictions in effect in perpetuity unless the applicant or municipality can justify a shorter term to DHCD.
- for at least 15 years for housing rehabilitation and 30 years for new construction.
- All affordable units for families must have at least two or more bedrooms and meet state sanitary codes and these minimum requirements –

1 bedroom – 700 square feet/1 bath
2 bedrooms – 900 square feet/1 bath
3 bedrooms – 1,200 square feet/ 1 ½ baths
4 bedrooms – 1,400 square feet/2 baths

- Appraisals may take into account the probability of obtaining a variance, special permit or other zoning relief but must exclude any value relating to the possible issuance of a comprehensive permit.

The process that is required for using LIP for 40B developments – "friendly" comprehensive permit projects – is largely developer driven. It is based on the understanding that the developer and Town are working together on a project that meets community needs. Minimum requirements include:

1. Written support of the municipality's chief elected official, the Board of Selectmen in the case of towns, and the local housing partnership, trust or other designated local housing entity. The chief executive officer is in fact required to submit the application to DHCD.
2. At least 25% of the units must be affordable and occupied by households earning at or below 80% of area median income or at least 20% of units restricted to households at or below 50% of area median income.
3. Affordability restrictions must be in effect in perpetuity, to be monitored by DHCD through a recorded regulatory agreement.
4. Project sponsors must prepare and execute an affirmative fair marketing plan that must be approved by DHCD.
5. Developer's profits are restricted per Chapter 40B requirements.

The process that is required for using LIP for 40B developments – "friendly" comprehensive permit projects – is as follows:

1. Application process
   - Developer meets with Town
   - Developer and Town agree to proposal
   - Town chief elected officer submits application to DHCD with developer's input

2. DHCD review involves the consideration of:
   - Sustainable development criteria (redevelop first, concentrate development, be fair, restore and enhance the environment, conserve natural resources, expand housing opportunities, provide transportation choice, increase job opportunities, foster sustainable businesses, and plan regionally),
   - Number and type of units,
   - Pricing of units to be affordable to households earning no more than 70% of area median income,
   - Affirmative marketing plan,
   - Financing, and
   - Site visit.

3. DHCD issues site eligibility letter that enables the developer to bring the proposal to the ZBA for processing the comprehensive permit.

4. Zoning Board of Appeals holds hearing
   - Developer and Town sign regulatory agreement to guarantee production of affordable units that includes the price of units and deed restriction in the case of homeownership and limits on rent increases if a rental project. The deed restriction limits the profit upon resale and requires that the units be sold to another buyer meeting affordability criteria.
   - Developer forms a limited dividend corporation that limits profits.
   - The developer and Town sign a regulatory agreement.

5. Marketing
   - Marketing plan must provide outreach to area minority communities to notify them about availability of the unit(s).
   - Local preference is limited to those who live/work in the community with a maximum of 70% of the affordable units.
   - Marketing materials must be available/application process open for a period of at least 60 days.
   - Lottery must be held.

6. DHCD approval must include
   - Marketing plan, lottery application, and lottery explanatory materials
   - Regulatory agreement (DHCD is a signatory)
   - Deed rider (Use standard LIP document)
   - Purchase arrangements for each buyer including signed mortgage commitment, signed purchase and sale agreement and contact information of purchaser's closing attorney.

As mentioned above, in addition to being used for "friendly" 40B projects, LIP can be used for counting those affordable units as part of a Town's Subsidized Housing Inventory that are created as a result of some local action. Following occupancy of the units, a Local Action Units application must be submitted to DHCD for the units to be counted as affordable. This application is on DHCD's web site.

The contact person at DHCD is Erin Bettez of the LIP staff (phone: 617-573-1309; fax: 617-573-1330; email: janice.lesniak@state.ma.us). For legal questions contact Elsa Campbell, Housing Specialist (phone: 617-573-1321; fax: 617-573-1330; email: elsa.Campbell@state.ma.us).

E. Commonwealth Capital[63]

The state established Commonwealth Capital as a policy that encourages communities to implement smart growth by utilizing the smart growth consistency of municipal land use regulations as part of the evaluation of proposals for state funding under a number of state capital spending programs. Those municipalities with higher scores, will be in a more competitive position for receiving state discretionary funding, not just for housing, but for other purposes including infrastructure, transportation, environment, economic development, etc. The state's goal is to invest in projects that are consistent with Sustainable Development Principles that include:

1. Redevelop first;
2. Concentrate development;
3. Be fair;
4. Restore and enhance the environment;
5. Conserve natural resources;
6. Expand housing opportunities;
7. Provide transportation choice;
8. Increase job opportunities;
9. Foster sustainable businesses; and
10. Plan regionally.

