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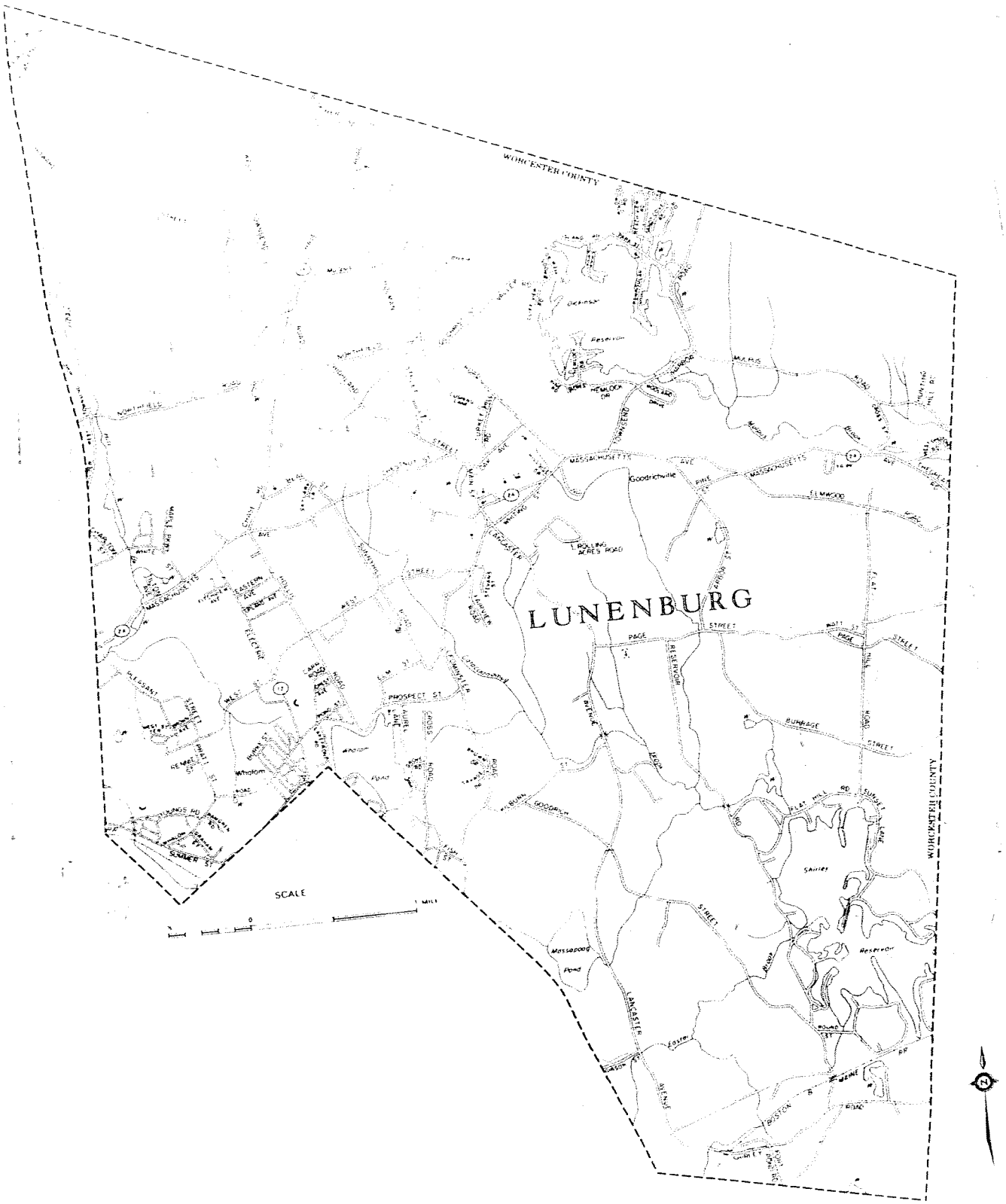
Community
Affordable Housing Strategy

(Planned Production)

Town of Lunenburg, Massachusetts

February 2006

Prepared by
The Lunenburg Planning Board
Under 760 CMR 31.07
to the
Massachusetts Department of
Housing and Community Development


WORCESTER COUNTY
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Reservoir
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FLAT HILL RD
SUNSET LANE
BOSTON ROAD
NORTHFIELD
WEST STREET
ELECTRIC
PLEASANT STREET
SUMMER ST
EASTERN AVE
ROUND ST
MAINE RR

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Note: #II above coincides with Sections I and 2 of the Guidelines for the Planned Production Regulation under MGL Chapter 40B 60CMR 31.07(1)(1); # IV coincides with Section 3; #1V and V coincide with part of Section 2.

I. INTRODUCTION

A. Location

Incorporated in 1728, the Town of Lunenburg is located in northern Worcester County in north central Massachusetts, approximately forty-three (43) miles northwest of Boston and twenty-seven (27) miles north of Worcester. Lunenburg is bordered by the city of Fitchburg and the Town of Ashby to the west; the city of Leominster and the Town of Lancaster to the south; and the Towns of Shirley to the east and Townsend to the north. Lunenburg is approximately twenty-eight (28) square miles in size, of which approximately twenty-six (26) square miles is land and the remainder water. Two numbered highways serve the Town. They are Route 13 (Electric Avenue and Chase Road) and Route 2A (Massachusetts Avenue), which provide access to and from surrounding communities. Regional access is available from the superhighways Route 2 and Interstate 190, through Leominster and Fitchburg. These highways also connect Lunenburg with regional employment sites and shopping centers and facilitate outward migration from other communities to Lunenburg. There are over one hundred (100) miles of Town roads, and six (6) miles of State Route 2A in Lunenburg. See Map 1.

