

Town of Yarmouth
Housing Production Plan
760 CMR 56.03(4)
April 15, 2016



Submitted by

**Town of Yarmouth Department of Community Development on behalf of
Yarmouth Community Housing Committee
Yarmouth Affordable Housing Trust**

Karen Sunnarborg, Consultant

**With technical support from Karen Greene, Director of the Department of Community
Development, and Mary Waygan, Housing Administrator**

TOWN OF YARMOUTH

HOUSING PRODUCTION PLAN

Table of Contents

	Page
I. Executive Summary	1
A. Housing Challenges	1
B. Housing Goals	2
C. Summary of Strategies	4
II. Housing Needs Assessment	7
A. Demographic and Economic Profile	7
B. Housing Profile	16
C. Priority Housing Needs	42
III. Obstacles to Development	48
A. Zoning	48
B. Environmental Concerns	49
C. Infrastructure	50
D. School Enrollment	51
E. Transportation	52
F. Availability of Subsidy Funds	52
G. Community Perceptions	54
V. Housing Production Goals	55
VI. Housing Strategies	58
A. Zoning Strategies	61
B. Capacity Building Strategies	69
C. Housing Production Strategies	74
D. Housing Preservation and Assistance Strategies	80
Appendices	
Appendix 1: Summary and Progress Report on 2011 Action Plan	86
Appendix 2: Yarmouth Land Use Vision Map	88

I. EXECUTIVE SUMMARY

A. HOUSING CHALLENGES

The Town of Yarmouth, like much of Cape Cod, continues to have a pressing need for more affordable housing. The median home price was \$275,000¹ as of July 2015, up from \$249,000 in 2010 but down from \$327,000 at the height of the market in 2005. The \$275,000 home price is still unaffordable to those earning less than \$62,750, representing about 6,600 households or approximately 58% of all Yarmouth households.² First-time home purchasers are particularly challenged by more stringent lending criteria in response to the financial crisis of a few years ago, including high down payment requirements of as much as 20% of the purchase price and rigorous credit standards. Some existing homeowners are finding that they are at risk of losing their homes to foreclosure, while others find rising energy, flood insurance and other housing-related costs much more difficult to afford. Moreover, of the 3,654 owner households earning within 80% of area median income for Barnstable County, 58% were spending too much of their income on housing including 36.5% who were spending more than half of their income on housing.

The situation is challenging for rental units as well. Affordable rentals are urgently needed in Yarmouth based largely on the concentration of service-sector jobs and the related high degree of job turnover. Market rents averaging well more than \$1,200 are causing 80% of renters earning at or below 80% area median income (AMI) to pay too much for their housing with the remaining 20%, who were not overspending, likely living in subsidized housing. Moreover, a total of 640 renter households earning within 80% AMI were spending more than half of their income on housing costs and should be primary targets for new subsidized rentals. These severely cost burdened households represent almost one-quarter of all renter households in Yarmouth.

Rentals also exact high up-front cash requirements, often including first and last month's rent and a security deposit. Credit checks and other references also place barriers to rental housing for some. Information from the Yarmouth Housing Authority further suggests high wait lists and low turnover rates for subsidized housing, especially handicapped accessible units.

As would be expected from a community in a tourist area, seasonal housing use is high and consequently, in the summer months Yarmouth's population increases substantially, putting high demands on local services but bolstering the town's economy. Having almost one in three homes unavailable for year-round occupancy further limits the supply of affordable housing for year-round residents. Yarmouth in fact has among the highest number of motel units, some of which have attracted a more transient, lower income population throughout the year, and others that are showing their age and require improvements to become more economically viable.

Demographic trends indicate that there will continue to be gains in the proportion of older residents and a continued decline in younger people. Older people will be most able to move

¹ The Warren Group's *Banker & Tradesman* as of July 2015 based on actual sales data.

² Figures based on 95% financing, interest of 4.0%, 30-year term, annual property tax rate of \$10.04 per thousand, insurance costs of \$6 per \$1,000 of the dwelling's value, and the household spending 30% of income on housing costs.

into Yarmouth, as they are more likely to bring with them the significant equity needed to participate in the local housing market, which is increasingly dominated by owner-occupied units. However, because of their increasing numbers, reliance on fixed incomes and unique needs, a substantial segment of seniors will need smaller more affordable dwelling units and assisted living arrangements.

While there will be additional older residents, housing for younger people is critically needed because of the ongoing losses from the younger age groups and the expected continued prevalence of homeownership among seniors. To attract a more stable labor force, it is important to work towards providing more affordable and appropriately sized housing opportunities. Consequently, the Town will target its affordable housing efforts to the development of affordable rental options for younger households and the increasing numbers of older, long-term residents with fixed incomes as well as homeownership opportunities for first-time purchasers and low to moderate-income empty nesters.

Yarmouth currently has 520 units of state-approved affordable housing, the equivalent of 4.32% of the town's 12,037 year-round units, up from 405 units or 3.36% in 2010.³ These additional 115 units represent a 28% increase in the affordable housing stock in Yarmouth. There is a current gap of 684 affordable units and future growth as well as expiring affordability restrictions on current affordable units will require additional conversion or production to keep the percentage of affordable units from regressing significantly.

Given its location on Cape Cod, Yarmouth will continue to be a tourist destination attractive to second-homeowners and retirees. This fact will continue to constrain Yarmouth's year-round housing stock and increase associated prices. Without the creation of considerably more affordable housing and employment opportunities that pay a livable wage, substantial gaps will likely widen between available resources and local needs.

B. HOUSING GOALS

The Town's Department of Community Development has prepared this Housing Production Plan under Massachusetts General Laws Chapter 40B, 760 CMR 56.00 on behalf of the Community Housing Committee and Affordable Housing Trust, updating the Plan that was approved by the state in 2011. This Plan will continue to offer the Town greater local control over affordable housing development and provide an up-to-date blueprint to help Yarmouth further its progress towards meeting the state's Chapter 40B 10% affordable housing goal as well as local goals and priorities, presenting a proactive housing agenda of Town-sponsored initiatives. This Plan further incorporates specific housing objectives that are listed in the introduction of Section V.

Chapter 40B dictates that 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.⁴ However, if the Town meets the annual goal of

³ Year-round units are based on total housing units minus seasonal/occasional units or 12,037 units for Yarmouth.

⁴ 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

producing 60 units under state Housing Production regulations and the state certifies that the locality has complied with this goal, the Town may then be able, through its Zoning Board of Appeals, to deny comprehensive permit applications without the developer's ability to appeal the decision. Production goals over the next five (5) years include the creation of an estimated 335 affordable units and the support of an additional 134 units that serve low to moderate-income households.

It also should be noted that the Town may be able to reserve up to 70% of the affordable units in any new development for those who have a connection to the Yarmouth community, as defined by the state and referred to as "local preference" units.⁵

The Town of Yarmouth has developed the following broad goals to guide local investment in affordable housing that were also part of earlier Plans:

- Implement policies that increase access to and the availability of affordable housing in Yarmouth and promote equal opportunity in housing.
- Seek out and encourage the development of innovative strategies designed to address housing needs of Yarmouth residents with particular attention to the needs of low and moderate income households and individuals.
- Promote affordable housing consistent with local needs.
- Promote smart growth development principles including encouraging housing development that also preserves open space and natural features.
- Encourage mixed-use development that incorporates workforce housing to support local businesses and the re-use of existing properties.
- Strive to reach the 10% goal for affordable housing as set forth in MGL Chapter 40B while maintaining the quality of life for all residents.

Gaps still remain between what many current residents can afford and the housing that is available. Consequently, the Town is looking for opportunities to further diversify the housing stock and address the range of community housing needs. Children who grew up in town are now facing the possibility that they may not be able to return to raise their own families locally. Long-term residents, especially the elderly, are finding themselves less able to maintain their homes and keep up with increased housing-related costs but also hard-pressed to find alternative housing that better meets their current lifestyles. Families are finding it more difficult to hold onto their homes since the recession as there have been some foreclosures.

assist in the construction of low- or moderate-income housing for those earning less than 80% of area 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.

⁵ "Local preference" units are allowed pursuant to submission of an Affirmative Fair Housing Marketing Plan, the requirements of which are promulgated by the state and last updated on June 25, 2008. These requirements include the following allowable preference categories:

- Current residents: A household in which one or more members is living in the city or town at the time of application. Documentation of residency should be provided, such as rent receipts, utility bills, street listing or voter registration listing.
- Municipal employees: Employees of the municipality, such as teachers, janitors, firefighters, police officers, librarians, or town hall employees.
- Employees of local businesses: Employees of businesses located in the municipality.
- Households with children attending the locality's schools, such as METCO students.

They have also been less able to “buy up,” purchasing larger homes as their families grow. Town employees and employees of the local businesses continue to be challenged to find housing that is affordable to them. More housing options are required to meet these local needs.

C. SUMMARY OF HOUSING STRATEGIES

This Housing Production Plan builds on the substantial progress that has been made over the past decade in promoting affordable housing including the major Town Meeting approvals for funding and zoning amendments that are highlighted in Table I-1.

Table I-1: Town Actions to Promote Affordable Housing

Town Action	Date	Description
CDBG Entitlement	1994	Town successfully designated a Community Development Block Grant (CDBG) Entitlement Community
Affordable Accessory Apartment Bylaw (Zoning Bylaw § 407)	Town Meeting April 2004	Allows for the creation of an affordable accessory apartment located within or attached to a principle residential structure.
Community Preservation Committee Created	Town Meeting April 2005	3% tax for community housing, open space and recreation, and historic preservation.
Motel Bylaw (Zoning Bylaw § 404)	Town Meeting April 2006	Allows for the redevelopment of certain Route 28 motels into residential or mixed-use. Affordable housing component required.
Affordable Housing Bylaw (Zoning Bylaw § 412)	Town Meeting April 2006	Set requirements for affordable housing.
Motel Predevelopment Fund	Special Town Meeting Sept. 2006	Town created a Motel Predevelopment Fund initially with \$150,000 of Community Preservation money.
Municipal Affordable Housing Trust Created and Capitalized with Community Preservation Funds	Town Meeting April 2007	Created and capitalized the Trust to create and preserve affordable housing. Trust has been capitalized at every subsequent Annual Town Meeting.
Affordable Housing Bylaw Inclusionary Zoning (Bylaw § 412)	Town Meeting May 2009	Amended to include inclusionary zoning.
Affordable Lots (Zoning Bylaw § 412)	Town Meeting May 2009	Amended to allow affordable housing to be built on unbuildable lots.
Condominium Motel Bylaw (Zoning Bylaw § 104.4)	Town Meeting 2010	Allows condominium motels to convert to residential with an affordable housing component as inclusionary zoning applies.
Village Center Overlay District (Zoning Bylaw § 414)	Special Town Meeting 2012	Allows commercial properties in the heart of the Route 28 tourism area to be redeveloped into commercial, residential or mixed-uses including affordable housing and design standards.
Conveyance and development of Simpkins School	Town Meeting 2009 authorized sale. Conveyed in 2012	The Town conveyed the Simpkins School to a developer and supported the development of 65 rental units for those 55 years or over that includes affordable ones for those earning at or below 60% and 30% AMI.
Affordable Housing Standards	2010 Revised in 2013 and 2014	The Town’s Community Housing Committee that established local preferences and priorities for Chapter 40B developments.

Community Preservation Funds	Town Meetings from 2005 to 2014	The Town has committed \$8.7 million in CPA funding in support of community housing projects, representing about 41% of the Town's total CPA funding allocations.
Housing Production Certification	March 22, 2013	DHCD certified the Town's Housing Production Plan given progress in producing affordable housing based on its Housing Production Plan.

This progress has been greatly assisted by important local funding sources including Community Preservation (CPA), Community Development Block Grant (CDBG), and Housing Trust funding. Specific development projects and programs include a Housing Buy-Down Program, Town-wide Rental Homes, Motel Redevelopment Program, Affordable Rental Program, Affordable Accessory Apartment Program, Affordable Home Preservation and Rehabilitation Program, a Septic Repair Program, a Ready Renters List, and initiatives to preserve units included in the Subsidized Housing Inventory that count towards a community's 10% affordability goal under Chapter 40B. The Department of Community Development continues to work with the Board of Selectmen, Board of Appeals, Planning Board, Community Preservation Committee, Community Housing Committee, Affordable Housing Trust, Yarmouth Housing Authority, and the Barnstable County HOME Consortium, along with private developers to preserve and create affordable housing in Yarmouth. Local and regional non-profit organizations have been particularly helpful in moving Yarmouth's housing agenda forward including Habitat for Humanity of Cape Cod, Harwich Ecumenical Council for the Homeless (HECH), Our First Home Inc., Building Dreams Inc., Council of Churches Hands of Hope Outreach Center, and the Housing Assistance Corporation (HAC).

Within the context of compliance issues, local needs, existing and projected resources, affordability requirements, and housing goals, this Housing Production Plan proposes a range of actions to promote affordable housing. These strategies are summarized in Table I-2 and are presented as a package for the Town to prioritize and process, each through the appropriate regulatory channels. Moreover, the proposed actions present opportunities to strategically invest limited CPA, CDBG and Affordable Housing Trust 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, help preserve the existing affordable housing stock, and provide direct assistance to both qualifying owners and renters.

Table I-2: Summary of Housing Strategies

Strategies	Timeframe for Commencing Implementation		# Afford able Units	Responsible Parties
	Years 1-2	Years 3-5		
A. Zoning				
1. Amend Cluster Development bylaw		X	*	PB, CHC
2. Explore Chapter 40R/40S or Compact Neighborhoods zoning		X	*	PB, CHC
3. Allow a wider range of housing types		X	*	PB, CHC
4. Explore property tax exemption for year-round rental units		X	*	BOS, FD, CHC
B. Build Local Capacity and Support				
1. Continue educational campaign	X		*	CHC
2. Encourage training on housing/smart growth development	X		*	BOS, CPC, CHC
C. Housing Production				
1. Continue to revitalize commercial areas with housing	X		180	PB, CHC , AHT
2. Continue to make suitable public land available for affordable housing	X		60	BOS, CHC, AHT
3. Continue to convert existing housing to affordability	X		37	AHT, CHC
4. Continue to promote Local Initiative Program Comprehensive Permit Units	X		58	CHC
D. Housing Preservation and Direct Assistance				
1. Monitor affordability of Subsidized Housing Inventory	X		*	CHC
2. Upgrade existing housing stock	X		*	CHC
3. Help current and prospective homeowners access housing resources	X		*	CHC, YHA, COA
4. Provide assistance to renters	X		*	CHC

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

Responsible Party	Abbreviation
Community Housing Committee	CHC
Board of Selectmen	BOS
Planning Board	PB
Affordable Housing Trust	AHT
Community and Economic Development Committee	CEDC
Council on Aging	COA
Yarmouth Housing Authority	YHA
Finance Department	FD

II. COMPREHENSIVE HOUSING NEEDS ASSESSMENT⁶

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

A. DEMOGRAPHIC AND ECONOMIC PROFILE

Detailed information on population and economic characteristics and trends is summarized below. In general, Yarmouth can expect to see little or no future population growth in the context of fewer children and significant gains in older adults, trends that are projected to occur throughout much of the Cape.

1. Population Growth – Recent population loss

The Town of Yarmouth had a population of 23,793 in 2010 (based on the 2010 U.S. Census) and a land area of 24.2 square miles, representing a population density of 983.2 residents per square mile this is high in comparison to Barnstable County of 545.8. In fact, Yarmouth is the most densely populated town on Cape Cod with the next highest density of 752.8 for the town of Barnstable.

As presented in Table II-1 and Figure II-1, Yarmouth encountered substantial growth from 1960 to 2000, with the population more than doubling between 1960 and 1970 and then doubling again from 1970 to 2000. Yarmouth's growth rate of 17.2% between 1990 and 2000 alone far exceeded the state's overall growth for the same period of 5.5%. However, since 2000 the population has declined somewhat, by 4.1% between 2000 and 2010, and by 67 residents between 2010 and 2013. Town records suggest a total population of 20,777 as of the end of August 2015, which is significantly lower than the 2013 census estimates of 23,726.

Table II-1: Population Change, 1930 Through 2013

Year	Total Population	Change in Number	Percentage Change
1930	1,794	--	--
1940	2,286	492	27.4%
1950	3,297	1,011	44.2%
1960	5,504	2,207	66.9%
1970	12,033	6,529	118.6%
1980	18,449	6,416	53.4%
1990	21,174	2,725	14.8%
2000	24,807	3,633	17.2%
2010	23,793	-1,014	-4.1%
2013	23,726	-67	-0.3%

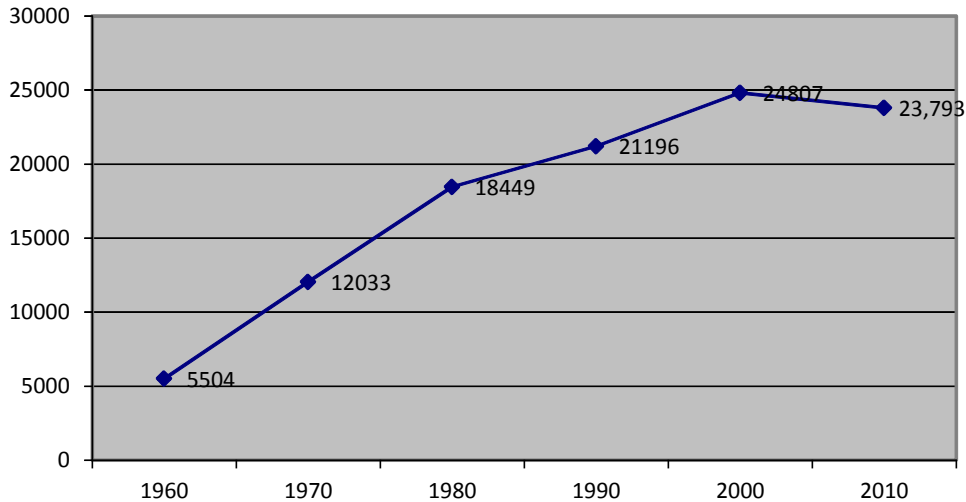
Source: U.S. Census Bureau, 2010, the University of Massachusetts Donahue Institute's State Data Center and the U.S. Census Bureau's American Community Survey, 5-Year Estimates, 2009-2013.

The Metropolitan Area Planning Council (MAPC) has calculated population growth projections, summarized by age range in Table II-3, which suggest that the population will increase modestly

⁶ It should be noted that this Housing Needs Assessment includes the most up-to-date data available. Typically the actual counts from the 2010 census data are presented as well as the most recent figures from the Census Bureau's American Community Survey (ACS). Because the ACS is based on survey data it is subject to sampling error and variation.

to 24,001 by 2020 and further to 24,707 by 2030. This represents a growth rate of 4.1% since 2010 when the population was 23,726. On the other hand, population projections from the State Data Center at the University of Massachusetts' Donahue Institute estimate a decline in population to 22,218 by 2025 and down still further to 21,601 by 2035, representing a 9.2% decrease since 2010.

Figure II-1: Yarmouth Population Change 1960 to 2010



2. Age Distribution – Declines in children and gains in middle-age residents with significant projected increases in seniors

Demographic trends indicate that the proportion of older residents will continue to increase at the expense of those who are younger. Table II-2 provides census data on the changes in the age distribution between 1990 and 2013, which is also charted in Figure II-2, demonstrating the significant decrease in children and relatively little growth in younger adults age 18 to 44. On the other hand, those age 45 to 54 years more than doubled in number during this period. There was more modest growth in the 55 to 64 age range and only a 12.6% growth rate in those 65 years of age or older. The increases in these middle-aged residents will contribute to the anticipated surge of those 65 years of age and older that is projected for the coming decades.

Table II-2: Age Distribution, 2000, 2010 and 2013

Age Range	1990		2000		2010		2013	
	#	%	#	%	#	%	#	%
Less than 18 years	3,728	17.6	4,267	17.2	3,761	15.8	2,468	10.4
18 to 34 years	4,261	20.1	3,622	14.6	3,478	14.6	4,412	18.6
35 to 44 years	2,539	12.0	3,299	13.3	2,553	10.7	2,491	10.5
45 to 54 years	1,756	8.3	2,225	13.0	3,377	14.2	3,583	15.1
55 to 64 years	2,402	11.3	2,902	11.7	3,631	15.3	3,464	14.6
65 years or more	6,488	30.6	7,467	30.1	6,993	29.4	7,308	30.8
Total	21,174	100.0	24,807	100.0	23,793	100.0	23,726	100.0
Median age	46.2 years		48.7 years		51.4 years		52.2 years	

Sources: US Census Bureau 1990, 2000 and 2010 and the Census Bureau's American Community Survey 5-Year Estimates, 2009-2013.

This demographic shift from fewer younger residents to a greater number of older ones is also reflected in significant increases in the median age, from 46.2 years in 1990 to 52.2 years according to 2013 census estimates.

Figure II-2: Changes in Age Distribution, 1990 to 2013

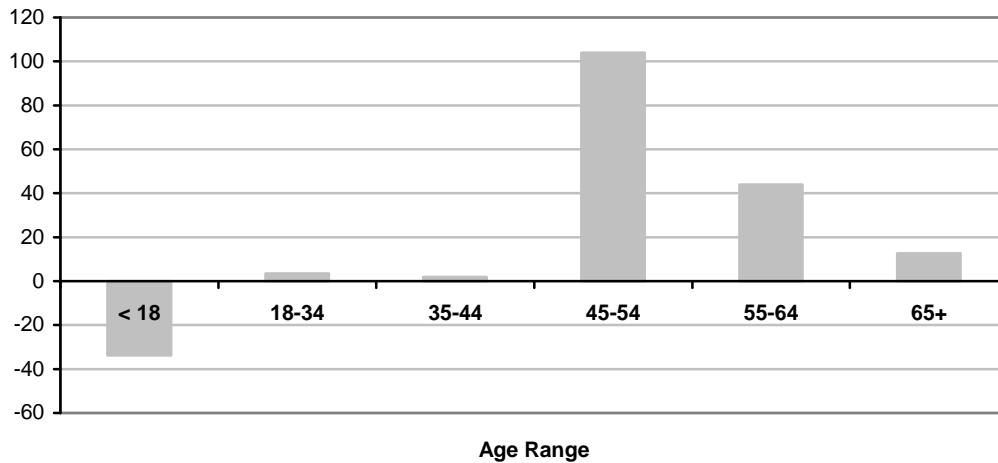


Table II-3 presents population projections by age range through 2020 and 2030, prepared by the Metropolitan Area Planning Council (MAPC). These projections suggest a continuation of population trends with declines in younger residents and substantial increases in seniors. For example, those older adults aged 65 years or more are projected to increase by 32% between 2010 and 2030. There are also reductions in middle-aged residents as those ages 45 to 64 move into the 65 years and older age category. *The Town will need to strategically plan to accommodate this increase in seniors while finding ways to attract younger families with children to maintain the social and economic vitality of the community.*

Table II-3: MAPC Population Projections for 2020 and 2030

Age Range	2010 Census	2020 Estimates	2030 Estimates
Less than 5 years	1,016	1,119	1,091
5 to 19 years	3,134	2,393	2,549
20 to 34 years	3,089	3,106	2,835
35 to 64 years	9,561	9,515	8,993
65+ years	6,993	7,868	9,239
Total	23,793	24,001	24,707

Source: Metropolitan Area Planning Council (MAPC), Massachusetts Housing Data Portal

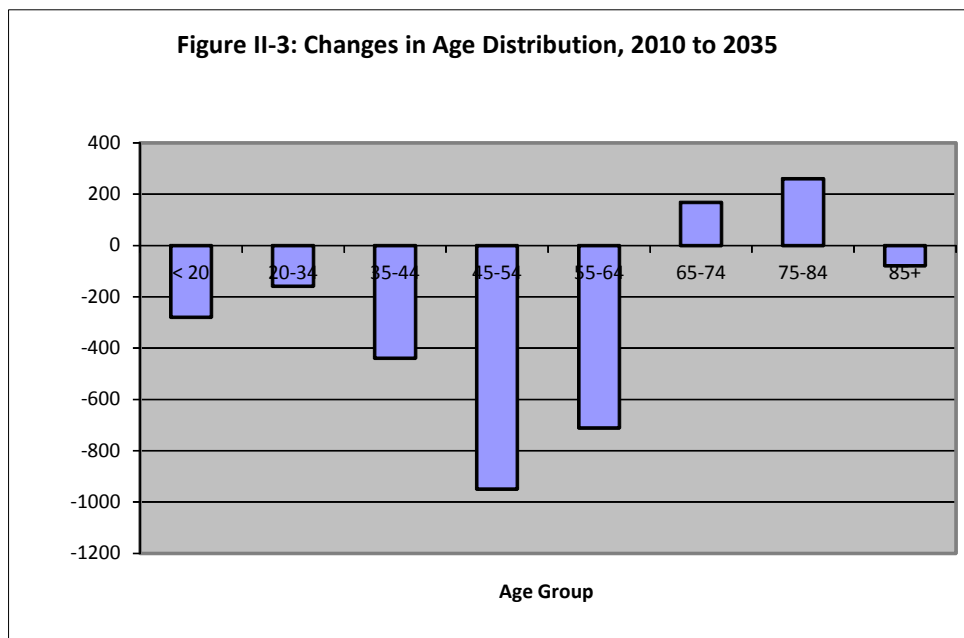
Table II-4 and Figure II-3 provide projections of the age distribution in Yarmouth through 2035 from the State Data Center at the University of Massachusetts Donahue Institute. This data not only shows continuing declines in population but also increasing numbers of older adults age 65 to 84 and decreases in all other age categories. For example, those under the age of 20 are projected to remain about 17.4% to 17.9% of the population with a loss of about 280 such residents. Younger adults are also expected to stay relatively the same in proportion to all residents but decline in number with overall population loss. Those middle age residents between 45 and 64 are projected to decrease significantly, from almost 30% of the population in 2010 to about one-quarter by 2035 with an estimated loss of 1,662 residents or by 23.7%. Older

adults 65 years of age or older are expected to increase from 29.4% of the population in 2010 to 34.0% by 2035, a gain of 349 residents despite overall population loss.

