

# MARSHFIELD HOUSING PARTNERSHIP



## TOWN OF MARSHFIELD Housing Production Plan

An Update to the 2009 Community Housing Plan

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# MARSHFIELD HOUSING PARTNERSHIP

## TOWN OF MARSHFIELD DRAFT HOUSING PRODUCTION PLAN

### Table of Contents

	<b>Page</b>
<b>I. Executive Summary</b>	<b>1</b>
A. Introduction	1
B. Goals and Objectives	2
C. Summary of Housing Needs Assessment	3
D. Summary of Planned Production Goals	5
E. Summary of Housing Action Plan	5
1. Planning and Regulatory Reform	5
2. Build Local Capacity	7
3. Housing Production	8
4. Housing Preservation	11
F. Description of Use Restrictions	12
<b>II. Introduction</b>	<b>12</b>
A. Purpose of Project	13
B. The Planning Process	14
C. Housing Goals	14
D. Definition of Affordable Housing	15
E. Brief History of Housing in Marshfield	16
<b>III. Housing Needs Assessment</b>	<b>19</b>
A. Housing Characteristics	21
1. Population and Housing Data	21
2. Housing Market Conditions	26
B. Cost Analysis of Existing Market Conditions	30
C. Affordable Housing Inventory	30
1. Current Inventory	32
2. Proposed Projects	34
D. Gaps Between Existing Needs and Current Supply	34
E. Local Housing Organizations	36
1. Marshfield Housing Authority	36
2. Marshfield Housing Partnership	36
3. Marshfield Community Preservation	36
4. Marshfield Planning Board	37
5. South Shore Habitat for Humanity	37
6. Marshfield Council on Aging	37

7. South Shore Community Action Council	38
8. South Shore Housing Development Corp.	38
9. Corporation for Independent Living (CIL)	38
10. Carolina Hill	38
<b>IV. Property Inventory</b>	<b>39</b>
A. Publicly-owned Properties	39
B. Private Properties	39
<b>V. Affordable Housing Planned Production Goals</b>	<b>41</b>
<b>VI. Housing Action Plan</b>	<b>41</b>
A. Planning and Regulatory Reform	41
1. Monitor inclusionary zoning bylaw	42
2. Review accessory apartment bylaw	42
3. Review Age-Restricted Adult Village bylaw	43
4. Waive application fees	44
B. Build Local Capacity	44
1. Conduct educational campaign	44
2. Provide expanded role for MHP	45
3. Hire Housing Coordinator	45
C. Housing Production	46
1. Make Town-owned land available	47
2. Convert existing housing to affordability	49
3. Pursue housing in Town Center/other areas	52
4. Review Feasibility of Amnesty Program for accessory apts.	53
D. Housing Preservation	55
1. Monitor expiring-use properties	55
2. Access housing rehab programs	56
E. New Action Items for 2009 with 2014 Updates	56
1. Education in prevention and dealing with Foreclosure	56
2. Coordinate town participation in the Neighborhood Stabilization program	56
<b>VII. Description of Use Restrictions</b>	<b>57</b>
<b>ATTACHMENT</b>	
Buildout Maps and Narrative	58

# TOWN OF MARSHFIELD

## DRAFT HOUSING PRODUCTION PLAN

### I. Executive Summary

#### A. Introduction

The Marshfield Housing Partnership's mission is to "identify the needs of residents for affordable housing and develop strategies that are consistent with other town priorities to meet these needs." To this end the Partnership engaged in an affordable housing planning process to better understand the challenges and opportunities for developing affordable housing in Marshfield and to prepare detailed action plans on how the Town can promote the development and preservation of affordable housing throughout the community to meet identified local needs.

One result of this effort was the production of the Marshfield Community Housing Plan in March 2004. The Community Housing Plan guided the efforts of the Town as it increased the number of affordable units that qualify for inclusion on the Subsidized Housing Inventory by nearly 46% in five years. In real terms, this meant that 168 more households enjoy the benefits of high-quality affordable housing in 2009 than in 2004.

This extraordinary gain was primarily the result of the permitting of Ocean Shores, a 97-unit affordable rental development for households that are 55 years of age or older. In 2009, Ocean Shores was a construction site, today it is home to 97 households with incomes at or below 60% of area median income. The 2009 plan, recognizing that the opportunities for large scale development were limited, highlighted a strategy of conversion of existing moderately-priced housing into permanently restricted affordable housing. As the 2009 Plan was finalized, we had just started implementation of the Marshfield Housing Opportunity Program, a first-time homeowner buydown program. At that time, we were not aware of any town that had successfully run a similar program at any meaningful scale and while we had closed on two units, it was too early to deem the program a success. To date, we have closed on an additional 15 units which increased the number of units on the Subsidized Housing Inventory by 2.8%. MHOPP has been largely embraced by the town: it enjoys steady funding from the Community Preservation Committee, support of residents at Town Meeting, and active participation by local banks and real estate agents.

While the Town takes justifiable pride in this accomplishment, we understand that there is more work to do. This Housing Production Plan will build on what the Town has accomplished under the previous plans. It will highlight the strategies that have worked well and should be continued, those that didn't work well and should be dropped and those that may not have produced units in the past five years but which have potential to do so in the next five years. Unlike the 2009 Community Housing Plan which was written during a time of declining home prices, increasing foreclosure rates, low household income growth and slowing housing production, this Housing Production Plan is being developed in the context of a slow recovery in home prices and a decrease in foreclosure rates although low household income growth and slow housing production remain part of the picture.

This Housing Production Plan reports on the progress made over the past five years and suggests a range of opportunities to continue to meet pressing local housing needs. It includes a thoughtful review of past plans. While home prices are rising, they have not returned to their 2005 peaks; however, interest rates have risen putting the cost of purchasing a home in Marshfield out of reach for many. Children who grew up in the town are faced with the possibility that they may not be able to return to raise their own

families locally. Town employees and employees of local businesses are hard pressed to find housing that is affordable in Marshfield.

The Plan also incorporates production goals that if met will enable Marshfield to deny comprehensive permit applications. If a municipality has less than 10% of its year-round housing set-aside for low- and moderate-income residents, according to Chapter 40B regulations, 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.<sup>1</sup> Recent changes to Chapter 40B regulations enable those towns that produce approved housing plans that lead to the planned production of at least the equivalent of .5% of the year-round housing stock in one year or 1% over two years to modify comprehensive permit applications.

Based on the Massachusetts Department of Housing and Community Development's most recent data on the Chapter 40B subsidized housing inventory, Marshfield has 9,852 year-round housing units, of which 550 can be counted in the inventory, representing 5.58% of the year-round housing stock. To meet the 10% standard, at least 986 of the existing units would have to be affordable based on the state's definition requiring at least another 436 more affordable units in Marshfield to meet the 10% goal. Assuming future housing growth, this 10% figure is a moving target and the required minimum number of year-round units will increase after each Decennial Census. Housing growth from 2000 to 2010 increased Marshfield's goal by 74 units.

## **B. Goals and Objectives**

The following goals, prescribed in the Town's 2004 Community Housing Plan, continue to guide our efforts:

- *To meet local housing needs along the full range of incomes, promoting social and economic diversity and the stability of individuals and families living in Marshfield.* Diversity in a community has been found to contribute to local health and vitality. Certainly the preservation and production of affordable housing is a proven method for promoting diversity, allowing those individuals and families with more limited means to afford to live in town, particularly when the housing market is becoming increasingly oriented to the affluent. Solutions need to be found to enable children who grew up in town to return to raise their own families here, to offer town employees the opportunity to live in the community in which they work, to provide housing alternatives to elderly residents who have spent much of their lives in town but now require alternatives to their large single-family homes, and to offer families the flexibility of moving to larger homes as their families grow.
- *To leverage other public and private resources to the greatest extent possible.* Because Marshfield is a small town that does not receive federal funding for affordable housing on an

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<sup>1</sup> Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

entitlement basis<sup>2</sup> and because it does not have large pockets of poverty that make it a target for state funding, the town needs to be creative in how it can leverage both public and private resources to make affordable housing development possible. State agencies recognize the importance of suburban localities doing their fair share in housing lower income households and want to be supportive of affordable housing initiatives. Nevertheless, the town needs to be strategic in how it invests its limited resources, including its Community Preservation Funds, towards the production of new housing opportunities. Substantial amounts of public and private funds will be essential to meet proposed production targets.

- *To insure that new housing creation is harmonious with the existing community.* New affordable housing development should be harmonious with the existing community, becoming an amenity that blends well within the architectural and environmental context of Marshfield. Therefore, developments to the greatest extent possible should incorporate a number of characteristics – mixed-income, covering a wide range of income needs; low to medium density, eliminating huge impacts in any one part of the community; and should be well designed to make maximum use of any natural attributes of development sites and to comply with the architectural and environmental character of the community.
- *To surpass the 10% state standard for affordable housing.* There is currently a 437-unit gap between the state’s affordable housing standard (10% of the year-round housing stock that has been subsidized by the federal or state government to benefit those earning up to 80% of median income) and the affordable stock currently in place in Marshfield. Based on build-out projections developed by Metropolitan Area Planning Council (MAPC) and the Marshfield Planning Department, a total of 1,000 – 1,100 new units could be developed in Marshfield. In order for Marshfield to meet the 10% goal with production alone, 54% to 58% (depending on the actual build-out) of all new production would have to be eligible for inclusion on the subsidized housing inventory.