B. Character

Lunenburg has a semi-rural character with rolling hills, orchards, lakes and a traditional town center with the Town Hall, schools, library, church, teen and elderly centers and limited retail activity. Dwellings are primarily single-family residences on large lots. Major concentrations of residential development are in the Town Center, Whalom Lake, Lake Shirley, and the Hickory Hills Lake areas, where medium-density residential development or dwellings on lots of less than one acre exist. The lake areas have a concentration of seasonal homes, the majority of which now have been converted to year-round housing. Newer subdivisions are generally small with large lots and are scattered throughout the Town, creating a sense of sprawl. Non-residential uses occur primarily in the southwest portion of Town in the Baker Station area, and along Massachusetts Avenue and Chase Road. These areas are along the major thoroughfares Route 2A and Route 13, and are typical convenience and highway-type uses such as automotive service and sales, a major box store and variety stores, and restaurants. Industrial uses are limited to the southwest and southeast areas of Town, and represent a minor portion of the total land area. There are still a few active farms in Town.

C. Studies

It is essential that Lunenburg plan for the housing development as strategically as possible to best leverage the investment of its limited resources and guide new housing creation for the benefit of existing residents and future generations. This Community Affordable Housing Plan builds on the master plan and the 418 study and articulates a five-year course for affordable housing development.

The Town through the Planning Board has consistently included housing as part of its planning program and continues to do so as it currently addresses housing needs for all citizens, prepares a Chapter 40R zoning district, and reviews mixed use developments and opportunities to encourage housing for all citizens.

II. COMPREHENSIVE HOUSING NEEDS ASSESSMENT

This Housing Needs Assessment provides an overview of the current housing situation in the Town providing the context within which a responsive set of strategies can be developed to address housing needs.

1. Housing Characteristics

The predominant housing type in Lunenburg is a fairly new and moderately sized, single-family detached structure, which is increasingly becoming less affordable as housing values soar. Although Town residents on a whole are becoming more affluent based on census income data, a household with the median income of $56,812 is discovering that it is difficult to find adequate housing that is affordable at market prices. Rental housing is scarce and any multi-family housing is available only through the Lunenburg Housing Authority or through other subsidized developments. Detailed information on Lunenburg's population and housing stock is summarized below.

A. Population, Race and Household Type. The 2000 census data indicates that Lunenburg had a total population of 9401, a 3.1% increase over the 1990 population of **9117.** The population has remained predominantly white. In regard to those 65 years of age or older, in 2000 there were 1,129 seniors, 12% of the population, as compared to 1070, or 11.7%, in 1990. In contrast those 19 years or younger comprised 27.9% of the 2000 population, or 2,631 persons, up from 25.3% or 2308 persons in 1990. The median age was 39.4 in 2000 as opposed to **35.7** years in 1990.

Chart 1: Demographic Characteristics 1990-2000

	1990		2000	
	#	%	#	%
Population	9,117	100	9,401	100
Minority Population	155	1.7	102	1.1
Population Age 65+	1,070	11.7	1,129	12
Population 19 & under	2,308	25.3	2,631	27.9
Total Number of Households	3,252	100	3,535	100
Married Couples	2,241	68.9	2,248	63.6
Female Heads of Households	253	7.8	309	8.7
Non-family Households	662	20.4	867	24.5

Source: 1990 and 2000 U.S. Census Bureau

- Education. In 2000, 88.9% of those 25 years and older had a high school diploma or higher and 31.5% had a college degree or higher. Those enrolled in school (nursery through graduate school) totaled 2,763 or 29.4% of the population.

- Disability Status. Of the 2000 population of 5 to 20 years old, 215 or 10% had some disability, and of the population age 21 to 64, 701 or 12.6% claimed a disability but 63.5% of this cohort was employed. The population 65 years of age or older, 418 or 37.2% claimed some type of disability.
- Residency in 1995. 2,274 or about one-third of the total population. Moved to a different house during the last five years. 17.3% came from the same county, 8.4% came from a different county, 4.6% came from Massachusetts and 3.8% came from a different state. This represents significant mobility of the Town's population.

B. Housing Units

The 2000 census counted 3,668 total housing units in Lunenburg, up 5.2% from 3,486 units in 1990. Housing Characteristics are indicated below.

- Almost Entirely Single-Family. 86.3 percent (3,165 of 3,668 total units) of the homes at the time of the 2000 US Census were single-family (one unit detached). The bulk of the remaining 13.7 percent of housing is divided between 1-unit attached, 2-unit and 3-unit structures. While there are a very few structures 10-19 units in size (Lunenburg Housing Authority), and none of 20-units or more, there are over 112 mobile homes in Lunenburg.
- Moderately-priced. Lunenburg's reported median housing price for 2003, $242,500, places it in the middle of the rank when compared to its neighboring towns. The highest median housing price is in Lancaster, at $262,000, and the lowest recorded median price is Fitchburg at $170,000.
- Reasonably Sized. According to the 2000 Census, more than 86.3% of the total housing units are single family which establishes the housing character of the Town.
- In Good Condition. Only twenty-one of the units lack complete plumbing facilities, none lacked complete kitchen facilities and only fourteen of them lacked telephone service in 2000. Houses in relative terms are newer structures, with less than half of them (48.6 percent) having been built before 1960.
- Uncrowded. Over ninety nine (99) percent of the housing units have one or less occupant per room.
- Mostly Owner-Occupied. Over seventy five (75) percent of all the units in Lunenburg are owner-occupied units and almost one-third (30,2 percent) of those owned units has no mortgage on them. Sixteen percent all the housing units in Lunenburg are rental units, with median rent being $618.
- Seldom Vacant. There is a low vacancy rate of 1.98 percent of the total two-thousand seven hundred seventy-nine of owner-occupied housing units.
- Well Served. The Town is well-served in the sense that water and sewer are present where housing most suitably can built; however, the entire Town is not served. Phase one of the sewer plan is complete; phase two is planned.