Applications can be submitted at any time and will be valid for the programs listed above throughout the current fiscal year. Communities should submit applications prior to the deadline for any Commonwealth Capital program to which they are applying to ensure that their score will count. Applications should be submitted electronically, and each community is assigned its own login and password.

Programs which are affected by Commonwealth Capital include the following that are operated by the Executive Office of Administration and Finance (EOAF), Executive Office of Energy and Environmental Affairs (EOEEA), Executive Office of Housing and Economic Development (EOHED), Executive Office of Transportation and Public Works (EOTPW), Coastal Zone Management (CZM), Massachusetts Office of Business Development (MOBD), Massachusetts

[63] This program was created by the Romney administration and coordinated by the Office of Commonwealth Development. While OCD has been disbanded, applications are still being accepted

Office of Relocation and Expansion (MORE), and the Department of Housing and Community Development (DHCD):

- Public Works Economic Development Program (EOTPW)
- Bike and Pedestrian Program (EOTPW)*
- Transit Oriented Development Bond Program (EOTPW)
- Community Development Action Grant Program (EOHED and DHCD)
- State Revolving Fund (EOEEA and DEP)
- Urban Brownfields Assessment Program (EOEEA)*
- Urban Self-Help Program (EOEEA and DCS)
- Drinking Water Supply Protection Grant Program (EOEEA)
- Urban River Visions Program (EOEEA)*
- Coastal Pollutant Remediation Grant Program (EOEEA and CZM)
- Coastal Nonpoint Source Pollution Grant Program (EOEEA and CZM)
- Off-Street Parking Program (EOAF)
- Smart Growth Technical Assistance Program (for this program EOEEA will use inverse Commonwealth Capital scores. Unlike the other 13 programs, a primary goal of this program is to help communities with low scores improve.)

* Indicates programs that are eliminated in proposed program changes.

Draft changes to Commonwealth Capital add the following programs:

- Small Town Road Assistance Program (EOTPW)
- MA Opportunity Relocation and Expansion (MORE)
- Jobs Capital Program (MOBD)
- Water Transportation Capital Funding Program (EOTPW)
- Alternative Energy Property Program (EOEEA-DOER)

The application involves a maximum score of 140 points, including bonus points. The Commonwealth Capital score will account for 30% of the possible application points for any of the Commonwealth Capital programs. The other 70% points are related to the purpose of the particular program and the merits of the proposed project. Communities receive points for zoning, planning, housing, environmental, energy, transportation, and other measures that already exist as well as measures they commit to implement by the end of 2009 (for this year's application). Additionally, communities can receive bonus points for successfully implementing commitments made in their 2008 applications.

The major components of the proposed Commonwealth Capital application and corresponding total point allocations are provided below:

- Plan for and promote livable communities and plan regionally (19)
- Zone for and permit concentrated development and mixed use (26)
- Expand housing opportunities (21)
- Make efficient decisions and increase job and business opportunities (12)
- Protect land and ecosystems (21)
- Use natural resources wisely (7)
- Promote clean energy (9)
- Provide transportation choice (9)
- Advance equity (6)

- Promote sustainable development via other actions (10)
- Bonus points for every prior fiscal year commitment implemented

A greater number of points are granted for actions that are already in place but points are also issued for commitments that have not yet been implemented.

II. SUMMARY OF HOUSING RESOURCES

Those programs that may be most appropriate to development activity in Scituate are described below.[64]

A. Technical Assistance

1. Priority Development Fund[65]

A relatively new state-funded initiative, the Priority Development Fund, provides planning assistance to municipalities for housing production. In June 2004, DHCD began making $3 million available through this Fund on a first-come, first-served basis to encourage the new production of housing, especially mixed-income rental housing. PDF assistance supports a broad range of activities to help communities produce housing. Applications must demonstrate the community's serious long-term commitment and willingness to increase its housing supply in ways that are consistent with the Commonwealth's principles of sustainable development.

Eligible activities include community initiated activities and implementation activities associated with the production of housing on specific sites. Community initiated activities include but are not limited to:

Zoning activities that support the program objectives include:

- Incentive zoning provisions to increase underlying housing density;
- Smart Growth Zoning Overlay Districts;
- Inter- and intra-municipal Transferable Development Rights proposals;
- Zoning that promotes compact housing and development such as by right multi-family housing, accessory apartment units, clustered development, and inclusionary zoning;
- Zoning provisions authorizing live-and-work units, housing units for seasonal employees, mixed assisted living facilities and the conversion of large single-family structures, vacant mills, industrial buildings, commercial space, a school or other similar facilities, into multi-family developments; and
- Other innovative zoning approaches developed by and for an individual community.