### **C. Summary of Housing Needs Assessment**

This Housing Production Plan includes a Housing Needs Assessment that presents an overview of the current housing situation in the town of Marshfield, providing the context within which a responsive set of strategies can be developed to address housing needs and production goals articulated. Key findings of this Needs Assessment in regard to household characteristics, housing characteristics, and housing affordability in Marshfield are summarized in the following:

#### *Household Characteristics –Affluence*

- The median household income in 2009 was \$93,743, up 41% from the 1999 median income of \$66,508 and well above the median income for Plymouth County of \$74,698
- In 2010, approximately one-third of the households in Marshfield would qualify for housing assistance based on incomes within 80% of Boston area median income, and about half have incomes within median income for the Boston area.
- In 2010 the census counted 2.1%, or 200 households, with incomes below \$10,000, while 27.3%, or 2,545 households, had incomes of more than \$150,000.
- While poverty decreased for individuals and families from 1999 to 2009, it increased for seniors and there still remains more than 900 people in Marshfield below the poverty line.

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<sup>2</sup> Cities with populations of more than 50,000 receive federal funds, such as the Community Development Block Grant and HOME Program funding, directly from the federal government on a formula basis and are referred to as entitlement communities.

- The population has become slightly more diversified as the non-White population has increased from 1.7% to 4% over the past decade.
- The 65 years or older population has grown from 9.5% of residents in 2000 to , 13.5% in 2010. This is only a tenth of a percent lower than Plymouth County as a whole.
- Those 19 years and younger declined from 30% of all residents in 2000 to 27.4% in 2010. This mirrors the age profile of the county and state which are 27% and 25% respectively. Residents in Marshfield tend to be well educated with 98% having at least a high school diploma and 49.9% with a bachelor's degree or higher.

*Housing Characteristics – High Level of Single-family Owner-Occupancy with a Significant Seasonal and Multi-family Rental Housing Supply*

- The 2010 census counted 10,672 total housing units in the town of Marshfield, up 3% from 9,954 units in 2000.
- Total growth in the housing stock from 2000 to 2010 was 718 units
- The 2010 census counted 12.6% of the housing stock or 1,350 units as vacant, of which 1,088 or 9.9% involved seasonal, recreational or occasional use. The homeowner vacancy rate was 1.1% in 2010, down from 3.1% in 2000, while the rental vacancy rate of 5.1% decreased from 7.9% in 2000.
- In 2010, the town had 9,322 occupied units, of which 7,877, or 84.5%, were owner-occupied with the remaining 1,445, or 15.5%, as rentals, representing a somewhat higher level of owner-occupancy than that for Plymouth County of 77.5%.
- Most of the housing units are in single-family detached structures, 83%, higher than the 70.5% level for the county. Another 5.2% of the units are located in single-family, attached dwellings or two-unit structures, and 1.5% in three or four unit buildings. Notably, the 2010 census indicates that 952 units, or 8.9% of the housing stock, are located in larger multi-family structures of 5 or more units.
- In 2010, more than half of the housing stock, 52.5%, was built prior to 1970 with 1,696 units, or 15.9% of housing units, constructed prior to 1939. These figures are comparable to those for the county as a whole with 54% of the units built before 1970.

*Housing Affordability – The Prices Remain High in Spite of the Declining Market*

- Over 20% of Marshfield residents are currently living in housing that is by common definition beyond their means and unaffordable.
- Over the past fifteen years homes sold in the affordable range, priced at \$200,000 or less, have virtually disappeared with 217 units sold under \$200,000 in 1998 and only 17 in 2013.
- Over the past ten years homes sold in the \$200,000 to \$300,000 range have declined from roughly 30% of all sales to 25% of all sales.
- There continues to be a supply of condominiums priced at \$200,000 or less although it is declining from 30-40 sales per year prior to 2004 to less than half of that now. These prices are within the means of households earning at or below 80% of area median income. One of the goals of the Marshfield Housing Opportunity Purchase Program is to place affordability restrictions on these relatively affordable homes and condos so that Marshfield could retain a portion of its affordable properties in perpetuity.
- According to the Warren Group the median single-family sales price for homes sold through October 2013 was \$350,000 which is roughly the same as 2002-2003. For comparison, house prices peaked in 2005 at roughly \$432,000.
- The 2010 census indicated that the median gross rental was \$1,212, up 58% from the 2000 median rent of \$967.

- The affordability gap has nearly disappeared for households at 100% of the area median income - to afford the median sales price of \$350,000 (based on Warren Group data), a household would have to earn approximately \$2,000; more than the 2012 median income of \$94,400.
- However, for smaller 3-person families at or below 80% of median income, their buying power is in the low \$200,000 and the number of homes in this range has declined over the past ten years.
- In 2010, nearly half (46.3%) of all renters reported a large (over 35%) affordability burden.

#### **D. Summary of Affordable Housing Planned Production Goals**

As part of its Planned Production Program, Marshfield has projected affordable housing development over the next ten years that will create at least the equivalent of .5% of the year-round housing stock in one year or 1% over two years. These production targets are based on the above goals and objectives and the actions that are described in Section VI – the Housing Action Plan. In compiling these projections, Marshfield has made a number of assumptions concerning future development including:

- At least fifty percent (50%) of the units that are developed on Town-owned parcels will be affordable to households earning at or below 80% of area median income and at least another 10% affordable to those earning up to 150% of area median income, depending on project feasibility. The rental projects will also target some households earning at or below 60% of area median income.
- Protection of the town’s public water supply is a top priority. Affordable housing developments within the Water Resource Protection District will be required to comply with the town’s strict environmental performance standards of 5 parts per million for nitrogen.
- Because many of the properties identified for possible development are privately owned, production will involve projects sponsored by private developers through the standard regulatory process including the inclusionary zoning bylaw or “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 compliance with Housing Guidelines.
- Proposed flood maps will increase the cost of new development in areas that will be added to the floodplain or have increased flood elevations.

The Housing Production Program goals are detailed under Section V.

#### **E. Summary of Housing Action Plan**

The strategies outlined below are based on the planning studies, the context established by the Housing Needs Assessment, interviews with local planning and real estate professionals, the experience of other comparable localities on the South Shore and throughout the Commonwealth and the experience of the Marshfield Housing Partnership over the past 5 years. The strategies are grouped according to the type of action proposed – Planning and Regulatory Reform, Building Local Capacity, Housing Production, and Housing Preservation – and categorized by Two-Year and Five-Year Action Plans.

##### **1. Planning and Regulatory Reform**

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 on housing creation. 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.

- **Monitor Recently Adopted Inclusionary Zoning** *Ongoing*

One of the major accomplishments over the past five years was drafting and gaining town approval of an inclusionary zoning bylaw (IZB). The IZB was carefully drafted after months of research, review and deliberation by the Planning Board and the Town Planner, and the Housing Partnership and the Housing Coordinator and Housing Consultant. All parties involved in the drafting of the bylaw will monitor its use and effectiveness and, if appropriate, will suggest amendments.

- **Review the Feasibility of Revising the Accessory Apartment Bylaw** *Two-Year Action Plan*

The current Zoning Bylaw allows accessory apartments, however restricts them to existing owner-occupied, single-family residences through Special Permit within the R1, R2, R3, B1 and B2 zoning districts. There are currently about 37 approved accessory apartments.

The Zoning Bylaw defines an accessory apartment as a second dwelling unit located within an owner-occupied, single-family home that is subordinate in size to the principal dwelling unit in a manner that maintains the appearance of the structure as a detached single-family home. Accessory units are helpful in meeting a number of public policy objectives. First, they enable homeowners to capture additional income, which is particularly important for elderly homeowners or single parents where such income may be critical to remaining in their homes. Also, without the flow of income from an accessory apartment, some young families or moderate-income households might not be able to afford homeownership. Second they provide appropriately sized units for growing numbers of smaller households. Third, accessory units are inexpensive ways of increasing the rental housing stock at lower cost than new construction and without significant impact on the surrounding neighborhood. And the creation of accessory units does not require additional town services such as streets or utilities or involve the loss of open space. Fourth, tenants in accessory apartments can also provide companionship, security and services for the homeowner, from shoveling the sidewalk for an elderly owner, to babysitting for a single parent. Fifth, often referred to as "in-law" apartments, they have offered good opportunities for keeping extended families in closer contact. Sixth, new accessory units typically generate tax revenue in a locality because accessory units add value to existing homes. Seventh, recently the Massachusetts House of Representatives allowed several new types of housing units to count toward a community's 10% goal including accessory apartments constructed on or after July 1, 2002, pursuant to a local ordinance or bylaw, and "that is affordable to the occupant". For an accessory apartment to "count" in the community's Affordable Housing Inventory, Town staff will have to annually certify the affordability of each accessory unit to DHCD.