C. Household Characteristics

- Median household income. The median household income in 2000 was $56,812, up 31.5% from the 1990 median income of $43,199, documenting the increasing affluence of the area. (see above)
- Income distribution. The income distribution for those households that include children – families – is somewhat higher than the town-wide median with a median family income of $63,981; and there were 2,674 families, more than 42%, earning more than $75,000, including 8.2% earning more than $150,000. The median household income in 2000 was $56,812 up 24.0% from the 1990 median income of $43,199. Of the 7,535 total households in 2000, 92 or 2.6% had incomes below $10,000 while 35.7% had incomes of more than $150,000. Almost 26% of the households were earning between $50,000 and $74,999. A comparison of 1990 and 2000 income figures is presented in the following table:

Chart 2: Income Distribution by Household 1990-2000

	1990		2000	
	#	%	#	%
Under $10,000	295	9.1	92	2.6
10,000-14,999	180	5.5	223	6.3
15,000-24,999	332	10.2	319	9.0
25,000-34,999	424	13.0	419	11.8
35,000-49,999	654	20.1	413	11.6
50,000-74,999	756	23.2	818	23.0
Over 75,000	581	17.9	1271	35.7
Median	$43,199		$56,812	

Source: 1990 and 2000 U.S. Census Bureau

- Poverty. The federal Department of Health and Human Services sets poverty thresholds nationally. They are the same for all states and are currently set at $8,860 for a single person and $18,100 for a family of four. Poverty has seemingly increased based on 2000 census data, especially for female-headed households and individuals over 65 years old. There were 382 individuals and 88 families that were classified as living in poverty including 16 elderly individuals. While poverty has seemingly decreased from 1990 to 2000 based on census information, there remains an impoverished population in the Town of Lunenburg requiring public assistance to meet their housing needs.

Chart 3: Poverty Data by 1990 and 2000

	1990		2000	
	#	%	#	%
Individuals below poverty level	322	3.5	382	4.1
Families	72	2.2	88	3.3
Female-Headed households	19	0.5	77	24.3
Individuals 65 years +	60	0.6	294	4.2

Source: 1990 and 2000 U.S. Census Bureau

- Mobility. About one-third of the population moved to their current home within the last five years, indicating significant mobility.

2. Housing Inventory

- Buildout Analysis

  The Executive Office of Environmental Affairs (EOEA) has done a series of estimates to determine the future of Lunenburg when it reaches "buildout". Buildout represents the maximum new construction that can occur under current zoning. While buildout is often an illusory number and actual buildout will never be reached in some cases; it nevertheless offers the opportunity to understand the scale of potential change in the Town and the impacts generated by the growth. The estimated impacts of Buildout are shown on chart 4.

Chart 4: Buildout Analysis 1990-2000

Community Data Profile	**Lunenburg**
Residents	
1990	9,117
2000	9,401
Buildout	**22,318**
Student (K-12)	
1990	1,560
Buildout	**4,161**
Residential Units	
1990	3,252
2000	3,668
Buildout	**8,713**
Water Use (gallons/day) 2000	*515,337*
Buildout	**2,566,783**
Additional:	
Residents	12,917
Students (K-12)	2,422
Residential Units	5,045
Developable Land Area (sq. ft.)	289,418,383
Developable Land Area (acres)	6,644
Commercial/Industrial Buildable Floor Area (sq. ft.)	14,435,585
Water Demand at Buildout	2,051,446
Residential	968,777
Commercial and Industrial	1,082,669
Solid Waste (tons/yr)	5,989
Non-recyclable	4,712
Recyclable	1,277
Additional Roadway at Buildout (miles)	49

Source: 1990 and 2000 U.S. Census Bureau

- Housing Characteristics

The 2000 Census indicates that there are 3,668 housing units. Of this number, Most of the housing units are in single-family, detached structures, 86.3%. More than 60% of the households had two vehicles representing significant parking needs. The 2000 census also counted 16.4% of the housing units using gas and 76% using oil. Only 1% of housing units lacked complete plumbing facilities, kitchen facilities or telephone service.

Chart 5: Housing Characteristics 1990-2000

	1990		2000	
	#	%	#	%
Total # housing units	3,486	100	3,668	100
Occupied units	3252	93.3	3,535	96.4
Occupied owner units	2353	67.5	2,668	72.7
Occupied rental units	436	12.5	433	11.8

Source: 1990 and 2000 U.S. Census Bureau

The above total includes three special needs group houses classified under the Building Code as Group Residence and Limited Group Residence, which are regulated by the State Mental Health Department. Applications for these homes usually come from the Institute of Professional Practice (IPP) and/or Seven Hill group. The homes are placed in the general community and are well received. In addition, at the Pearl Hill Apartments under the jurisdiction of the Housing Authority over thirteen percent of the units are available for persons under (60) if permanently disabled. Thus there are six (6) units. In addition there is a wheelchair friendly unit. The approved 40B project has provisions for a handicapped accessible unit. The Planning Boards requests that all developments, including Chapter 40B and Chapter 40R projects have handicapped accessible units.