Table II-4: Projected Age Distribution

Age Range	2010 Census		2015 Projections		2025 Projections		2035 Projections	
	#	%	#	%	#	%	#	%
Under 5 Years	1,016	4.3	954	4.0	983	4.4	999	4.6
5 – 19 Years	3,134	13.2	3,163	13.3	2,877	12.9	2,871	13.3
20 – 24 Years	962	4.0	1,127	4.8	960	4.3	918	4.2
25 – 34 Years	2,127	8.9	2,102	8.9	2,022	9.1	2,012	9.3
35 – 44 Years	2,553	10.7	2,413	10.2	2,076	9.3	2,113	9.8
45 – 54 Years	3,377	14.2	3,110	13.1	2,614	11.8	2,427	11.2
55 – 64 Years	3,631	15.3	3,640	15.4	3,281	14.8	2,919	13.5
65 – 74 Years	3,172	13.3	3,539	14.9	3,620	16.3	3,340	15.5
75 – 84 Years	2,525	10.6	2,342	9.9	2,689	12.1	2,785	12.9
85 Years +	1,296	5.4	1,323	5.6	1,096	4.9	1,217	5.6
Total	23,793	100.0	23,713	100.0	22,218	100.0	21,601	100.0
Under 20	4,150	17.4	4,117	17.4	3,860	17.4	3,870	17.9
Age 65+	6,993	29.4	7,204	30.4	7,405	33.3	7,342	34.0

Source: University of Massachusetts, Donahue Institute, State Data Center.



3. Household Composition – Increases in smaller households

The number of households grew by 20% from 9,594 in 1990 to 11,520 by 2000, and after a dip to 11,229 households in 2010 was almost up to 2000 levels according to 2013 census estimates as shown in Table II-5. While family households increased in number, they fell proportionately from 64.9% to 57.7% of all households between 1990 and 2010 and are estimated to have increased to 59.1% by 2013. Consequently there has been a corresponding increase in non-family households, which are comprised of single individuals or unrelated household members.

The number of female-headed households with children under age 18, typically among the most financially vulnerable residents in any community, decreased from 592 in 1990 to 553 by 2010.

The 2013 census estimates, however, suggest an increase to 686 households with the proportion of such households remaining rather comparable, from 6.2% in 1990 to 6.0%. Those 65 years of age and older who are living alone grew in number and in proportion to other households, increasing by 24% between 1990 and 2013.

Table II-5: Household Characteristics, 1990 to 2013

Types of Households	1990		2000		2010		2013	
	#	%	#	%	#	%	#	%
Total Households	9,594	100.0	11,520	100.0	11,229	100.0	11,461	100.0
Family Households	6,225	64.9	6,902	59.9	6,483	57.7	6,775	59.1
Female Headed Families w/Children <18	592	6.2	599	5.2	553	4.9	686	6.0
Non-family Households	3,369	35.1	4,618	40.1	4,746	42.3	4,686	40.9
Persons Living Alone 65+	1,764	18.4	2,277	19.8	2,219	19.8	2,189	19.1
Average Household Size	2.19 persons		2.11 persons		2.10 persons		2.05 persons	

Source: U.S. Census Bureau, Census 1990, 2000 and 2010 and American Community Survey, 5-Year Estimates 2009-2013.

Table II-6 shows that 77.1% of all households had only one or two members, including almost all non-family households and even 62.2% of all family households. The growing number of smaller households is also confirmed by the declining average household size at 2.19 persons in 1990 and down to 2.10 persons by 2010. This level is lower than the county and state averages of 2.21 persons and 2.48 persons, respectively. *This data further implies a need for a greater number of smaller units to accommodate a growing population of single-person households and smaller families. It also suggests potential further tax relief for the increasing number of seniors who are living alone on limited and fixed incomes.*

Table II-6: Household Type by Household Size, 2013

# Persons per Household	Family Households		Non-family Households		Total Households	
	#	%	#	%	#	%
1	NA	NA	4,124	88.0	4,124	36.0
2	4,214	62.2	502	10.7	4,716	41.1
3	1,345	19.8	50	1.1	1,395	12.2
4	896	13.2	10	0.2	906	7.9
5	190	2.8	0	0.0	190	1.7
6	81	1.2	0	0.0	81	0.7
7 or more	49	0.7	0	0.0	49	0.4
Total	6,775	100.0	4,686	100.0	11,461	100.0

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009-2013.

4. Race – Small but increasing minority population

There is some relatively small but growing racial diversity among Yarmouth residents. Minority populations comprised only 4.7% of the total population in 2000, up to 7.4% by 2010, and to 9.4% or 1,381 residents according to 2013 census estimates. The 2013 estimates indicated that 42% of minority residents were Black or African American and 23% were of Asian descent. Almost 40% of the minority residents also indicated they were of Hispanic or Latino heritage.

5. Income – Rising incomes but relatively lower income levels than other Cape communities

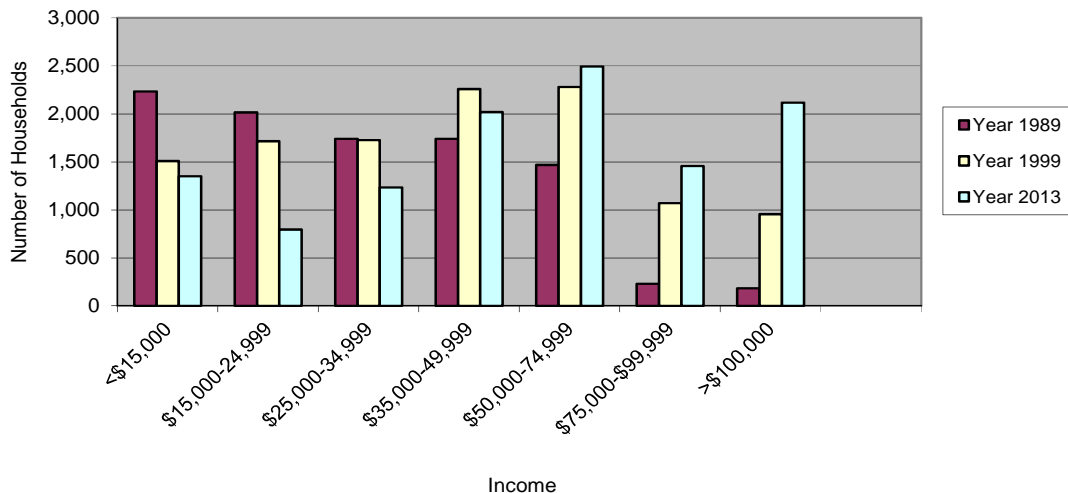
As indicated in Table II-7, incomes in Yarmouth have been increasing over the years with median income levels increasing from \$27,222 in 1989 to \$53,089 according to 2013 census estimates with a 2013 mean income of \$69,690. The percentage of those earning less than \$25,000 annually decreased from 44.3% in 1990 to 18.7% by 2013, still representing a considerable number of households with very limited incomes. On the other end of the income range, those earning more than \$100,000 increased from 1.9% in 1990 to 18.5% by 2013. These income shifts are visually presented in Figure II-4.

Table II-7: Income Distribution by Household, 1989-2013

Income Range	1989		1999		2010		2013	
	#	%	#	%	#	%	#	%
Under \$15,000	2,235	23.3	1,509	13.1	1,360	11.5	1,351	11.8
\$15,000-24,999	2,014	21.0	1,716	14.9	911	7.7	795	6.9
\$25,000-34,999	1,741	18.1	1,727	15.0	1,736	14.7	1,232	10.7
\$35,000-49,999	1,739	18.1	2,257	19.6	2,006	16.9	2,017	17.6
\$50,000-74,999	1,468	15.3	2,280	19.8	2,687	22.7	2,494	21.8
\$75,000-99,999	229	2.4	1,071	9.3	1,215	10.3	1,456	2.7
\$100,000-149,999	185	1.9	726	6.3	1,259	10.6	1,320	11.5
\$150,000 or more			230	2.0	671	5.6	797	7.0
Total	9,611	100.0	11,516	100.0	11,845	100.0	11,461	100.0
Median	\$27,222		\$39,809		\$48,653		\$53,089	

Source: U.S. Census Bureau 1990, 2000 and 2010 and American Community Survey 5-Year Estimates, 2009-2013

Figure II-4: Income Distribution by Census



Another view of median income levels is provided in Table II-8, which presents 2013 census estimates of median income levels for Yarmouth and neighboring communities, showing that Yarmouth's income levels fall in the lower end of the range. Median income levels are generally lower than the county, the state, and the other communities with the exception of Dennis.

Table II-8: Comparison of Median Income Levels, 2013

Place	Median Household Income	Median Family Income	Median Non-family Income	Median Per Capita Income
Barnstable	\$60,135	\$73,349	\$33,320	\$35,723
Bourne	\$62,216	\$78,321	\$38,368	\$34,012
Brewster	\$60,515	\$78,565	\$37,102	\$35,564
Chatham	\$64,936	\$83,972	\$38,339	\$45,078
Dennis	\$50,672	\$67,702	\$30,769	\$32,843
Harwich	\$62,927	\$73,338	\$35,106	\$34,459
Orleans	\$60,303	\$76,343	\$31,184	\$41,573
Sandwich	\$82,617	\$91,527	\$42,908	\$34,443
Yarmouth	\$53,089	\$67,826	\$36,235	\$34,096
Barnstable County	\$60,526	\$76,311	\$35,572	\$36,142
Massachusetts	\$66,866	\$84,900	\$38,862	\$35,763

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009-2013

Growing income disparities are reflected in a comparison of income levels for owners and renters as presented in Table II-9. About 40% of renters earned within \$35,000 compared to only 25.8% of homeowners. On the other hand, 37% of the homeowners earned more than \$75,000 compared to only 12.7% of the renter households. The income disparity between owners and renters is also reflected in median income levels of \$57,867 and \$39,435, respectively, based on 2013 census estimates. Additionally, the median income for homeowners increased by 35% since 2000 while only by 27% for renters. These figures also represent lower median income levels in comparison to the county where they were \$69,269 and \$33,645 for owners and renters, respectively.

Table II-9: Income Distribution by Tenure, 2013

Income Range	Homeowners		Renters	
	#	%	#	%
Under \$10,000	388	4.4	223	8.2
10,000-24,999	1,038	11.9	497	18.1
25,000-34,999	831	9.5	401	14.6
35,000-49,999	1,463	16.8	554	20.2
50,000-74,999	1,778	20.4	716	26.1
75,000-99,999	1,263	14.5	192	7.0
100,000-149,999	1,230	14.1	90	3.3
150,000 +	730	8.4	67	2.4
Total	8,721	100.0	2,740	100.0
2013 Median Income	\$57,867		\$39,435	
2000 Median Income	\$42,904		\$31,039	

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009-2013

These income figures are also based on the Town's year-round population, not those who live in town for only part of the year. Many in this group of occasional residents, who occupy about 31% of Yarmouth's housing units, are likely to have significantly higher average incomes in order to afford the high costs of seasonal units or second homes, thus further widening income disparities within the community.

6. Poverty – Overall declines in poverty except for seniors⁷

Over the past several decades Yarmouth has generally experienced decreases in the level of poverty, particularly for children where poverty has declined by 65% since 1990. A major exception is for individuals 65 years of age or older where poverty levels increased from 4.9% to 7.1% or by 199 residents between 1990 and 2013. This population represents an extremely vulnerable group whose limited means suggest a need for public assistance and subsidized housing.

Table II-10: Poverty Status, 1990-2013

	1990		2000		2010		2013	
	#	%	#	%	#	%	#	%
Individuals	1,994	9.5	1,842	7.5	1,880	7.9	1,946	8.2
Families	474	7.5	360	5.2	350	5.4	352	5.2
Female-headed households with children < 18	263	44.4	184	30.6	123	22.3	159	23.2
Children < 18	731	19.6	460	11.1	399	10.6	259	10.5
Individuals 65 years +	320	4.9	264	3.6	476	6.8	519	7.1

Source: U.S. Census Bureau 1990 and 2000 Summary File 3 and American Community Survey 5-Year Estimates, 2009-2013

7. Employment – Significant jobs in lower-paying service sector

Yarmouth is located in the mid-Cape area and a fair distance from the major population and job centers of Boston and Providence. The 2013 census estimates indicate that of the Town's residents 16 years of age or over, 56.8% or 11,845 residents were in the labor force. Estimates also indicated that 35.1% were involved in management or professional occupations and 41.8% were employed in the lesser paying service and sales oriented jobs that support the local economy. While 76.1% were private salaried or wage workers, another 10.6% were government workers, and 13.4% were self-employed.

Additional information on employment patterns indicated that of those Yarmouth residents who were employed over the age of 16, only 15.4% worked in the community. Also, 82.8% reported that they commuted alone to work by car with a mean travel time of 24.4 minutes.

It should also be noted that the significant resort economy in Yarmouth causes fluctuations in the job force that increase in the summer months to serve seasonal needs. For example, those employed in Yarmouth grew from 10,491 in January 2015 to 12,278 by July, a 17% increase in jobs according to state Labor and Workforce Development data.

Table II-11 provides state data on employment and wages in Yarmouth businesses that indicates an average annual employment in 2014 of 8,432 workers with an average weekly wage of only \$791, representing an estimated annual wage of about \$41,300. This relates to the large number of jobs in the service sector including retail trade, social assistance and the motel and restaurant industries. In comparison, the average weekly wage was \$870 and \$936 for the

⁷ The federal poverty levels for 2015 were \$11,770 for a single individual and \$20,090 for a family of three (3).

Upper Cape communities of Bourne and Falmouth, respectively, and \$855, \$900 and \$922 for New Bedford, Plymouth and Attleborough, respectively, for example.

Table II-11: Average Employment and Wages by Industry, 2014

Industry	# Establishments/ Businesses	Total Wages (\$)	Average Employment (# of Jobs)	Average Weekly Wage (\$)
Construction	99	\$38,626,092	682	\$1,097
Manufacturing	15	8,157,382	168	934
Utilities	4	22,607,825	218	1,994
Wholesale trade	20	6,088,618	123	952
Retail trade	112	26,687,755	1,041	530
Transportation/warehousing	8	13,679,477	287	917
Information	11	13,301,303	175	1,462
Finance/insurance	23	12,200,805	168	1,397
Real estate/rental/leasing	33	9,725,066	241	776
Professional/technical services	63	13,574,127	248	1,053
Management of companies/enterprises	6	4,935,342	124	765
Administrative/waste services	61	16,321,996	492	638
Health care/social assistance	114	48,134,018	1,232	751
Arts/entertainment/recreation	21	6,391,486	237	519
Accommodation/food services	125	38,154,278	1,819	403
Other services, public admin.	57	20,144,934	375	1,033
Total	792	\$346,626,092	8,432	\$791

Source: Massachusetts Executive Office of Labor and Workforce Development, September 5, 2015.
Shaded rows include industries employing more than 1,000 workers.

At this point there are few housing options in Yarmouth beyond local motels to house lower paid seasonal workers. The apparent mismatch between wages and housing prices has manifested in the recent and growing trend of employers importing workers from other communities and even other countries. Foreign workers appear to have some temporary housing arrangements (including some use of lodging units) due to their temporary residency here. Such housing is very likely to be overcrowded and/or employer-supplied. Some retail, lodging and restaurant employers have secured housing for workers to sustain their basic staffing levels during the summer months.

8. Disability Status – More than 14% of residents claimed a disability

According to 2013 census estimates, a total of 3,410 residents, or 14.4% of all residents at the time, claimed some type of disability, higher than the 11.3% statewide level. Of the 2013 population who were 5 to 17 years old, 83 or 3.4% had some disability, about evenly split between hearing and cognitive impairments. Those disabled Yarmouth residents in the 18 to 64 age range included 9.1% of those in this age range, primarily impaired by cognitive or ambulatory problems. In regard to the population 65 years of age or older, 29.6% claimed some type of disability mostly related to hearing problems, an ambulatory difficulty and problems living independently.

Table II-12: Percentage of the Civilian Noninstitutionalized Population with Physical Disability, 2013

Age Range	Yarmouth		Massachusetts	
	#	%	#	%
Less than age 5	0	0.0	2,929	0.8
Age 5 to 17 years	83	3.4	61,274	5.9
Age 18 to 64 years	1,186	9.1	371,821	8.8
Age 65 years +	2,141	29.6	301,588	33.7
Total	3,410	14.4	737,612	11.3

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009- 2013

B. HOUSING PROFILE

This section summarizes housing characteristics and trends, analyzes the housing market from a number of different data sources and perspectives, compares what housing is available to what residents can afford, summarizes what units are defined as affordable by the state, and establishes the context for identifying priority housing needs.

1. Housing Growth – Slower recent growth

In regard to older historical development, Table II-13 indicates that about one-quarter of Yarmouth’s housing stock was built prior to 1960 and only 6.8% predate World War II. Most housing development took place between 1960 and 1990 when 63.5% of all units were built. Like many communities on the Cape, this was a time where most development was targeted to the higher priced market based on the growing demand for second homes and places to retire on or near the seashore. Since 1990, residential building activity has slowed down considerably with only 11.5% of the housing stock built since 1990.⁸

Yarmouth had 17,448 total housing units according to 2013 census estimates. Building activity since 2000 reflects an increase of 1,018 units, representing a 5.8% rate of housing growth despite a 4.4% loss of population since 2000, reflective of increasing smaller households and the seasonal/second home market.

Table II-13: Housing Units in 2013 by Year Structure Was Built

Time Period	#	%
2010 to 2013	60	0.3
2000 to 2009	958	5.5
1990 to 2000	1,000	5.7
1980 to 1989	3,231	18.5
1970 to 1979	4,278	24.5
1960 to 1969	3,579	20.5
1950 to 1959	2,310	13.2
1940 to 1949	842	4.8
1939 or earlier	1,190	6.8
Total	17,448	100.0

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009-2013

⁸ Census data presented in Table II-15 suggests a lower growth rate of 9.5%. Numbers of units per decade frequently vary from census to census.

Table II-14 provides information on the number of building permits issued since 2000, showing the decreasing amount of residential building activity, from a high of 96 units before the financial crisis in 2005 to a low of 19 permits in 2011. The average number of units was 70 between 2000 and 2006 and then down to 26 between 2007 and 2014 (not including the 65-unit Simpkins School development in 2012). Also, the value per unit has risen dramatically in recent years, from \$212,000 in 2011 to \$522,500 and \$406,000 in 2013 and 2014, respectively.

Table II-14: Residential Building Permits, 2000 through 2014

Year	# Building Permits for New Units	Average Cost/Unit
2000	86	\$168,600
2001	61	\$255,900
2002	49	\$229,900
2003	61	\$261,500
2004	82	\$220,200
2005	96	\$247,100
2006	54	\$263,000
2007	27	\$274,800
2008	33	\$299,600
2009	26	\$202,700
2010	33	\$246,500
2011	19	\$212,000
2012	17 single-family and 1 65-unit multi-family (Simpkins School)	\$231,000 and \$9,891,000
2013	23	\$522,500
2014	30	\$406,000

Source: University of Massachusetts, Donahue Institute, State Data Center

State build-out projections computed almost 15 years ago by the state's Executive Office of Environmental Affairs projected that the town could accommodate another 1,919 housing units based on existing zoning at the time. This would represent a total housing stock of approximately 18,500 units. Assuming the same level of year-round occupancy, about 70% of the total housing stock, approximately 13,000 units would be available for year-round use at build-out. Given housing growth since 2000, these projections would suggest that the town can accommodate another 1,000 or so units until build-out, once again premised on existing zoning and other state assumptions. This further suggests that given the existing gap of 684 affordable units to reach the Chapter 40B 10% affordability goal, it is unlikely that the 10% target can be reached without significant redevelopment and 40B rental developments that include all units, affordable and market, in the Subsidized Housing Inventory (SHI).

2. Housing Types and Occupancy – Some net loss of rental units and continued significant seasonal housing or second homes at about 30% of all units

According to 2010 census figures and subsequent 2013 census estimates, Yarmouth had approximately 17,450 housing units. The proportion of owner-occupied units has increased since 1990 with a corresponding decrease in the rental housing stock, from 26.9% of all units in 1990 to 24.5% and 23.9% in 2010 and 2013, respectively, with a net loss of 110 rental units.

Table II-15: Housing Characteristics, 1990-2013

Housing Characteristics	1990		2000		2010		2013	
	#	%	#	%	#	%	#	%
Total units	15,913	100.0	16,605	100.0	17,464	100.0	17,448	100.0
Occupied units*	9,594	60.3	11,520	69.4	11,229	64.3	11,461	65.7
Vacant***/ Seasonal, recreational and occasional use*	6,319/ 4,725	39.7/ 29.7	5,085/ 4,549	30.6/ 27.4	6,235/ 5,427	35.7/ 31.1	5,987/ 5,126	34.3/ 29.4
Occupied owner units**	7,014	73.1	8,711	75.6	8,480	75.5	8,721	76.1
Occupied rental units**	2,580	26.9	2,809	24.4	2,749	24.5	2,740	23.9
Owner vacancy rate	5.8%		1.6%		2.4%		2.5%	
Rental vacancy rate	20.1%		3.9%		11.0%		11.7%	

Source: U.S. Census Bureau 1990, 2000 and 2010 and American Community Survey 5-Year Estimates 2009-2013

* Percentage of total housing units ** Percentage of occupied housing units ***Unoccupied units that include seasonal and occasional units.

As would be expected from a community in a tourist area, seasonal housing use is significantly higher than that of the state in general, 29% as opposed to 4.2% for the state, but lower than the county overall at 36.5% based on 2013 census estimates. Consequently, in the summer months Yarmouth's population increases substantially, putting high demands on local services but bolstering the town's economy. However, having almost one in three homes unavailable for year-round occupancy, further limits the supply of affordable housing for year-round residents. Yarmouth in fact has among the highest number of motel units, some of which have attracted a more transient, lower income population throughout the year, and others that are showing their age and require improvements to become more economically viable. Through new zoning the Town has promoted the redevelopment local motels and conversion of units to year-round use and long-term affordability.

Vacancy rates in Yarmouth have been very low for ownership units at 2.5% according to 2013 census estimates. As any rate below 5% represents very tight market conditions these vacancies reflect natural and fairly quick turnover. Rental vacancy rates have fluctuated considerably from 20.1% in 1990, down to as low as 3.9% in 2000, and then up again past 11% and account for most of the vacant units identified in Table II-15. This reflects some volatility in the rental market and more than natural turnover of units.

As shown in Table II-16, more than three-quarters of Yarmouth's housing units were single-family detached homes. This level is somewhat lower than the county's at 81.1% but much higher than the state where only slightly more than half of all units were in single-family detached dwellings. Table II-8 also shows that a relatively small portion of Yarmouth's units were in larger multi-family structures with 5.8% of all units in structures of ten or more units. However, a significant segment of the housing stock, 13.1%, is comprised of single-family attached units and other smaller multi-family dwellings.

Table II-16: Units in Structure, 2000 and 2013

Type of Structure	2000		2013	
	#	%	#	%
1 Unit Detached	12,970	78.1	13,485	77.3
1 Unit Attached	1,032	6.2	1,040	6.0
2 to 4 Units	977	5.9	1,244	7.1
5 to 9 Units	915	5.5	670	3.8
10 or More Units	711	4.3	982	5.7
Mobile homes	0	0.0	17	0.1
Total	16,605	100.0	17,448	100.0

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009-2013

Table II-17 summarizes the number of units by type of residential structure. Not surprisingly, almost all of Yarmouth's owner-occupied housing is in single-family homes. Only 2.6% of the town's owner-occupied units are in structures of two or more units.

More than half of all rental units were also in single-family units, detached and attached, likely not easily recognizable from owner-occupied ones. A significant portion of rental units, 23.1%, was located in small multi-family structures of two to four units. Almost one-fifth of rentals are part of larger multi-family properties of five or more units.

It should be noted that there has been some loss of small multi-family rental units as they were most likely converted to owner-occupancy as condominiums or single-family homes. On the other hand there was some gain in the number and proportion of rental units in somewhat larger multi-family structures of five to nine units with a loss of owner-occupied units in these properties. Data also suggests some loss of both owner and renter-occupied units in buildings with more than nine units.

Table II-17: Tenure by Units in Structure, 2000 and 2013

Type of Structure	Owner-occupied Units				Renter-occupied Units			
	2000		2013		2000		2013	
	#	%	#	%	#	%	#	%
1 Unit Detached	7,712	88.5	7,655	87.8	1,127	40.2	1,191	43.5
1 Unit Attached	485	5.6	596	6.8	262	9.3	302	11.0
2 to 4 Units	198	2.3	230	2.6	779	27.8	632	23.1
5 to 9 Units	172	2.0	88	1.0	216	7.7	336	12.3
10 or More Units	150	1.7	135	1.5	419	14.9	279	10.2
Other	0	0.0	17	0.2	0	0.0	0	0.0
Total	8,717	100.0	8,721	100.0	2,803	100.0	2,740	100.0

Source: U.S. Census Bureau, 2000 and American Community Survey 5-Year Estimates, 2009-2013

3. Housing Costs – Prices rising but still below pre-recession levels and lower than neighboring communities

Ownership Units

Census data on the value of owner-occupied properties is presented in Table II-18, showing that the median price in Yarmouth doubled between 2000 and 2013, from \$151,200 to \$304,400.