In order to promote new accessory units the Town could consider amending its Zoning Bylaw to permit accessory units in newly constructed dwelling units as well as to allow the development of separate buildings on lots over a certain size. There are many variations of accessory apartment bylaws that have been adopted in other communities. The Marshfield Housing Partnership can explore other bylaws and work with the Town Planner and the Planning Board on an amendment that will best meet the needs of Marshfield.

- **Waive Application Fees for Town-Supported Projects** *Two-Year Action Plan*  
Many communities are waiving application fees for certain affordable housing developments, either for particular types of projects or on a case-by-case basis. Also, waivers are now a key to gaining funding from potentially supportive funding agencies, which, in some cases, make such waivers a pre-requisite for assistance. All regulatory fees become part of a development budget that affects the affordability of the housing produced. Waiver of regulatory fees is one area that the Town might have some capability to directly affect project costs and affordability. The Town should consider promoting the affordability of housing by lending predictability to that process, making it an institutionalized part of the Town's housing efforts. The Marshfield Housing Partnership should determine what types of projects would qualify for this waiver (e.g., non-profit developers, projects that require housing subsidy funds to be feasible, projects meeting Planned Production requirements) and the projected amount of foregone revenue that would result.

## 2. **Build Local Capacity to Promote Affordable Housing**

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

- **Conduct an Educational Campaign for Affordable Housing** *Two-Year Action Plan*  
Affordable housing has become a more visible issue in Marshfield, largely as a result of the wave of comprehensive permit projects that have ignited significant local opposition. While many residents are aware of escalating housing prices and some are encountering significant difficulties affording housing in Marshfield, it is likely that most residents have negative stereotypes of what affordable housing is and what it will do to their community. Beyond the public meetings to discuss this Housing Plan, additional opportunities to engage the community in discussions on affordable housing and to present information on the issue are needed 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 local concerns and suggestions.

The Marshfield Housing Partnership in coordination with the Marshfield Housing Authority and proposed non-profit organization can orchestrate a community education campaign on affordable housing. Outreach can initially be directed to local officials and committees and then followed by more formal public efforts directed to the entire community through the local press, media and events. Additional community outreach to various local groups (e.g., churches, PTA's, women's clubs, fraternal organizations, American Legion, realtors, Chamber of Commerce, hospitality organizations, Council on

Aging, etc.) can occur through speakers or information meetings, and a newsletter or some progress report can be prepared for general distribution.

- **Provide an Expanded Role for the Marshfield Housing Partnership** *Two-Year Action Plan*

The Marshfield Housing Partnership’s current mission is to “identify the needs of residents for affordable housing and develop strategies that are consistent with other town priorities to meet these needs.” In addition to this planning effort, it will be useful to have the Marshfield Housing Partnership responsible for overseeing its implementation. Most communities have identified a local committee or partnership to coordinate the Town’s housing activities. These groups are typically the first entry point for developers interested in pursuing new projects to discuss their proposals and receive input. If the Town intends to be more proactive on the issue of affordable housing and successfully meet Planned Production goals that are a key component of this Housing Plan, it will need to have some entity in place to coordinate activities and effectively communicate with other Town boards and committees. The Board of Selectmen should update the mission of the Marshfield Housing Partnership to reflect an expanded role in the oversight of policies, plans and programs related to housing.

- **Continue to Employ a Housing Coordinator** *Two-Year Action Plan.*

If the Town of Marshfield wants to assume a more proactive role in promoting affordable housing and effectively implement the range of actions included in this Housing Production Plan, it will have to augment its capacity to coordinate these activities. While most of the strategies that are included in this Plan do not by themselves involve substantial amounts of staff time from the Town Planner or other Town officials, when considered altogether they require a significant time commitment and involve some specialized expertise in housing programs, policy and development. The principal responsibilities of the Housing Coordinator involve the oversight of the Housing Plan and staffing of the Marshfield Housing Partnership. The Housing Coordinator reports to the Town Administrator.

The Marshfield Housing Partnership has hired two experienced housing professionals who each work on a part-time basis to provide housing coordination to the Town. Funding for the position is subject to the approval of the Community Preservation Committee and Town Meeting.

### 3. **Housing Production**

To accomplish the actions included in this Housing Production Plan and meet production goals, it will be essential for the Town of Marshfield to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources. The development strategies described below rely on joint ventures with developers – for profit and non-profit – to create affordable units. For example, competitive Requests for Proposals (RFP’s) are recommended for the selection of developers of Town-owned property, and the redevelopment of the Town Center and conversion of existing multi-family housing into affordable housing also rely on private developers. For profit developers continue to express interest in developing housing in Marshfield, and there are numbers of non-profit organizations that have the capacity to undertake affordable development including South Shore Housing Development Corp., South Shore Habitat for Humanity, and

Road to Responsibility as well as other regional special needs development organizations that have successfully completed affordable housing projects throughout the South Shore area.

In addition to the active participation of the development community, it will be important for Marshfield to seek support from state and federal agencies. The production of a substantial number of new affordable units will require subsidies beyond what is available through the Community Preservation Fund. If affordable housing was allocated one-quarter of the CPA funding, it could expect approximately \$360,000 annually including the state match. Beyond the support of the Housing Coordinator position, this amount is likely to support the creation of no more than a dozen affordable units per year, whereas the Planned Production goals project the production of about affordable 46 units annually. In addition to the state's Department of Housing and Community Development (DHCD), other state or quasi-public agencies that have resources to support affordable and special needs housing include MassHousing, MassDevelopment, Department of Mental Retardation, Department of Mental Health, Community Economic Development Assistance Corp. (CEDAC), Massachusetts Housing Partnership Fund, and Massachusetts Housing Investment Corporation (MHIC). And because affordable housing is rarely developed without private financing, project developers with support from the Town, will need to reach out to private lenders as well.

- **Make Town-Owned Land Available for Affordable Housing** *Two-Year Action Plan and Ongoing*

The contribution or “bargain sale” of land owned by the Town but not essential for municipal purposes has been and will continue to be a component of Planned Production goals and will enable Marshfield to proactively launch its housing efforts. The Marshfield Housing Partnership identified a Town-owned parcels that could potentially be developed as affordable housing and has obtained Board of Selectmen approval to issue a Request for Proposals to build an affordable house on the lot..

In addition to currently owned Town parcels, the Town of Marshfield anticipates that it will acquire a number of privately owned sites over the next decade for the purposes of protecting open space and developing some amount of housing, including affordable housing, through cluster development on a portion of the sites. Community Preservation Funds would be a good source for such acquisition as the accommodation of both affordable housing and open space would serve two CPA goals.

The Marshfield Housing Partnership should work with other Town officials to conduct a preliminary feasibility analysis on existing Town-owned parcels, including those listed in Section IV.A., or on sites identified at a later time that might potentially include some amount of affordable housing. If this analysis indicates that housing can be accommodated, the Partnership should request approval from the Board of Selectmen and Town Meeting to designate these identified parcels for affordable housing development. It will be necessary to determine to what entity the property will be conveyed, or at some point directly to the selected developer, whether for profit or non-profit, via a Land Disposition Agreement. Town Meeting will need to declare the property surplus and convey it for purposes of affordable housing to this identified entity, ideally for a nominal amount.

Following the necessary approvals and transfer, the Housing Coordinator should work with the Housing Partnership to prepare a Request for Proposals (RFP) to solicit interest from developers based on the Town's specific project requirements and select a

developer based also on specific criteria included in the RFP. It is likely that the project will require densities or other regulatory relief beyond what is allowed under the existing Zoning Bylaw, and the Housing Partnership may be able to obtain this relief through normal channels, if community support is assured, or use the “friendly” comprehensive permit process through DHCD’s Local Initiatives Program (LIP) or MassHousing’s Housing Starts Program. Additionally, the Partnership will probably need to be involved in pulling together the necessary financial, technical and political support for new development. Subsidies from the Community Preservation Fund are likely to be pivotal to assuring affordability of housing units.

- **Convert Existing Housing Stock to Affordability** *Two-Year Action Plan*  
Marshfield has a relatively high level of rental housing, relative to other comparable communities, involving 15.5% of the existing housing stock. Notably 747 units, or 7% of the housing stock, are located in larger multi-family structures of ten or more units. Most of these multi-family developments are privately owned and managed, some showing significant signs of age and deferred maintenance needs. While acquisition prices are high, some of these developments in town might possibly be converted to mixed-income or affordable housing.

Such conversion could occur through two general scenarios: First, through discussions with existing owners, it might be possible to provide sufficient incentives to enable these owners to make the necessary improvements and convert some of the units to affordable. Second, some existing owners may be interested in selling their property, and a non-profit, such as South Shore Housing Development Corp. or other non-profit or for profit developer could purchase and redevelop the property to incorporate affordable units either as rental apartments or condominiums. The Marshfield Housing Authority could also be an important resource for potentially managing properties, the rental subsidies and monitoring affordability restrictions that are guaranteed through affordable rental agreements or deed riders.