- Building Permits and Average Cost

Building permits issued for creation of new residential units indicate the number of new residential units created. The number of new building permits issued every year decreased from 1996 to 1998, and started to increase after then. From 1996 through 2002, there were a total of 385 building permits issued for new privately owned residential homes. All were for single family units. The greatest number of permits issued was 63 in 2000 and the lowest number issued was 32 in 1997. In 2003, there are 55 new building permits issued and the average cost is $252,700, which is $35,300 less than the average cost in 1996.

Partial data for 2003 (through November 30, 2003) indicates that 55 permits had been issued. Of these 55, 52 were for single family residences with 3 permits,

representing 10 units, being issued for multi-family (3 and 4 family) housing units.

Chart 6: Building Permits and Average Cost

Year	New Building Permits	Average Cost
1996	47	$288,000*
1997	32	258,400*
1998	38	243,600*
1999	50	242,500
2000	63	290,600
2001	47	233,500
2002	53	268,900
2003	55	252,700
2004	51	269,000
2005 to date		299,000*

Source: Lunenburg Assessors Office ** The Warren Group*

- Housing Value. Housing values are summarized on Chart 7 .

Chart 7: Housing Values 2000

Value	Number of Units	% Of Units
Less than $50,000	15	0.6
$50,000 to $99,999	387	14.5
$100,000 to $149,999	809	30.3
$150,000 to $199,999	679	25.4
$200,000 to $299,999	588	22.0
$300,000 to $499,999	178	6.7
$500,000 to $999,999	113	1.9
$1,000,000 or more	12	0.4
Median (dollars)	$157,300	-

Source: 2000 U.S. Census Bureau

- Property Tax

  Lunenburg, like most communities in Massachusetts, has seen its housing prices rise over the past three years, though not nearly as dramatically as other communities in the Commonwealth. Lunenburg also has the benefit of not being the most costly community of its immediate neighbors. Three of those communities, Townsend, Ashby and Lancaster, posted higher reported median housing prices than Lunenburg. Nevertheless, it is reasonable to expect housing prices to continue to rise, though the specific rate of that rise will be difficult to determine. .

In terms of property tax rate, similarly, Lunenburg is in the "middle of the pack". In 2005, the average property tax for single-family homes of Lunenburg is $3,538, an increase of 2.67% from 2004. Compared to other neighboring towns, Lunenburg is at about the average level.

Chart 8: Average Property tax bills for single-family homes of Lunenburg and its neighbors. *Source: The Boston Globe, January 2005*

MB: Insert table

Recent Sale price. The median gross rental in 2000 was $618. This figure is likely to be skewed to the low end of the market range as the census included subsidized rents in addition to market rentals. Of the 433 rental units analyzed, 120 units or 27.8% had gross rents of less than $500, and at the other end of the range 8.6% or 37 units were rented at more than $1,000 per month. 41 units were reported as having no cash rent.

Actual sales prices from local realtors presents a significantly more costly picture of the current housing market than the 2000 census data.

Chart 9: Lunenburg Median Sales Price

Year	Months	1-Family	Condo	All Sales
2005	Jan – Apr	269,900	454,308	299,900
2004	Jan – Apr	269,900	404,232	332,500
2003	Jan – Apr	223,000	421,266	205,000
2002	Jan – Apr	197,750	0	170,000
2001	Jan – Apr	191,000	0	150,000
2000	Jan – Apr	172,000	0	149,000
1999	Jan – Apr	137,900	0	102,842
1998	Jan – Apr	118,750	0	103,750
1997	Jan – Apr	120,000	0	102,000
1996	Jan – Apr	123,000	0	88,500
1995	Jan – Apr	107,500	0	84,000
1994	Jan – Apr	101,750	108,200	94,500
1993	Jan – Apr	123,500	0	121,750
1992	Jan – Apr	111,000	0	89,000
1991	Jan – Apr	136,000	0	106,000
1990	Jan – Apr	143,000	0	110,000
1989	Jan – Apr	110,000	0	113,250
1988	Jan – Apr	110,000	0	110,000

Source: Warren Group

- Housing Affordability Maintaining affordable housing is an important goal of all communities in Massachusetts. Affordability is determined by looking at the average income for the Metropolitan Statistical Area (MSA) and evaluating what 80 percent of that average income would be. That figure, the 80 percent figure,

then becomes the benchmark for determining "affordability" all the communities encompassed by that MSA.

Once affordability is determined for the MSA, each town encompassed by that MSA can be compared to that number. Any deficit that the town's income figures have in comparison to the MSA's income figures is called the "gap".

In Lunenburg's case, the MSA is Fitchburg-Leominster, which has an average median income (AMI) of $62,100 while Lunenburg's AMI is $63,981. For a family of 4, living at 80 percent of the median income, there will be no "gap" of affordability between what an average family of 4 in Lunenburg can afford, and what the federal government has determined to be considered "affordable."