The 2013 census estimates also suggest that three-quarters of the town's owner-occupied units

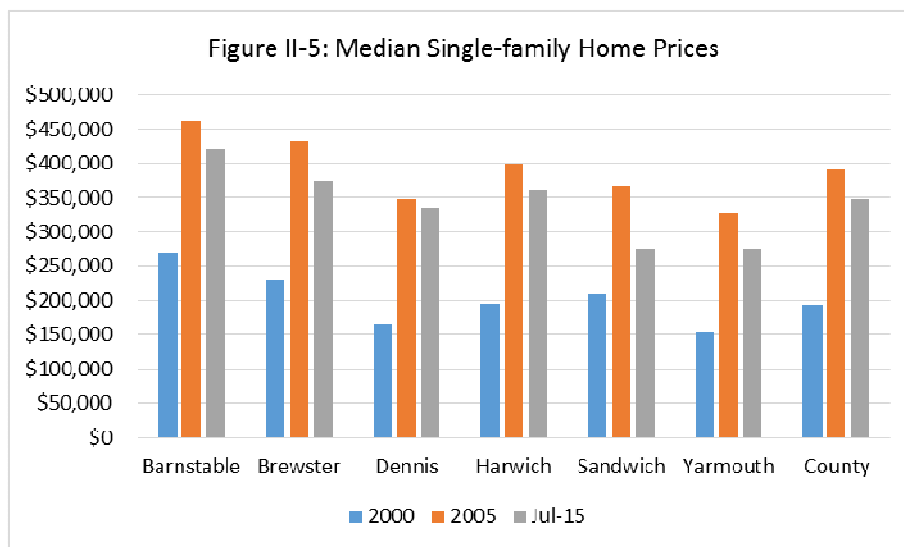
were valued between \$200,000 and \$500,000, but 12.5% were still valued in the affordable range below \$200,000. These more affordable units, most of which are market units, are likely to be comprised mostly of condominiums or very small bungalows and many are likely in poor condition. Most of these units are also not deed-restricted and do not comply with state requirements that would enable them to be eligible for inclusion in the Town's Subsidized Housing Inventory (SHI) and count towards meeting the state affordability goal of 10%.⁹ Nevertheless, they do offer some relatively affordable options for residents and are likely targets for local efforts to convert existing units to long-term affordable ones. On the other end of the price range, those properties priced above \$500,000 have increased substantially, from almost 2% of all units to 12.5%.

Table II-18: Value of Owner-Occupied Housing

Price Range	2000		2013	
	#	%	#	%
Less than \$100,000	793	9.1	250	2.8
\$100,000 to \$149,999	3,490	40.0	148	1.7
\$150,000 to \$199,999	2,417	27.7	701	8.0
\$200,000 to \$299,999	1,408	16.2	3,155	36.2
\$300,000 to \$499,999	443	5.1	3,373	38.7
\$500,000 to \$999,999	136	1.6	946	10.8
\$1 million or more	30	0.34	148	1.7
Total	8,717	100.0	8,721	100.0
Median (dollars)	\$151,200		\$304,400	

Source: U.S. Census Bureau, American Community Survey 5-Year Estimates, 2009-2013

Housing prices in Yarmouth have tended to be lower on average than Barnstable County as noted in Figure II-5 with a median single-family house price of \$275,000 as opposed to \$348,500 for the Cape as a whole as of July 2015.



⁹ Of the 1,099 housing units that are valued below \$200,000 according to 2013 census estimates, 142 or about 13% meet all state requirements of affordability under Chapter 40B and are included in the Town's Subsidized Housing Inventory (SHI) as of April 2015.

The highest values were in Barnstable in this analysis, at \$420,000. This chart also shows that median housing values have not caught up to 2005 when the market was at its highest for many communities, prior to the “bursting of the housing bubble”.

Table II-19 tracks the median housing values of single-family homes and condominiums since 1990 as well as the volume of sales. As of July 2015, the median value of single-family homes was \$275,000, the median for condos at \$182,000. These prices are down from previous years, particularly 2005 and 2006 when housing values peaked, but the housing market has been reviving from the recent low in 2011. This rebounding of the housing market is also reflected in the number of sales which have been increasing for single-family homes since 2009 and 2011 but have yet to reach the volume of sales activity from years prior to 2005.

Table II-19: Median Sales Prices, 1990 to July 2015

Year	Months	Single-family Median	# Single-Family Sales	Condo Median	# Condo Sales
2015	Jan – July	\$275,000	261	\$182,000	66
2014	Jan – Dec	255,000	476	150,000	89
2013	Jan – Dec	260,000	467	155,000	79
2012	Jan – Dec	244,000	489	145,000	130
2011	Jan – Dec	236,000	359	165,000	105
2010	Jan – Dec	249,000	421	175,000	121
2009	Jan – Dec	256,250	379	184,000	103
2008	Jan – Dec	267,250	441	200,000	106
2007	Jan – Dec	304,400	377	215,000	133
2006	Jan – Dec	315,000	423	248,000	136
2005	Jan – Dec	327,000	534	242,500	213
2004	Jan – Dec	304,900	643	211,000	127
2003	Jan – Dec	270,000	574	232,000	145
2002	Jan – Dec	236,000	589	201,000	173
2001	Jan – Dec	180,000	603	188,700	124
2000	Jan – Dec	153,000	668	160,750	210
1999	Jan – Dec	135,000	752	106,750	204
1998	Jan – Dec	122,000	683	126,250	188
1997	Jan – Dec	112,950	516	121,000	127
1996	Jan – Dec	107,500	479	98,000	123
1995	Jan – Dec	104,000	426	115,000	88
1994	Jan – Dec	107,000	432	145,000	105
1993	Jan – Dec	110,000	375	89,900	112
1992	Jan – Dec	113,725	360	93,5000	89
1991	Jan – Dec	114,000	261	130,000	73
1990	Jan – Dec	120,000	274	136,375	96

Source: The Warren Group, *Banker & Tradesman*, September 7, 2015

Table II-20 shows Assessor’s data that tracks the distribution of sales prices from 2005 through 2014. This data suggests that the number of sales in the \$200,000 to \$300,000 price range has fluctuated but has increased in recent years compared to reductions in the other price ranges with the exception of some recent increases in the high-end market of \$600,000 to \$1 million. It should be noted that there is considerable sales activity in the under \$200,000 range with 201 sales in 2014 as well as luxury market activity with 25 sales above \$1 million. While some drop in

prices has been bad news for some, it has presented opportunities for others looking to purchase.

Table II-20: Total Sales by Year and Price Range, 2005 to 2014

Year	\$200-300K	\$300-400K	\$400-600K	\$600-1 million
2005	134	222	89	27
2006	156	144	55	19
2007	153	113	52	17
2008	200	83	42	11
2009	161	69	39	9
2010	162	76	21	14
2011	116	61	25	11
2012	185	80	39	7
2013	191	85	41	21
2014	194	92	33	21

Source: Yarmouth Town Assessor, September 15, 2015

An analysis of more recent market data is presented in Table II-21, which breaks down sales data from the Multiple Listing Service as compiled by *Banker & Tradesman* for single-family homes and condominiums from January through August 2015. Of the 289 single-family home sales, almost half were priced between \$200,000 and \$299,999 while half of the condos sold from \$100,000 to \$199,999. There still remains some significant affordability in the housing stock with almost one-quarter of all these sales priced below \$200,000.

Table II-21: Single-family House and Condo Sales, January through August 2015

Price Range	Single-families		Condominiums		Total	
	#	%	#	%	#	%
Less than \$100,000	6	2.1	9	11.2	15	4.1
\$100,000-199,999	31	10.7	40	50.0	71	19.2
\$200,000-299,999	137	47.4	13	16.2	150	40.6
\$300,000-399,999	62	21.5	8	10.0	70	19.0
\$400,000-499,999	26	9.0	8	10.0	34	9.2
\$500,000-599,999	8	2.8	2	2.5	10	2.7
\$600,000-699,999	3	1.0	0	0.0	3	0.8
\$700,000-799,999	7	2.4	0	0.0	7	1.9
Over \$800,000	9	3.1	0	0.0	9	2.4
Total	289	100.0	80	100.0	369	100.0

Source: The Warren Group, *Banker & Tradesman*, September 7, 2015

Rentals

In regard to rental housing, the median gross rent doubled between 1990 and 2013 from \$598 to \$1,239 as shown in Table II-22. While half of the units involved rents ranging from \$500 to \$749 in 1990, almost half the rents by 2010 were in the \$1,000 to \$1,499 range. It should be noted that 14% of the 2,740 rentals involved subsidized units and consequently the median rents are more affordable than they actually are.

While there are very few apartment listings, Table II-23 provides a summary of Internet rental listings in early September 2015, following the busy seasonal rental market. Most of the rentals were for small houses. The lowest rent listed was a very small one-bedroom unit for \$900, the only one-bedroom listing. The two-bedrooms ranged from \$800, in the same development as

the one-bedroom listing, to \$1,950. The three-bedroom listings ranged from units with less than 1,000 square feet for \$1,400 to a 1,431 square foot apartment in a house for \$2,100. Four bedroom houses rented for about \$3,000.

Table II-22: Rental Costs, 1990 to 2013

Gross Rent	1990		2000		2010		2013	
	#	%	#	%	#	%	#	%
Under \$200	232	9.1	130	4.7	90	33.3	63	2.3
\$200-299	102	4.0	134	4.8	75	2.8	66	2.4
\$300-499	458	17.9	190	6.8	66	2.4	155	5.7
\$500-749	1,284	50.2	632	22.8	195	7.2	189	6.9
\$750-999	252	9.8	1,009	36.3	295	10.9	185	6.8
\$1,000-1,499	54	2.1	355	12.8	1,241	46.0	1,248	45.5
\$1,500 +			124	4.5	564	20.9	648	23.6
No Cash Rent	178	7.0	204	7.3	173	6.4	186	6.8
Total*	2,560	100.0	2,778	100.0	2,699	100.0	2,740	100.0
Median Rent	\$598		\$787		\$1,152		\$1,239	

Source: U.S. Census Bureau, Census 1990, 2000 and 2010 Summary File 3 and American Community Survey 5-Year Estimates, 2009-2013.

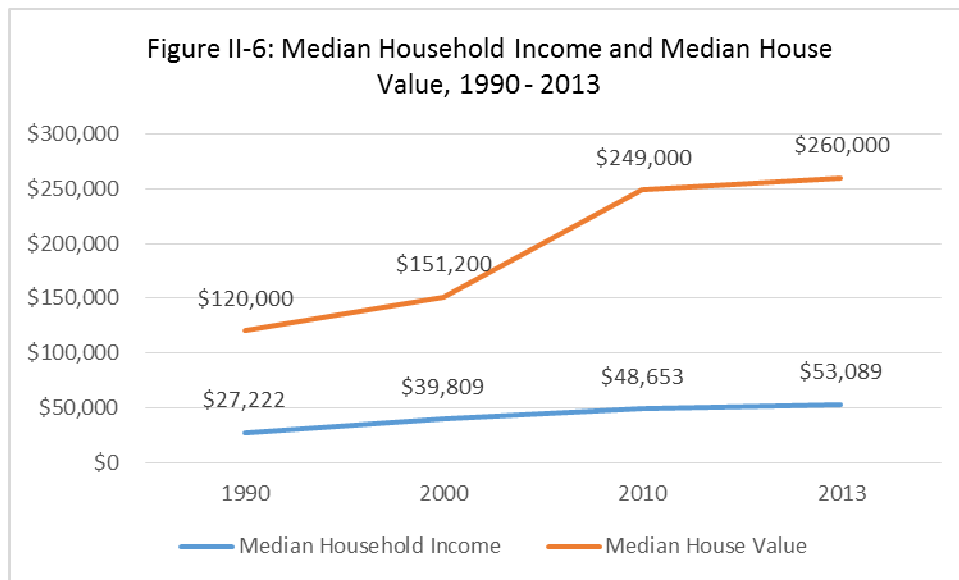
Table II-23: Market Rental Listings, September 2015

Area	Street	# Bedrooms	# Bathrooms	Square Feet	Rent
S. Yarmouth	Seaview Ave.	1	1	412	\$900
S. Yarmouth	Seaview Ave.	2	1	630	\$800
S. Yarmouth	Pine Grove Rd.	2	1	552	\$800
S. Yarmouth	Wilfin Road	2	1	564	\$980
W. Yarmouth	Pamet Road	2	1	1,128	\$1,300
W. Yarmouth	Trenton Street	2	1	840	\$1,350
W. Yarmouth	Circuit Road	2	2.5	1,062	\$1,600
S. Yarmouth	Tam O'Shanter	2	2	1,258	\$1,950
S. Yarmouth	Pawkanaukut	3	2	860	\$1,400
S. Yarmouth	Cedar Street	3	1	912	\$1,400
W. Yarmouth	Rosemary Ln.	3	1	1,097	\$1,695
W. Yarmouth	Tanglewood/ Apt. in house	3	2	1,000	\$1,700
Yarmouthport	Randolph Road	3	1.5	1,468	\$1,700
S. Yarmouth	Briar Circle	3	2	1,772	\$1,700
S. Yarmouth	Barkentine Cir.	3	2	1,536	\$1,900
S. Yarmouth	Turner Lane	3	2.5	1,891	\$1,900
Yarmouthport	Hawthorne Rd.	3	1.5	1,152	\$1,900
Yarmouthport	Center Street	3	1	1,152	\$2,000
S. Yarmouth	Kathy Ann Rd.	3	2	1,236	\$2,000
W. Yarmouth	Adrina Road	3	1.5	1,403	\$2,000
S. Yarmouth	Oak Bluffs Rd.	3	2.5	1,810	\$2,000
Yarmouthport	Merchant Ave.	3	3	2,500	\$2,000
S. Yarmouth	Great Western	3	3	1,832	\$2,000
S. Yarmouth	Mayo Road	3	2	1,431	\$2,100
W. Yarmouth	Webbers Path	4	2	1,532	\$1,100
W. Yarmouth	Massachusetts	4	1.5	1,758	\$1,700
S. Yarmouth	Aft Road	4	3.5	1,932	\$3,200
S. Yarmouth	Neptune Lane	4	2.5	2,228	\$3,000
W. Yarmouth	Heritage Drive	4	1.5	2,384	\$3,200

4. Affordability Analysis – Gaps remain for single-family homes and rentals

While it is useful to have a better understanding of past and current housing costs, it is also important to analyze the implications of these costs on residents' ability to afford them. A traditional rough rule of thumb is that housing is affordable if it costs no more than 2.5 times the buyer's household income. By this measure, the median income household earning \$53,089 in Yarmouth could afford a house of approximately \$132,722, 48% the median house price of \$275,000 as of July 2015. *This implies that the household in the middle of the town's income range faced an "affordability gap" of \$142,278.*

Housing prices have in fact risen faster than incomes, making housing less affordable as demonstrated in Figure II-6. As time went by, the gap between median household income and the median single-family house price widened. While incomes increased by 95% between 1990 and 2013, the median single-family house price increased by 117% based on 2013 *Banker & Tradesman* data. In 1990 the median income was 23% of the median house price but decreased to 20% by 2013. Moreover, the gap between income and house value was \$92,778 in 1990 but more than doubled to \$206,911 by 2013.¹⁰



It is also useful to examine what types of households at various income levels can afford with respect to ownership units and rentals, also looking at the type of financing. Table II-24 provides an analysis of what a single-person household can afford based on incomes at 80% and 100% of HUD area median income (AMI) for Barnstable County. The table also indicates that the amount of down payment has a substantial bearing on what households can afford. After the financial crisis, lenders have been typically applying more rigid lending criteria, including the need for down payments as high as 20% of the purchase price. Such high cash requirements make homeownership, particularly first-time homeownership, much more challenging. Because those earning at or below the 80% or 100% levels may likely qualify for a subsidized mortgage program such as the state's ONE Mortgage Program or MassHousing mortgage programs, they could potentially access 95% financing with good credit.

¹⁰ These gaps would have been even wider if the 2013 census estimate of \$304,400 was used in the analysis instead of the *Banker & Tradesman* figure.

Table II-24 also shows that because condo fees are calculated as housing expenses in mortgage underwriting criteria, they are effectively more expensive despite typically lower purchase prices. For example, a single-person household earning at 80% of area median income with 95% financing could afford a single-family home of \$196,000 with a 5% down payment but a condo for only \$158,000, assuming a condo fee of \$250 per month.

The table also examines what renters can afford at four (4) different income levels. For example, a single-person household earning at 50% of area median income and earning \$30,650 annually could afford an estimated monthly rental of about \$616.25 assuming they are paying no more than 30% of their income on housing and pay utility bills that average \$175 per month. This is about half of the census estimate's gross monthly rental of \$1,239. A market rental this low is almost impossible to find in Yarmouth.

Table II-24: Affordability Analysis I
Maximum Affordable Prices Based on Income Levels for a Single-person Household

Type of Property	Income Level*	30% of Monthly Income	Estimated Max. Affordable Price 5% Down **	Estimated Max. Affordable Price 20% Down **
Single-family	80% AMI = \$46,100	\$1,152.50	\$196,000	\$223,500
	100% AMI = \$61,300	\$1,532.50	\$250,000	\$297,000
Condominium	80% AMI = \$46,100	\$1,152.50	\$158,000	\$180,750
	100% AMI = \$61,300	\$1,532.50	\$215,500	\$257,000
		30% of Monthly Income	Estimated Utility Cost	Affordable Monthly Rental
Rental	100% AMI = \$61,300**	\$1,532.50	\$150.00	\$1,232.50
	80% AMI = \$46,100**	\$1,152.50	\$150.00	\$1,002.50
	50% AMI = \$30,650**	\$766.25	\$150.00	\$616.25
	30% AMI = \$18,400**	\$460.00	\$150.00	\$310.00

Source: Calculations provided by Karen Sunnarborg.

* HUD 2015 Income Limits for Barnstable County for a household of one (1). The 100% AMI figure based on multiplying the 50% AMI figure by two (2).

** Figures based on interest rate of 4.0%, 30-year term, annual property tax rate of \$10.04 per thousand, insurance costs of \$4 per \$1,000 in property value for condos and \$6/\$1,000 for single-family homes. Private mortgage insurance (PMI) estimated at 0.3125% of loan amount for 95% financing (for those earning at or below 100% AMI), and estimated monthly condo fees of \$250. Figures do not include underwriting for PMI in calculations with a 20% down payment and assume that purchasers earning at or below 80% of AMI would qualify for the ONE Mortgage Program or other subsidized mortgage program that would not require PMI.

Table II-25 undertakes the same affordability analysis but focuses on income levels for a three-person family, estimating what they could potentially afford at the 80% and 100% of area median income (AMI) levels, also taking the type of unit and financing into consideration. These figures suggest that a three-person household earning at 80% AMI could afford a single-family home for \$252,000 and a condo for about \$215,500 based on 95% financing. Another example is that a household earning at 100% AMI could afford a single-family home for \$382,000 and a condo for \$344,500 if they had sufficient cash available for 80% financing.

This table also estimates what a three-person family at various income levels can afford for

rents. For example, such a household earning at 80% AMI could afford a rent of about \$1,300 which is above the 2013 census estimate for the median gross income of \$1,239 but below many market rents beyond \$1,500.

Table II-25: Affordability Analysis I
Maximum Affordable Prices Based on Income Levels for a Three-person Household

Type of Property	Income Level*	30% of Monthly Income	Estimated Max. Affordable Price 5% Down **	Estimated Max. Affordable Price 20% Down **
Single-family	80% AMI = \$59,250	\$1,481.25	\$252,000	\$287,000
	100% AMI = \$78,800	\$1,970.00	\$322,000	\$382,000
Condominium	80% AMI = \$59,250	\$1,481.25	\$215,500	\$246,500
	100% AMI = \$78,800	\$1,970.00	\$288,500	\$344,500
		30% of Monthly Income	Estimated Utility Cost	Affordable Monthly Rental
Rental	100% AMI = \$78,800	\$1,970.00	\$175.00	\$1,795.00
	80% AMI = \$59,250	\$1,481.25	\$175.00	\$1,306.25
	50% AMI = \$39,400	\$985.00	\$175.00	\$810.00
	30% AMI = \$23,650	\$591.25	\$175.00	\$416.25

Source: Calculations provided by Karen Sunnarborg.

* HUD 2015 Income Limits for Barnstable County for a household of three (3). The 100% AMI figure based on multiplying the 50% AMI figure by two (2).

** Figures based on interest rate of 4.0%, 30-year term, annual property tax rate of \$10.04 per thousand, insurance costs of \$4 per \$1,000 in property value for condos and \$6/\$1,000 for single-family homes. Private mortgage insurance (PMI) estimated at 0.3125% of loan amount for 95% financing (for those earning at or below 100% AMI), and estimated monthly condo fees of \$250. Figures do not include underwriting for PMI in calculations with a 20% down payment and assume that purchasers earning at or below 80% of AMI would qualify for the ONE Mortgage Program or other subsidized mortgage program that would not require PMI.

Table II-26 examines affordability from another angle, going from specific housing costs to income instead of the other way around, as was the case in two tables above. Using median price levels for single-family homes and condos, the incomes that would be required to afford these prices are calculated, also showing the differences between 95% and 80% financing. For example, to afford the median sales price of a single-family home of \$275,000, based on *Banker & Tradesman* data as of July 2015, a household would have to earn an estimated \$62,750 with 95% financing. This income is higher than the median household income for the Town per 2013 census estimates of \$53,089 and consequently there is an affordability gap. It should be noted that this income level is also lower than 80% of HUD area income limits for Barnstable County of \$65,800 for a household of four. In the case of 80% financing, a somewhat lower income of about \$53,352 would be required which is comparable to the median household income of \$53,089 based on 2013 census estimates.

The median condo price was \$182,000, requiring an income of approximately \$51,518 with 5% down and \$46,305 with the 20% down payment assuming a monthly condo fee of \$250 and not spending more than 30% of income on housing costs.

Table II-26: Affordability Analysis II
Income Required to Afford Median Prices or Minimum Market Rents

Type of Property	Median Price*	Estimated Mortgage		Income Required **	
		5% Down	20% Down	5% Down	20% Down
Single-family	\$275,000	\$261,250	\$220,000	\$62,750	\$53,352
Condominium	\$182,000	\$172,900	\$145,600	\$51,518	\$46,305
	Estimated Market Monthly Rental ***	Estimated Monthly Utility Costs	Income Required		
Rental					
One-bedroom	\$1,000.00	\$150.00		\$46,000.00	
Two-bedroom	\$1,400.00	\$175.00		\$63,000.00	
Three-bedroom	\$1,900.00	\$225.00		\$85,000.00	

Source: Calculations provided by Karen Sunnarborg.

* From Banker & Tradesman Town Stats data, September 7, 2015 for single-family homes and condos.

** Figures based on interest rate of 4.0%, 30-year term, annual property tax rate of \$10.04 per thousand, insurance costs of \$4 per \$1,000 in property value for condos and \$6/\$1,000 for single-family homes. Private mortgage insurance (PMI) estimated at 0.3125% of loan amount for 95% financing and estimated monthly condo fees of \$250. Figures do not include underwriting for PMI in calculations with a 20% down payment and assume that purchasers earning at or below 80% of AMI would qualify for the ONE Mortgage Program or other subsidized mortgage program that would not require PMI.

A traditional method for determining affordability gaps involves calculating the difference between what a median income earning household can afford and the median price home. The 2013 census estimates indicate that Yarmouth's median household income was \$53,089 which could likely support a single-family home price of about \$225,000 with 95% financing. The affordability gap is then about \$50,000 - the difference between the price of the median priced single-family home (\$275,000) and what a median income household can afford (\$225,000). In the case of 80% financing, requiring a 20% down payment, a purchaser would need to borrow less and therefore could afford a home of about \$257,000 and thus the affordability gap decreases to \$18,000. It could be assumed however, that the significant cash requirement of more than \$55,000 effectively widens this gap.

There is no current affordability gap for condos as the median condo price of \$182,000, as of July 2015 from *Banker & Tradesman*, was lower than the estimated price that a median income earning Yarmouth household could afford of \$188,750 assuming a monthly condo fee of \$250.¹¹

In regard to rentals, the gross median rent of \$1,239, reported by the 2013 census estimates, requires an income of about \$56,560, assuming a monthly average utility allowance of \$175 and occupants paying no more than 30% of their income on housing. This median rent includes subsidized rentals and is lower than market rents but still not affordable to about two-thirds of

¹¹ Figures based on 95% financing, interest of 4.0%, 30-year term, annual property tax rate of \$10.04 per thousand, \$200 monthly condo fee, insurance costs of \$4 per \$1,000 for condominiums and \$6 per \$1,000 for single-family homes, and the purchaser spending no more than 30% of gross income on mortgage (principal and interest), taxes and insurance. It is also assumes the ability of the purchaser to qualify for subsidized mortgage financing from the ONE Mortgage Program or MassHousing mortgage offerings. Therefore, no private mortgage insurance (PMI) was included in the calculations.

Yarmouth's renter households. This income is also higher than the Town's median household income according to 2013 census estimates. It is therefore not surprising that so many renters are paying too much for their housing.

Actual market rents are also considerably higher. As shown in Table II-23, the median market listing was \$1,900 and with the exception of four very small units, rents were over \$1,300. As Table II-26 suggests, a three-bedroom unit renting for \$1,900 would be affordable to a household earning \$85,000, well beyond the means of most local households.