Education and outreach efforts that support the program objectives include:

- Establishment of a local or regional affordable housing trust;
- Development of a plan of action for housing activities that will be undertaken with Community Preservation Act funds; and
- Efforts to build local support (grass-root education) necessary to achieve consensus or approval of local zoning initiatives.

Implementation activities associated with the production of housing in site-specific areas include but are not limited to:

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[64] Program information was gathered through agency brochures, agency program guidelines and application materials as well as the following resources: Verrilli, Ann. Housing Guidebook for Massachusetts. Produced by the Citizen's Housing and Planning Association, June 1999.

[65] Description taken from the state's program description.

- Identification of properties, site evaluation, land assembly and financial feasibility analysis; and
- Development of a Request for Proposal (RFP) for the disposition of land.

The PDF assistance is not available to serve as a substitute for pre-development assessment of alternative development scenarios for parcels already controlled by an identified private developer or to supplant municipal funds to pay staff salaries.

Eligible applicants consist of cities and towns within the Commonwealth. Municipalities may enter into third party agreements with consultants approved by DHCD, however only a municipality will be allowed to enter into a contract with MassHousing regarding the distribution of funds. Municipalities will be responsible for attesting that all funds have been expended for their intended purposes.

Joint applications involving two or more communities within a region or with similar housing challenges are strongly encouraged as a way to leverage limited resources, however, one municipality will be required to serve as the lead.

MassHousing and DHCD reserve the right to screen applications and to coordinate requests from communities seeking similar services. For example, rural communities may be more effectively served by an application for a shared consultant who can work with numerous towns to address zoning challenges that enhance housing production. Likewise, it may be more effective to support an application for a consultant to review model zoning bylaws or overlay districts with a number of interested communities with follow-up at the community level to support grassroots education, than it is to support the separate development of numerous zoning bylaws. Communities submitting multiple applications must prioritize their applications.

In exchange for the assistance, municipalities must agree to share the end product of the funded activities with DHCD and MassHousing and with other communities in the Commonwealth through reports, meetings, workshops, and to highlight these activities in print, on the web or other media outlets.

The agencies will focus the evaluation of applications to determine overall consistency with program goals and the principles of sustainable development. Applications will be evaluated based on:

- Eligibility of activity;
- Public support;
- Demonstrated need for funds;
- Likelihood activity will result in production of housing;
- Reasonableness of the timeline;
- Readiness to proceed with proposed project;
- Capacity to undertake activity;
- Cost estimates and understanding of the proposed project cost;
- Proposed activity having clearly defined benefits that will result in the production of housing; and
- Benefits being realized within a 2-3 year-timeframe.

Applications for funding will be accepted and evaluated on a rolling review basis. In order to deploy this assistance as effectively and efficiently as possible, or in the event the planning funds are oversubscribed, communities that have relatively greater planning capacity and/or resources may be requested to provide some matching funds. Additional consideration and flexibility for the assistance will be made for communities with little or no planning staff capacity or resources.

Communities may apply to DHCD for assistance of up to $50,000. The amount of funds awarded will be a reflection of the anticipated impact on housing production. DHCD and MassHousing reserve the right to designate proposals as "Initiatives of Exceptional Merit," in order to increase the amount of assistance and scope of services for certain projects.

2. Peer to Peer Technical Assistance

This state program utilizes the expertise and experience of local officials from one community to provide assistance to officials in another comparable community to share skills and knowledge on short-term problem solving or technical assistance projects related to community development and capacity building. Funding is provided through the Community Development Block Grant Program and is limited to grants of no more than $1,000, providing up to 30 hours of technical assistance.

Applications are accepted on a continuous basis, but funding is limited. To apply, a municipality must provide DHCD with a brief written description of the problem or issue, the technical assistance needed and documentation of a vote of the Board of Selectmen or letter from the Town Administrator supporting the request for a peer. Communities may propose a local official from another community to serve as the peer or ask DHCD for a referral. If DHCD approves the request and once the peer is recruited, DHCD will enter into a contract for services with the municipality. When the work is completed to the municipality's satisfaction, the Town must prepare a final report, submit it to DHCD, and request reimbursement for the peer.