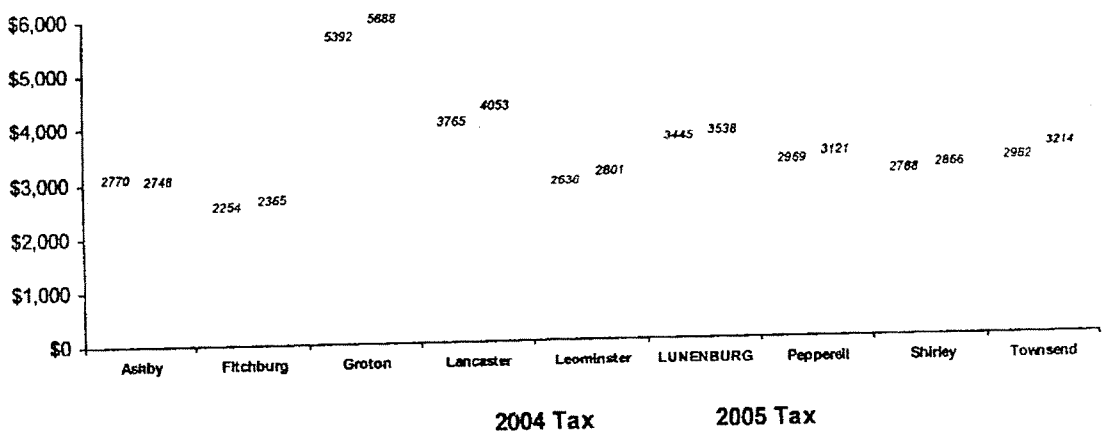

Chart 10: Housing Comparison 2000

Metro Area	100% of Area Median Income for Households	30% of AMI ("extremely low-income") by family size	50% of AMI ("very low-income") by family size	80% of AMI ("low-income") by family size	Family Size
Fitchburg-Leominster	**$62,100**	**$18,650**	**$31,050**	**$49,700**	**4**
		$16,750	$27,950	$44,700	3
		$14,900	$24,850	$39,750	2
		$13,050	$21,750	$34,800	1
Lunenburg	**$56,813**	**$17,044**	**$28,407**	**$45,450**	**4**
		$15,340	$25,566	$40,905	3
		$13,635	$22,725	$36,360	2
		$11,931	$19,885	$31,815	1

Source: U.S. Census 2000

Chart 11 : Lunenburg Income Gap (Based on Lunenburg Median Income)

Lunenburg Average Median Income		30% of Lunenburg Average Median Income	50% of Lunenburg Average Median Income	80% of Lunenburg Average Median Income	
Households	$56,813	17,044	28,407	45,450	
Families	$63,981	19,194	31,991	51,185	
Income Gap Based on AMI for Family of 4		$ 544	$ 941	$ 1,485	

Source: U.S. Census 2000

While there is no "gap" in Lunenburg's 80 percent of median income and the regional measure of 80 percent of median income, Lunenburg nevertheless does have 88 families (3.3 percent of the total) and 382 individuals (4.1 percent of the total population) who are below the poverty line.

If a family were to attempt to manage a median mortgage payment of $1,400 per month, they would have to have a gross annual income of $67,728 if they paid no more than 25 percent of their monthly income on housing. If they paid 33 percent of their income on housing, their annual income could be as low as $50,796.

In Lunenburg, eighty eight families and three hundred eighty two individuals were listed as being in poverty in the 2000 census.

4. Housing Need:

- The Elderly. Rising housing prices and housing assessments will begin to make it more difficult for older persons on fixed incomes to continue living in Lunenburg. At the same time, the elderly population in Lunenburg is continuing to grow. In 2000, it represented 12 percent of population as a whole (up from 11.7 percent in 1990) and the median age in Lunenburg has also climbed by 3 years to 39.4. The

elderly population will continue to expand at an increasing rate over the next twenty years. Many elderly long-time residents of Lunenburg can't or don't want to maintain larger homes and are seeking smaller homes with recreation facilities and services.

- Young Families. The 2000 Census reports the median housing value in Lunenburg to be $157,300. A local industry trade group that tracks housing prices claims that housing values jumped to a 2003 median value of $240,500. Prices are rising because of the cost of land and the desirability of living in the Town, and are expected to continue to rise. Young families who wish to live in Lunenburg will have to be able to meet these higher housing values if they want to continue to find housing here unless housing assistance is provided. It is encouraging that 69.4 percent of residents reported as of the 2000 Census that they were spending less than 25 percent of their household income on "monthly owner costs".

- Disabled. In the 2000 Census, 701 people of all age groups are listed as having a disability, representing 12.6 percent of the population. While the bulk of the disabled are found in the 21 to 64 year old age grouping, older people (persons 65 and older) are especially prone to suffer some sort of disability. (Disability is defined as encompassing either physical or mental impairments.)

- Town Employees. Town employees' salaries are generally less than 120 percent of the adjusted median income for the metropolitan area. However many Town employees are part of a two-income family which is helpful in insuring sufficient income for housing.

- Veterans. There is limited demand for veterans' housing in Lunenburg. Veterans are eligible for Housing for the Elderly in Lunenburg and for housing in nearby communities.

5. Housing Demand:

- Low income. Low income in the Fitchburg-Leominster Metropolitan Area is defined by HUD as eighty percent of the Area Median Income of $62,100; e.g., $49,700 for a family of four. For a single person household the figure is $34,800. Comparable figures for extremely low income $18,650 (family of four) and $13,050 (single person) and for very low income $31,050 and $21,750 respectively. Persons and/or households with these limitations are hard-pressed to afford housing in Lunenburg where the median selling price of a house was listed as $242,500 in 2003.