A median income earning renter household (\$39,435) could afford a rent of approximately \$811 based on spending no more than 30% of income on housing and assuming monthly utility costs of \$175. Even the median income earning household in Yarmouth (\$53,089) would be hard-pressed to pay more than \$1,152 in rent, less than the census estimated median rent of \$1,239 and market rents above that. As another point of comparison, someone earning the minimum wage of \$10.00 for 40 hours per week every week during the year would still only earn a gross income of only \$20,880. Households with two persons earning the minimum wage would still fall well short of the income needed to afford even \$1,000 per month in rent much less the median rent.

Cost Burdens

In addition to an analysis of affordability based on current housing market prices, it is also useful to identify numbers of residents living beyond their means based on their housing costs. The U.S. Census Bureau provides data on how much households spend on housing whether for ownership or rental. Such information is helpful in assessing how many households are encountering housing affordability problems or cost burdens, defined as spending more than 30% of their income on housing, with severe cost burdens for those spending more than half of their income housing costs.

Based on 2013 estimates from the Census Bureau's American Community Survey, there were 753 homeowners, or 8.6% of all homeowners in Yarmouth spending between 30% and 34.9% of their income on housing and another 2,785 owners, or 31.9%, spending more than 35% of their income on housing expenses. Thus 3,538 or more than 40% of all owners were overspending on housing based on these estimates.

In regard to renters, 329 renters who were paying rent, or 12.9%, were spending between 30% and 34.9% of their income on housing and another 1,335 or 52.3% were allocating 35% or more of their income for housing, for a total of 1,664 renters who were overspending or almost two-thirds of all renters who pay rent (65.2%). *This data suggests that 5,202 households or more than 45% of all Yarmouth households were living in housing that is by common definition beyond their means and unaffordable.*

The Department of Housing and Urban Development (HUD) provides data on how many households were spending too much of their income on housing costs, or were experiencing cost burdens, through its State of the Cities Data System's Comprehensive Housing Affordability Strategy (CHAS) report, which is summarized in Table II-27.

Table II-27: Type of Households by Income Category and Cost Burdens, 2012

Type of Household	Households earning < 30% MFI/# with cost burdens **	Households earning > 30% to < 50% MFI/ # with cost burdens	Households earning > 50% to < 80% MFI/# with cost burdens	Households earning > 80% to < 100% MFI/# with cost burdens	Households Earning > 100% MFI/# with cost burdens	Total/ # with cost burdens
Elderly Renters	165/50-70	130/35-35	114/49-55	80/15-0	170/45-15	659/194-175
Small Family Renters	150/0-75	235/65-170	340/205-20	145/15-0	250/0-0	1,120/285-265
Large Family Renters	4/0-0	20/20-0	0/0-0	0/0-0	0/0-0	24/20-0
Other Renters	205/25-120	120/70-50	280/180-45	155/105-0	120/15-0	880/395-215
Total Renters	524/75-265	505/190-255	734/434-120	380/135-0	540/60-15	2,683/894-655
Elderly Owners	810/100-495	710/300-135	1,065/165-210	530/125-35	1,590/225-15	4,705/915-890
Small Family Owners	95/50-45	115/0-100	350/65-165	380/95-50	1,670/330-65	2,610/540-425
Large Family Owners	0/0-0	45/4-15	4/0-0	155/85-50	190/30-0	394/119-65
Other Owners	150/20-95	75/15-45	235/75-30	290/160-20	390/170-0	1,140/440-190
Total Owners	1,055/170-635	945/319-295	1,654/305-405	1,355/465-155	3,840/755-80	8,849/2,014-1,570
Total	1,579/245-900	1,450/509-550	2,388/739-525	1,735/600-155	4,380/815-95	11,532/2,908-2,225

Source: U. S. Department of Housing and Urban Development (HUD), SOCHS CHAS Data, and American Community Survey, 2012. ** First number is total number of households in each category/second is the number of households paying more than 30% of their income on housing (with cost burdens) – and third number includes those that are paying more than half of their income on housing expenses (with severe cost burdens). Small families have four (4) or fewer family members while larger families include five (5) or more members. Elderly are 62 years of age or older. “Other” renters or owners are non-elderly and non-family households.

This table distributes households by income and type, indicates shows how many were spending more than 30% of their income on housing, and how many were spending more than half of their income on housing. For example, the first cell indicates that there were 165 elderly renter households estimated by the Census Bureau’s American Community Survey in 2012 with 50 spending between 30% and 50% of their income on housing and another 70 spending more than half of their income on housing.

Of the total 11,532 households in Yarmouth, 2,908 were spending between 30% and 50% of their income on housing with another 2,225 spending more than 50%. *This analysis suggests that 5,133 or almost 45% of all households were spending too much on their housing.*

Despite rising incomes, there were 1,673 renter households (62.4% of all renters based on these numbers) and 3,654 owner households (41.3% of owner households) earning within 80% MFI, many with housing cost burdens, suggesting higher overall cost burdens for renters.

Other key findings from this data include the following:

Renters

- About 80% of the 1,673 renter households earning at or below 80% MFI were spending too much on housing and the remaining 20%, or 334 households who were not overspending, were likely living in the 378 subsidized rentals in town. This data suggests that even some households in subsidized housing were overspending.
- A total of 640 renter households earning within 80% MFI were spending more than half of their income on housing costs and should be primary targets for new subsidized rentals. These severely cost burdened households represent almost one-quarter of all such households in Yarmouth.
- Of the 659 renters age 62 years of age or older, 369 or 56% were experiencing cost burdens, including 175 or 27% with severe cost burdens. More than 90% of those with severe cost burdens had incomes at or below 80% MFI.
- Small families of four or fewer members were experiencing considerable cost burdens. Of the 725 such families earning at or below 80% MFI, 535 or almost three-quarters were overspending with 265 or 37% spending more than half of their income on housing. It is interesting to note that the 75 families earning at or below 30% MFI who were not overspending were likely living in subsidized housing. On the other hand, the 75 in this income range with severe cost burdens were likely in the private housing market and most likely struggling financially and at some risk of homelessness.
- The data indicates that there were very few large families renting in Yarmouth, all earning within 50% MFI. Of these 24 families, 20 were overspending on their housing.
- There were also many non-family, non-elderly households, comprised mostly of single individuals, who were spending too much on rent. Of the 880 total households, 610 or 69% were overspending, including about one-quarter with cost burdens, across all income ranges. For those 605 earning at or below 80% MFI, 490 or 81% were experiencing cost burdens, 215 or 36% with severe cost burdens.

Owners

- Of the 3,654 households earning within 80% MFI, 2,129 or 58% were spending too much of their income on housing including 1,335 or 36.5% who were spending more than half of their income on housing.
- Of the 2,585 seniors with incomes at or below 80% MFI, 1,405 or 54% were spending too much including 840 or almost one-third with severe cost burdens.
- Almost all of the small families earning at or below 50% MFI were spending too much including 145 or 69% who were spending more than half of their income on housing. Another 165 small families were severely cost burdened in the 50% to 80% income range.
- More than half of all non-family and non-elderly households were overspending across all income categories.

Foreclosures

Also related to housing affordability is the issue of foreclosures, which has been a problem for many homeowners across the country since the “bursting of the housing bubble” more than half a decade ago. There has been significant foreclosure activity in Yarmouth as shown in Table II-28. While there were no foreclosures prior to 2009 and only three petitions to foreclose that year, the number of combined foreclosure auctions and petitions after that ranged from 48 and 49 in 2010 and 2012, respectively, to 70 in 2015 as of September 12th. Front page news from

the September 12, 2015 edition of *The Boston Globe* was headlined, “Housing Crash Lingers in Mass.” The article stated that “about two-thirds of Massachusetts cities and towns have yet to climb back to the peak prices reached in 2005” and further offered, “Foreclosure activity in the state is just a fraction of what it was at the worst of the crisis in 2009 and 2010, but the surge of Massachusetts foreclosures in the last year was the 12th biggest in the nation.” The article then pointed out that much of the jump in foreclosure activity in 2015, which was also experienced in Yarmouth, relates to a backlog of cases that have been on hold pending court cases and the need to clarify new regulations.¹² This data does not include land that the Town of Yarmouth has foreclosed on over the past few years.

Table II-28: Foreclosure Activity, 2007 through September 12, 2015

Year	Foreclosure Auctions	Petitions to Foreclose	Total
1/1/15 to 9/12/15	24	46	70
2014	10	15	25
2013	12	17	29
2012	21	28	49
2011	14	12	26
2010	26	22	48
2009	0	3	3
2008	0	0	0
2007	0	0	0
Total	107	143	250

Source: The Warren Group, *Banker & Tradesman*, September 12, 2015.

6. Subsidized Housing Inventory (SHI)

What is affordable housing?

Affordable housing, sometimes referred to as subsidized housing or community housing, is generally defined by the income of the household in comparison to housing costs. 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 or cost burdens; and if they are paying 50% or more for housing, they have severe housing affordability problems. A detailed analysis of affordability is included in Section II.4 above.

Affordable housing is also defined according to its availability to households at percentages of median income for the area,¹³ 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 (AMI) as defined by the U.S. Department of Housing and Urban Development (\$23,650 for a family of three for the Barnstable County area) and very low-income is defined as households earning between 31% and 50% of area median income (\$39,400 for a family of three). Low-income generally refers to the range between 51% and 80% of area median income (\$59,250 for a family of three).

¹² Woolhouse, Megan, *The Boston Globe*, September 12, 2015.

¹³ Yarmouth is part of the Barnstable County MSA.

Table II-29 presents the income limits for the affordable units based on the 2015 HUD guidelines for the Barnstable County area.

Table II-29: 2015 Income Levels for Affordable Housing in the Barnstable County Area

# in Household	30% Median Income/ Extremely Low-income	50% Median Income/ Very Low-income	80% Median Income/ Low-income
1	\$18,400	\$30,650	\$46,100
2	21,000	35,000	52,650
3	23,650	39,400	59,250
4	26,250	43,750	65,800
5	28,350	47,250	71,100
6	30,450	50,750	76,350
7	32,550	54,250	81,600
8+	34,650	57,750	86,900

2015 Median household income for the Barnstable County Metropolitan Statistical Area (MSA) = \$80,500

The Subsidized Housing Inventory (SHI) is used to measure a community's stock of low- or moderate-income housing for the purposes of Massachusetts General Laws Chapter 40B, the Comprehensive Permit Law. To be counted as affordable under Chapter 40B and included in the SHI, housing must meet a number of requirements including:

- Must be part of a “subsidized” development built by a public agency, non-profit organization, limited dividend corporation, or approved by a subsidizing agency.
- 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 (AMI) and have rents or sales prices restricted to affordable income levels defined each year by the U.S. Department of Housing and Urban Development. Alternatively, the project can provide 20% of the units to households below 50% AMI.
- Restrictions must run for minimum of 30 years or longer for new construction or for a minimum of 15 years or longer for rehabilitation. Now new homeownership must have deed restrictions that extend in perpetuity.
- Development must be subject to a regulatory agreement and monitored by a public agency or non-profit organization.
- Project sponsors must meet affirmative fair housing marketing and resident selection requirements.

Community Preservation funding may be targeted to a somewhat higher income range – 100% of area median income – now commonly referred to as “community housing”. Additionally, some housing developments incorporate several income tiers. For example, a project could combine units for those earning at or below 80% of area median income, moderate-income “community housing” units for those earning between 80% and 100% of median income, and even some market rate units to help cross-subsidize the more affordable ones. A rental project might include a couple of tiers below the 80% level in addition to workforce and/or market rate units. It should be noted, however, that those units that involve occupants with incomes higher than 80% of area median income, while still serving local housing needs, will not count as part of the Subsidized Housing Inventory and help the Town reach annual production goals or the

state's 10% affordability threshold unless they are part of a Chapter 40B rental development where 100% of the units would qualify for inclusion in the SHI.

Some below market housing units that are developed as part of this Housing Production Plan may not meet all state SHI requirements but because they still serve a pressing local need, sometimes referred to as little "a" affordable units as opposed to big "A" affordable SHI units, they will therefore be promoted under certain housing strategies.

Existing SHI Units

Table II-30 summarizes the Subsidized Housing Inventory as of April 13, 2015, which includes 520 units that represents 4.32% of Yarmouth's total year-round housing stock of 12,037 units.¹⁴ Almost three-quarters (73%) or 378 units are rentals compared to 27% and 142 ownership units. A total of 117 or 22% of the units were processed through Chapter 40B comprehensive permits.

Table II-30: Yarmouth's Subsidized Housing Inventory (SHI)

Project Name	# Affordable Units	Project Type	Use of a Comp Permit	Affordability Expiration Date
Long Pond Plaza (YHA)	40	Rental	No	Perpetuity
Visions/Station Ave. (YHA)	8	Rental	Yes	Perpetuity
Old Town House Rd. (Habitat)*	1	Ownership	No	2016
Glenside Ave. (Habitat)*	1	Ownership	No	Perpetuity
German Hill Estates*	37	Ownership	Yes	Perpetuity
HAC Utility CV/Butler Ave.	2	Ownership	No	Perpetuity
Residential Rehab Centers/ Run Pond Road	14	Rental	No	2036
Setucket Pines*	13	Ownership	No	Perpetuity
Swan Pond Village	150	Rental	No	2010?
Lake Rd. East (Our First Home)	1	Ownership	No	2052
W. Yarmouth Rd. (Our First Home)	1	Ownership	No	2039
Mill Pond Village	35	Ownership	Yes	2103
Weir Road (HECH)	2	Ownership	No	Perpetuity
DDS Group Homes	36	Rental/Special Needs	No	NA
River Landing Apartments	4	Rental	Yes	Perpetuity
Even Keel Apartments	1	Ownership	Yes	Perpetuity
Brush Hill Road I (YHA)*	4	Ownership	No	Perpetuity
Brush Hill Road II*	6	Ownership	No	Perpetuity
Bridge Street	3	Rental	No	Perpetuity
Yarmouth Buy-Down Program ¹⁵	11	Ownership	No	Perpetuity
Old Cedar Lane*	1	Ownership	No	Perpetuity
Simpkins School Residences*	65	Rental	No	Perpetuity
Captain Gadcliff Condo	24	Rental	No	Perpetuity
115 Route 28	7	Rental	No	Perpetuity
Wilfin Road	3	Rental	No	Perpetuity

¹⁴ Year-round units are calculated by subtracting seasonal and occasional units of 5,427 from the total number of 17,464 units using the 2010 census.

¹⁵ Single homeownership units are located on Highbank Road, Monroe Lane, Nobby Lane, Historic Brook Road, Swan Lake Road, 3 on Witchwood Road, Wilson Road, Phyllis Drive, and West Yarmouth Road.

Joshua Baker Road	1	Ownership	No	Perpetuity
Virginia Street (Habitat)	6	Ownership	Yes	Perpetuity
Neptune Place	24	Rental	Yes	Perpetuity
West Yarmouth Road (Our First Home)*	2	Ownership	Yes	Perpetuity
Yarmouth Housing Rehab Program	17	Ownership	No	3 in 2015/5 in 2020 8 in 2021/1 in 2022
Total	520	378 rental units/73% 142 ownership units/ 27%	117 units involved Comp permit/22%	

Source: Massachusetts Department of Housing and Community Development, April 13, 2015.

*Projects involved Town-owned property.

This inventory would need to be more than doubled to reach the 10% state affordability goal under Chapter 40B as there is a current gap of 684 affordable units and continued growth will continue to drive the 10% target higher. Additionally, expiring deed restrictions on current affordable units will require additional conversion or production to keep the percentage of affordable units from regressing even further. While most of the units have affordability restrictions in place in perpetuity, some restrictions are due to expire within the next decade, including those that participated in the Town's Housing Rehab Program and some units built on land donated by the Town. Swan Pond Village with 150 rental units was rescued from losing its affordability restrictions a few years ago through Chapter 40T of Massachusetts General Laws that provides emergency legislation for expiring use projects, granting the state right of first refusal when such a property comes up for sale.¹⁶

Table II-31 lists the units recently created and expected to be added to the SHI shortly that will bring the total number of affordable units to 537 or 4.46% of the year-round housing stock.

Table II-31: Yarmouth Units Not Yet Counted but Eligible for the Subsidized Housing Inventory (SHI)

Project Name	# Affordable Units	Project Type	Use of a Comp Permit	Affordability Expiration Date
Yarmouth Buy-Down Program*	2	Ownership	No	Perpetuity
Yarmouth Town-Wide Rental Program ⁺	6	Rental	No	Perpetuity
Appleby Court	8	Rental	No	Perpetuity
Ernest Road	1	Ownership	No	Perpetuity

The Yarmouth Housing Authority (YHA) owns and manages 52 units of affordable housing including 40 units of housing for seniors and disabled people at Long Pond Plaza and eight (8) special needs units at Station Avenue. All units at Long Pond Plaza have one-bedroom and rent for an average of \$315 per month, including utilities. First-floor units tend to be in great demand as the development does not have an elevator and second-floor units are more difficult to access for many of the elderly and disabled. The average wait time to move into a unit is about one to two years for Yarmouth residents and much longer for those who apply from outside the community. Most of the current tenants are from Yarmouth.

¹⁶ The state lists the affordability of Swan Pond Village as expiring in 2010 which needs to be corrected.

Over the past five (5) years, the Town has allocated more than \$146,361 in CDBG and \$121,348 in Community Preservation Act funds for improvements to Housing Authority units, consisting of the purchase and installation of ADA compliant toilets, purchase and installation of exterior doors, window replacement and the rehab of all 40 bathrooms at its Long Pond Plaza development.

The Authority also collaborates with the Housing Assistance Corporation (HAC), the region's non-profit housing organization, which maintains an actively culled waiting list for "Section 8" certificates that totals nearly 4,000 applicants with wait times of seven to ten years.¹⁷ The Housing Authority administers 249 Section 8 vouchers and also has 33 Massachusetts Rental Voucher Program (MRVP) vouchers.

The Town has made significant progress over the past few years in creating new affordable housing opportunities including:

- *John Simpkins Elementary School*
The Simpkins School project involved the redevelopment of an existing 1930 three-story brick school building with two-story wood buildings at the ends of the main building, encompassing about 42,000 square feet. The property, located at 134 Main Street in South Yarmouth, was a Town-owned National Register site that was conveyed to the selected developer, the Stratford Capital Group, through an RFP process and Town Meeting approval. The project added almost another 40,000 square feet (in a 14,000 square foot footprint) to the rear of the existing building, resulting in an 81,200 square foot building, creating 65 rental units for households age 55 and over that included 58 affordable units. In addition to the housing, the project added new parking, upgraded site drainage and installed a new on-site septic system. Considered as a Development of Regional Impact (DRI) by the Cape Cod Commission, as it proposed 30 or more residential units, the project was approved as a "project of community benefit". The project involved a combination of subsidies, including Low Income Housing Tax Credits and Barnstable County HOME Funds, to make most of the units available to those earning at or below 60% of area median income with even 10% of units for those earning within 30% AMI. The project attracted more than 200 applicants and a lottery was held in the fall of 2013 with occupancy in 2014.
- *Motel Redevelopment Program/Motel Bylaw Projects*
The Motel Redevelopment Program is designed to create high quality affordable housing while redeveloping the Town's Route 28 economic corridor. The cornerstone of the program is Yarmouth's Motel Bylaw, which in concert with the Cape Cod Commission Growth Incentive Zone (GIZ), provides incentives for the redevelopment of under-performing motels along Route 28 into mixed-income developments. The Town is also providing predevelopment and redevelopment funding of up to \$40,000 per project for predevelopment costs and up to \$30,000 per affordable unit for acquisition and construction costs to further encourage this type of development with the dual goals of improving the Route 28 corridor and creating affordable housing.

¹⁷ The Section 8 Housing Voucher Program provides a subsidy directly to the landlord of privately-owned housing, filling the gap between a percentage of the renter household's income and Fair Market Rents (FMR's) that are annually updated by HUD for the area, Barnstable County in the case of Yarmouth.

The Town continues to provide assistance to hotel owners to redevelopment/rehabilitate their properties into residential or mixed uses with a percentage of affordable deed-restricted units. For example, the Town worked with the owner of Neptune Lane, a building that was once part of a motel property but no longer had a motel license and thus could not use the Motel Bylaw. The Neptune property was brought into compliance with zoning using a Chapter 40B comprehensive permit and now includes 24 affordable rental units. Other noteworthy motel developments that integrate affordable units include the Cap't Gladcliff Vacation Condominiums, the Windrift Motel and the Seaview Motel/Appleby Court.

The economy appears to be the major obstacle in reviving older local motels as owners have experienced difficulties in obtaining the necessary financing. To further subsidize the redevelopment of these aging motels, Town Meeting provided the Affordable Housing Trust with \$2,750,000 in CPA funding for a Motel Redevelopment Fund. This funding not only is meant to raze and replace aging properties with deed-restricted, high quality affordable housing, but to also promote affordable housing and mixed-uses, thus encouraging economic development along the Route 28 corridor as well.

- *Ready Rental Program*

Partnering with the Cape Cod Commission and the surrounding towns of Barnstable, Chatham, Dennis and Harwich, the Town participated in the Mid-Cape Regional Ready Renters List. The affirmatively marketed program provided residents with improved access to affordable rental units in Yarmouth and surrounding towns and likewise provided local landlords of affordable units with access to qualifying tenants. The Cape Cod Commission administered the program until 2014, when it determined that it no longer had the capacity. The Town of Yarmouth subsequently established its own Ready Renters List with administrative support from the Plymouth Redevelopment Authority, chosen from a Request for Qualifications (RFQ) process.

The Ready Renters Program Lottery was held on September 8, 2015 and included forty-six (46) qualified applicants. The lottery results will be used for the selection of tenants for the following affordable units:

- Appleby Court Apartments (2 affordable units at the former Seaview Motel)
- Neptune Place (6 affordable units located at 20 Neptune Lane)
- The cottages at the Windrift Motel (2 affordable units)
- Cap'n Gladcliff Motel (7 affordable units)
- Willfin Road (3 affordable units)
- Affordable Accessory Apartments (2 affordable accessory apartments)
- Town-Wide Rental Home (5 scattered-site units complete)

Having an approved wait list for affordable rentals is a powerful tool in expediting tenant selection for new affordable units, especially for smaller developments and redevelopments on or near Route 28. The list also creates more housing opportunities for local residents, as it involves one centralized wait-list for these units.

- *Affordable Acquisition Program*

Two local non-profit developers of affordable homeownership units were awarded Town acquisition funds including:

Our First Home, Inc. – Town Meeting allocated \$100,000 of Community Preservation Funds to Our First Home, Inc. to acquire real property for the purpose of creating deed restricted affordable homeownership units serving households earning at or below 80% of area median income. The organization purchased a dilapidated home on Ernest Road and razed and replaced it with a new two-bedroom unit.

Habitat for Humanity – A total of \$240,000 was approved at the 2011 Annual Town Meeting to create six (6) single-family affordable homes on non-conforming lots on Virginia Street, selling them to purchasers earning less than 65% of area median income. The Virginia Street project received its Comprehensive Permit and Building Permits and is currently under construction.

- *Housing Buy-Down Program*

This program allows the Affordable Housing Trust to acquire existing homes scattered throughout established residential neighborhoods, undertake needed repairs or upgrades to make sure that the homes meet high construction standards, require deed restrictions to insure long-term affordability and compliance with state requirements under the Local Initiative Program (LIP), and resell the homes to qualified purchasers based on affordable prices and affirmative fair housing marketing. Thirteen (13) homes have been acquired and affordably resold thus far. A total of \$700,000 in Buy-Down funding was recently awarded to the New Mill Pond Village Acquisition, LLC to assist in the completion of a stalled affordable homeownership development on Camp Street. Once completed, the average Mill Pond subsidy would be \$36,800 per affordable unit. The goal is that the resulting development will have high quality affordable units, reasonable and fair condominium fees, a fully functioning wastewater treatment facility, and reasonable debt-financing options for all owners.

The Trust anticipates utilizing the remaining funds to buy-down six (6) additional, scattered-site homes. The proposed homes would have to be moderately priced and meet the quality standards set by the Affordable Housing Trust. The anticipated subsidy would be \$70,000 to \$85,000 per unit depending on size of the home, number of bedrooms, and rehabilitation needs. As with all Buy-Down units, the homes would be deed restricted to remain affordable in perpetuity.

- *Town-wide Rental Home Program*

The Town has also created a rental version of the Buy-Down Program, partnering with a local non-profit organization, Building Dreams, Inc., for the acquisition of existing, moderately priced dwelling units for conversion into affordable rental units. Much like the Buy-Down Program, the program will relieve the local housing market of units that are slow to move due to their condition. Each unit will be deed-restricted as affordable in perpetuity, rehabilitated, and managed by Building Dreams after conversion to an affordable unit. Building Dreams has completed five (5) new rental units and is in the process of converting three (3) additional units. This program has received funding from the Affordable Housing Trust and the Town's CDBG Program.