The Marshfield Housing Partnership has identified possible multi-family properties that might be targeted for conversion to incorporate some level of long-term affordability as included in the property inventory in Section IV. Prior to contacting individual owners, the Housing Partnership should try to secure some sense of existing “as-is” market value. This may not be easy to obtain if market comparables are not readily available, but ballpark estimates will help determine a reasonable range for the costs of acquisition. The owners should be contacted regarding the possibility of working with the Housing Partnership to help them refinance their property to improve and incorporate affordability or purchase their property through another development entity. If SSHDC or other developers were interested in this initiative, it would be up to them to proceed with individual negotiations with owners. It would be important for the Partnership to stay involved to provide support, particularly in providing CPA funds and advocating for subsidy funds.

- **Review the Feasibility of Pursuing Housing in the Town Center and Other Areas** *Two-Year Action Plan*  
Housing in business districts serves several objectives including increasing housing supply, supporting local businesses by increasing the market within walking distance, reducing auto travel for the equivalent number of households, and making business areas livelier and safer over longer periods of time. Much of the focus of the “smart growth”

movement has been towards town center redevelopment to promote more efficient land use, compact development patterns, less dependence on the automobile, and a greater range of housing choices within a commercial area.

The Housing Needs Assessment also demonstrated the need for a wider range of housing options for local residents that included seniors wishing to downsize but with income higher than the thresholds allowed in the town's existing senior housing developments. Seniors are often interested in housing that is closer to transportation, goods and services and are a good market for "in town" housing. Another potential market includes young families and individuals who are priced out of the existing private market and would likely find living in a village setting desirable.

The Marshfield Housing Partnership should continue to advocate for the inclusion of new housing in any redevelopment plans of the Town Center, promoting the incorporation of affordable units. It will be necessary to recognize the importance of providing sufficient incentives to make such mixed-use, and most likely mixed-income development economically feasible for local businesses and developers to respond. Consequently, density bonuses or zoning amendments that incorporate higher densities will be required. Additionally, other business areas should also be considered for the inclusion of housing including affordable housing.

#### **4. Housing Preservation**

Housing production is critical, but the Town also needs to be concerned that it does not lose units already counted as part of its Affordable Housing Inventory and provides resources to improve the existing housing supply.

- **Monitor Expiring Use Properties** *Two-Year Action Plan and Ongoing*  
Based on how housing was financed and how long the affordability requirements were established, the affordable status of some current housing units may be in jeopardy sometime in the future. The current inventory of "expiring use projects" with affordability restrictions that are due within the near future is maintained on CHAPA's web site, and this list is being updated to incorporate additional projects by the Community Economic Development Assistance Corp. (CEDAC). Even if expiring use restrictions allow an owner to convert a property to market rentals, based on the ruling contained in the case of the Zoning Board of Appeals of Wellesley vs. Ardmore Apartments, the Town may still have some leverage to enforce affordability given the applicability of certain regulatory or land use controls (e.g., comprehensive permit, 121A tax agreement, ZBA variance). It will be important to monitor those projects included in the town's Affordable Housing Inventory and intervene if necessary to maintain affordability well into the future.

It is important to insure that all affordable housing units that are produced remain a part of the Town's Affordable Housing Inventory, in perpetuity if possible. The Marshfield Housing Partnership working with the Housing Coordinator should closely monitor developments with affordable units, and the Town should intervene if necessary to maintain the units as affordable through the courts or through purchase and refinancing if necessary. New affordable units that come into the Inventory should be designated as affordable for as long a period of time as possible and, in the case of homeownership, with resale restrictions indexed to changes in HUD's area median income as opposed to market value.

- **Access Housing Rehab Programs** *Two-Year Action Plan and Ongoing*  
The Council on Aging indicated that they encounter elders who need assistance in addressing deferred home maintenance needs. It is not unusual for elderly homeowners on fixed incomes to have such needs, stretching their limited funds to pay taxes and utilities. Many seniors and others with special needs require adaptations, improvements and repairs to remain in their homes. Marshfield residents might also benefit from technical and financial support in the case of septic failures and Title V compliance issues.

Through the community educational campaign recommended in Section VI.B.1., important information on housing improvement resources could be disseminated, both to real estate professionals, local organizations and community residents.

- **Education in preventing and dealing with foreclosure** *Two-Year Action Plan*

## F. Description of Use Restrictions

The town of Marshfield is committed to maintaining its Affordable Housing Inventory for as long a period as possible. Deed riders or affordable rental restrictions should assure continued affordability in perpetuity to the greatest extent possible. The resale prices included in homeownership projects should be indexed to HUD’s area median income as opposed to market value to better assure this affordability over the long-term. The monitoring of the resale restrictions and annual recertification in the case of rental agreements should be the responsibility of the project sponsor who must report annually to the Marshfield Housing Authority, South Shore Housing Development Corp., or other housing organization approved by the Town.

## II. Introduction

*“Marshfield is and will continue to be a residential community, that is, our primary purpose as a community within the broader context of our region is to provide a wonderful place for people to grow up, to go to school, to raise families, to recreate and retire. While we have many businesses, and we will continue to encourage their health, those businesses will be primarily oriented toward meeting the needs of the residents of Marshfield, rather than the needs of the broader region. We are not and shall not become a regional shopping, office or manufacturing destination. **We are a community of homes.**”*

This is the Vision Statement that was included in Marshfield’s Comprehensive Plan prepared in December of 1997. It sends a strong message regarding the importance of housing in Marshfield and on maintaining a high quality of life for community residents. The Comprehensive Plan goes on to emphasize the need to protect and enhance the town’s community character. It states that while many residents consider Marshfield a “collection of villages”, without a concerted town-wide effort to manage the details of future development, the town will not achieve its full potential and will miss important opportunities.

This Housing Production Plan starts at this place, acknowledging that town officials and citizens have taken a proactive posture in guiding the future of housing in Marshfield with the adoption of the 2004 Community Housing Plan and the effort to implement it over the past 10 years. The town has begun to take the opportunity to chart its own course with respect to housing in response to a range of identified local needs as opposed to outside development interests. This Housing Production Plan builds on the previous plans and the experience gained in the implementation of its recommendations. Therefore, it

articulates a future course for affordable housing development for Town-approved initiatives that includes housing goals, an assessment of housing needs, community perceptions, and short- and long-term regulatory and development strategies.

### **A. Purpose of Project**

During the late winter and early spring of 2003, the Marshfield Housing Partnership issued a Request for Proposals to solicit responses from consultants to support affordable housing in Marshfield. The entire scope of services included the following:

- Conduct a Housing Inventory,
- Prepare a Housing Needs Report,
- Conduct a Supply and Demand Comparison (Gap Analysis),
- Design Housing Goals and Objectives Statement, and
- Work with Housing Partnership and Town Boards and Committees to develop a plan to provide affordable housing in Marshfield.

In general, the purpose of that affordable housing planning process was to conduct research and outreach to better understand the challenges and opportunities for developing affordable housing in Marshfield and to prepare detailed action plans on how the Town can promote the development and preservation of affordable housing throughout the community to meet local needs.

This Plan is essentially an update of the 2004 plan and 2009 update. If a municipality has less than 10% of its year-round housing set-aside for low- and moderate-income residents, according to Chapter 40B regulations, 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.<sup>4</sup>

Based on the Massachusetts Department of Housing and Community Development's most recent data on the Chapter 40B subsidized housing inventory, Marshfield has 9,852 year-round housing units, of which 549 can be counted in the inventory, representing 5.57% of the year-round housing stock. The Chapter 40B definition of affordable housing is as follows:

#### **CHAPTER 40B: WHAT IS AFFORDABLE HOUSING?**

1. Must be part of a "subsidized" development built by a public agency, non-profit, or limited dividend corporation.
2. At least 25% of the units in the development must be income restricted to households with incomes at or below 80% of area median income and have rents or sales prices restricted to affordable levels. Restrictions must run at least 15 years.
3. Development must be subject to a regulatory agreement and monitored by a public agency or non-profit organization.
4. Project sponsors must meet affirmative marketing requirements.

Source: CHAPA, February 2001

<sup>4</sup> Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

To meet the 10% standard, at least 986 of the existing units would have to be “affordable” based on the state’s definition requiring at least another 437 more housing units to be converted to affordable units in Marshfield to meet just the 10% standard. Assuming future housing growth, this 10% figure is a moving target and ultimately the required minimum number of year-round units will increase after each decennial census. The buildout analysis performed by MAPC and the Marshfield Planning Department in 2013 (see maps in Attachment 1) projected that the town of Marshfield could see an additional 1,000 to 1,100 unit at total build-out. At full buildout, Marshfield would need an additional 470 to 540 affordable units to meet the 10% standard.

## **B. The Planning Process**

The development of the 2004 Community Housing Plan was divided into two major phases. The first phase focused on the Needs Assessment – the review and assessment of documentation and research already completed as well as the collection of new information to identify local housing needs, to determine what resources are available to meet these needs and to obtain a comprehensive understanding of the remaining gaps in housing services and programs. This information was collected through the following sources:

- Information on the history of housing development in Marshfield;
- Housing data, studies, reports and plans;
- Relevant bylaws, permitting and regulatory procedures;
- Housing market conditions;
- Current housing programs and services;
- Inventories of Town-owned and privately owned vacant land and buildings that might be appropriate for housing development;
- Housing efforts in other communities; and
- Input from government officials, community leaders, real estate and development professionals, state and federal agency representatives, and representatives from other municipalities.