3. MHP Intensive Community Support Team

The Massachusetts Housing Partnership Fund is a quasi-public agency that offers a wide range of technical and financial resources to support affordable housing. The Intensive Community Support Team provides sustained, in-depth assistance to support the development of affordable housing. Focusing on housing production, the Team helps local advocates move a project from the conceptual phase through construction, bringing expertise and shared lessons from other parts of the state. The team can also provide guidance on project finance. Those communities, which are interested in this initiative, should contact the MHP Fund directly for more information.

4. MHP Chapter 40B Technical Assistance Program

Working with DHCD, MHP launched this program in 1999 to provide technical assistance to those communities needing assistance in reviewing comprehensive permit applications. The Program offers up to $10,000 in third-party technical assistance to enable communities to hire consultants to help them review Chapter 40B applications. Those communities that are interested in this initiative should contact the MHP Fund directly for more information.

MHP recently announced new guidelines to help cities and towns review housing development proposals under Chapter 40B including:

- State housing agencies will now appraise and establish the land value of 40B sites before issuing project eligibility letters.
- State will put standards in place for determining when permit conditions make a 40B development "uneconomic".
- There will be set guidelines on determining related-party transactions, i.e., when a developer may also have a role as contractor or realtor.
- Advice on how to identify the most important issues early and communicate them to the developer, how informal work sessions can be effective, and how to make decisions that are unlikely to be overturned in court.

5. *Smart Growth Technical Assistance Grants*

The state recently announced the availability of *Smart Growth Technical Assistance Grants* from the Executive Office of Environmental Affairs that provides up to $30,000 per community to implement smart growth zoning changes and other activities that will improve sustainable development practices and increase scores on the Commonwealth Capital application. Eligible activities include:

- Zoning changes that implement planning recommendations;
- Development of mixed-use zoning districts;
- Completion of Brownfields inventory or site planning;
- Implementation of stormwater BMPs;
- Completion of Open Space Residential Design bylaws/ordinances;
- Implementation of Low Impact Development (LID) bylaws/ordinances; and
- Development of a Right-to-Farm bylaw/ordinance or zoning protections for agricultural preservation.

The state requires that localities provide a match of 15% of this special technical assistance fund and encourages communities that are interested in the same issues to apply jointly. Preference will be given to applications that improve sustainable development practices, realize a commitment from a community's Commonwealth Capital application, and implement a specific Community Development or Master Plan action. Additional preference will be offered those communities with lower Commonwealth Capital scores to support towns that have the greatest need for improved land use practices. For FY 2006, applications were due in mid-August for projects that must be completed by June 30, 2006, but no applications were required in FY 2006 if one had been submitted previously. Nevertheless, communities are able to submit supplemental information that will likely help boost their scores and competitiveness for state discretionary resources.

B. Housing Development

While comprehensive permits typically do not involve external public subsidies but use internal subsidies by which the market units in fact subsidize the affordable ones, communities are finding that they also require public subsidies to cover the costs of affordable or mixed-income residential development and need to access a range of programs through the state and federal government and other financial institutions to accomplish their objectives and meet affordable housing goals. Because the costs of development are typically significantly higher than the rents or purchase prices that low- and moderate-income tenants can afford, multiple layers of subsidies are often required to fill the gaps. Sometimes even Chapter 40B developments are finding it useful to apply for external subsidies to increase the numbers of affordable units, to target units to lower income or special needs populations, or to fill gaps that market rates cannot fully cover.

The state requires applicants to submit a One Stop Application for most of its housing subsidy programs in an effort to standardize the application process across agencies and programs. A Notice of Funding Availability (NOFA) is issued by the state usually twice annually for its rental programs and homeownership initiatives. Using the One Stop Application, applicants can apply to several programs simultaneously to support the funding needs of a particular project.

1. *HOME Program*

HUD created the HOME Program in 1990 to provide grants to states, larger cities and consortia of smaller cities and towns to do the following:

- Produce rental housing;

- Provide rehabilitation loans and grants, including lead paint removal and accessibility modifications, for rental and owner-occupied properties;
- Offer tenant-based rental assistance (two-year subsidies); and/or
- Assist first-time homeowners.

The HOME Program funding is targeted to homebuyers or homeowners earning no more than 80% of median income and to rental units where at least 90% of the units must be affordable and occupied by households earning no more than 60% of median income, the balance to those earning within 80% of median. Moreover, for those rental projects with five or more units, at least 20% of the units must be reserved for households earning less than 50% of median income. In addition to income guidelines, the HOME Program specifies the need for deed restrictions, resale requirements, and maximum sales prices or rentals.