- *Affordable Rental Program*
Working with a private developer, the Town provided loan and grant funding to rehabilitate three (3) aging rental units on Wilfin Road and convert them to long-term affordability. The Town is also providing CDBG funding to Harwich Ecumenical Council for the Homeless (HECH) in support of their efforts to rehab existing affordable rental stock in Yarmouth. The units will include some support services for the formerly homeless families who will occupy them.
- *Affordable Housing Preservation*
The Town has a long history of donating property for the development of affordable housing including all of the SHI properties listed in Table II-27 and marked with an asterisk (*). There have been instances where affordable units have come up for resale and the resale formula in older versions of affordable housing restrictions put the sales price outside of affordability to low- and moderate-income purchasers (when resale prices were indexed to changes in market instead of the current changes in HUD median income limits). In such cases the Town has provided an additional subsidy or has acquired the property to insure the long-term affordability of the unit. The Affordable Housing Trust has been pivotal to this effort, preserving four (4) units to date.
- *Affordable Accessory Apartment Program (AAAP)*
Yarmouth introduced a Family Related Accessory Apartment Program in 2005, which created accessory apartments for occupancy by family members of the participating owners. This Family Related Program still operates but was modified a few years later to comply with changes in state Local Initiative Program (LIP) requirements regarding affordability as family members were no longer eligible to rent accessory apartments if the units were to be included in the SHI. While these units cannot currently be counted as part of the SHI, the Town will allow participating owners to rent to a family member under Zoning Bylaw 407. Tenants however must be certified as income eligible prior to occupying the unit and recertified as eligible on an annual basis. Owners must still sign a one-year lease and the lease must reference the Special Permit that is required.

To continue to promote affordable accessory apartments that might be eligible for inclusion on the SHI, the Town introduced the Affordable Accessory Apartment Program (AAAP). The Program has generated nine (9) actual affordable accessory apartments, five (5) of which continue to be functioning. Almost all of the units involved some waiver of requirements and thus were not eligible for inclusion on the SHI. At one point a unit was added to the SHI but the owner sold the property soon after and it was no longer eligible for inclusion. The CDBG Program also offers up to \$5,000 in construction loans which have typically been inadequate to support the necessary improvements unless the owner can do the work. Loans are awarded only to apartments that will comply with SHI requirements.

- *Septic Pumping and Repair Program*
This program has received CDBG funding since 1999 in recognition that Yarmouth is located in an environmentally sensitive region reliant on a sole source aquifer for its public drinking water and has consequently adopted strong regulations aimed at reducing ground water pollution from sewage and hazardous materials. The services

required to meet these regulations are very expensive, especially for lower income homeowners. This program provides 15-year forgivable loans to owners earning at or below 80% of area median income. The Town's Health Division has administered the program with assistance from the Department of Community Development.

The Septic Repair Program, while time-intensive, has been considered a big success as it provides income-eligible households with much needed financial assistance, and has, in the past, bolster the Town's Subsidized Housing Inventory. Changes to state LIP regulations no longer permit housing units assisted through this program to be included on the SHI, however Yarmouth remains committed to address the septic and sewer needs of low and moderate-income households.

- *Home Preservation Program*
Last year Yarmouth Town Meeting appropriated \$50,000 to the Housing Assistance Corporation (HAC) to cover preservation/emergency repair costs for income-eligible homeowners. HAC often identified these needs while providing home energy audits to qualifying property owners to help them reduce their energy costs. This audit, when tied to the Town's Home Preservation Program, will provide owners with important cost-saving weatherization improvements and emergency repairs. The Town has identified the preservation of homes through emergency repairs as a priority local need, and the Town's Community Preservation Committee is currently considering additional funding requests for the next fiscal year from HAC (\$50,000) and HECH (\$118,000).
- *Homelessness Prevention*
The Town continues to work with the Council of Churches Hands of Hope Outreach Center to provide financial counseling and emergency grant funding to help those at risk of becoming homeless. Grants typically help qualifying households remain in their homes by paying back-rent or past due utility bills. While this assistance is not eligible for inclusion in the SHI, it nevertheless provides important support for struggling households.
- *The Big Fix*
Last year the town embarked on a one-day event that brought together about 200 volunteers to make home repairs and landscape improvements to eleven homes of veterans, seniors or those with disabilities.

A discussion of Program funding is incorporated in Section III.

Proposed or Uncompleted Units

The major projects that are in the pipeline include the following:

- *Mill Pond Village*
Mill Pond Village, a Chapter 40B project, was approved for 136 units in 2003 after being appealed to the Housing Appeals Committee. Due to financial problems, only 60 of the 136 permitted homeownership units were built. MassHousing, the mortgage lender, foreclosed on the property in 2008 and has since been looking for opportunities to sell the development rights for the remaining 76 units. MassHousing signed a Purchase and Sales Agreement with a developer who ultimately was financially unable to undertake

the project. Unable to successfully auction the project, MassHousing conveyed the property to the existing condo association which has been trying to resolve numbers of development challenges.

A developer was attracted to the project but wanted to pursue a variance related to problems regarding infrastructure, including a problematic well and the need for a wastewater treatment plant, as opposed to the comprehensive permit process. This approach would have reduced the total number of affordable units by seven (7). With assistance from a MassHousing Partnership Chapter 40B Technical Grant, the Board of Appeals was able to contract with Edward Marchant and successfully negotiate a modified Comprehensive Permit with all affordable units intact. The developer, New Mill Pond Village Acquisition, LLC, was awarded \$700,000 of Buy-Down funds by the Affordable Housing Trust in support of the affordable units. Once completed, the average Mill Pond subsidy would be \$36,800 per affordable unit. The goal is that the resulting development will have high quality affordable units, reasonable and fair condominium fees, a fully functioning wastewater treatment facility, and reasonable debt-financing options for all owners.

- *Motel Predevelopment and Redevelopment Program*

The Town has identified a need for high quality affordable rental housing, as well as the redevelopment and economic stimulus of Route 28. In response, the Affordable Housing Trust created the Motel Predevelopment and Redevelopment Program.

Upon recommendation of the Community Preservation Committee, Town Meeting has awarded \$150,000 of Community Preservation Funds to the Community Housing Committee for the Motel Predevelopment Fund that provides grants of up to \$40,000 to qualified sponsors of motel redevelopment projects on Route 28. Grants awarded through a competitive application process, and are in the form of a zero interest, deferred loan that is forgivable after five (5) years.

Town Meeting has also awarded \$2,750,000 of Community Preservation Funds to the Trust for the Motel Redevelopment Program. Since then the Trust has employed the competitive procurement process by issuing a Request for Proposals (RFP) to solicit and rate redevelopment plans.

In 2014, after issuing two separate Requests for Proposals (RFP) for Motel Redevelopment without receiving any high quality responses, the Trust identified the lack of site control as the primary impediment to the redevelopment of the motels. To address this, in June 2015, the Trust issued the Motel Redevelopment Site Selection and Site Control RFP. The sole respondent was the *Yarmouth Gardens Motel Lodge*. The Trust is currently in negotiations with the owner of this property. If the Trust is successful in executing an Exclusive Option to Purchase Agreement as a result of these negotiations, the Trust will solicit competitive proposals from qualified developers to substantially raze the existing structures and to redevelop the former motel site as new, quality affordable rental housing.

Based on this success, the Trust has decided to issue an additional Motel Redevelopment RFP by the end of 2015. Depending on the response, additional funding up to \$1 million may be merited. The Motel Redevelopment Program has great

potential to create high quality, affordable rental housing with significant benefit to the Town of Yarmouth.

Other potential motel redevelopment opportunities include Appleby Court and the Cavalier Motel. *Appleby Court* is a former 11-unit motel that is being converted into an 8-unit rental development through the Town's Motel Bylaw. The *Cavalier Motel* is a former motel that based on fire damage has become a blighting influence in the community. Proposals are coming forward to demolish the building and replace it with other uses, including affordable housing.

- *Pierce Landing*
This potential project involves a 4-acre parcel off of Route 28 with the capacity for 40 bedrooms. Preliminary plans are being prepared to develop the property as a rental project through the Local Initiative Program (LIP).
- *Sepnessett Village*
Sepnessett Village is the former West Yarmouth Motel, an aging motel. The Town has provided technical assistance to the current owner to keep the property in compliance with the Town's stay provisions and has also been working with prospective buyers who are interested in redeveloping the property into a residential or mixed-use development with an affordable housing component.
- *Forest Road*
The Town of Yarmouth conveyed this 18.89-acre property to the Yarmouth Housing Authority in 1985, initially for the purpose of building affordable rental housing for seniors. After several unsuccessful efforts to develop the project, the Town of Yarmouth and the Yarmouth Housing Authority worked together and issued a Request for Proposals (RFP) in 2009 for a feasibility study for senior rental housing as well as subsidized family housing. The feasibility study, funded by state Priority Development Funds, was completed and included a market study, land/site analysis, and financial feasibility analysis. The consultants recommended 40 units (35 one-bedroom and 5 two-bedroom units) of senior housing and another 31 units of mixed one-, two- and three-bedroom apartments (total of 57 bedrooms) for families. In 2011 the Authority issued a Request for Qualifications (RFQ) to select a project developer and also received a \$1 million commitment from CPA to produce a combination of elderly and family units. Little progress was made after this point, and the Town, identifying other uses for the funds, withdrew its award. The project has been on hold since that time.
- *Other Programs*
Given continued funding, it is expected that the programs listed above will generate additional affordable units over the next few years. There are other programs that will provide assistance to owners and renters but the units will not be eligible for inclusion in the SHI as they do not meet all state affordability requirements. Examples of these programs include the Septic Repair Program, Homeownership Preservation Program, and funding for the Hands of Hope to provide emergency assistance to renters at risk of homelessness.

The Department of Community Development provides the administrative and planning support for the Town's Affordable Housing Programs, which includes the following multitude of tasks:

- Create new and preserve existing affordable housing units to meet the 10% state goal for affordable housing;
- Develop the Town's Housing Production Plan and CDBG Housing Action Plan;
- Support motel redevelopment efforts;
- Review and monitor Chapter 40B, Inclusionary Zoning and Local Initiative Program affordable housing units, including applications to the Board of Appeals;
- Develop Affordable Housing Bylaws and Programs;
- Process affordable housing regulatory agreements and other legal documents for new housing units;
- Monitor the Chapter 40B Subsidized Housing Inventory and ensure all new affordable units are added to the inventory;
- Provide administratively support for the Affordable Housing Trust and the Community Housing Committee;
- Provide Technical Assistance to Trustees, Town Committees and Boards, and developers of affordable housing;
- Assist residents in seeking safe and decent housing; and
- Help prevent homelessness.

C. PRIORITY HOUSING NEEDS

Given the substantial numbers of residents who are paying too much for their housing (see Table II-27) and affordability gaps, there is a pressing need to produce more subsidized housing units in Yarmouth. The Town intends to continue its work with public and private sector stakeholders to devise and implement strategies that preserve and produce additional community housing options which are described in Section V.

Based on input from a wide variety of sources including census data, market information, the HUD Consolidated Plan for 2015-2019, input from local housing stakeholders and residents, as well as prior planning efforts, the following priority housing needs have been identified:

1. Target Populations

The Town will target its affordable housing resources to meet the needs of these important populations:

- *Seniors*
The Town of Yarmouth's population continues to exhibit higher-than-average proportions of residents age 65 and older, representing more than 30% of all residents compared to 25.8% for Barnstable County and 14.1% for the state. Metropolitan Area Planning Council (MAPC) projections suggest that these older adults will increase by 32% between 2010 and 2030 to more than 37% of the population. Likewise the State Data Center at the University of Massachusetts Donahue institute also predicts that residents 65 years of age or older will increase from 29.4% of the population in 2010 to 34.0% by 2035, a gain of 349 residents despite their estimated overall population loss.

The growth in the senior population is due mainly to aging in place and in-migration. Those seniors who choose to move into Yarmouth will typically have the resources to

purchase or rent at the prevailing market prices, as they have had all along. The vast majority of senior-headed households in Yarmouth were homeowners and therefore likely to be adequately housed. Many in the senior population purchased their homes long ago or with cash from the sale of another property and thus their current housing costs may be relatively low. Therefore, it would be erroneous to conclude that seniors have the greatest need for affordable housing simply due to their growing numbers and lower incomes, which have always been lower than those of the working population.

Nevertheless, increasing property taxes, insurance costs, and energy bills may be severely taxing those seniors who own their homes, particularly those on fixed incomes. Information on cost burdens in Table II-24 indicates that of the 2,585 senior homeowners with incomes at or below 80% of median income, 1,405 or 54% were spending too much including 840 or almost one-third with severe cost burdens in that they are spending more than half of their income on housing.

As shown in Table II-27, some seniors who are renters were also experiencing cost burdens. For example, of the 659 renter households with heads age 62 years of age or older, 369 or 56% were experiencing cost burdens, including 175 or 27% with severe cost burdens. More than 90% of those with severe cost burdens had incomes at or below 80% of median income, suggesting some continued need for subsidized senior rental housing. This is particularly an issue for those increasing numbers of seniors living in poverty as poverty levels increased from 4.9% to 7.1% or by 199 residents between 1990 and 2013 for those 65 years of age or older. This population represents an extremely vulnerable group whose limited means suggest a need to access public assistance and subsidized housing.

Many seniors looking to downsize, lower income seniors in particular, may need alternative living arrangements but are challenged to find suitable options to their hard-to-maintain, single-family detached home at prices they can afford. Such alternatives typically include an apartment, condo, or congregate or assisted living situation. Census data in fact suggests growing numbers of those 65 years of age and older who are living alone both in terms of number and in proportion to other households, increasing by 24% between 1990 and 2013. This trend suggests a need for smaller units in less isolating settings. Thus future affordable housing should include a mixture of housing types, including a mixture of rental and ownership options, housing styles and sizes, price ranges, and related services. Additionally, a portion of all new affordable housing should provide supportive services and be barrier-free in order to enable seniors to continue to live independently for as long as possible.

- *Working Families*

Young couples and families with children represent a vitally important segment of the population. Not only do families include the future citizens of the Town, but they are largely responsible for important community functions through various employment and business venues. This is not to say that seniors or any other populations do not contribute. However, it must be recognized that the majority of the workforce is part of the family population.

While family households increased in number, they fell proportionately from 64.9% to

57.7% of all households between 1990 and 2010 but are estimated to have increased to 59.1% by 2013 to 6,775 households. As is typically the case, median family income was higher than median household income, \$67,826 in comparison to \$53,089 in 2013, largely due to the likelihood of two adults working in most family households. However, the sudden loss of housing or income could quickly "unhouse" any family and homelessness becomes an instant possibility for those unable to leave the area for more affordable housing opportunities. This is particularly the case for those 352 families that are living below the poverty level in Yarmouth.

Families also include female-headed households that with children are typically among the most financially vulnerable residents in any community. The number of these households with children has fluctuated over the years decreasing from 592 in 1990 to 553 by 2010. The 2013 census estimates, however, suggest an increase to 686 households with the proportion of such households remaining rather comparable, from 6.2% in 1990 to 6.0%.

- *Single-person Households*

The Town of Yarmouth receives inquiries from single individuals with respect to affordable housing more than any other type of household. In fact, more than half the applicants on the Town's most recent Ready Renters List are single individuals. Of the 635 Yarmouth residents on the current Section 8 wait list, 245 or almost 40% include single persons. Moreover, as noted in Table II-27, there were 605 non-elderly and non-family renter households, made up mostly of single persons, who were earning at or below 80% of median income, and of these 490 or 81% were experiencing cost burdens including 215 or 36% with severe cost burdens. Also, this data suggests that more than half of all the non-family and non-elderly owner households were overspending across all income categories. Clearly small units for single individuals should be included in planning for new affordable housing.

- *People with Disabilities*

Yarmouth continues to house a number of individuals with various special needs. These housing needs are typically met in group home settings, which are required by state law to be treated under zoning as single-family uses. Programs to develop and operate such housing should continue to be encouraged as the need for them will grow with the general population.

The 2013 census estimates suggest that a total of 3,410 residents, or 14.4% of all residents at the time claimed some type of disability, higher than the 11.3% statewide level. Of those who were 5 to 17 years old, 83 or 3.4% had some disability, about evenly split between hearing and cognitive impairments. Those disabled Yarmouth residents in the 18 to 64 age range included 9.1% of those in this age range, primarily impaired by a cognitive or ambulatory problems. In regard to the population 65 years of age or older, 29.6% claimed some type of disability mostly related to hearing problems, an ambulatory difficulty and problems living independently.

It can be assumed that many people with disabilities who could not work were probably challenged to keep or find housing. While Social Security and/or Supplemental Security Income would likely be the main source of income for most of these households,

together with other potential sources, there would be implicit limitations in competing in the housing marketplace not just due to prevailing high rental prices but also to the scarcity of affordable, barrier-free units. Due to the higher proportions of disabled people in the Town population, this Housing Plan suggests that at least 10% of new affordable units should be barrier-free and made available to disabled Yarmouth residents in need of such housing on a preferential basis, some also with supportive services.

- *Needs of the Homeless or Those At-risk of Homelessness*
While formal homeless facilities are not available in Yarmouth and are most readily available in Hyannis, a village of the Town of Barnstable, the issue of homelessness remains as individuals and families continue to utilize a number of Yarmouth's motels as housing in the absence of anywhere else to go. Anecdotally, the Town is well aware that many households live paycheck to paycheck and are oftentimes "one paycheck away" from homelessness.

Also, given the sizeable elderly population that exists in Yarmouth, local officials are aware of the extraordinary cost that home maintenance and rising energy and insurance bills present to homeowners. While these households may own their own home, sizeable maintenance projects that are often necessary (such as septic upgrades) are oftentimes unaffordable. Housing options and programs to support their continued ownership need to exist for these populations. Moreover, foreclosure levels continue to be high.

2. Rental Housing Needs

Affordable rentals are urgently needed in Yarmouth based largely on the concentration of service-sector jobs and the related high degree of turnover in these jobs. At least one-third of renter households moved within a year based on 2013 census estimates. Such transience is a by-product of local and regional economic conditions, which are largely influenced by seasonal work cycles. The economy not only generates housing turnover but is also dependent upon housing availability to accommodate the ever-changing workforce.

Data also indicates that existing renters are paying too much for their housing. For example, about 80% of the 1,673 renter households earning at or below 80% of median income were spending too much on housing and the remaining 20%, or 334 households who were not overspending, were likely living in the 378 subsidized rentals in town. This data suggests that even some households in subsidized housing were overspending. Moreover, a total of 640 renter households earning within 80% of median income were spending more than half of their income on housing costs and should be primary targets for new subsidized rentals. These severely cost burdened households represent almost one-quarter of all such households in Yarmouth.

Information also demonstrates a very high demand for existing subsidized rental units. For example, Yarmouth Housing Authority units have an average wait time of at least one to two years for Yarmouth residents and much longer for those who apply from outside the community. Most of the current tenants are from Yarmouth. The Housing Authority also collaborates with the Housing Assistance Corporation (HAC), the region's non-profit housing organization, which maintains an actively culled wait list for "Section 8" certificates that totals

nearly 4,000 applicants with wait times of seven to ten years.¹⁸

Prevailing market conditions such as limited land supply, zoning limitations, and high construction costs have reduced the interest in creating new market rate rental housing. Without new rental stock (i.e. natural competitive forces), there is little incentive to pay attention to property maintenance since a limited rental supply can command market prices even when units are in poor condition. Market rents are also high averaging well more than \$1,200. Rentals also exact high up-front cash requirements, often including first and last month's rent and a security deposit. Credit checks and other references also place barriers to rental housing for some.

The new rental stock needs to not only meet the needs of the more vulnerable and less affluent segments of the Town's population, but to also respond to demographic shifts to smaller households. For example, 77.1% of all households had only one or two members, including almost all non-family households and 62.2% of all family households. The growing number of smaller households is also confirmed by the declining average household size of 2.19 persons in 1990 and down to 2.10 persons by 2010. This level is lower than the county and state averages of 2.21 persons and 2.48 persons, respectively. This data further suggests a need for a greater number of smaller units to accommodate a growing population of single-person households and smaller families.

3. Homeownership Needs

To meet the needs of families and professional/managerial non-family households, affordable homeownership opportunities should also be a part of the Town's housing agenda. The majority of occupied Yarmouth housing units have long been owner-occupied, and the proportion of owner-occupied units to total units has increased over time. This was due to ongoing high production of owner housing and relatively low production/retention of rental housing. Clearly, owner-occupancy will remain the predominant form of tenure for the foreseeable future. Moreover, in balancing the need for homeownership versus rental, it is understood that when an affordable ownership unit is created, the household that moves into it may move from an affordable rental, thus homeownership perhaps helps free-up rental opportunities as well.

Affordable ownership opportunities for current residents who rent or even own their own homes are becoming increasingly more limited as market forces continue to focus on the higher end market. It is advisable to encourage some new homeownership development as this form of tenure is most likely to support a more stable population that has a vested interest in promoting and preserving the quality of life in town. Retaining workers in the community is dependent in large measure on the ability of new households to form and raise families in the context of some access to first-time homebuyer opportunities.

There still remains an affordability gap between market prices and what most Yarmouth residents can afford, continuing the need for some subsidized homeownership. Moreover, as

¹⁸ The Section 8 Housing Voucher Program provides a subsidy directly to the landlord of privately-owned housing, filling the gap between a percentage of the renter household's income and Fair Market Rents (FMR's) that are annually updated by HUD for the area, Barnstable County in the case of Yarmouth.

the estimated average household size in Yarmouth continues to fall, this trend towards smaller households strongly suggests a need for smaller unit sizes.

Finally, because about 70% of housing units were built prior to 1980, many homeowners are likely experiencing deferred maintenance problems including building code violations, failing septic systems, and/or lead-based paint removal. Consequently, programs that provide technical and financial assistance to upgrade Yarmouth's aging housing stock are important.

4. Mix of Housing

Yarmouth's housing stock includes about a 75 to 25 percent ratio of homeownership units to rentals. This ratio is almost the reverse in the Subsidized Housing Inventory in recognition of the relative shortage of affordable rental units available not only in Yarmouth but throughout the Cape.

Based on demographic data and community priorities, affordable housing creation should roughly adhere to the breakdowns presented in Table II-32. In terms of unit production, approximately 75% of the units should be targeted for rental. This goal responds to the strong need for workforce housing in Yarmouth and the Cape in general, where affordable housing for service workers is scarce. This breakdown also acknowledges that most state and federal funding is for rental development, not homeownership. The Town will have to rely on local funds such as CPA, CDBG, and Affordable Housing Trust funding to support homeownership projects and is doing this through several initiatives including the Buy-Down Program, Affordable Homeownership Preservation/Rehabilitation Programs, and Affordable Acquisition Program.

Within these categories, 25% of the smaller units should have a preference for seniors, a growing population segment, and at least 10% of units should be expressly designed for and constructed for residents with disabilities, with handicapped adaptability and/or supportive services. This recommended housing mix is intended to reflect town-wide housing production needs. It is not expected, nor recommended, that any one project fulfill all of a given category. For example, the Town would not expect one project to supply all of the two bedroom homeownership units.

Table II-32: Projected Mix of Housing Types

Yarmouth 5-Year Production Distribution Goals			
Homeownership Units – 20%		Rental Units – 80%	
Homes Needed	Household Income	Homes Needed	Household Income
100%	≤80% of Median	10%	≤30% of Median
		55%	≤60% of Median
		35%	≤80% of Median
Homes Needed	# of Bedrooms	Homes Needed	# of Bedrooms
75%	2 bedroom	45%	1 bedroom and studios
25%	3 bedroom	40%	2 bedroom
		15%	3+ bedroom

III. CHALLENGES TO PRODUCING AFFORDABLE HOUSING

It will be a great challenge for the town of Yarmouth to create enough affordable housing units to meet the state's 10% affordable housing standard, production goals and local needs, particularly in light of current constraints to new development. In addition to describing these challenges, this Plan highlights remediation measures to be taken to help resolve barriers.

A. 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, Yarmouth's Zoning Bylaw embraces large-lot zoning of 25,000 to 40,000 square feet. Low housing density severely constrains the construction of affordable housing.

There are, however, several zoning provisions included in the existing Bylaw, most adopted relatively recently, that allow for increased density to potentially promote more affordable units that are summarized in Section V.A.

Mitigation Measures

The Town has continued to facilitate the development of affordable housing through modifications to the zoning bylaw including adjustments to the Motel Bylaw. In April 2006, the Town adopted a zoning bylaw that would permit by right and by special permit, the redevelopment of motel properties into mixed-use or multi-family housing in the B2 business zone in town. As part of this bylaw, the inclusion of some affordable housing is required with a sliding scale dependent upon density. These affordable housing units will contribute to the Town's official Subsidized Housing Inventory. In October 2007, the Town was able to obtain regulatory relief from the Cape Cod Commission, through approval of a Growth Incentive Zone (GIZ), which will facilitate the redevelopment of motel properties by eliminating the need for Commission review in most cases.

To further direct development to the most appropriate places and in accordance with smart growth principles, the Town has created a land use vision as part of the Cape Cod Commission's Regional Policy Plan that plans growth in designated local economic centers and villages and away from resource protection areas. Appendix 2 includes a map of this land use vision.

The Town has also successfully adopted an inclusionary zoning bylaw that requires one (1) of every five (5) housing units and subdivision lots that are developed be affordable under state LIP requirements; a non-conforming lots bylaw that permits the development of affordable housing on otherwise unbuildable lots; and general affordable housing standards (i.e. schedule of development, administrative requirements).

Moreover, in 2012 the Town adopted a Village Center Overlay District (VCOD) that allows commercial properties in the heart of the Route 28 tourism area to be redeveloped into commercial, residential or mixed-uses including affordable housing and design standards.

This Housing Plan includes a number of additional strategies that are directed to reforming local zoning regulations, making them "friendlier" to the production of affordable housing and smart growth development. These include exploring a revision of the cluster zoning bylaw, the

adoption of 40R and 40S, and encouraging a wider range of housing options (see Section V.A for details on these strategies).