The second major phase provided specifics on how to preserve and create new affordable housing opportunities in Marshfield. Guided by the context established in phase one, Two-Year and Five-Year Action Plans are presented, each including the rationale for the strategy, next steps, the timetable for implementation, the estimated resources required and the projected number of affordable units produced. These strategies provide a blueprint to enable the Town Board of Selectmen, Planning Board, Zoning Board of Appeals, Housing Partnership, Housing Authority and other key committees to chart a course for the future with respect to meeting the 10% state affordable housing standard and pressing local housing needs. In addition to the interviews conducted in phase one to provide input into the development of specific strategies, additional public input was integrated into the planning process with presentations of the Needs Assessment and draft Housing Plan before key local officials and through two public meetings.

Both the 2009 update and this update start with the 2004 Plan as the foundation. The demographic and market data are updated and recommended policies are reviewed in light of the new data and the experience over the previous five years.

## **C. Housing Goals**

The following goals prescribed in the Town’s 2004 Community Housing Plan continue to guide our efforts in 2014:

- *To meet local housing needs along the full range of incomes, promoting social and economic diversity and the stability of individuals and families living in Marshfield.* Diversity in a community has been found to contribute to local health and vitality. Certainly the preservation and production of affordable housing is a proven method for promoting diversity, allowing those individuals and families with more limited means to afford to live in town, particularly when the housing market is becoming increasingly oriented to the affluent. Solutions need to be found to enable children who grew up in town to return to raise their own families here, to offer town employees the opportunity to live in the community in which they work, to provide housing alternatives to elderly residents who have spent much of their lives in town but now require alternatives to their large single-family homes, and to offer families the flexibility of moving to larger homes as their families grow.
- *To leverage other public and private resources to the greatest extent possible.* Because Marshfield is a small town that does not receive federal funding for affordable housing on an entitlement basis<sup>5</sup> and because it does not have large pockets of poverty that make it a target for state funding, the town needs to be creative in how it can leverage both public and private resources to make affordable housing development possible. State agencies recognize the importance of suburban localities doing their fair share in housing lower income households and want to be supportive of affordable housing initiatives. Nevertheless, the town needs to be strategic in how it invests its limited resources, including its Community Preservation Funds, towards the production of new housing opportunities.
- *To insure that new housing creation is harmonious with the existing community.* New affordable housing development should be harmonious with the existing community, becoming an amenity that blends well within the architectural context of Marshfield. Therefore, developments to the greatest extent possible should incorporate a number of characteristics – mixed-income, covering a wide range of income needs; low to medium density, eliminating huge impacts in any one part of the community; and should be well designed to make maximum use of any natural attributes of development sites and to comply with the architectural character of the community.
- *To surpass the 10% state standard for affordable housing.* There is currently a 437-unit gap between the state’s affordable housing standard (10% of the year-round housing stock that has been subsidized by the federal or state government to benefit those earning up to 80% of median income) and the affordable stock currently in place in Marshfield.

#### **D. Definition of Affordable Housing**

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

Affordable housing is also defined according to percentages of median income for the area, and most housing subsidy programs are targeted to particular income ranges depending upon programmatic goals.

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<sup>5</sup> Cities with populations of more than 50,000 receive federal funds, such as the Community Development Block Grant and HOME Program funding, directly from the federal government on a formula basis and are referred to as entitlement communities.

Extremely low-income housing is directed to those earning at or below 30% of area median income as defined by the U.S. Department of Housing and Urban Development (\$28,250 for a family of four for the Boston area) and very low-income is defined as households earning less than 50% of area median income (\$47,050 for a family of four). Sometimes 60% of area median income is used for particular low-income programs (\$56,450 for a four person household). Low-income generally refers to the range between 51% and 80% of area median income (\$67,750 for a family of four at the 80% level), and moderate-income from 81% to 100%, and sometimes 110% and 120% of median income (\$94,100, \$103,500 and \$119,920, respectively, based on a family size of four). These income levels are summarized in the table below:

**2014 TARGETED INCOME LEVELS FOR  
AFFORDABLE HOUSING IN THE BOSTON AREA**

<b># Persons in Household</b>	<b>30% of Median Income</b>	<b>50% of Median Income</b>	<b>60% of Median Income</b>	<b>80% of Median Income</b>
<b>1</b>	19,800	32,950	39,550	47,450
<b>2</b>	22,600	37,650	45,200	54,200
<b>3</b>	25,450	42,350	50,800	61,000
<b>4</b>	28,250	47,050	56,450	67,750
<b>5</b>	30,550	50,850	61,000	73,200
<b>6</b>	32,800	54,600	65,500	78,600
<b>7</b>	35,050	58,350	70,000	84,050
<b>8+</b>	37,300	62,150	74,600	89,450

In general, programs that subsidize rental units are targeted to households earning within 60% of median income, \$56,450 for a family of four. However, first-time homebuyer programs typically apply income limits of up to 80% of area median income. The Community Preservation Act allows resources to be directed to those within a somewhat higher income threshold – 100% of area median income. It is worth noting that, according to the 2010 census, roughly 1/3 of Marshfield’s households are likely to be income-eligible for affordable housing using the 80% of area median income level and nearly half using the 100% of area median income criteria.

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

**E. Brief History of Housing in Marshfield**

The area that is now Marshfield had long been home to Native Americans when colonists settled it in 1632. Edward Winslow, a Mayflower passenger, considered to be the town’s founder, was granted land at the north end of Plymouth Bay. The Town was incorporated in 1640, and the earliest settlers were comprised predominantly of Separatists and Quakers, most emigrating from Plymouth and Duxbury, some from Scituate. Today’s development pattern of separate villages can be traced back to the earliest settlements, with Green Harbor the first village settled followed by Marshfield Neck and Rexhame, which claim two of the oldest surviving homes (Bourne House/1308 Ocean Street and Kennelm Winslow House/123 Winslow Street). Settlement along Parsonage Street, North Marshfield and the Two Mile Village also occurred during this early period. Marshfield Village also became an important settlement area, and among the first residents was Timothy Williamson who conveyed land for the Training Green, a meetinghouse and an animal pond around 1665. He also operated an inn that still remains at 2000 Ocean Street. The White family first settled Marshfield Center around 1650, and a portion of the original homestead may remain in the Peregrine White House/Peregrine White Drive. About this same time the

Little family settled in Sea View (referred to as Littletown for many years). During this early settlement period, the economy focused primarily on farming, fishing, timbering and some shipbuilding. Previously established native trails were developed into a local road system by the mid-17<sup>th</sup> century with the principal route running between Plymouth and Pembroke, now Plain and Webster Streets, and the Green Harbor Path, today known as the Pilgrim Trail, extending from Marshfield to Plymouth.

Growth continued into the next century but at a slow pace. Marshfield Village continued to expand particularly after the construction of the Congregational Church in 1706. Another church, the Second Congregational Church, was built to support the needs of those in Marshfield Hills who had too far to travel, four miles by horse or foot, to the First Congregational Church. With residents divided between churches, town leaders tried to also divide the town into two separate communities but were unsuccessful twice. In fact the first town meetinghouse was built in between the two areas in 1838 but did not ultimately attract nearby development. Brant Rock was settled in the late 17<sup>th</sup> century. The islands continued to remain as pastureland. Shipbuilding and the introduction of several mills (including gristmills, carding mills, sawmills and shingle mills) with the damming of Two Mile Brook spurred some increased development in the Two Mile Village and North Marshfield.

Population grew at a steady rate into the late 18<sup>th</sup> and early 19<sup>th</sup> centuries, rising to 1,565 by 1830. New churches continued to attract population growth such as a Baptist church in the village of Standish and a Methodist Episcopal church north of Marshfield Village. During this period small-scale cotton and woolen manufacturing emerged, largely in Marshfield Village. The shipbuilding industry was at its height on the North River.