- Moderate and Middle Income. The median family income in Lunenburg is $63,981 (U.S. Census) and with a current housing cost of $242,500 it becomes difficult, for families below the median to live in Lunenburg.

- Type and Quantity: Based on current best estimates, the present demand is for approximately forty units for the elderly and financial assistance for another forty

units for persons in the low-income category. This need will be met by projects before the Town or known to be in the planning stage.

- Regional Pressures. In 2001, according to the Regional Planning Agency there was a potential for 4,201 residential lots on land suitable for development (5045 units), plus 328 commercial acres and 596 industrial acres. See Chart 4.

  The current low mortgage rate fuels the demand for large expensive homes. Depending on the performance of the overall economy, this pressure may decrease, but the indications of economic recovery through 2004 at the national level probably mean a steady demand.

III. DEVELOPMENT CONSTRAINTS

1. Sewerage

The Town has limited public sewer service, and most development in Town is served by on-site sewage disposal. Much of the land in Town is not well suited for development, however. Clay, ledge, and poor soil drainage limit sitting opportunities.

In recent years the Town of Lunenburg negotiated a connection to the sewer system of Fitchburg. This system, originally conceived as a regional one, is designed to accommodate Lunenburg. The service provided in Phase One is along Route 2A from Fitchburg to beyond the Town Center. This sewer connection offers relatively efficient removal and treatment at the Fitchburg sewage plant. Additional service connecting with neighbors is in Phase Two.

This system removes the potential for groundwater contamination of poorly located sewage disposal systems that would be on site. It also removes opportunities for groundwater recharge, however. A sewage disposal system built on-site, properly located and maintained, can effectively treat domestic effluent prior to contact with the water table. The treated liquid then recharged the groundwater system.

Service in the southern part of Town is available from Leominster. Connection to the Fitchburg and Leominster sewer systems stimulates more intensive land development than would otherwise be possible. This sewer connection can promote the development of marginal lands or land that would not normally be considered for development. Lands with poor soils can be developed more readily when provided with sewer connections. Building locations must be selected carefully as excessive development not only threatens the Town's open character, but can also be a negative impact on natural resources such as wetlands, streams, and wooded areas.

2. Water

The Lunenburg Water District, a quasi-public water supply agency separate from the Town government, provides water to residents and businesses in most, but not all, of the

Town. Those residents and businesses outside the District rely on private on-site wells for water services. The District covers primarily the western and central portions of Lunenburg, although it has expanded with the growth in the community.

The District's water supply comes from a series of ground water wells that are off Lancaster Avenue. These wells are all located in the same aquifer; creating the potential for the loss of the Town's entire water supply should the aquifer become contaminated. The Town and District recognize the potential threat to the water supply and have commissioned studies. The studies

The Town has adopted a water supply protection bylaw as part of its zoning bylaw. The bylaw serves to guard not only the well sites and potential well sites, but also the aquifer in which the well sites are located and the drainage area in which the aquifer is located. The water supply protection bylaw has recently been revised in order to provide further protection for the Town's limited water supply.

Because the Town relies on groundwater from a single aquifer for its water supply, population density and potentially hazardous land uses must be controlled in order to avoid degradation of water quality and to minimize the health treat to the residents of Lunenburg.

3. Transportation

Superhighway routes 2 and 190 provide regional access to the Town from the south, east and west. These highways connect Lunenburg to employment and shopping centers in the region, encouraging the Town's development as a bedroom community. There are six miles of State roads in Town. Routes 2A and 13 provide access to and from surrounding communities, resulting in heavy commuter traffic through the Town and providing opportunities for businesses that cater to commuters.

Over one hundred miles of accepted Town roads provide access to the different parts of the community and vary from paved, well-traveled streets to unpaved, rolling roads. Commuter rail connections in Fitchburg link Lunenburg residents with employment and retail services in municipalities as far west as Gardner and as far east as Boston.

During the rapid increase in real estate prices in the 1980s, the regional transportation system made it possible for people seeking relatively low housing prices to locate in Lunenburg and commute to the employment centers along Route 495 and 128 and in the cities of Worcester and Boston. The highway and commuter rail system, has contributed in this way to the growth pressures that have faced the Town in the last decade.

MART, the regional bus and van system operated by the Montachusetts Regional Planning Commission, serves portions of Lunenburg. There is a bus connection at Walmart in Lunenburg to the Fitchburg station. MART has indicted its willingness to consider the routes, which can be developed to serve new development in Town.

4. Other Town Facilities
The Town has a new elementary school, a new public safety building and a new library. Although, the Town offices are strained, personnel can handle affordable housing.

IV. AFFORDABLE HOUSING GOALS AND STRATEGIES

1. Affordable Housing Goals

- *Goal 1*: To develop 22 affordable housing units each year over the next five year which is equal to three fourth of one percent of the total housing units in the community (3606)
- *Goal 2*: To meet the needs and income levels of diverse individuals and families by providing adequate housing units at affordable price.
- *Goal 3*: To permit mixed use development in order to create more opportunities for affordable rental housing units in the community.
- *Goal 4*: To encourage the development of two drive-in theaters and the re-use of the school site building for 40R regulation in order to maintain the affordable housing inventory.
- *Goal 5*: To continue to provide that three percent of new housing be earmarked for the disabled.

2. Housing Action Plan

The strategies outlined below are based on the context established by the Housing Needs Assessment, recent interviews with local planning and real estate professionals, previous planning studies, community outreach and the experience of other comparable localities. The strategies are grouped according to the type and the timeframe. These actions are tools that the Town will have available to promote the creation of new housing opportunities, each to be applied to particular circumstances and providing a powerful group of resources when available in combination.