B. ENVIRONMENTAL CONDITIONS

Yarmouth, and Cape Cod in general, share important natural resources that not only sustain a robust tourist industry, but are critical to the ecological well-being and environmental sustainability of the region. These significant resources include, but are not limited to, the following:

- Re-charge areas to existing and future public water supply wells.
- Re-charge areas to coastal embayments and inland ponds.
- Inland wetlands including cranberry bogs.
- Coastal wetlands including northside areas, Chase Garden Creek, Parkers River, and southside.
- Inland lakes and ponds including Long Pond and Swan Pond.
- Coastal embayments including Cape Cod Bay, Lewis Bay, Nantucket Sound, and the Bass River, along with the associated coastal zone.
- Near-shore marine fisheries and their habitats including shellfish areas.
- Private open spaces including golf courses and camps.
- Public open spaces including golf courses, beaches, and recreation areas.
- Rare species, such as the box turtle which thrives in wooded areas surrounding fresh water ponds as well as rare dragonflies (comet darner), damselflies (New England bluet, barrens bluet), and moths (water willow stem borer).

These important natural assets need to be protected to the greatest extent possible and consequently the impacts of any new development must be identified as to how they affect the environment and what actions might be required to mitigate problems. While regulations to protect the environment (e.g., wetlands, aquifers, septic systems) are important and essential, they nevertheless present challenges to development by reducing the amount of buildable land and increasing the time and costs of developing new housing.

Likewise, areas of Special Flood Hazards and Flood Velocity Zones impact the amount of buildable land. In Yarmouth approximately six (6) square miles of land area is in FEMA's special flood hazards zones, representing about 26% of land area. These areas are either not available for new development or not recommended for subsidized housing.

Mitigation Measures

Fundamental to this Housing Plan are the housing goals and objectives that provide a framework for producing affordable housing in Yarmouth. One of the housing objectives is that the distribution of affordable units should be reasonably even, in terms of quantity and type, among the environmentally suitable residential areas of the Town. Furthermore, housing goals include encouraging housing development patterns that preserve open space and natural features.

In recognition that Yarmouth is located in an environmentally sensitive region and reliant on a sole source aquifer for its drinking water, the Town has adopted strong regulations aimed at reducing ground water pollution and has administered a Septic Pumping and Repair Program to

income-eligible property owners who are finding it financially difficult to meet these regulations.

Also, housing strategies are largely oriented to actions that will promote smart growth that concentrates development in appropriate areas or existing structures such as adaptive reuse, the redevelopment of motels, affordable accessory apartments, conversion of existing housing, and mixed-use development (see Section V.C for details on these strategies).

Moreover, zoning-related strategies are included in the Plan to better direct development that includes the development of a land use vision as part of the Cape's Regional Policy Plan to promote development in designated areas of town while working towards protecting other more environmentally sensitive ones (see Appendix 2 for map).

C. INFRASTRUCTURE

Yarmouth and the Cape in general are faced with a barrier to affordable housing in that there is a widespread wastewater problem that is exacerbated by the environmental sensitivity of the Cape as described above. Because soils are so permeable, nitrates and viruses are readily transmitted off-site to surface waters and groundwater posing further environmental challenges. The Town does not have a municipal sewer and treatment system and therefore residents rely on individual septic systems or, in a few cases, shared private treatment facilities.¹⁹ The septage from these septic systems is shipped via tanker trucks to the Yarmouth/Dennis Septage Treatment Facility built through an Inter-municipal Agreement between the two towns. This facility provides septic treatment to a variety of towns and haulers.

Yarmouth faces further restrictions in that a great proportion of its land mass sits on top of a Zone II well of contribution. Under Massachusetts' Title V regulations, this fact limits housing development to four (4) bedrooms per acre (each bedroom requires 10,000 square feet of land). That said, the only way to increase density is to provide some kind of costly treatment system, which is certain to act as a barrier to affordable housing as the costs of such a facility require a relatively large number of housing units to be financially feasible.

The Town is also confronted with stormwater challenges as increasing development has created greater amounts of impervious areas that cause stormwater runoff that includes contaminants.

At present, most areas of town are serviced by the public water supply consisting of 24 wells. The Town adopted a Water Resource District in 1989 to protect land in recharge areas of the 24 wellfields from potentially hazardous uses. Yarmouth's water supply is also regularly tested by the Massachusetts Department of Environmental Protection (DEP) and has been determined to be of high quality. Residents of Great Island, in the southwest area of Yarmouth, as well as in some other limited areas, must rely on individual supply wells however.

Finally, having adopted the Cape Cod Land Bank Act in 1998 and subsequently adopting the Community Preservation Act in 2008, the Town of Yarmouth has actively pursued the purchase

¹⁹ There are currently five privately owned and operated waste treatment facilities that serve the following developments: Buck Island Village Condominiums, The Cover Resort Hotel, Mayflower Place Condominiums, Stop 'n Shop Supermarket, Mill Pond Village, King's Way Condo Village, Thirwood Place, Mill Pond Villages, Dennis/Yarmouth High School.

of land for conservation purposes. While a worthy cause, this has certainly further limited land for affordable housing development.

Mitigation Measures

The Town pursued a long-term, multi-phased wastewater management program with centralized treatment in 2011, but the first phase of development was unfortunately voted down by voters. However, future progress in improved wastewater management is likely to result from a lawsuit filed by the Conservation Law Foundation (CLF) that challenged the U.S. Environmental Protection Agency's (EPA) water quality standards. A settlement was reached that required the Cape Cod Commission (CCC) to update its Section 208 Water Quality Plan for the Cape. The settlement also required the CCC and all towns on the Cape to designate Waste Treatment Management Agencies (WMAs) by June 2015 to implement the Section 208 Plan and develop some type of local Wastewater Management Plan.

Also, as noted above, the Town has been administering a Septic Pumping and Repair Program to income-eligible property owners who find it financially difficult to meet regulations for reducing ground water pollution.

The Town has also adopted Stormwater Management Regulations that apply to any development involving more than one acre that drains into the municipal storm drain system, requiring the development to obtain special permitting.

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.

D. SCHOOL ENROLLMENT

As is the case throughout most of the Cape, the Dennis-Yarmouth School District has experienced a decline in school enrollment. This is related to a decreasing number of families, largely the result of higher living expenses, including a dwindling supply of affordable housing and job opportunities. Over the last decade the District lost almost 1,300 students, going from an enrollment of 4,483 students in 2000 to 3,199 in 2010, and then to 3,044 in 2014. In June 2006, the John Simpkins Elementary School was closed and subsequently developed as affordable rental housing for seniors.

Buildout projections that were sponsored by the state's Executive Office of Environmental Affairs in 2001, indicate that the number of students will increase only by 311 at buildout. These projections were based on existing zoning and are not tied to any future date. However, given the declining enrollments and the trend towards increasing numbers of non-family and smaller households, it is unlikely that Yarmouth will encounter a surge in new enrollments that would put significant stress on the current school system and facilities in the near future.

Mitigation Measures

This Housing Production Plan proposes a mix of housing types and unit sizes to accommodate the range of housing needs in Yarmouth including those of seniors, empty nesters, single individuals, special needs populations, and others who require smaller units and are less likely to have children who may place burdens on the school system. The Plan also recommends exploring Chapter 40S that offers funding to cover increased school costs associated with units

created as part of a Smart Growth Overlay District under 40R (see Section V.A.2). Nevertheless, the Plan also proposes the production of rentals for families as well as first-time homebuyer opportunities that are likely to attract young families with children that will add to school enrollments as well as the local workforce.

E. TRANSPORTATION

As is the case with most communities on Cape Cod, traffic congestion is an ongoing concern in Yarmouth, particularly during the summer months when the town's population swells with visitors, almost doubling in size. The Town continues to make roadway improvements and study capacity enhancement actions to improve the operations, safety and aesthetics of its major roadways, especially Route 28.

Moreover, the Town has limited access to public transportation. In the mid-Cape region, public transportation includes local fixed route services provided by the Cape Cod Regional Transit Authority. A demand-response system is also provided by the Yarmouth Easy Shuttle (YES) that operates during most of the summer. Intercity transportation is available through the Plymouth Brockton and Bonanza bus lines. This limited service requires residents to have access to automobiles, further increasing the cost of living in Yarmouth and presenting a barrier to those low- and moderate-income residents who are more likely to feel the financial strains of owning and maintaining a car.

Mitigation Measures

The Town continues to study opportunities for easing traffic congestion and has commenced work on transportation issues confronting the Route 28 corridor. The Town will also pay particular attention to the projected traffic implications of any new development, working with the developer to resolve problems. One of the strategies included in this Housing Plan is to encourage mixed-uses through the redevelopment of the village centers (see Section V.A.1 for details), through a possible 40R Smart Growth Overlay District (see Section V.A.2) and along the Route 28 corridor as part of the Motel Bylaw, all of which have the potential for reducing some reliance on the automobile.

F. AVAILABILITY OF SUBSIDY FUNDS

In order to meet production goals, subsidies will be needed beyond what is available locally for affordable housing preservation and production as well as rental assistance. Subsidies 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. Local funding such as CPA, CDBG and Affordable Housing Trust funds must be invested strategically to leverage other sources of financing to the greatest extent possible.

Mitigation Measures

Yarmouth approved the *Community Preservation Act* in January 2005, and the Board of Selectmen formally appointed its Community Preservation Committee in April 2005. This Housing Plan provides guidance on the continued use of Community Preservation Funds for affordable housing initiatives that will enable the Town to support the production of new affordable units. The Community Preservation Act (CPA) provides Massachusetts municipalities with a dedicated income stream of up to 3% local property tax assessment with a state match

funded through transactions at the Registry of Deeds. CPA funds may be spent for affordable housing, open space, historic preservation and, to some extent, recreation.

Since its inception in 2005, the Town's Community Preservation Fund has allocated approximately \$8.7 million on housing, much higher than the other use categories, which supported the following affordable housing initiatives:

- Housing feasibility on Town-owned land (\$30,000)
- Motel Predevelopment Funds (\$150,000)
- Motel Redevelopment (\$2,750,000)
- Affordable housing at Brush Hill Road (\$250,000)
- Long Pond Plaza Rehabilitation of Yarmouth Housing Authority property at Long Pond Plaza (\$291,158)
- Municipal Affordable Housing Trust Fund (\$2,202,000)
- Affordable Housing Buy-Down Program (\$2,324,120)
- Funding for the development of affordable elderly rental housing at the Yarmouth Housing Authority's Forest Road property (\$1 million)²⁰
- Funding for the purchase of property to be used for the development of affordable housing by Our First Home, Inc. (\$100,000) Our First Home acquired a parcel of land on Ernest Road to construct a single-family home. (Used \$44,000 of its \$100,000 grant allocation)
- Habitat for Humanity received two grants for six affordable homes on Virginia Street in West Yarmouth. (\$395,004)
- Our First Home received funding to create two single-family homes on West Yarmouth Road. (\$75,000)
- Hands of Hope Outreach Center received funding to help Yarmouth families currently living in unsuitable housing with first and last months' rental assistance. (\$75,000)
- Housing Assistance Corporations received funding for a pilot Home Ownership Preservation Program modeled after the Housing Assistance Corporation's recent Big Fix Initiative, which provided free emergency repairs to Yarmouth homeowners;

Currently under consideration by the Town for CPA funding are several applications supporting and expanding current programs in the next fiscal year:

- The Affordable Housing Trust has requested additional Motel Redevelopment Funds (\$1,000,000) and General Deposit Funds (\$286,000)
- HAC has requested an additional fund for the Homeownership Preservation Program (\$50,000)
- HECH likewise has identified a need for home preservations through emergency repairs, and has requested funds to start a program (\$118,000)

The Town also established a Municipal Affordable Housing Trust in April 2007 and has capitalized it with CPA funding on an annual basis, with more than \$7 million invested to date for the following projects:

- Yarmouth Buy-down Program that created 13 units with another 25 in the pipeline (\$2,324,120 with \$1,123,705 spent or encumbered as of August 2015)
- General Deposit (\$2,202,000 with \$1,522,340 spent or encumbered as of August 2015)

²⁰ This funding was rescinded in 2013 because of project delays.

- Motel Redevelopment (\$2,750,000)

The Trust is also able to raise funding from other sources. In 2013 it received \$100,000 from a developer who opted to provide the Town with a cash payment in lieu of providing an on-site affordable unit required by the Town's Inclusionary Zoning Bylaw. The Trust also received revenue from the pay-back of a loan made to a developer to support three (3) affordable rental units on Wilfin Road, and \$250 to \$500 from landlords utilizing the Ready Renters List for tenant selection.

Yarmouth is also fortunate to have CDBG funding available but as the twelfth (12th) smallest entitlement in the country, it is a challenge to evaluate the broad community development needs of the community and to prioritize funding, program development and program administration accordingly. Funding over the past five years totaled \$626,900, falling from \$149,800 in 2010 to \$94,500 by 2012, then up to \$137,000 in 2014. New funding is expected to be about \$623,100 over the next five years, from 2015 to 2019. The allocation for FY2015 is \$123,100 that with program income of \$5,000 and prior year carryover funds of \$45,000 totaling \$273,100 in available CDBG funding. The Town has budgeted \$185,000 for housing with plans to support 15 units of housing.

Consolidated planning efforts project a total of 75 affordable housing units will be supported between CDBG program years 2015 and 2019. Affordable housing activities include the rehabilitation of existing housing stock, acquisition of affordable housing, and new rental unit development.

It will be important for the Town to continue to invest its local resources judiciously and leverage limited local funding to the greatest extent possible. The Town will, nonetheless, need further support from state subsidy funds to bolster its affordable housing agenda.

G. COMMUNITY PERCEPTIONS

Residents in most communities are concerned about the impacts that any new development will have on local services and quality of life, and many may also have negative impressions of affordable housing in general. Therefore, local opposition to new affordable developments is more the norm than the exception, and there has been vocal opposition to land use reforms and affordable housing in Yarmouth in the past. On the other hand, 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. Given Yarmouth's reliance on tourism, it remains important to have housing available for workers in the service industry. Greater support also comes from the awareness that up to 70% of affordable units in any particular development can, with state approval, be set-aside for those who live or work in town, or have a child in the Town's school system. This understanding of the benefits of affordable housing is continuing to spur communities such as Yarmouth to support affordable housing initiatives.

Mitigation Measures

Yarmouth proposes the continuation of 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 V.B.1).

IV. HOUSING PRODUCTION GOALS

The Massachusetts Department of Housing and Community Development (DHCD) introduced the Planned Production Program in December 2002, in accordance with regulations that were meant to provide municipalities with greater local control over housing development. Under the Program, cities and towns were required to prepare and adopt a Housing 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.²¹ 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, potentially deny what it considered inappropriate comprehensive permit applications for one or two-years, respectively.²²

Additional changes to Chapter 40B established some new rules.²³ 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 to 0.50%, meaning that Yarmouth will have to now produce at least 60 affordable units annually to meet annual production goals through 2020, still a daunting challenge.²⁴ In fact, Yarmouth received certification in the past, from January 11, 2012, to January 10, 2013, as a result of 65 units that were produced as part of the John Simpkins School redevelopment project.

Using the strategies and housing objectives summarized under Section V and priority needs established in Section II, the Town of Yarmouth has developed a Housing Production Program to chart affordable housing 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.

²¹ Massachusetts General Law Chapter 40B, 760 CMR 31.07 (1)(i).

²² 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.

²³ Massachusetts General Law Chapter 40B, 760 CMR 56.00.

²⁴ It should be noted that all units in Chapter 40B rental developments count as part of annual production goals and the 10% state goal as opposed to only 25% for homeownership projects.

Table IV-1: Yarmouth Housing Production Program

Strategies by Year Strategy – Type (# of strategy in Section V)	Affordable Units < 80% AMI	Workforce Units 80%-120% AMI or Ineligible for SHI	Total Units*
Year 1 – 2016			
Pierce Landing, West Yarmouth – Rental (C.4.)	40		40
Sepnessett Village	20		20
Building Dreams Town-Wide Rental (C.3.)	6		6
Accessory Apartment Program – Rental (C.3.)	2	2	4
Buy-Down Program – HO (C.3.)	5		5
Septic Repair Program – HO		5	5
Homeownership Preservation – HO		5	5
Hands of Hope Assistance – Rental		5	5
HECH - Camp Street Rehab – CDBG		6	6
YHA - Long Pond Plaza Rehab - CDBG		40	40
<i>Subtotal</i>	<i>73</i>	<i>63</i>	<i>136</i>
Year 2 – 2017			
Yarmouth Gardens, West Yarmouth – Rental (C.1.)	40		40
Great Western Road I – Rental (C.2.)	20		20
Building Dreams Town-wide Rental (C.3.)	2		2
Accessory Apartment Program – Rental (C.3.)	2	2	4
Buy-Down Program – HO (C.3.)	2		2
Septic Repair Program – HO		5	5
Homeownership Preservation - HO		10	10
Hands of Hope Assistance - Rental		5	5
<i>Subtotal</i>	<i>66</i>	<i>22</i>	<i>88</i>
Year 3 – 2018			
Cavalier, South Yarmouth - Rental (C.1.)	70		70
Building Dreams Town-wide Rental (C.3.)	2		2
Accessory Apartment Program – Rental (C.3.)	2	2	4
Buy-Down Program – HO (C.3.)	2		2
Septic Repair Program – HO		5	5
Homeownership Preservation - HO		5	5
Hands of Hope Assistance - Rental		5	5
<i>Subtotal</i>	<i>76</i>	<i>17</i>	<i>93</i>

Year 4 – 2019			
Private Route 28 Mixed-use Redevelopment (C.1.)	50		50
Building Dreams Town-wide Rental (C.3.)	2		2
Accessory Apartment Program – Rental (C.3.)	2	2	4
Buy-Down Program – HO (C.3.)	2		2
Non-Profit New Construction - HO (C.4.)	4		4
Septic Repair Program – HO		5	5
Homeownership Preservation – HO		5	5
Hands of Hope Assistance – Rental		5	5
<i>Subtotal</i>	<i>60</i>	<i>17</i>	<i>77</i>
Year 5 – 2020			
Great Western Road II (C.2.)	40		40
Building Dreams Town-wide Rental (C.3.)	2		2
Accessory Apartment Program – Rental (C.3.)	2	2	4
Private LIP Ch40B (C.4.)	10		10
Buy-Down Program – HO (C.3.)	2		2
Non-Profit New Construction - HO (C.4.)	4		4
Septic Repair Program – HO		5	5
Homeownership Preservation – HO		5	5
Hands of Hope Assistance – Rental		5	5
<i>Subtotal</i>	<i>60</i>	<i>17</i>	<i>77</i>
Total	335	136	471

* The totals include market rate units in addition to the affordable and workforce units.

** Denotes “friendly” 40B projects

HO indicates homeownership units.

V. HOUSING STRATEGIES

In addition to the broad housing goals listed in Section I, this Housing Production Plan is based on the following **housing objectives** approved by the Town of Yarmouth's Community Housing Committee:

- The Town must promote a balanced and sustainable community based on the principle that adequate affordable housing is key to community and individual health and well-being.
- Affordable housing is defined as housing that can be purchased or rented by households with incomes at or below 80% of the area median income while paying no more than 30% of income for housing, as well as other requirements included in Chapter 40B of Massachusetts General Laws.
- The distribution of affordable units should be reasonably even, in terms of quantity and type, among the environmentally suitable residential and commercial areas of the Town.
- The fabric and quality of community life in Yarmouth is preserved and improved by retaining an adequate mixture of income levels, work skills, talent, and participation in the community. To the greatest extent possible, at least fifty percent (50%) of the units that are developed on Town-owned parcels should be affordable to households earning at or below 80% of area median income.
- The rental projects will also target some households earning at or below 60% of area median income and lower depending upon subsidy program requirements and funding availability.
- Projections are based on no fewer than four (4) units per acre. 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 development on privately owned parcels, production will involve projects sponsored by private developers through the standard regulatory process or the "friendly" comprehensive permit process. The Town will continue to work with these private developers to fine-tune proposals to maximize their responsiveness to community interests and to increase affordability to the greatest extent feasible.
- The projections involve a mix of rental and ownership opportunities that reflect the priority housing needs in the Housing Needs Assessment (see Section II.C) where about three-quarters of the units are directed to rentals. The Town will work with private developers to promote a diversity of housing types directed to different populations with housing needs including working families, seniors, disabled persons, seasonal workers, and single employed people to offer a wider range of housing options for residents.
- Vacancies of affordable units shall be affirmatively publicized to all segments of the community and region.

In pursuit of these housing objectives, Yarmouth has been active in developing an affordable housing program that has resulted in a number of successful initiatives as summarized in Section 1 and Appendix 1. Major accomplishments have included the following:

- Establishment of an Affordable Housing Trust in 2007, which has received more than \$7 million in CPA funding for the purpose of creating affordable housing.
- Development of Town-owned property that supported a number of projects including Setucket Pines, German Hill, Brush Hill Road, West Yarmouth Road, and Old Cedar Lane and involving ultimately 66 affordable units as well as an additional 65 units at the Simpkins School.
- Funding for affordable housing creation and rehabilitation through the Town's Community Development Block Grant (CDBG) program such as the Affordable Housing Acquisition Program, Affordable Accessory Apartment Program, Septic Repair Program, and Homeownership Preservation/Rehabilitation Loan Program.
- Funding for motel redevelopment projects through the CPA-funded Motel Predevelopment Fund (\$150,000) with another \$2.75 million for the Motel Redevelopment Program for the acquisition of an existing motel for affordable housing development through new construction.
- Establishment of a Buy-Down Program with more than \$2 million in CPA funding, resulting thus far in 13 market rate properties being acquired and converted to long-term affordability. 19 units in the Mill Pond Village development will be preserve with buy-down subsidies, and an additional six scattered-site homes will be converted to affordable units with this program.
- Increased professional support through the hiring of consultants to develop plans, preserve units, promote motel redevelopment, and manage the Ready Renters List.
- Education and outreach to local providers and consumers of services related to affordable housing through workshops, annual housing summits, fairs, print materials, and technical assistance.
- Zoning changes including the Motel Bylaw and Village Center Bylaw and other affordable zoning changes including procedural requirements (i.e., no building permits until DHCD approves the LIP application), an affordable accessory apartment bylaw, a bylaw to permit affordable housing on non-conforming lots, and an aggressive (1 of every 5) inclusionary zoning bylaw.
- Development of positive and cooperative working relationships with state, local and regional housing professionals.

The strategies outlined below are derived primarily from previous Housing Plans and informed by the progress that has been made since 2007 in promoting affordable housing in Yarmouth, an updated 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 – Zoning Strategies, Building Local Capacity, Housing Production and Housing Preservation/Direct Assistance – and categorized according to priority as those to be implemented within Years 1 and 2, where some immediate action is required, and those within Years 3 to 5. A summary of these actions is included in Table I-2.

The strategies also reflect state requirements that ask communities to address all of the following major categories of strategies to the greatest extent applicable.²⁵

²⁵ Massachusetts General Law Chapter 40B, 760 CMR 56.03.4.

- *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;*
 - Continue to revitalize commercial areas with housing (strategy V.C.1)
 - Explore adoption of 40R/40S (strategy V.A.2)
- *Identification of specific sites for which the municipality will encourage the filing of comprehensive permit projects;*
 - Allow a wider range of housing types (V.A.3)
 - Continue to make suitable public land available for affordable housing (strategy V.C.2)
- *Characteristics of proposed residential or mixed-use developments that would be preferred by the municipality;*
 - Amend cluster development bylaw (strategy V.A.1)
 - Explore adoption of 40R/40S (strategy V.A.2)
 - Allow a wider range of housing types that (V.A.3)
 - Encourage adaptive reuse;
 - Promote infill development;
 - Insure compatibility with the surrounding neighborhood;
 - Encourage “economically priced housing” and a variety of housing types; and
 - Foster flexibility and creativity in the creation of affordable housing.
 - Explore a property tax exemption for year-round rental units (V.A.4)
 - Continue to revitalize commercial areas with housing (V.C.1)
 - Continue to convert existing housing to affordability (V.C.3)
 - Continued promotion of Motel Bylaw as shown in production goals (Table IV-1)
- *Municipally owned parcels for which the municipality commits to issue requests for proposals to develop affordable housing.*
 - Continue to make suitable public land available for affordable housing (see strategy V.C.2)
- *Participation in regional collaborations addressing housing development*
 - Help current and prospective homeowners access housing assistance (see strategy V.D.3)
 - Continued participation in the Barnstable County HOME Consortium
 - Participation in regional housing initiatives such as the Home Preservation Program and Council of Churches Hands of Hope Outreach Center’s emergency renter assistance program (see Section II.B.6 and Section V.D).

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), managed the state’s Department of Housing and Community Development (DHCD) if another state or federal housing subsidy is not used. Through its Community Housing Committee, the Town has also developed local guidelines for affordable housing proposals, referred to as Affordable Housing Standards, to aid developers in the predevelopment process.

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, referred to as Local Action Units (LAUs) 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; and/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.

The Town is fortunate to have professional support to not only insure that all affordable units meet state requirements, but to also implement and administer housing policies, programs and projects through its Department of Community Development. The Town’s Community Housing Administrator, Mary Waygan, was officially recognized for her good work during the Massachusetts Housing Partnership’s annual Housing Institute for her excellent work in promoting affordable housing by being given a Local Hero award.

It should be noted however, that another goal of this Plan is not only to strive to meet the state’s 10% affordability threshold under Chapter 40B, but to also to serve the range of local housing needs. Consequently, 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 units accessing the Septic Repair Program, Homeownership Preservation Program, Accessory Apartment Program, and Hands of Hope Center’s emergency assistance for renters.