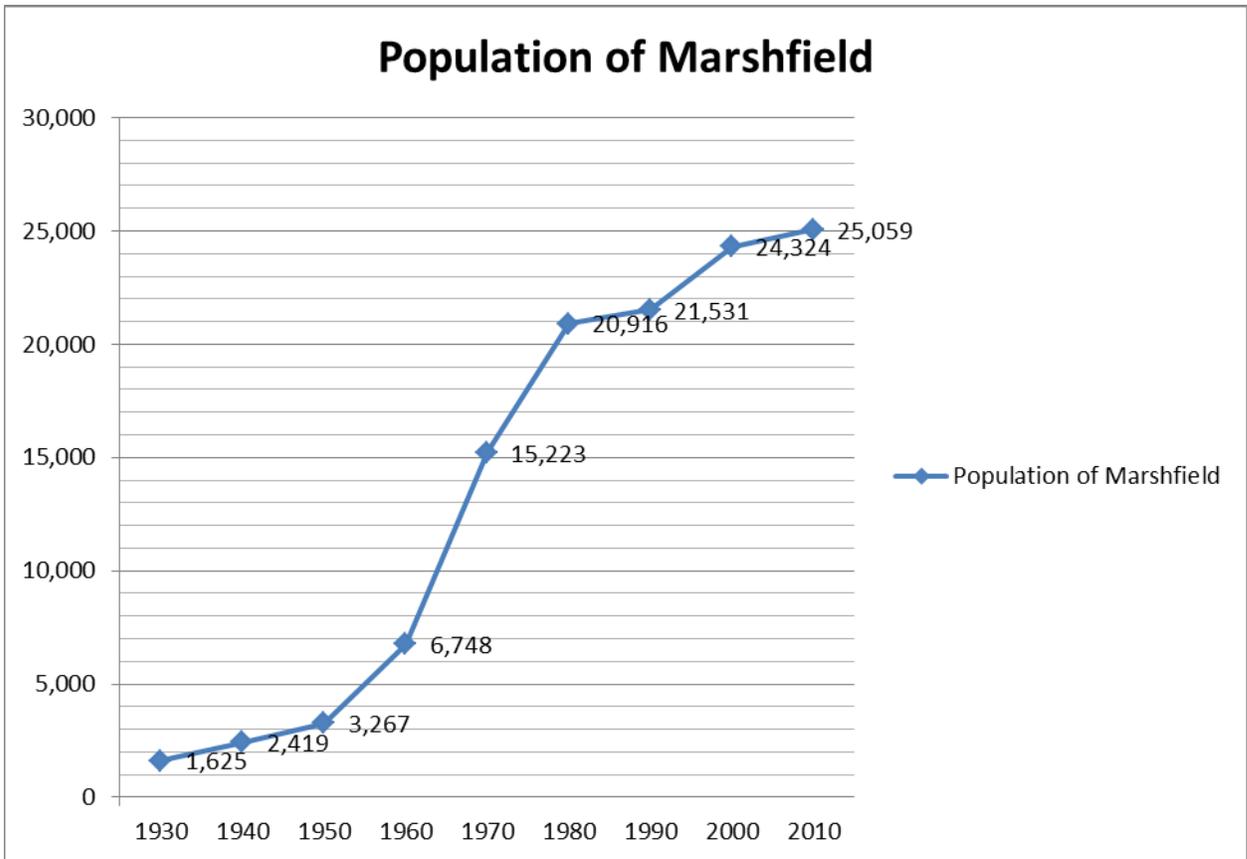
Further into the 19<sup>th</sup> century, the population continued to grow but dipped somewhat by 1870. Marshfield Village served as the town center and a town house, used as the town hall, was erected in 1838. Development at Brant Rock and Ocean Bluff remained scattered, but new hotels were introduced into these areas as well as a few summer homes for lobster fishermen. Green Harbor was still characterized by scattered farmhouses, most notable among these being the home of Daniel Webster who lived in Marshfield from 1832 to 1852. Most of the homes that form the core of Marshfield Hills also date from this period. Farming prospered while shipbuilding declined. Nine sawmills continued to operate and clothing manufacturing became a significant industry.

The late 19<sup>th</sup> century and early 20<sup>th</sup> century saw little change in population with the number of year-round residents increasing slightly from 1,659 in 1870 to 1,725 in 1915. During the early part of the 20<sup>th</sup> century Italian immigrants were hired as farmhands, and a group of people from the Cape Verde Islands worked local cranberry bogs. Churches continued to attract some settlement including the Christian Science Church in Marshfield Hills, the Unitarian Society's Grace Chapel in Green Harbor and the arrival of eight new Methodist ministers in Marshfield Center who formed the Sea Rivers Association. The coming of the Duxbury & Cohasset Railroad spurred summer settlements along the coast, including the construction of hotels and summer homes in Brant Rock and Ocean Bluff. The Ocean Bluff area rebounded after the Great November Storm of 1898 into a thriving summer resort. The Sea View, Green Harbor and Rexhame communities also enjoyed increasing popularity during this time. Marshfield Hills remained predominantly a farming community, and Marshfield Village emerged as the commercial and municipal focus for the town with the development of several new stores, a hotel, the Marshfield Fairgrounds a bit to the north, and the Ventress Building erected in 1895 as the town hall, library, high school and jail. Also during this time period only limited industrial development occurred but cranberry and strawberry growing emerged as significant businesses with the coming of the railroad. Milling interests continued in the Two Mile area.

An improved road system offered greater access to Boston and generated overall population growth through 1940 despite a small drop-off somewhere between 1915 and 1920. By 1940 the population

reached 2,419 increasing substantially after World War II up to 19,450 in 1975. Summer communities continued to grow. In 1929 the Town introduced residential zoning and the creation of separate residential districts. Of particular note was the building of an entertainment complex in Rexhame, known as Fieldston-on-the-Atlantic, which triggered further development of the area. Another notable event occurred in 1941 when a fire destroyed more than 500 buildings in Ocean Bluff. It is also at this time that apartment construction began along Route 139 from the Pembroke line to Fieldston.

New road development in Marshfield increased residential development throughout town, particularly after the new Route 3 was built in 1965. From 1960 to 1970 the population of Marshfield grew from 6,748 to 15,223, a 126% increase. A chart of population growth is found below.



In 1930, the population of Marshfield was only 1,625. The town doubled in population from 1930 to 1950. The population more than doubled again in only 10 years during the 1950's and again in the 1960's when the population grew by 2 persons per day for a decade. The geometric growth slowed a bit in the 1970's; but it was still a brisk 37% or nearly 5,700 people which is a rate of 10 per week. Much of the population increase in the 1960's and 1970's was housed in multifamily apartments built along Ocean Street (Route 139). The proliferation of relatively high-density multi-family housing has contributed to the negative image that many community residents share on affordable housing in general. These apartments nevertheless serve the town as an important source of unsubsidized affordable housing that do not appear on the Town's Subsidized Housing Inventory; but do contribute the providing town residents with a variety of housing options.

As indicated in the above table, there was a surge in population in the 1990's but it has leveled off substantially over the past 20 years. From 2000 to 2010, the population of Marshfield grew at the same rate as the state – 3%. This is partly a function of metropolitan area trends in housing production; but it is also a function of the scarcity of developable land in Marshfield. The buildout analysis prepared by MAPC in conjunction with the Planning Department estimate that under current zoning roughly another 1,000 – 1,100 housing units could be built in Marshfield which would house roughly 2,500 – 2,750 additional residents.

### **III. Housing Needs Assessment**

Even as housing values have declined from the housing bubble peak in 2008, it has become more difficult for individuals and families to find affordable housing in the private market since 2000. And the private market, without subsidies or zoning relief, is neither able nor interested in producing housing that is affordable to low- and moderate-income households. As a result, it becomes necessary to increasingly rely on regulatory relief and housing subsidies in some form to preserve affordable housing and to produce enough housing to meet the pressing affordable housing needs and demands.

This Housing Needs Assessment presents an overview of the current housing situation in the town of Marshfield, providing the context within which a responsive set of strategies can be developed to address housing needs and production goals articulated. Key findings in regard to household characteristics, housing characteristics, and housing affordability in Marshfield are summarized in the following:

#### *Household Characteristics – Affluence*

- The median household income in 2009 was \$93,743, up 41% from the 1999 median income of \$66,508 and well above the median income for Plymouth County of \$74,698
- In 2010, approximately one-third of the households in Marshfield would qualify for housing assistance based on incomes within 80% of Boston area median income, and about half have incomes within median income for the Boston area.
- In 2010 the census counted 2.1%, or 200 households, with incomes below \$10,000, while 27.3%, or 2,545 households, had incomes of more than \$150,000.
- While poverty decreased for individuals and families from 1999 to 2009, it increased for seniors and there still remains more than 900 people in Marshfield below the poverty line.
- The population has become slightly more diversified as the non-White population has increased from 1.7% to 4% over the past decade.
- The 65 years or older population has grown from 9.5% of residents in 2000 to 13.5% in 2010. This is only a tenth of a percent lower than Plymouth County as a whole.
- Those 19 years and younger declined from 30% of all residents in 2000 to 27.4% in 2010. This mirrors the age profile of the county and state which are 27% and 25% respectively. Residents in Marshfield tend to be well educated with 98% having at least a high school diploma and 49.9% with a bachelor's degree or higher.

#### *Housing Characteristics – High Level of Single-family Owner-Occupancy with a Significant Seasonal and Multi-family Rental Housing Supply*

- The 2010 census counted 10,672 total housing units in the town of Marshfield, up 3% from 9,954 units in 2000.
- Total growth in the housing stock from 2000 to 2010 was 718 units
- The 2010 census counted 12.6% of the housing stock or 1,350 units as vacant, of which 1,088 or 9.9% involved seasonal, recreational or occasional use. The homeowner vacancy rate was 1.1% in 2010, down from 3.1% in 2000, while the rental vacancy rate of 5.1% decreased from 7.9% in 2000.