A. Planning and Regulatory Reform
The Planning Board is continuing to review existing bylaws and regulations related to housing opportunities such as, assisted living centers, care facilities, accessory apartments and planned developments. Articles to adopt 40R districts at the sites of former drive-in theaters will be on the Town Meeting warrant in 2005. The Town has acted on its first 40B project and will support additional applications in 2005. Sewers are being extended to the residential area in southwest Lunenburg that will enable a variety of housing types. In addition, the town Wastewater Facilities Plan outlines the development of sewer systems to areas of the town and its link to new development.

B. Community Preservation Act

The Community Preservation Act authorizes towns to adopt a property tax surcharge and use the proceeds to acquire open space, acquire/develop recreation facilities, provide affordable housing and undertake historic preservation efforts. The Act provides that a minimum of ten percent (10%) of the funds realized be used for open space, affordable housing and historic preservation. The balance can be used for any of the four programs. There are also matching funds available from the State for municipalities that adopt the Act.

C. Action Plan

To achieve the Housing Goal and enact Policies that reflect the Lunenburg Housing Need, the following recommendations are presented.

- Undertake an inventory listing of vacant land suitable for development of affordable housing.
  Two-year Plan
  Make the inventory list available to developers, including non-profit developers, who seek to develop affordable housing. Developers would be responsible for negotiating with landowners for the sale of the land, and no landowner could be required to sell. The Town would incur some costs in preparing the list, but this can be kept to a minimum by soliciting assistance of citizen volunteers in preparing the inventory.

- Implement Chapter 40R.
  Two-Year Plan
  Application has been prepared and is pending to for the first of three potential 40R districts, the two recent drive-in theater sites in Town and the primary school in the Town center. The Planning Board will present the zoning amendment for the first 40R district (The Tri-Town District) for two hundred and one (201) units to the next Town Meeting. A mix of housing types will be required, e.g., one, two and three bedroom units with an affordable requirement.

- Establish a housing coordination function in the office of the Planning Board.
  Two-Year Plan
  The Planning Board would be responsible for Housing as well as Land Use, for reviewing and reporting on proposed development plans, for assisting with zoning enforcement issues (in cooperation with the Building Inspector), and assisting with municipal planning efforts such as the Open Space and Recreation Plan and Master Plan.

- Apply for Grants.
  Two-year Plan
  Because the State and Federal governments provide money through grants to communities each year for various community development projects (including housing and planning), the Town should prepare applications for grants whenever

this money is made available. New programs are listed on-line, and should be investigated annually.

- Inform developers of senior housing development opportunities.
  Two-year Plan
  The Planning Board will disseminate information to developers planning development and encourage them to include senior housing as well as affordable housing for females, town employees and single persons.

- Consider extending set-asides to conventional subdivisions.
  Two-year Plan
  The Planning Board will continue to encourage developers of ten (10) lots or more to provide at least ten percent (10%) of their proposed units as affordable housing units as defined by the Commonwealth. Affordable housing would remain affordable, through the use of resale deed restrictions or rental restrictions requiring units to remain affordable for at least twenty (20) years. For the purposes of calculating the ten percent (10%) affordable housing contribution, all numbers would be rounded to the nearest whole figure. Affordable housing units within market rate developments would be integrated with the rest of the development, and would be compatible in design, appearance, construction and quality of materials with the other units.

  In lieu of developing affordable units, an applicant could provide a cash contribution of equivalent value to the Lunenburg Housing Authority or to any other non-profit provider of affordable housing that the Town may designate at a future date. The method of payment should be agreed upon between the applicant and the Housing Authority and should be secured as a condition of development approval.[1] Residential developments entirely comprised of affordable housing units, or limited to senior citizens or over age fifty-five residents could qualify for a waiver of the ten percent (10%) affordable housing requirement.

- Develop a Housing Education Program (HEP).
  Five-year Plan
  The Town will educate new and present residents about homeownership responsibilities and the resources that are available. Because many first time homebuyers are not aware of the numerous responsibilities that come with owning a home (such as mortgage, insurance, maintenance, proper boundary delineation, land use regulations), a program educating individuals and landlords helps to assure responsible homeownership and good neighbors. This program should be developed under the auspices of the Regional Planning Agency and/or the Town, with community assistance from local banks, real estate organizations and available grants. This program should be provided for free to all citizens who purchase a home in Lunenburg or in the region.

[1] See Massachusetts General Laws, Chapter 121B, Section 11. This lists how housing authorities may use these funds.

- Provide a technical homeownership assistance program.
  Five-year Plan
  Because many homeowners are remaining in their homes for longer periods of time, as residents and homes get older, many homeowners need help replacing or fixing items. Through an organization of volunteers, the Town could facilitate this program to provide needed maintenance, assistance, and advice. Volunteers might include seniors who previously worked in the building trades. Volunteers could be given a property tax credit for services rendered on the Town's behalf.

- Establish a clearinghouse for affordable properties.
  Five-year Plan
  The Town can assist potential homeowners in finding affordable properties needing improvement.

- Encourage the formation of a non-profit organization that could advise people about shared housing, its advantages, and its responsibilities.
  Five-year Plan
  The Planning Board will activate the former Varied Housing Task Force and/or work with the Housing Authority to publicize housing opportunities, including shared housing. Information will be disseminated in the press, on the Town web page, and by meetings and direct mail to those who have expressed an interest. The target group for shared housing will probably be singles and single parents who wish to share housing costs.