Because Scituate is not an entitlement community, meaning that it is not automatically entitled to receive HOME funding based on HUD's funding formula, the Town would need to join a consortium of other smaller towns and cities to receive funding or submit funding applications to DHCD on a project by project basis through its One Stop Application. Scituate is not part of a Consortium so would have to apply directly to DHCD for this funding at this time. Page: 134
It may be possible at some time in the future that Scituate, together with Hingham, could join Weymouth and Quincy, which are in a HOME consortium. The towns in a consortium have to be geographically contiguous, so Hingham would have to join to make it work for Scituate. Hingham is fairly progressive in their approach to affordable housing, so this just might work.

The HOME Rental Program is targeted to the acquisition and rehabilitation of multi-family distressed properties or new construction of multi-family rental housing from five to fifty units. Once again, the maximum subsidy per project is $750,000 and the maximum subsidy per unit in localities that receive HOME or CDBG funds directly from HUD is $50,000 (these communities should also include a commitment of local funds in the project). Those communities that do not receive HOME or CDBG funds directly from HUD, like Scituate, can apply for up to $65,000 per unit. Subsidies are in the form of deferred loans at 0% interest for 30 years. State HOME funding cannot be combined with another state subsidy program with several exceptions including the Low Income Housing Tax Credits, HIF and the Soft Second Program.

2. Community Development Block Grant Program (CDBG)

In addition to funding for the Peer-to-Peer Program mentioned in the above section, there are other housing resources supported by federal CDBG funds that are distributed by formula to Massachusetts.

The **Massachusetts Small Cities Program** that has a set-aside of Community Development Block Grant (CDBG) funds to support a range of eligible activities including housing development. However, at least 70% of the money must provide benefits to households earning within 80% of median income. This money is for those nonentitlement localities that do not receive CDBG funds directly from HUD. Funds are awarded on a competitive basis through Notices of Funding Availability with specific due dates or through applications reviewed on a rolling basis throughout the year, depending on the specific program. This funding supports a variety of specific programs.

The program that potentially has the greatest applicability in Scituate is the **Housing Development Support Program (HDSP)** that provides gap financing for small affordable housing projects with fewer than eight units, including both new construction and rehabilitation. Eligible activities include development, rehabilitation, homeownership, acquisition, site preparation and infrastructure work. There are no per unit maximums or recommended maximum total development costs. Funding is distributed through Notices of Funding Availability that occur once or twice a year. HDSP Program funding is

extremely competitive, and projects that receive funding through the state HOME or Housing Stabilization Fund Programs are excluded from applying to HDSP.

There are other programs funded through the Community Development Block Grant Small Cities Program for both homeownership and rental projects. A number of the special initiatives are directed to communities with high "statistical community-wide needs", however, the **Community Development Fund II** is targeted to communities with lower needs scores that have not received CDBG funds in recent years. This may be the best source of CDBG funding for Scituate besides HDSP described above. Funding is also awarded competitively through an annual Notice of Funding Availability. DHCD also has a **Reserve Fund** for CDBG-eligible projects that did not receive funding from other CDBG funded programs or for innovative projects.

3. Housing Stabilization Fund (HSF)

The state's Housing Stabilization Fund (HSF) was established in 1993 through a Housing Bond bill to support housing rehabilitation through a variety of housing activities including homeownership (most of this funding has been allocated for the MHP Soft Second Program) and rental project development. The state subsequently issued additional bond bills to provide more funding. The HSF Rehabilitation Initiative is targeted to households with incomes within 80% of median income, with resale or subsequent tenancy for households within 100% of median income. The funds can be used for grants or loans through state and local agencies, housing authorities and community development corporations with the ability to subcontract to other entities. The funds have been used to match local HOME program funding, to fund demolition, and to support the acquisition and rehabilitation of affordable housing. In addition to a program directed to the rehabilitation of abandoned, distressed or foreclosed properties, the HSF provides funds to municipalities for local revitalization programs directed to the creation or preservation of rental projects. As with HOME, the maximum amount available per project is $750,000 and the maximum per unit is $65,000 for communities that do not receive HOME or CDBG funds directly from HUD, and $50,000 for those that do. Communities can apply for HSF funding biannually through the One Stop Application.