- In 2010, the town had 9,322 occupied units, of which 7,877, or 84.5%, were owner-occupied with the remaining 1,445, or 15.5%, as rentals, representing a somewhat higher level of owner-occupancy than that for Plymouth County of 77.5%.
- Most of the housing units are in single-family detached structures, 83%, higher than the 70.5% level for the county. Another 5.2% of the units are located in single-family, attached dwellings or two-unit structures, and 1.5% in three or four unit buildings. Notably, the 2010 census indicates that 952 units, or 8.9% of the housing stock, are located in larger multi-family structures of 5 or more units.
- In 2010, more than half of the housing stock, 52.5%, was built prior to 1970 with 1,696 units, or 15.9% of housing units, constructed prior to 1939. These figures are comparable to those for the county as a whole with 54% of the units built before 1970.

*Housing Affordability – The Prices Remain High in Spite of the Declining Market*

- Over 20% of Marshfield residents are currently living in housing that is by common definition beyond their means and unaffordable.
- Over the past fifteen years homes sold in the affordable range, priced at \$200,000 or less, have virtually disappeared with 217 units sold under \$200,000 in 1998 and only 17 in 2013.
- Over the past ten years homes sold in the \$200,000 to \$300,000 range have declined from roughly 30% of all sales to 25% of all sales.
- There continues to be a supply of condominiums priced at \$200,000 or less although it is declining from 30-40 sales per year prior to 2004 to less than half of that now. These prices are within the means of households earning at or below 80% of area median income. One of the goals of the Marshfield Housing Opportunity Purchase Program is to place affordability restrictions on these relatively affordable homes and condos so that Marshfield could retain a portion of its affordable properties in perpetuity.
- According to the Warren Group the median single-family sales price for homes sold through October 2013 \$350,000 which roughly the same as 2002-2003. For comparison, house prices peaked in 2005 at roughly \$432,000.
- The 2010 census indicated that the median gross rental was \$1,212, up 58% from the 2000 median rent of \$967.
- The affordability gap has nearly disappeared for households at 100% of the area median - to afford the median sales price of \$350,000 (based on Warren Group data), a household would have to earn approximately \$2,000 more than the 2014 median income of \$94,100.
- However, for smaller 3-person families at or below 80% of median income, their buying power is in the low \$200,000 and the number of homes in this range has declined over the past ten years.
- In 2010, nearly half (46.3%) of all renters reported a large (over 35%) affordability burden

**A. Housing Characteristics**

**1. Population and Housing Data**

*Population, Race and Household Type*

The 2010 census data indicates that the town of Marshfield had a total population of 25,059, a 3% increase over the 2000 population of 24,324. The population has remained predominantly White although the minority population has more than doubled albeit over a small initial base.

**Demographic Characteristics 1990-2010**

	2000		2010	
	#	%	#	%
Total Population	24,324	100%	25,059	100%
Minority Population*	413	1.7%	1,005	4.0%
Population Age 65+	2,300	9.5%	3,392	13.5%
Population 19 & Under	7,148	29.4%	6,796	27%
Total Number Households	8,905	100%	9,526	100%
Married Couples	5,419	60.9%	5,534	58.1%
Female Heads of Households	898	10.1%	983	10.3%
Non-family Households	2,305	25.9%	2,647	27.8%

Source: 2000 and 2010 U.S. Census Bureau

\*All non-White classification

The elder population of Marshfield has been increasing for 20 years. Three notable trends have emerged over the past 10 years:

- 1) Marshfield is becoming more diverse as its minority population went from 1.7% to 4%; 2) the
- 2) The number of children is in decline both in absolute (352 fewer residents aged 19 or less) and percentage terms (29.4% of the population in 2000 down to 27.3% in 2010), and
- 3) Non-family households (primarily single people) increased in number (342) and percentage terms (25.9% to 27.8%).

*Income Distribution*

This table presents income in comparison to the median income in that year in order to account for inflation. It clearly demonstrates the increasing affluence of the community, with increases in the top three income ranges and decreases in the bottom three ranges. This is likely a result of higher income households moving into Marshfield as most of the housing production during this time period were higher-priced units affordable to households with income over 120% of the area median income. In 1999, approximately 40% of the town had incomes low enough to qualify for affordable housing; in 2009, this decreased to 31%.

**Income Distribution by Household  
1999-2009**

	1999		2009	
	#	%	#	%
< 30% of median	1,181	13%	1,049	11%
30% to 50% of median	865	10%	806	9%
50%-80% of median	1,520	17%	1,068	11%
80%-100% of median	1,002	11%	1,346	14%
100%-120% of median	1,020	11%	718	8%
Over 120% of median	3,421	38%	4,332	48%
Median income	\$66,508		\$93,743	

Source: 2000 and 2010 U.S. Census Bureau

*Cost Burden*

Renters report a much higher incidence of moderate and large cost burden than do homeowners. It is important to focus on the large burden as state and local rental assistance policy requires a 30% payment standard and new homebuyers may be underwritten at a total housing payment of 33% - both of which put a household in the moderate category. However, the percentages of households that report a large burden are sobering, especially among renters. It suggests that the work of providing safe, decent, affordable housing is a large challenge that requires more rental subsidies. The large burdens may be a result of lower income due to loss of employment as the Census reporting period was roughly 9 months after the start of the fiscal meltdown and resulting recession.

**Housing Cost Burden by Tenure**

	Renters	Owners
Moderate Burden 30-34.9% of income	15.8%	8.1%
Large Burden >35% of income	46.3%	23.2%

Source: 2010 US Census

*Poverty*

The number and percentage of individuals, married couples and female-headed families in poverty has declined in the past decade. However, poverty among those over 65 has increased since 1999. While overall poverty has decreased, this data indicates that there still remains a population within the town of Marshfield, more than 900 in 2009, with substantial income limitations who require public assistance to meet their housing needs. The following table presents this data.

<b>Poverty Status 1999-2009</b>				
	<b>1999</b>		<b>2009</b>	
	<b>#</b>	<b>%</b>	<b>#</b>	<b>%</b>
Individuals Below Poverty	1,307	5.4%*	902	3.6%
Married Couple Families	254	3.8%**	158	1.7%
Female-headed Households	122	12.9%***	43	5.8%
Individuals 65 and Over	110	4.8%****	182	6%

Source: 2000 and 2010 U.S. Census Bureau

\*Percentage of total population

\*\*Percentage of all households

\*\*\* Percentage of all female-headed households \*\*\*\*Percentage of all individuals age 65+

*Education*

In 2010, 98% of those 25 years and older had a high school diploma or higher and 49.9% had a bachelor's degree or higher, up from the 2000 figures of 35.9% and greater than the 32.9% level for the county. Those enrolled in school (nursery through graduate school) totaled 6,978 or 27.8% of the population and those enrolled in nursery school through high school totaled 5,593, almost 80.2% of the school age population and 22.3% of the total population. Countywide the school age population was 26.7% of the total population, somewhat lower than the Marshfield level.

*Residency in 2005 - 2010*

Roughly 28% of the households in Marshfield moved in the five years from 2005 to 2010. It is important to note that housing turnover drives up housing prices in an escalating real estate market, and typically the buyers are more affluent than sellers, fueling demographic changes in the community over time.

### *Housing Characteristics*

The 2000 census counted 10,672 total housing units in the town of Marshfield, up 3% from 9,954 units in 2000. Out of over 10,000 total housing units, Marshfield has 9,322 occupied units, of which 7,877, or 84.5%, were owner-occupied while the remaining 1,445, or 15.5%, were rental units. These figures represent a somewhat higher level of owner-occupancy than that for Plymouth County of 77.5%. Total growth in the housing stock from 2000 to 2010 was 718 units. The 2000 census counted 12.6% of the housing stock, or 1,350 units, as vacant, of which 1,088 or 80.6, involved seasonable, recreational or occasional use. The homeowner vacancy rate was 1.1%, down from 3.1% in 2000, while the rental vacancy rate of 5.1% decreased from 2000. A 5% vacancy rate is generally considered a balanced market. The following table includes a summary of these housing characteristics.

#### **Housing Characteristics 1990-2010**

	1990		2000		2010	
	#	%	#	%	#	%
Total # Housing Units	8,881	100.0	9,954	100.0	10,672	100.0
Occupied Units	7,577	85.3*	8,905	89.5*	9,322	87.4*
Occupied Owner Units	5,863	77.4**	7,233	81.2**	7,877	84.5*
Occupied Rental Units	1,714	22.6**	1,672	18.8**	1,445	15.5*
Owner Vacancy Rate	59	4.5***	33	3.1***	15	1.1***
Rental Vacancy Rate	98	7.5***	83	7.9***	83	5.1***
Seasonal, Recreational or Occasional Use	1,045	80.1***	837	79.8%***	1,088	80.6%***

Source: 1990, 2000 and 2010 U.S. Census Bureau

\* Percentage of total housing units

\*\* Percentage of occupied housing units

\*\*\*Percentage of vacant units totaling 1,304 units in 1990 and 1,049 units in 2000 and 1,350 units in 2010

Most of the housing units are in single-family detached structures, 83%, higher than the 70.5% level for the county. Another 5.2% of the units are located in single-family attached dwellings or two-unit structures and 1.5 in three or fourunit buildings. Notably 952 units, or 8.9% of the housing stock, are located in larger multi-family structures of 5 or more units.