Within the context of these compliance issues, local needs, existing resources, affordability requirements and housing goals, the following housing strategies are proposed. **It is important to note that these strategies are presented as a package for the Town to prioritize and process, each through the appropriate regulatory channels.** Moreover, these actions present opportunities to judiciously invest funding from CDBG, the Yarmouth Affordable Housing Trust Fund and CPA funds to 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, modify or create new local zoning provisions and development policies, help preserve the existing affordable housing stock, build local capacity, and provide direct assistance to qualifying owners and renters.

A. ZONING STRATEGIES

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, greater flexibility will be needed in the Town’s Zoning Bylaw, and new tools will be required to capture more affordable units and expeditiously move development forward to completion.

The Zoning Bylaw includes minimum lot requirements ranging from 25,000 to 40,000 square feet as well as frontage, setback and other requirements that may not be conducive to affordable housing. This creates the likely need for regulatory relief for most residential

development that includes affordable units, possibly through the “friendly” comprehensive permit process that overrides local zoning.

The Town has in fact made some significant progress in reforming local zoning through the passage of a number of new bylaws or regulatory policies, most of which were part of previous Housing Plans, including the following:

- A *Village Center Overlay District Bylaw* that allows commercial properties in the heart of the Route 28 tourism area to be redeveloped into commercial, residential or mixed-uses including affordable housing and design standards. The bylaw was intended to improve the aesthetic quality and viability of properties and commercial districts and to establish a special review process to review design proposals. It was also meant to promote the positive characteristics typical of traditional pedestrian-oriented, mixed-use village centers by encouraging a combination of residential and business uses. Increased residential densities were also established to promote the production of housing, including affordable housing.
- A *Motel Conversion Bylaw* meets two local community development needs – the need for affordable multi-family housing and the need to redevelop under-performing properties by allowing the conversion of motels to permanent housing under specific conditions, including the provision of affordable housing. The bylaw provides Route 28 motel owners with a viable alternative to Chapter 40B development through the ability to develop motel properties by-right into stand-alone, multi-family housing or mixed-use development.²⁶ The use of the Motel Bylaw has been promoted by financial assistance offered through a Motel Predevelopment Fund that provides grants of up to \$40,000 to qualified sponsors of motel redevelopment projects on Route 28. Grants are in the form of a zero interest, deferred loan that is forgivable after five (5) years. For highly competitive raze and replace projects, the Motel Redevelopment Program offers grants of up to \$30,000 per affordable unit for acquisition and construction costs.
- *Growth Incentive Zone (GIZ)* that permits larger scale projects of 30 or more units to move forward without the time and cost that is often associated with Cape Cod Commission Development of Regional Impact (DRI) review. Approval of the GIZ was required by both the Cape Cod Commission and the Barnstable County of Delegates and was achieved based on support for affordable housing as part of the Route 28 economic revitalization plan and smart growth principles. Understanding that Chapter 40B was enacted largely to permit housing projects in municipalities where zoning had become overly restrictive, the Town’s Motel Bylaw and Growth Incentive Zone have done just the opposite by actually making zoning less restrictive and encouraging the development of multi-family housing.
- Adoption of an *Affordable Housing Bylaw* that established local requirements for affordable housing.²⁷
- *Inclusionary zoning* that requires any residential development of greater than four (4) units or residential lots to provide a percentage of affordable dwellings. Affordable

²⁶ Yarmouth Zoning Bylaw Section 404 specifies a maximum density of 16 units per acre, the size of units (600 square feet for raze and replace and a schedule of sizes ranging from 250 square feet to 750 + square feet for redevelopment), the number of affordable units (based on overall density with a maximum requirement of 25% affordability), and design standards. Affordable units are required to meet the state’s Local Initiative Program (LIP) standards.

²⁷ Yarmouth Zoning Bylaw Section 412.

units are required to be on the site of the development unless the developer opts to provide a cash payments in lieu of actual units into the Affordable Housing Trust to subsidize other affordable units or provide comparable units approved by the Town offsite.

- An amended *accessory apartment bylaw* that promotes affordable accessory units to expand the supply of year-round rentals directed to the increasing number of smaller households in Yarmouth.
- Adoption of *Affordable Housing Standards*, effective February 18, 2010, and revised in 2013 and 2014, to provide greater predictability for affordable housing developments that are reviewed by the Community Housing Committee, and to ensure that the affordable units created qualify for inclusion in the Subsidized Housing Inventory. These standards include guidelines related to the review process, term of affordability, percentage of affordability, local preference, relocation, affirmative fair housing marketing, as well as design and construction criteria.
- Passage of an *affordable lots bylaw* that allows affordable housing to be built on lots that are currently unbuildable. Substandard lots of 10,000 square feet or more are allowed by-right and those of less than 10,000 square feet must be approved under Special Permit of the Board of Appeals.
- Creation of a *property inventory* that involves a list of potential public and private sites that may be suitable for the development of housing, including some amount of affordable housing.

The Town of Yarmouth will consider the following additional planning and zoning-related strategies to promote the creation of affordable units. It should be noted that units that are created pursuant to these zoning changes are counted under specific housing production strategies included in Section V.C.

1. Amend Cluster Development Bylaw to Promote Affordable Housing

Timeframe: Years 3-5

Responsible Parties: Planning Board with support from the Community Housing Committee

Current Status: Yarmouth's Zoning Bylaw includes provisions encouraging cluster development and the protection of open space that are meant to meet a number of objectives including the promotion of more compact development patterns in line with smart growth principals. However, the bylaw does not provide sufficient incentives, such as density bonuses, which would encourage the use of the provision.

Multi-family housing, beyond a two-unit dwelling, is currently only permitted with cluster developments that "allow relatively intensive use of land locally while not increasing the population density on a large scale; to preserve open space for conservation and recreation; to introduce variety and choice into residential development; to meet housing needs; and to facilitate economical and efficient provision of public services. In the case of congregate living housing, it is the further objective to provide housing for the elderly population who may not be capable of total independence but are not in need of institutional living."²⁸ The requirements for cluster development are presented in Table V-1.

²⁸ Town of Yarmouth Zoning Bylaw, Article IV, Section 402.2.

Table V-1: Cluster Subdivision Requirement Summary

Min Lot Size (sq. feet)	25,000	40,000
Min Cluster Size (=10* Min Lot Size)	250,000 (5.7 acres)	400,000 (9.2 acres)
Open Space Req. (=1/3)	83,333	133,333
Area Remaining for Development	166,667	266,667
# Permitted units (10,000 sq. ft. per unit)	17	27
# Units per Acre	3	3

The existing cluster provisions do not provide adequate incentives for the creation of affordable housing as the maximum number of units allowed is calculated by dividing the area of developable land in the tract by the minimum lot size allowed under standard subdivision regulations in the zoning district and thus offering no real density bonuses. Lastly, there are few lots in town that are eligible for cluster development due to the large minimum cluster lot size requirement of ten (10) times the minimum lot size.

This bylaw allows single-family and multi-family developments on reduced lot sizes with an area of common open space (no less than 30% of total acreage preserved for conservation or recreation purposes). It also provides for Planned Residential Development that includes a group of multi-family dwellings mixed with single-family homes or one or more neighborhood convenience stores, also incorporating open space. Another allowable use is congregate living housing that includes publicly operated or subsidized housing for seniors on at least twenty acres of land, sites that are exceedingly rare.

Next Steps: The Planning Board, with support from the Community Housing Committee, should explore what other communities are doing with respect to these more flexible zoning provisions and prepare a zoning amendment to promote cluster development and open space protection with density bonuses for the inclusion of affordable units as well as reductions in overall size of allowed projects. For example, model bylaws have been produced by the Metropolitan Area Planning Council, Massachusetts Audubon, and others in the Green Neighborhood Alliance, adopted by a number of Massachusetts communities. A model bylaw is also included in the Executive Office of Energy and Environmental Affairs Smart Growth Toolkit.

Resources Required: Staff time from the Town Planner to draft the zoning amendment and coordinate the necessary approvals towards implementation. This strategy will also require some support from Community Development Department.

2. Explore Adoption of 40R/40S or Compact Neighborhoods Zoning

Timeframe: Years 3-5

Responsible Parties: Planning Board with support from the Community Housing Committee

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 that the

state increase its commitment to fund affordable housing for families of low and moderate income”.²⁹

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.”³⁰ These new districts would typically occur in denser town centers and in areas already served by transportation.

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 state has approved 36 such districts and other districts are in the process of being established. Natick, for example, has been able to access \$1,434,000 in state funding to support new local development priorities including the building of a new high school and the redevelopment of former Natick Paperboard Factory site into 138 apartments on 12 townhouses by adopting a Chapter 40R Smart Growth Overlay District. The state gave the town \$820,000 towards the costs of its new high school because it was awarded an extra percentage point towards state funding from the Massachusetts School Building Authority due to its approval of Chapter 40R. It has also received \$200,000 from the state as an incentive payment for creating the 40R district and expects to receive another \$414,000 as housing development moves forward. Moreover, the Town is eligible for receiving additional state support from Chapter 40S that provides 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 the new housing.

The communities of Easton and Reading have also been able to fend off Chapter 40B developments, largely because the state recognized the communities’ proactive efforts in establishing 40R smart growth zoning.

The key components of 40R include:

- Allows local option to adopt Overlay Districts³¹ 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;

²⁹ 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.

³⁰ Massachusetts General Law, Chapter 40R, Section 11.

³¹ Overlay districts contain additional provisions for special features or conditions, such as historic buildings, affordable housing, wetlands, mixed-uses, etc. as part of the Zoning Bylaw.

- Provides that 20% of the units be affordable;
- Allows mixed-use and infill³² development;
- Provides two types of payments to municipalities; 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 so they would not be saddled with the extra school costs caused by school-aged children who might move into this new housing. In effect, 40S will hold those communities participating in 40R harmless from costs added to school budgets as a result of the 40R-related development.

Similar to 40R, the state has also created the *Compact Neighborhoods Program* that provides additional incentives to municipalities that adopt zoning districts for working families of all incomes as well as smart growth development. This new zoning must:

- Allow a minimum number of “future zoned units” in the Compact Neighborhood, which is generally 1% of the year-round housing in the community;
- Allow one or more densities as-of-right in the zone of at least eight (8) units per acre on developable land for multi-family housing and at least four (4) units per acre for single-family use;
- Provide not less than 10% of units be affordable within projects of more than 12 units; and
- Not impose any restrictions to age or other occupancy limitations within the Compact Neighborhood zone although projects within the zone may be targeted to the elderly, persons with disabilities, etc.

Financial assistance through the Planning Assistance Toward Housing (PATH) Program is also available to communities that are adopting Compact Neighborhoods zoning, giving priority to the creation of mixed-use development beyond the bounds of a single project. The state also promotes projects that meet the definition of smart growth under 40R and encourages housing that is priced to meet the needs of households across a broad range of incomes and needs.

Next Steps: In an effort to promote smart growth and mixed-use, mixed-income development, the Town should explore the adoption of 40R/40S or Compact Neighborhoods zoning and convene a forum to discuss these new regulations and how they could be effectively implemented in Yarmouth. Overlay districts may be effective in the Town and Village centers, along the commercial corridors, perhaps along the waterfront and maybe as another tool for motel conversions.

If there is general agreement to pursue the development of the Zoning Districts further, the Town can use CPA funding to secure the necessary technical assistance to implement the rezoning or use the in-house expertise of the Town Planner.

The formal steps involved in creating the 40R Overlay Districts are as follows:

³² Infill development is the practice of building on vacant or undeveloped parcels in dense areas that promotes compact development and in turn allows undeveloped land to remain open and green.

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.

The process for implementing a Compact Neighborhoods Zone includes:

- Identify an “as-of-right” base or overlay district (the Compact Neighborhood);
- Request and receive a Letter of Eligibility from DHCD; and
- Adopt the Compact Neighborhood Zoning locally.

Additional resources are also available from the state that might be used in tandem with 40R/40S such as the District Improvement Financing Program (DIF) and Urban Center Housing Tax Increment Financing Zone Program (UCH-TIF). 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.

The Urban Center Housing Tax Increment Financing Zone Program (UCH-TIF) is 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, such as 40R/40S. 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.

Resources Required: This strategy is likely to require some technical support from the Town Planner or the Town could use CPA funding or apply for state subsidy funds through the Planning Assistance Toward Housing Program (PATH) to secure the services of a consultant to implement the adoption of 40R or Compact Neighborhoods zoning, to work with developers, and to apply for other sources of financing. It would also be useful to evaluate whether the

Town's Village Center Overlay District (VCOD) bylaw meets at least some of the standards for compact neighborhood zoning.

3. Allow a Wider Range of Housing Types

Timeframe: Years 3-5

Responsible Parties: Planning Board with support from the Community Housing Committee

Current Status: Yarmouth's Zoning Bylaw allows two-family dwellings, congregate living options, accessory apartments, mixed-use development and multi-family housing under specific conditions, usually with a Special Permit. These provisions, however, have not provided sufficient incentives for developers or property owners to create these types of housing opportunities. This Housing Plan provides a number of recommendations to amend the Zoning Bylaw and encourage a broader range of housing types to meet a wide range of housing needs, including the integration of affordable housing. It should also be noted that the "friendly" comprehensive permit process is a useful tool for approving worthwhile projects that do not meet all local regulations and thus can bypass the need for zoning amendments.

It may also be useful to consider a bylaw that was adopted in Dennis to establish greater flexibility on the part of the Town to approve affordable housing projects. This provision referred to as "Municipally Sponsored Housing Projects", allows the Dennis Board of Selectmen to act as a sponsor for affordable housing projects which:

- Encourage adaptive reuse;
- Promote infill development;
- Insure compatibility with the surrounding neighborhood;
- Encourage "economically priced housing" and a variety of housing types; and
- Foster "flexibility and creativity in the creation of affordable housing".³³

Approval is through a Special Permit by the Planning Board and various zoning exceptions can be granted including requirements related to intensity of use, minimum area, density (may be greater than 10,000 square feet per bedroom), parking, and buffers. All of the units must be created for year-round use and not less than 50% of the units can be affordable to those earning between 65% and 80% of area median income with the remaining units affordable to those earning no more than 120% of area median income.

Next Steps: The Yarmouth Community Housing Committee might explore adapting Dennis' bylaw to Yarmouth and work with the Town Planner and Planning Board to propose a zoning amendment for Town Meeting approval.

Resources Required: The Planning Board should coordinate this effort with support from the Community Housing Committee/Housing Trust and other appropriate local officials to determine the feasibility of implementing this strategy in Yarmouth, drafting the zoning amendment and coordinating the necessary approvals towards implementation. This strategy will require staff time from the Town Planner to draft the bylaw as well as from the Department of Community Development to insure that all affordable units created are counted as part of the Subsidized Housing Inventory.

³³ Town of Dennis Zoning Bylaw, Section 4.9.

4. Explore Property Tax Exemption for Affordable Year-Round Rental Housing

Timeframe: Years 3-5

Responsible Parties: Board of Selectmen and Finance Department with support from the Community Housing Committee

Current Status: The Housing Needs Assessment included in this Housing Plan indicates a critical need for additional rental housing. Provincetown, recognizing a similar shortage, approved a property tax exemption for affordable year-round rental units. This home rule petition required state approval and was signed by Acting Governor Jane Swift in December 2002. The tax exemption is made available to owners of housing units that are rented on a year-round basis to low-income households at rents (including utilities) not exceeding HUD limits and that also place appropriate affordability restrictions on the property through the state's Local Initiative Program.

Next Steps: The Community Housing Committee should explore with local officials the prospects of adapting the Provincetown tax exemption in Yarmouth and try to gauge the level of local support. If substantial support for such an action is demonstrated, the Town's Finance Department should take the necessary steps to obtain the required Town Meeting and state approvals and then make the exemption available.

Resources Required: Staff time from the Finance Department and Department of Community Development to work with the Community Housing Committee and other local officials in determining the feasibility of implementing this strategy in Yarmouth and in coordinating the necessary approvals towards implementation. There will also be some administrative costs associated with ongoing management to include units in the Town's Subsidized Housing Inventory. Additional resources will involve the foregone taxes associated with the exemption.

B. BUILD LOCAL CAPACITY AND SUPPORT

In order to carry out the strategies included in this Housing Plan and meet the production goals, it will be important for the town of Yarmouth 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.

The Town of Yarmouth is fortunate in that it has some local resources on hand to support affordable housing. New CDBG funding is expected to be about \$623,100 over the next five years, from 2015 to 2019, the bulk of which is typically available for affordable housing. Yarmouth also has adopted the Community Preservation Act³⁴ and must commit at least 10% of the annual funding towards affordable housing. Since 2005, the Town has committed

³⁴ The Community Preservation Act establishes the authority for municipalities in the Commonwealth to create a Community Preservation Fund derived from a surcharge of 1% to 3% of the property tax, to be matched by the state based on a funding commitment of approximately \$26 million annually. Once adopted the Act requires at least 10% of the monies raised to be distributed to each of 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. More than 100 municipalities in the Commonwealth are benefiting from this important new resource including Yarmouth that enacted a 3% surcharge.

approximately \$8.7 million in CPA funding for housing, substantially more than the other use categories.

The Town has also had access to HOME Program funding through the Barnstable HOME Consortium and \$337,500 has been allocated to Yarmouth for housing development since the Consortium began operations in mid-1994 that has supported 80 housing units, 73 of which are affordable³⁵. The HOME Consortium has also supported down payment and closing costs for about 100 first-time homebuyers in Yarmouth, representing \$546,659 in funding, and has provided assistance to 29 qualifying homeowners in making necessary home improvements that totaled another \$246,000.

This Plan builds on an organizational structure for the implementation of the strategies and continued oversight of housing policy and initiatives in Yarmouth that was largely proposed as part of previous Housing Plans including the following:

- Continuing oversight of the Yarmouth Community Housing Committee whose mission is to assist the Town in reaching the 10% affordable housing goal under Chapter 40B while maintaining the quality of life for all residents.
- Establishing an Affordable Housing Trust, which was created in 2007, and capitalizing it with more than \$7 million to date including the Motel Redevelopment Fund of \$2,750,000 for motel redevelopment with an affordable housing component.
- Engaging the Housing Assistance Corporation (HAC), Building Dreams, HECH and Our First Home, etc. to support program and project development.
- Conducting annual housing summits, public hearings and other special events.
- Preparing an inventory of public and private property potentially suitable for some amount of affordable housing.
- Conducting marketing efforts and monitoring lotteries for affordable units as they become available.
- Creating new affordable homeownership opportunities at lower purchase prices than other communities on the Cape.
- Continuing to access affordable housing resources including:

- *Housing Development Subsidies*

There are a myriad of state, regional and federal programs that subsidize housing production. The Town should continue to use its CPA, Housing Trust and CDBG funding strategically to leverage other public resources to create new affordable housing opportunities to meet the range of local needs and production goals. For example, the Simpkins School involved a combination of subsidies, including Low Income Housing Tax Credits, to make most of the units available to those earning at or below 60% of area median income with even 10% of units for those earning within 30% AMI.

³⁵ HOME Program funding included \$40,000 for four units as part of the Camp Street rental project, \$22,500 for a single unit developed by Our First Home, \$60,000 for the first four houses built by Our First Home on Brush Hill Road, another \$40,000 for an affordable rental for Brush Hill Residences, \$25,000 to support the Buy-Down Program and \$150,000 for the Simpkins School development.

- *Preservation/Rehab Program Funding*
The Town administers the Septic Repair Program that provide support to qualifying property owners to help them make necessary improvements to their septic systems. This is typically budgeted at \$45,000 a year. The Town has also recently introduced the Yarmouth Home Preservation Program which is being managed by the Housing Assistance Corporation (HAC) to help qualifying homeowners make emergency home repairs, supported with \$50,000 in CPA funding. Other entities also manage comparable programs, and the Town should continue to refer potential applicants to appropriate resources.³⁶
- *Homelessness Funds*
There are federal and state programs that direct assistance to programs that help prevent homelessness or assist individuals and families in transitioning out of homelessness. Many of these funding programs are directed through the Cape’s regional non-profit housing organization, the Housing Assistance Corporation (HAC). The Town of Yarmouth will continue to make necessary referrals to HAC and other human service providers such as Duffy Health Center. If appropriate, the Town may use CPA funding to supplement existing homelessness resources. For example, the Town provided the Hands of Hope Outreach Center with \$75,000 in funding to help Yarmouth families currently living in unsuitable housing relocate to better living conditions by providing first and last month’s rent.
- *Vocational or Sweat Equity Assistance*
Resources in the form of dedicated labor to help build affordable housing can be useful in reducing construction costs. For example, Habitat for Humanity requires selected first-time homebuyers invest a substantial amount of time, their own “sweat equity”, in building their homes. Habitat for Humanity also undertakes a considerable amount of outreach to attract others in the community to help build these affordable houses, which the Town will continue to support. For example, the Town provided almost \$400,000 to Habitat for Humanity for the development of six affordable homes on Virginia Street in West Yarmouth. Moreover, last year the Town embarked on a one-day event, HAC’s Big Fix, which brought together about 200 volunteers to make home repairs and landscape improvements to eleven homes of veterans, seniors or those with disabilities.
- *Rental Assistance*
Rental subsidies through the Section 8 Housing Choice Program and Massachusetts Rental Voucher Program (MRVP) are being used by substantial numbers of Yarmouth residents. Rental subsidies can also provide important operating support for an affordable housing development through Project-Based Section 8 assistance. The integration of rental subsidies into new affordable housing should continue to be used where appropriate and available.

³⁶ Programs include Barnstable County Septic Repair Loans, the state-supported Home Modification Loan Program administered by the Southern Middlesex Opportunity Council (SMOC), and USDA repair loans and grants for example.

- *Expiring Use Funding*
Yarmouth had one large subsidized development, Swan Pond Village, where the affordability restrictions were due to expire in 2010, but were extended through the state Chapter 40T Program.
- *Homeownership Support*
The Town has been providing significant CPA funding to support a Buy-Down Program that subsidizes first-time homeownership for qualifying families. There are also a number of state and regional resources available to support first-time homebuyers including home purchase and post purchase workshops, foreclosure prevention counseling, other individual counseling, down payment and closing cost assistance, and subsidized mortgages.

Because affordable housing policies, regulations, programs and projects rely on local approvals, building local support for new affordable housing initiatives is essential. Consequently, Yarmouth will continue to pursue aggressive community education and outreach on the issue as described below.

1. Continue Educational Campaign

Timeframe: Years 1-2 and ongoing

Responsible Party: Community Housing Committee

Current Status: Affordable housing has become a more visible issue in Yarmouth, largely as a result of proposed comprehensive permit projects, new zoning changes, and new Town-sponsored programs and projects. Many residents are aware of housing problems, particularly given the relatively recent financial crisis, and some are encountering difficulties affording housing in Yarmouth. It is also to be assumed that many residents continue to hold onto negative stereotypes of what affordable housing is and what impact it will have on their community.

The Town of Yarmouth has made outreach on affordable housing a major priority. It has provided opportunities to make the affordable housing issue more visible, discussing current and planned initiatives and obtaining important feedback. These outreach efforts have included the following:

- *Surveys*
To explore resident attitudes and perceptions of affordable housing needs and priorities as part of the Town's process of preparing the HUD Consolidated Plan, the Town's Department of Community Development conducted a survey of local residents and non-profit organizations and human service agencies that serve Yarmouth residents in order to gauge their opinion of housing and non-housing community development needs. Ninety-Eight (98) households and twenty-seven (27) non-profit organizations responded to the survey. In addition, public hearings were held, written comments received, and data from a number of sources were analyzed. Through this process the Town identified affordable housing as a priority need.

- *Special Events*

The Town has sponsored public hearings to update the public, Town Boards, and Committees and readily makes information available on the Town's housing programs and activities including the Affordable Accessory Apartment, Septic Rehab/Replacement, Ready Renter's Program, current affordable housing lotteries, and Buy-Down Program. Informational seminars were also held to help consumers understand affordable housing requirements.

- *Outreach to Media*

The Department of Community Development regularly briefs reporters from the Cape Cod Times and The Register on the issue of affordable housing. It also provides information and links related to affordable housing on the Town's website.

Additional opportunities to engage the community in discussions on affordable housing and to present information on the issue are needed to continue to dispel myths and help galvanize local support, political and financial, for new affordable housing production. These outreach efforts are mutually beneficial as they provide useful information to community residents and important feedback to local leaders on resident concerns and suggestions. They also help garner local political support for important housing programs and projects.

Next Steps: The presentation of this Housing Production Plan offers another opportunity to bring attention to the issue, providing updated information on housing needs and proposed strategies that can help attract community support for affordable housing initiatives. The Town will continue to use its website, local cable access television, special articles, and community events, housing summits and other community meetings to provide information on affordable housing issues and new initiatives. The Town intends to begin to utilize social media to promote its affordable housing program as well.

Resources Required: The donated time of Yarmouth's Community Housing Committee as well as staff support from the Department of Community Development.

2. Encourage Training on Housing and Smart Growth Development

Timeframe: Years 1-2

Responsible Parties: Board of Selectmen, Community Preservation Committee and Community Housing Committee

Current Status: Town boards such as the Zoning Board of Appeals, Planning Board and other interested local leaders, including members of the Community Housing Committee, Affordable Housing Trust and Yarmouth Housing Authority, should receive training on smart growth development and 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 Department of Community Development and Town Planner, would also help keep key professionals informed and up-to-date on important new developments, best practices and relevant regulations. These workshops and conferences

also present opportunities for networking among colleagues, sharing information and making important connections to other municipalities.

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. The Massachusetts Housing Partnership holds the Massachusetts Housing Institute as 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. This training is held over a two-day period, at least once a year. It was during this past year's training that Mary Waygan, Yarmouth's Housing Administrator, was given the special Local Hero award for her outstanding work in promoting affordable housing.