- Promote the development of starter homes.
  Five-year Plan
  This program is for first-time homebuyers and for low and moderate-income households seeking to locate in Lunenburg. The Town's actions could be on two levels. First, a public education program should be undertaken to educate developers on the need for starter-size homes. Secondly, the Town may amend the Zoning Bylaw to provide incentives for development of starter homes that are consistent with the Town character. This "density bonus" would be restricted to areas of Town best suited to handle increased density. These areas were determined in the Draft Waste Water Facilities to be the Town Center, the Whalom area, Baker Station, Lower Massachusetts Avenue, Lake Shirley, and Hickory Hills.

3. Housing Plan Strategy

The Town plans, including the Chapter 40R development, will assist in meeting the need for rental housing. These units will assist in meeting local need and a portion of the regional need..

The Town of Lunenburg will continue to work with private developers and the State to facilitate the construction of 100 units per year through 2010 to meet Lunenburg's 2010

Affordable Housing goals. This will be achieved through the construction of 64 units of housing units being developed at Lunenburg Estates under Chapter 40B, over 300 future units on the three proposed Smart Growth Overlay districts, 58 units at Stone Farm and approximately 250 300 units and other units known to be in the planning stage. The total will result in five hundred housing units plus the market price units.

The Planning Board evaluates proposals for housing under the provisions of the Zoning for mixed use and planned developments and under the Subdivision Control Law. It also reviews proposals under Chapter 40B and special permits and reports to the Zoning Board of Appeals. It acts proactively in proposing zoning amendments and housing programs to the Town. In this spirit it is preparing the proposed Chapter 40R zoning.

V. IDENTIFICATION OF SPECIFIC SITES FOR AFFORDABLE HOUSING DEVELOPMENT

In addition to Lunenburg Estates permitted under Chapter 40B, the Affordable Housing Strategy of the Town of Lunenburg has identified prime locations within the community for the location of affordable housing units.

1. Lunenburg Estates

The land is located at 1229 Massachusetts Avenue and the total area is 10.49 acres. It is east of the Lunenburg Town Center on the northerly side of Massachusetts Avenue (Route 2A). The land is zoned as Commercial District, in which retail uses are the principal permitted uses not requiring a special permit. Residences are permitted subject to the requirements of the adjacent zoning district. Assisted living Residence and Continuing Care Retirement Community are permitted on a special permit. In the abutting Residential District a Planned Residential District may be permitted subject to a Special Permit granted by the Planning Board. Sixty-four (64) town houses are proposed on the site.

2. Tri-Town Drive-in Theater

The land is located at 3 Young's Road, and has a total area of 9.9 acres. It was formally used as a drive-in theater and currently is no longer in use. The land is zoned as Commercial District, in which residences are permitted subject to the requirements of the adjacent zoning district. The site is flat and served by water and sewer service. It is ready to be built. 79units are proposed under Smart Growth Zoning (Chapter 40R.)

3. Drive-in Theater

The land located at Electric Avenue has a total area of 15.78 acres. It was formally used as a drive-in theater and the site currently is vacant. The land is zoned as Commercial District, in which residences are permitted subject to the requirements of the adjacent zoning district. The site is served by water and sewer service and can be built after some work. 83 units are proposed under future Smart Growth Zoning. (Chapter40R.)

4. Old Primary School Building

This site is located at the Town Center. The building on the site used as the primary school is to be vacated. The total area that can be reused is 2.42 acres. The land is zoned as Residence A district, in which the current minimum zoning yields about one unit per acre. Under proposed Smart Growth Zoning, the units will be increased to be 19 units by reusing all or part of the school building.

Note:

Development of the Stone Farm Adult Community is underway at 748 Massachusetts Avenue. There will be 58 units of two, three and four attached units on 58.6 acres. There is no affordable component. Proposed Phase 2 and 3 of Whitewoods has six affordable units. A 40B development is under consideration by a local developer.

VI. DESCRIPTION OF USE RESTRICTIONS

As has been indicated in various sections of this Housing Plan, the Town of Lunenburg is committed to maintaining its Affordable Housing Inventory for as long a period as possible. Deed riders, regulatory agreements and/or affordable rental restrictions will assure continued affordability in perpetuity to the greatest extent possible. The resale prices included in homeownership projects should be indexed to HUD's area median income as opposed to market value to better assure this affordability over the long-term.

The policy on restriction is as follows:

> Affordable units must serve households with incomes no greater than eight (80) percent of the area median income in which the unit is located. Unless otherwise required by the subsidizing agency, units must be subject to use restrictions or re-sale controls to preserve their affordability as follows:
>
> > For a minimum of thirty (30) years or longer from the date of subsidy approval or construction for new construction.
> >
> > For a minimum of fifteen (15) years or longer from the date of subsidy approval or completion for rehabilitation .
> >
> > Alternatively, a term of perpetuity is encouraged for both new construction and completion of rehabilitation.

The affordable units will be marketed in a fair and open process consistent with State and Federal fair housing laws.

VII. CONCLUSION

The Lunenburg Planning Board, the Town government and the residents are all committed to fulfilling the varied housing needs of different sectors of the population and to meeting its local and regional responsibility. In this spirit the Town is complying with 769 CMR 31.07, responding to comments received from the Department of Housing and Community Development, and enthusiastically implementing the housing strategies available.