4. Low Income Housing Tax Credit Program

The Low Income Housing Tax Credit Program was created in 1986 by the Federal Government to offer tax credits to investors in housing development projects that include some low-income units. The tax credit program is often the centerpiece program in any affordable rental project because it brings in valuable equity funds. Tax credits are either for 4% or 9% of the development or rehab costs for each affordable unit for a ten-year period. The 4% credits have a present value of 30% of the development costs, except for the costs of land, and the 9% credit have a present value equal to 70% of the costs of developing the affordable units, with the exception of land. Both the 4% and 9% credits can be sold to investors for close to their present values.

The Federal Government limits the 9% credits and consequently there is some competition for them, nevertheless, most tax credit projects in Massachusetts are financed through the 9% credit. Private investors, such as banks or corporations, purchase the tax credits for about 80 cents on the dollar, and their money serves as equity in a project, reducing the amount of the debt service and consequently the rents. The program mandates that at least 20% of the units must be made affordable to households earning within 50% of median income or 40% of the units must be affordable to households earning up to 60% of median income. Those projects that receive the 9% tax credits must produce much higher percentages of affordable units.

The Massachusetts Legislature has enacted a comparable state tax credit program, modeled after the federal tax credit program. The One Stop Application is also used to apply for this source of funding.

5. *Affordable Housing Trust Fund*

The Affordable Housing Trust Fund (AHTF) was established by an act of the State Legislature and is codified under Chapter 121-D of the Massachusetts General Laws. The AHTF operates out of DHCD and is administered by MassHousing with guidance provided by an Advisory Committee of housing advocates. The purpose of the fund is to support the creation/preservation of housing that is affordable to people with incomes that do not exceed 110% of the area median income. The AHTF can be used to support the acquisition, development and/or preservation of affordable housing units. AHTF assistance can include:

- Deferred payment loans, low/no-interest amortizing loans.
- Down payment and closing cost assistance for first-time homebuyers.
- Credit enhancements and mortgage insurance guarantees.
- Matching funds for municipalities that sponsor affordable housing projects.
- Matching funds for employer-based housing and capital grants for public housing.

Funds can be used to build or renovate new affordable housing, preserve the affordability of subsidized expiring use housing, and renovate public housing. While the fund has the flexibility of serving households with incomes up to 110%, preferences for funding will be directed to projects involving the production of new affordable units for families earning below 80% of median income. The program also includes a set-aside for projects that serve homeless households or those earning below 30% of median income. Once again, the One Stop Application is used to apply for funding, typically through the availability of two funding rounds per year.

6. *Housing Innovations Fund (HIF)*

The state also administers the Housing Innovations Fund (HIF) that was created by a 1987 bond bill and expanded under two subsequent bond bills to provide a 5% deferred loan to non-profit organizations for no more than $500,000 per project or up to 30% of the costs associated with developing alternative forms of housing including limited equity coops, mutual housing, single-room occupancy housing, special needs housing, transitional housing, domestic violence shelters and congregate housing. At least 25% of the units must be reserved for households earning less than 80% of median income and another 25% for those earning within 50% of area median income. HIF can also be used with other state subsidy programs including HOME, HSF and Low Income Housing Tax Credits. The Community Economic Development Assistance Corporation (CEDAC) administers this program. Applicants are required to complete the One-Stop Application.

7. *Federal Home Loan Bank Board's Affordable Housing Program (AHP)*

Another potential source of funding for both homeownership and rental projects is the Federal Home Loan Bank Board's Affordable Housing Program (AHP) that provides subsidies to projects targeted to households earning between 50% and 80% of median income, with up to $300,000 available per project. This funding is directed to filling existing financial gaps in low- and moderate-income affordable housing projects. There are typically two competitive funding rounds per year for this program.

8. *MHP Permanent Rental Financing Program*

The state also provides several financing programs for rental projects through the Massachusetts Housing Partnership Fund. The Permanent Rental Financing Program provides long-term, fixed-rate permanent financing for rental projects of five or more units from $100,000 loans to amounts of $2 million. At least 20% of the units must be affordable to households earning less than 50% of median income or at least 40% of the units must be affordable to households earning less than 60% of median income or at least 50% of the units must be affordable to households earning less than 80% of median income. MHP also administers the Permanent Plus Program targeted to multi-family housing or SRO properties with five or

more units where at least 20% of the units are affordable to households earning less than 50% of median income. The program combines MHP's permanent financing with a 0% deferred loan of up to $40,000 per affordable unit up to a maximum of $500,000 per project. No other subsidy funds are allowed in this program. The Bridge Financing Program offers bridge loans of up to eight years ranging from $250,000 to $5 million to projects involving Low Income Housing Tax Credits. Applicants should contact MHP directly to obtain additional information on the program and how to apply.