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 are 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 continue to encourage members of appropriate committees – the ZBA, Planning Board, Community Housing Committee, and Affordable Housing Trust in particular – to attend statewide and regional training sessions on housing-related issues, new regulations, and approaches for promoting smart growth. If fees are involved, this funding should be made available, and the Town should earmark funds from its CPA budget or another source to support these costs. This training should also be accessed on an ongoing basis as members of these boards and committees or staff turnover.

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

C. HOUSING PRODUCTION

As was the case with planning and zoning strategies as well as Yarmouth's community education campaign described in Sections V.A and B above, the Town's primary approach to producing affordable housing units over the next five (5) years builds largely on the progress it has made in implementing strategies included in its 2007 and 2011 Housing Plans. These strategies include the following:

1. Continue to Revitalize Commercial Areas and Village Centers with Year-round Housing

Timeframe: Years 1-2

Responsible Parties: Planning Board with support from the Community Housing Committee and Affordable Housing Trust

Current Status: In the context of good town planning and smart growth, the likely location for denser development, certainly for providing housing for smaller households and seniors, is in commercial areas and near transportation nodes. Looking at density from the center of town outward or along commercial corridors is a well-regarded strategy in town planning.

The Town has recognized that the village centers and commercial corridors down Route 28 would be well suited to higher densities and mixed-use development, and the residential units would add to the vitality of the areas, provide housing for small households in easy walking distance to goods, services and transportation, and simultaneously reduce traffic. Consequently the Town has taken a number of measures to promote such development including:

- The Village Center Overlay District Bylaw that allows commercial properties in the heart of the Route 28 tourism area to be redeveloped into commercial, residential or mixed-uses including affordable housing and design standards.
- The Motel Bylaw that promotes the redevelopment of motels into year-round housing, including affordable housing, also improving the financial viability and appearance of under-performing properties.
- A Motel Predevelopment Fund of \$750,000 that provides funding to property owners to plan for redevelopment under the Motel Bylaw.
- An allocation of \$2 million in CPA funding for the Housing Trust to acquire and rehabilitate an existing motel, converting it to long-term affordability.
- The approval of a Growth Incentive Zone (GIZ) to facilitate the redevelopment of motel properties by eliminating the need for Cape Cod Commission review in most cases.
- Planning for the development of sewer services in Town with the first phase targeted for Route 28. As part of the Cape Cod Commission 208 Water Quality Plan, the Town of Yarmouth is required to develop watershed reports by June 2016, outlining potential scenarios for each watershed. Additional work will be required to develop this report into a Comprehensive Wastewater Management Plan and ultimately develop a funding mechanism for implementation.
- Additional planning as part of the Cape Cod Commission's Regional Policy Plan to direct growth to village centers as well as along Routes 6 and 28.

Next Steps: It is anticipated that the new Village Center Bylaw and the other measures noted above will substantially bolster mixed-use development in Yarmouth. Other potential zoning changes, including the adoption of 40R/40S (see Section V.A.2), and the willingness to explore other financial tools such as District Improvement Financing and Urban Center Housing Zone Tax Increment Financing should attract interest from developers and make new mixed residential and commercial development more economically feasible. At some point in the future, it may be necessary to reassess the effects of the motel bylaw and modify it as appropriate.

Resources Required: Staff time of Town Planner and the Department of Community Development to prepare and process proposed amendments to the Zoning Bylaw and secure approvals. Additional time to work with developers on implementation, insuring that all requirements are met and the affordability restrictions of the affordable units are enforced.

Projected # Affordable Units Produced: 180 units

2. Continue to Make Suitable Public Property Available for Affordable Housing

Timeframe: Years 1-2

Responsible Parties: Board of Selectmen with support from the Community Housing Committee and Affordable Housing Trust

Current Status: The contribution or “bargain sale” of property owned by the Town but not essential for municipal purposes has been a major component of Yarmouth’s affordable housing agenda and continues to be key to this Housing Production Plan. As shown in Table V-2, the Town has an impressive history of conveying property for affordable housing development.

The Town also conveyed a large 18.89-acre parcel on Forest Road to the Yarmouth Housing Authority for the development of senior housing.

Table V-2: SHI Units Developed on Town-owned Property

Project Name	Number of Units	Type of Project
Rose Road (Habitat for Humanity)	1	Ownership
Old Town House Road (Habitat)	1	Ownership
Glenside Avenue (Habitat)	1	Ownership
German Hill Estates	37	Ownership
Setucket Pines	13	Ownership
Brush Hill Road Phase I	6	Ownership
Brush Hill Road Phase II	4	Ownership
Old Cedar Lane	1	Ownership
John Simpkins School	65	Rental
West Yarmouth Road	2	Ownership
Total	131	

In 2007, the Department of Community Development completed an inventory of Town-owned property that included the following additional properties beyond those noted above:

1. Shelburne
2. Old Town Village
3. Haywood
4. West Great Western Road – 3 different sites

The 2007 Housing Plan acknowledged that many towns were looking for opportunities to create affordable housing through a scattered-site approach to spread the impacts of new housing production throughout the community so as not to overburden any particular neighborhood. The development of the above listed Town-owned properties presents such an opportunity.

In 2007, the September Special Town Meeting set-aside \$30,000 of Community Preservation Funds for feasibility studies for these properties as was prescribed in the 2007 Housing Plan. It then turned its attention to the conversion of the John Simpkins School to senior rental housing. Out of the remaining inventory the Community Housing Committee prioritized the West Great Western Road sites for these feasibility analyses. In 2010 the Town added a 1.22-acre lot at the corner of West Yarmouth Road and White Rock Road (Assessors map 115, lot 216.3) after Land Court issued a judgment in the Town's favor regarding ownership. In May 2011, the Yarmouth Town Meeting voted to designate this lot for affordable housing. Through an RFP process, the Town then selected the non-profit, Our First Home, as the developer which is currently building two (2) affordable homeownership units at the site.

Next Steps: The Department of Community Development will continue to work with the Community Housing Committee and Affordable Housing Trust to conduct preliminary feasibility analyses on these Town-owned parcels. If this analysis indicates that housing might likely be accommodated, the Committee/Trust will 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 in the RFP. Moreover, the Town will continue to apply a reverter clause that requires the selected developer to start construction within five (5) years of the conveyance.

Projects may require densities or other regulatory relief beyond what is allowed under the existing Zoning Bylaw, and the Housing Committee/Housing Trust may be able to obtain this relief through normal channels, if appropriate zoning exists, or use the "friendly" comprehensive permit process through DHCD's Local Initiative Program (LIP). Additionally, the Housing Committee/Housing Trust will need to be supportive in attracting the necessary financial, technical and political support.

Resources Required: In addition to providing the property at only a nominal cost, the Town will provide additional CPA or Housing Trust funding to leverage other private and public financing to the greatest extent possible. Staff time by the Department of Community Development and/or consultant services will also be required to coordinate the feasibility analyses, prepare the RFP and select the developer, provide support during the regulatory process, and insure all affordable units are captured as part of the SHI.

Projected # Affordable Units Produced: 60 units

3. Continue to Convert Existing Housing Units to Affordability

Timeframe: Years 1-2 and Ongoing

Responsible Parties: Affordable Housing Trust and Community Housing Committee

Current Status: The Town has been administering a Housing Buy-Down Program pursuant to its 2007 Affordable Housing Plan. Thus far, 13 units have been acquired. This approach converts existing housing into long-term affordability and enables the Town to count them as part of production goals and the SHI. By focusing on market units in Yarmouth that are still reasonably priced, the Program takes advantage of lower affordability gaps and required amounts of subsidy.

The Town has committed \$2.3 million through its Housing Trust, expending \$1.1 million. Of the

unencumbered \$1.2 million, \$700,000 has been committed to the Mill Pond Village project. The Housing Trust expects to utilize the remaining \$500,000 to buy-down six (6) additional, scattered-site homes. The proposed homes would have to be moderately priced and meet the quality standards set by the Trust. The anticipated subsidy would be \$70,000 to \$85,000 depending on size of the home, number of bedrooms, and rehabilitation needs. As with all Buy-Down units, the homes would be deed restricted as affordable in perpetuity.

The Town also worked with a private developer, Building Dreams, to create the Town-wide Rental Homes Program. Since 2012 the Trust has awarded \$457,500 to Building Dreams for the acquisition of eight (8) existing, moderately priced dwelling units for conversion into affordable rental units. In addition, the Town's CDBG Program has awarded \$75,000 for the creation of a ninth unit. Much like the Buy-Down Program, the program focuses on those units in the local housing market that are lower priced and in poorer condition. Each unit will be regulated as affordable in perpetuity, rehabilitated and managed by Building Dreams.

It should also be noted that existing homes have been acquired by non-profit organizations, and with support of the state's Department of Developmental Services (formerly called the Department of Mental Retardation), have been converted to group homes to serve special needs populations. These units are also counted as part of the SHI, with each bedroom counting as a separate unit. Yarmouth's SHI currently has 36 such units.

Next Steps: The Housing Trust will continue its program efforts to acquire existing unsubsidized units for rehabilitation and conversion to affordable housing using existing Trust Funds as well as other resources such as CDBG and HOME funds. The Town will also continue working with organizations, such as Building Dreams, on converting existing structures to affordable rentals. Moreover, the Affordable Housing Trust and Community Housing Committee will support efforts by project sponsors to convert existing housing to group homes to serve the needs of people with disabilities.

The Town is also considering measures to help local organizations involved in these projects build their capacity and boost the scale of existing activities. For example, a special fund to provide organizational operating support and/or low cost financing might be explored, ultimately issued through a Request for Proposals (RFP) process.

Resources Required: Support from consultants as well as subsidy funds totaling approximately \$450,000 per year.

Projected # Affordable Units Produced: 37 units

4. Continue to Promote LIP Units

Timeframe: Years 1-2

Responsible Parties: Community Housing Committee and Affordable Housing Trust

Current Status: 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. 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 if they are occupied by those earning at or below 80% AMI or 20% if the units are targeted to those earning at or below 50% AMI.

This type of development is not unfamiliar to the Town of Yarmouth as 117 units or 22% of all SHI units have been developed through the comprehensive permit process.

The Local Initiative Program (LIP) is a technical assistance subsidy program to facilitate Chapter 40B developments and locally produced affordable units. *The Program is often referred to as the “friendly 40B” option as it insures 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.

Next Steps: In order to meet local needs, production goals and the 10% state affordability threshold, the Town will continue to work in a cooperative spirit with non-profit and for profit developers through the “friendly 40B” process. In 2010, the Town’s Community Housing Committee established local preferences and priorities for Chapter 40B developments that it subsequently revised in 2013 and 2014. These development standards provide developers with guidelines regarding the types of development projects that the Town would be willing to support through LIP. For example, the Town has determined that residential development, including affordable housing development, is not appropriate in its B3 “heavy industrial” zones. On the other hand, the Town would still be interested in supporting LIP projects along its Route 28 corridor if the Village Center Overlay District (VCOD) or Motel Bylaw were determined to be inadequate permitting approaches for particular development proposals.

It should be further noted that with state approval up to 70% of the units in a 40B development can be reserved for those who live and work in the community, including families with children attending local schools, referred to as local preference units.

Resources Required: The donated time of the Community Housing Committee and Affordable Housing Trust to review preliminary development proposals and staff support from the Community Development Department. Additional time would be required by the Board of Selectmen in approving a LIP project and the ZBA in the permitting process.

Projected # Affordable Units Produced: 58 units

D. HOUSING PRESERVATION AND DIRECT ASSISTANCE

Housing production is critical, but the Town also needs to be concerned that maintains it provides resources to support the needs of struggling renters as well as the deferred home maintenance needs lower income homeowners, seniors in particular with fixed incomes.

1. Monitor Affordability of Subsidized Housing Inventory

Timeframe: Years 1-2

Responsible Party: Community Housing Committee

Current Status: In order for units to be considered as affordable by the state under Chapter 40B and eligible for counting towards annual production goals and the 10% affordability threshold as part of the Subsidized Housing Inventory, they must be deed restricted. In the early years of Chapter 40B, units could only be counted if they were subsidized, either through the comprehensive permit process approved by a subsidizing agency or through specific state or federal subsidies. The type of deed rider was dependent on the time, agency and subsidy used.

The state has established more specific requirements concerning the deed rider and now has standard deed restrictions and regulatory agreements that must be used to insure long-term affordability and inclusion in the SHI. All units processed through the Local Initiative Program (LIP), including Local Action Units, must now use DHCD's standard deed rider.

This issue has been further complicated by problems related to conflicting deed restrictions. In early 2010, the US Department of Housing and Urban Development (HUD) issued a ruling that federal HOME Investments Partnership Program funding (either project-based or for down payment/closing cost assistance) could not be used for any unit to which the state's standard "universal" deed rider would be attached. On the other hand, the state's Department of Housing and Community Development (DHCD) requires that all Local Initiative Program (LIP) homeownership units that are included in the Subsidized Housing Initiative (SHI) use their LIP universal deed rider. Consequently, sponsors of programs or projects that were to combine Community Preservation Act (CPA) or LIP and HOME funds encountered difficulties in both accessing HOME funds to support project costs or provide down payment and closing costs assistance³⁷ as well as having their affordable units qualify under the state's SHI.

Consequently, affordable units in Yarmouth are likely to have varying deed restrictions attached, the older ones with different requirements including resale formulas, notification procedures, whether they survive foreclosure, etc. While DHCD prefers that towns replace older deed restrictions with DHCD's standard document, this is difficult to do without property turnover.

The Town has prepared a database on the deed restrictions for all affordable housing projects/units in order to better monitor and maintain the affordability of SHI units. This database can be referred to when the Town is notified of any transfer, sale or refinancing of such units.

³⁷ Typically HOME funding was accessed through the federal American Dream Downpayment/Closing Cost Assistance Program (HOME ADDI Assistance) for subsidies that supported down payment and closing cost assistance. This Program was terminated, however HOME Program funding can still be used for down payment and closing cost assistance.

Next Steps: It is important to insure that all affordable housing units that are produced remain a part of the Town's Subsidized Housing Inventory for as long a period of time as possible. The Community Housing Committee, with support from the Community Development Department, will continue to update and maintain this inventory of affordability restrictions to effectively serve as an immediate reference on particular affordability restrictions and what the Town should do to maintain affordability. The Town should also continue to require the Fannie-Mae Universal Homeownership Deed Rider for all re-sales of existing affordable units.

Resources Required: Staff time of the Community Development Department.

2. Upgrade Existing Housing Stock

Timeframe: Years 1-2 and Ongoing

Responsible Party: Community Housing Committee

Current Status: Some town residents, including seniors living on fixed incomes, are finding it increasingly difficult to afford the costs associated with rising taxes, energy and insurance costs and home improvements. Additionally, some seniors and those with special needs require special handicapped adaptations and repairs to help them remain in their homes. Yarmouth residents can also benefit from technical and financial support in the case of septic failures and Title V compliance issues. Improvements to upgrade the existing housing stock for owners who need financial assistance have been considered a cost-effective use of the Town's resources and the Yarmouth Community Development Department funds the following two (2) property improvement programs.

- *Septic Pumping and Repair Program*
This program has received CDBG funding since 1999 in recognition that Yarmouth is located in an environmentally sensitive region reliant on a sole source aquifer for its public drinking water, and has consequently adopted strong regulations aimed at reducing ground water pollution from sewage and hazardous materials. The services required to meet these regulations are very expensive, especially for lower income homeowners. This program provides financial support to owners earning at or below 80% of area median income with monetary reimbursement for the cost of septic pumping and 15-year forgivable loans for failed septic systems. The Town's Health Division has administered the program with assistance from the Community Development Department.
- *Yarmouth Home Preservation Program (HOPP)*
Yarmouth is introducing the Home Preservation Program (HOPP) that provides funding for essential home health and safety repairs to homeowners earning no more than 80% of area median income. The Town provided \$50,000 in CPA support for this program, which is being administered by the Housing Assistance Corporation (HAC). HAC has applied for another \$50,000 in FY17 CPA funds to continue the program. HECH has also requested \$118,000 in CPA funding for another similar project.

Additionally, given the prioritization of elderly household needs and the need to preserve our public housing stock, funding has also been provided to the Yarmouth Housing Authority for modernization purposes. Moreover, the Buy-Down Program also presents opportunities to upgrade existing homes through a purchase-rehab approach.

Next Steps: The Town intends to provide ongoing support for these programs and through the community educational campaign recommended in Section V.B.1, important information on housing improvement resources and local and regional programs can be disseminated to real estate professionals, local organizations and community residents as described in strategy V.D.3 below.

Resources Required: Staff time of the Community Development Department and approximately \$45,000 annually in CDBG and \$50,000 - \$150,000 in CPA funding.

3. Help Current and Prospective Homeowners Access Housing Assistance

Timeframe: Years 1-2 and Ongoing

Responsible Parties: Community Housing Committee, Yarmouth Housing Authority and Yarmouth Council on Aging

Current Status: In addition to the programs described above in Strategy V.D.2, there are other important initiatives that have been developed to provide assistance to current or prospective homeowners including:

- *Accessory Apartment Program*
The Town has provided funding to encourage the small-scale development of year-round rental units that are accessory to the principal unit in owner-occupied, single-family homes through its Affordable Accessory Apartment Program. This Program offers up to \$5,000 of CDBG funds in subsidy to support the necessary improvements for creating the accessory unit. The Town should explore increasing this subsidy amount to better accommodate these improvements, perhaps to at least \$25,000.
- *Lotteries*
The Town and other organizations on the Cape (HAC, Community Development Partnership, etc.) provide outreach when new affordable housing opportunities become available and conduct lotteries to select the occupants. For new housing development, up to 70% of the units can be set-aside for those who live or work in the community, referred to as local preference units.
- *Mortgage Programs*
The state provides subsidized mortgages for first-time homebuyers through the ONE Mortgage Program and MassHousing mortgage offerings.
- *Homebuyer Education*
The Housing Assistance Corporation (HAC) and the Community Development Partnership (based in Harwich) also offer informative courses for first-time homebuyers. Financial management and foreclosure prevention workshops are available as well for homeowners interested in better managing their finances to avoid financial hardship and foreclosure. Some local lenders also provide special sessions to help existing homeowners and prospective homebuyers with a range of financing issues.

- *Additional Programs and Services*

Additional programs are available to qualifying homeowners to assist in home improvements including:

- *HOME Down Payment and Closing Cost (DPCC) Program*
The Housing Assistance Corporation (HAC) is currently administering the Barnstable County HOME Consortium's Down Payment and Closing Cost (DPCC) Program that provides up to a \$10,000 no interest, deferred loan to households earning at or below 80% of area median income, helping them purchase their first home. The loan amount is repaid upon the sale or transfer of the unit. The maximum purchase price is \$309,000 for an existing house and \$342,000 for a newly constructed one.
- *Existing Homeowner Rehabilitation Assistance Program*
HAC manages this program that provides a no-interest, deferred payment loan to qualifying homeowners, the amount not to exceed \$25,000, and to be repaid upon the sale or refinancing of the property. The maximum house value for participating properties is \$362,000 and the needs of seniors, handicapped and single parents are given priority consideration for funding, as are houses with substantial repair needs.
- *USDA Mortgages and Repair Loans*
The U.S. Department of Agriculture provides mortgages and home repair financing at discounted rates and terms.
- *Home Modification Loan Program*
The Southern Middlesex Opportunity Council (SMOC), with an office located in Buzzards Bay, offers financial assistance to persons seeking to make modifications to their home to improve accessibility for the physically disabled.
- *Barnstable County Septic Management Loan Program*
The County provides 5% interest rate loans with 20-year terms to help property owners comply with Title 5 regulations.
- *Fuel Assistance*
Discounted fuel cost programs are operated by the South Shore Community Action, Citizens Energy, National Grid, and Cape & Islands Self-Reliance.
- *Weatherization and Energy Assessments*
HAC also provides free energy audits and funding to help qualifying property owners earning up to 60% AMI make energy-efficient home improvements. Most households that receive fuel assistance also qualify for this program.
- *Heartwap*
HAC operates an emergency repair program for households receiving fuel assistance that require the repair or replacement of the heating system.
- *Cape Light Compact Efficiency Program*
This program offers energy-saving devices (i.e., light bulbs, water conservation and other devices), rebates and technical assistance to qualifying tenants and homeowners on how to save on their electrical bills. Some participants can also qualify for a free refrigerator, freezer.
- *Money Smart Training Modules*
The FDIC offers educational programs at no cost on a wide range of financing issues to guide adults (including special programs for older adults) and

businesses in making sound financial decisions. Some banks also provide specialized training on credit, money management and financing options.

- *Local Sustainable Business Development Initiatives*

The Cape Cod and Yarmouth Chambers of Commerce have been supportive of approaches to help local businesses develop and maintain affordable housing, particularly in light of a significant seasonal workforce and younger residents leaving the Cape for other more affordable areas with greater employment opportunities.

Next Steps: Through the community educational campaign recommended in Section V.B.1, vital information on these important programs and services will continue to be disseminated to real estate professionals, local organizations and community residents. The Town, through its Council on Aging/Department of Senior Services, Community Development Department, as well as the Yarmouth Housing Authority, should provide the necessary information and referrals to these programs. The Town's Community Housing Committee is also considering establishing a special subcommittee to focus on community education.

Resources Required: Donated time of volunteers and some staff time from the Community Development Department, Council on Aging, and Yarmouth Housing Authority.

4. Provide Assistance to Renters

Timeframe: Years 1-2

Responsible Party: Community Housing Committee

Current Status: Beyond rental subsidies that are administered by the Yarmouth Housing Authority and HAC, most available housing programs and services are provided to homeowners not renters (see above strategy). About 75% of the units included in the production goals are estimated to be rentals, which will support the Town's great need for workforce housing. However, other sources of support for renters could further help those of limited financial means to access rental housing in Yarmouth.

In addition to the 65 units for seniors that was developed at the John Simpkins School and measures to promote the conversion of motel units to long-term affordable rentals, the Town has been involved in several initiatives directed to assisting renter households. For example, the Town provided the Hands of Hope Outreach Center with \$25,000 in CPA funding to help Yarmouth families currently living in unsuitable rental housing relocate to better living conditions by providing first and last month's rent. This program is pivotal to stabilizing families that are at risk of homelessness.

The Town also worked with a private developer, the Healy Group, in providing loan and grant funding to support their efforts to rehabilitate three aging rental units on Wilfin Road, converting them to long-term affordability as rentals and inclusion in the SHI. Similarly the Town provided funding to Building Dreams in support of their efforts to acquire and rehab an existing house, adding an accessory apartment as well. The units will include some support services for the formerly homeless families who will occupy the units. The Housing Assistance Corporation (HAC) will manage the property.

The Town has also established its own Ready Renters List with administrative support from the Plymouth Redevelopment Authority, chosen from a Request for Qualifications (RFQ) process. This List will enable the Town to improve the ability of residents to access affordable rental units in town as they become available.

Next Steps: The Town will continue to support these organizations and programs by providing funding to create new rental opportunities, stabilize families at risk of homelessness, and make affordable rental opportunities more accessible to residents.

Resources Required: Continued funding from CDBG and/or CPA to subsidize these efforts of up to an estimated \$150,000 - \$300,000 annually.

Appendix 1

Yarmouth Production Summary and Progress Report of Housing Strategies 2011-2015

Strategies	Timeframe for Commencing Implementation		# Affordable Units	Responsible Parties	Accomplishments
	Years 1-2	Years 3-5			
A. Planning and Regulatory					
1. Pass Village Center bylaw	X		*	PB, CEDC, CHC	Completed 2013
2. Amend Cluster Development bylaw		X	*	PB, CHC	Ongoing
3. Explore adoption of 40R/40S		X	*	PB, CHC	Ongoing
4. Allow a wider range of housing types	X		*	PB, CHC	Ongoing
5. Explore TDR		X	*	PB, CHC	Ongoing
6. Waive permit fees		X	*	BOS	Completed 2013
7. Explore property tax exemption for year-round rental units		X	*	BOS, CHC	Ongoing
B. Build Local Capacity and Support					
1. Continue to conduct educational campaign	X		*	CHC	Ongoing
2. Encourage training on housing/smart growth development	X		*	BOS, CPC, CHC	Ongoing
3. Prepare a deed rider inventory	X		*	CHC	Completed 2015
4. Access housing resources (subsidies and technical assistance)	X		*	CHC, AHT	Ongoing
C. Housing Production					Affordable Units Created
1. Continue to revitalize commercial areas with housing	X		229	PB, CHC	31
2. Continue to make suitable public land available for affordable housing	X		125	CHC, AHT	2
3. Continue to convert existing housing to affordability	X		28	CHC, AHT	3
4. Continue to promote adaptive reuse	X		100	CHC, AHT	89
5. Develop Scattered Sites	X		34		9
			516		134 Affordable Units Created
D. Housing Preservation and Direct Assistance					
1. Monitor affordability of Subsidized Housing Inventory	X		10 **	CHC	Ongoing
2. Rehabilitate existing housing stock, attaching deed restriction if possible	X		*	CHC, AHT	Ongoing
3. Help current and prospective homeowners access housing resources	X		*	CHC, YHA, COA	Ongoing
4. Provide assistance to renters		X	*	CHC, AHT, YHA	24 Motel Households 9 ready Renter Households 10 Hands of Hope Households 43 Households Total

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

** Indicates existing affordable units requiring further subsidies to remain affordable given use restrictions.

Responsible Parties	Abbreviation
Community Housing Committee	CHC
Board of Selectmen	BOS
Planning Board	PB
Affordable Housing Trust	AHT
Community and Economic Development Committee	CEDC
Council on Aging	COA
Yarmouth Housing Authority	YHA