9. OneSource Program

The Massachusetts Housing Investment Corporation (MHIC) is a private, non-profit corporation that since 1991 has provided financing for affordable housing developments and equity for projects that involve the federal Low Income Housing Tax Credit Program. MHIC raises money from area banks to fund its loan pool and invest in the tax credits. In order to qualify for MHIC's OneSource financing, the project must include a significant number of affordable units, such that 20% to 25% of the units are affordable to households earning within 80% of median income. Interest rates are typically one point over prime and there is a 1% commitment fee. MHIC loans range from $250,000 to several million, with a minimum project size of six units. Financing can be used for both rental and homeownership projects, for rehab and new construction, also covering acquisition costs with quick turn-around times for applications of less than a month (an appraisal is required). The MHIC and MHP work closely together to coordinate MHIC's construction financing with MHP's permanent take-out through the OneSource Program, making their forms compatible and utilizing the same attorneys to expedite and reduce costs associated with producing affordable housing.

10. Section 8 Rental Assistance

An important low-income housing resource is the Section 8 Program that provides rental assistance to help low- and moderate-income households pay their rent. In addition to the federal Section 8 Program, the state also provides rental subsidies through the Massachusetts Rental Voucher Program as well as three smaller programs directed to those with special needs. These rental subsidy programs are administered by the state or through local housing authorities and regional non-profit housing organizations. Rent subsidies take two basic forms – either granted directly to tenants or committed to specific projects through special Project-based rental assistance. Most programs require households to pay a minimum percentage of their adjusted income (typically 30%) for housing (rent and utilities) with the government paying the difference between the household's contribution and the actual rent.

11. Massachusetts Preservation Projects Fund

The Massachusetts Preservation Projects Fund (MPPF) is a state-funded 50% reimbursable matching grant program that supports the preservation of properties, landscapes, and sites (cultural resources) listed in the State Register of Historic Places. Applicants must be municipality or non-profit organization. Funds can be available for pre-development including feasibility studies, historic structure reports and certain archaeological investigations of up to $30,000. Funding can also be used for construction activities including stabilization, protection, rehabilitation, and restoration or the acquisition of a state-registered property that are imminently threatened with inappropriate alteration or destruction. Funding for development and acquisition projects range from $7,500 to $100,000. Work completed prior to the grant award, routine maintenance items, mechanical system upgrades, renovation of non-historic spaces, moving an historic building, construction of additions or architectural/engineering fees are not eligible for funding or use as the matching share. A unique feature of the program allows applicants to request up to 75% of construction costs if there is a commitment to establish a historic property maintenance fund by setting aside an additional 25% over their matching share in a restricted endowment fund. A round of funding was recently held, but future rounds are not authorized at this time.

12. District Improvement Financing Program (DIF)
The District Improvement Financing Program (DIF) is administered by the state's Office of Business Development to enable municipalities to finance public works and infrastructure by pledging future incremental taxes resulting from growth within a designated area to service financing obligations. This Program, in combination with others, can be helpful in developing or redeveloping target areas of a community, including the promotion of mixed-uses and smart growth. Municipalities submit a standard application and follow a prescribed application process directed by the Office of Business Development in coordination with the Economic Assistance Coordinating Council.

13. Urban Center Housing Tax Increment Financing Zone (UCH-TIF)
The Urban Center Housing Tax Increment Financing Zone Program (UCH-TIF) is a relatively new state initiative designed to give cities and towns the ability to promote residential and commercial development in commercial centers through tax increment financing that provides a real estate tax exemption on all or part of the increased value (the "increment") of the improved real estate. The development must be primarily residential and this program can be combined with grants and loans from other local, state and federal development programs. An important purpose of the program is to increase the amount of affordable housing for households earning at or below 80% of area median income and requires that 25% of new housing to be built in the zone be affordable, although the Department of Housing and Community Development may approve a lesser percentage where necessary to insure financial feasibility. In order to take advantage of the program, a municipality needs to adopt a detailed UCH-TIF Plan and submit it to DHCD for approval.

14. Community Based Housing Program
The Community Based Housing Program provides loans to nonprofit agencies for the development or redevelopment of integrated housing for people with disabilities in institutions or nursing facilities or at risk of institutionalization. The Program provides permanent, deferred payment loans for a term of 30 years, and CBH funds may cover up to 50% of a CHA unit's Total Development Costs up to a maximum of $750,000 per project.

C. Homebuyer Financing and Counseling

1. Soft Second Loan Program
The Massachusetts Housing Partnership Fund, in coordination with the state's Department of Housing and Community Development, administers the Soft Second Loan Program to help first-time homebuyers purchase a home. The Program began in 1991 to help families earning up to 80% of median income qualify for a mortgage through a graduated-payment second mortgage and down payment assistance. Just recently the state announced that it had lent $1 billion in these affordable mortgages. Participating lenders originate the mortgages which are actually split in two with a conventional first mortgage based on 77% of the purchase price, the soft second mortgage for typically about 20% of the purchase price (or $20,000 if greater) and a requirement from the buyer of at least a 3% down payment. Borrowers do not need to purchase private mortgage insurance that would typically be required with such a low down payment, thus saving the buyer significant sums on a monthly basis. Program participants pay interest only on the soft second mortgage for the first ten years and some eligible buyers may qualify for an interest subsidy on the second mortgage as well. Additionally, some participating lenders and communities offer grants to support closing costs and down payments and slightly reduced interest rates on the first mortgage. Scituate is already a participating community in the Program.

2. American Dream Downpayment Assistance Program
The American Dream Downpayment Assistance Program is also awarded to municipalities or non-profit organizations on a competitive basis to help first-time homebuyers with down payments and closing costs. While the income requirements are the same as for the Soft Second Program, the purchase price levels are higher based on the FHA mortgage limits. Deferred loans for the down payment and closing

costs of up to 5% of the purchase price to a maximum of $10,000 can be made at no interest and with a five-year term, to be forgiven after five years. Another loan can be made through the program to cover deleading in addition to the down payment and closing costs, but with a ten-year term instead, with at least 2.5% of the purchase price covering the down payment.

3. Homebuyer Counseling

There are a number of programs, including the Soft Second Loan Program and MassHousing's Home Improvement Loan Program, as well as Chapter 40B homeownership projects, that require purchasers to attend homebuyer workshops sponsored by organizations that are approved by the state, Citizens Housing and Planning Association (CHAPA) and/or HUD as a condition of occupancy. These sessions provide first-time homebuyers with a wide range of important information on homeownership finance and requirements. The organization that offers these workshops in closest proximity to Scituate is South Shore Housing Development Corporation.

4. Self-Help Housing.

Self-Help programs involve sweat-equity by the homebuyer and volunteer labor of others to reduce construction costs. Some communities have donated building lots to Habitat for Humanity to construct affordable single housing units. Under the Habitat for Humanity program, homebuyers contribute between 300 and 500 hours of sweat equity while working with volunteers from the community to construct the home. The homeowner finances the home with a 20-year loan at 0% interest. As funds are paid back to Habitat for Humanity, they are used to fund future projects.

D. Home Improvement Financing

1. MassHousing Home Improvement Loan Program (HLP)

The MHFA Home Improvement Loan Program (HILP) is targeted to one- to four-unit, owner-occupied properties, including condominiums, with a minimum loan amount of $10,000 up to a maximum of $50,000. Loan terms range from five to 20 years based on the amount of the loan and the borrower's income and debt. MassHousing services the loans. Income limits are $92,000 for households of one or two persons and $104,000 for families of three or more persons. To apply for a loan, applicants must contact a participating lender.

2. Get the Lead Out Program

MassHousing's Get the Lead Out Program offers 100% financing for lead paint removal on excellent terms that are based on ownership status and type of property. An owner-occupied, single-family home may be eligible to receive a 0% deferred payment loan up to $20,000 that is due when the house is sold, transferred or refinanced. An owner-occupant of a two-family house could receive up to $25,000 to conduct the de-leading work. Maximum income limits for owner-occupants are $74,400 for one and two-person households and $85,500 for three or more persons. Investor-owners can also participate in the program but receive a 5% fully amortizing loan to cover costs. Non-profit organizations that rent properties to income-eligible residents are also eligible for 0% fully amortizing loans that run from five to 20 years. Applicants must contact a local rehabilitation agency to apply for the loan.

3. Septic Repair Program

Through a partnership with the Massachusetts Department of Environmental Protection and Revenue, MassHousing offers loans to repair or replace failed or inadequate septic systems for qualifying applicants. The interest rates vary according to the borrower's income with 0% loans available to one and two-person households earning up to $23,000 and three or more person households earning up to $26,000 annually. There are 3% loans available for those one or two person households earning up to $46,000 and three or more persons earning up to $52,000.

Additionally, one to four-family dwellings and condominiums are eligible for loan amounts of up to $25,000 and can be repaid in as little as three years or over a longer period of up to 20 years. To apply for a loan, applicants must contact a participating lender.