More than half of the housing stock, 52.5%, was built prior to 1970 with 1,696 units or 15.9% of housing units constructed prior to 1939. These figures are comparable to those for the county as a whole with 54% of the units built before 1970, however the level of development prior to 1939 is significantly higher for the county at 25.1%. From 2000 to 2010, 499 new units were created translating into 5% of the total housing stock. This is half the rate of production from 1990 to 2000 which is a sign that Marshfield is approaching full buildout. The remaining buildable land is in smaller chunks and is generally more difficult to build on. The median number of rooms per housing unit was 6.6 which is a .3 increase since 2000 indicating that the average home had two to three bedrooms and that newer homes that are being built are likely to be 3 or 4 bedrooms units. About half of the structures, 49.8%, had between five to seven rooms, with 5.9% having three rooms or less and 15.4% with nine rooms or more. Of the 9,322

occupied housing units, 28% of the occupants moved into their units since 2005 indicating significant mobility in the housing market. Over 71% of the households had two or three vehicles representing significant parking needs. The 2010 census also counted 66.5% of the housing units using gas and 24% using oil. Approximately 50 housing units lacked complete plumbing facilities and/or kitchen facilities.

#### Building Permit Data 1990-2013

Year	# New Dwellings	#Additions/ Alterations	* #Demos/ Reconstruct	# Housing Authority	# Total Permits **
1990	61	353	9	1	681
1991	49	395	4	4	675
1992	84	458	26	0	972
1993	130	317	9	0	761
1994	131	315	1	0	830
1995	90	277	1	0	719
1996	83	394	9	1	799
1997	135	375	3	3	926
1998	81	431	10	2	941
1999	86	438	9	5	987
2000	67	433	10	0	986
2001	34	423	7	1	993
2002	35	500	12	0	987
2003	38	510	33	Not available	Not available
2004	80	535	51	“	“
2005	100	496	51	“	“
2006	48	253	21	“	“
2007	69	283	16	“	“
2008	60	234	17	“	752
2009	225	199	20	“	796
2010	151	195	20	“	704
2011	46	240	22	“	759
2012	26	704	8	“	738
2013	42	638	9	“	689

Source: Marshfield Building Department

\* Units demolished and replaced with reconstructed building (not all are likely to be residential)

\*\* Includes all types of building permits

The building permit data summarized above indicates an addition of roughly 490 new housing units from the time of the 2009 plan. More than half of the units were in two large rental developments: 97 units at Ocean Shores and 149 units at the Winslow Village at Proprietors Green continuing care facility. New construction has slowed down since 1990. From 1990 to 1999, there was an average of 93 new units constructed per year; from 2000-2009, this dropped to an average of 75.6 new units per year and from 2010 to 2013, it dropped to 66.2 new units per year. If Ocean Shores is excluded, the past four years would have averaged 42 new units per year. This rate is a reasonable expectation as the town approaches its maximum buildout capacity and in light of the current slow recovery from the 2008 financial crisis. The recent increase in the number of permits issued for Additions/Alteration is evidence of a slow recovery in consumer confidence.

## 2. Housing Market Conditions

### Ownership

Census data also provides information on housing values for homeownership and rental. The census indicates that the 2010 median house value was \$415,500, up 84.5% from the median in 2000 of \$225,200. In 2010, only 1.8% of the housing stock was valued at less than \$100,000 while 83%, or 6,531 units, were valued at more than \$300,000. In 2000, there were 2,615 units or 38.9% of the housing stock valued between \$100,000 and \$199,999 that includes the bulk of the more affordable housing stock. By 2010 there were only 272 units valued between \$100,000 and \$199,999. Even if the units up to \$300,000 are included which are low Housing values are summarized in the following table:

Value	2000 Housing Values		2010 Housing Values	
	Number of Units	% of Units	Number of Units	% of Units
Less than \$50,000	24	0.4	54	0.6
\$50,000 to \$99,999	91	1.4	95	1.2
\$100,000 to \$149,999	929	13.8	112	1.4
\$150,000 to \$199,999	1,686	25.1	160	2.0
\$200,000 to \$299,999	2,303	34.3	925	11.7
\$300,000 to \$499,999	1,348	20.1	4,300	54.6
\$500,000 to \$999,999	328	4.9	2,085	26.5
\$1,000,000 or more	14	0.2	146	1.9
Median (dollars)	\$225,200	-	\$415,500	-
Affordable at 80% of median Family of 4 at the time	\$129,000		\$221,000	

Source: 2000 and 2010 U.S. Census Bureau

Roughly 654 units (roughly 11% of the occupied ownership stock) were affordable to a family of 4 at 80% of median in 2000; by 2010 that number had declined a bit to roughly 615 (roughly 8% of the occupied ownership stock). Since the interest rates have dropped from 8% to 5% and the tax rate dropped from \$15.06 to \$10.75 in the decade, the number of units that are affordable at 80% of median income stayed roughly the same. The number of affordable ownership units is very sensitive to interest rates. If rates were to climb to 6.5% (halfway back to 8%), the number of affordable homes would drop by 100 units to 513. Only 54 of these units are deed restricted. Maintaining this large stock of housing will be a challenge; however, this plan has a strong preservation component.

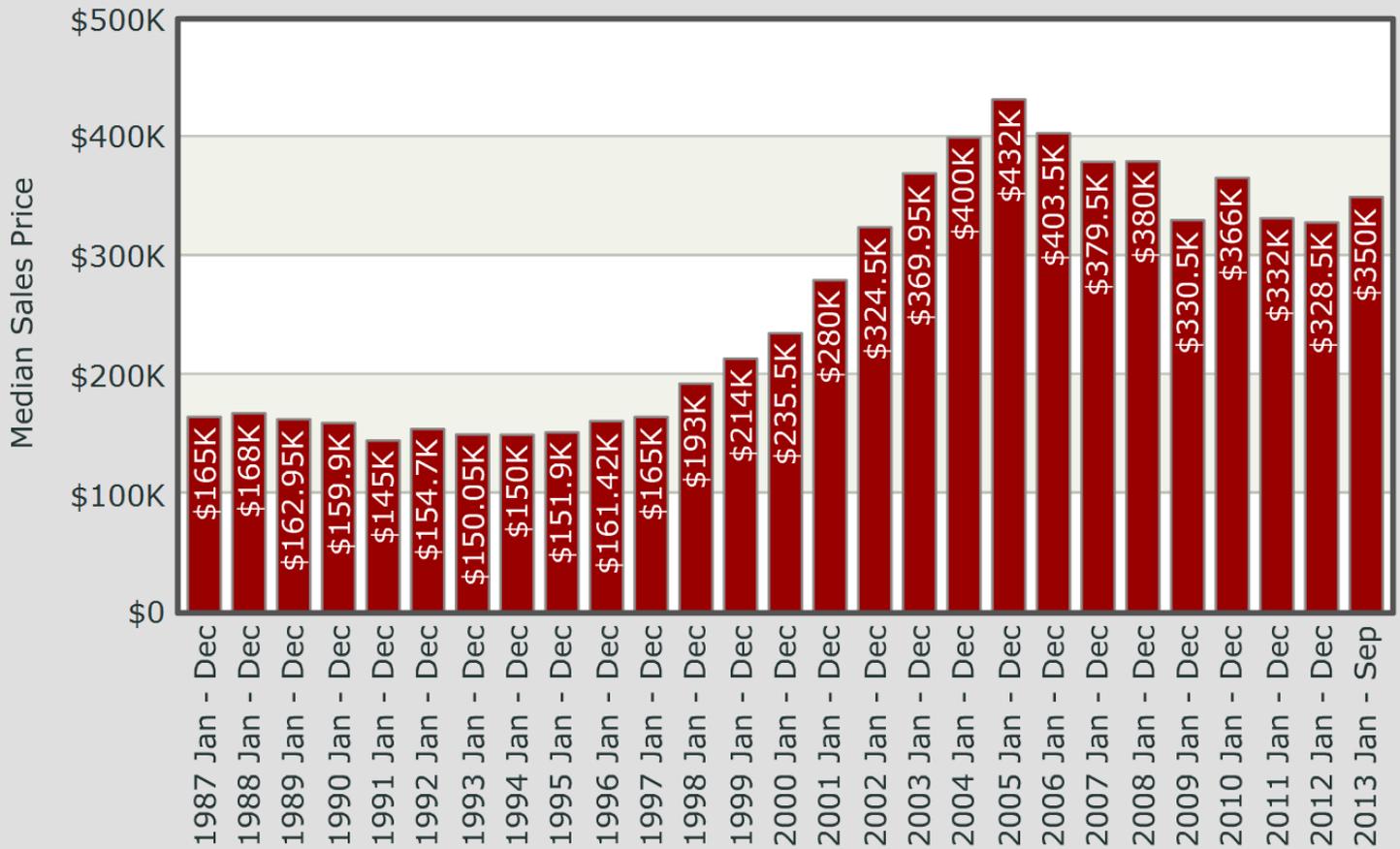
Market data from Banker & Tradesman for the last decade is summarized in the following table:

Median Sales Prices 1988 - 2013					
Year	Months	Single-family	Condo	All Sales	# Sales
2013	Jan-Sep	350,000	281,500	346,250	304
2012	Jan - Dec	328,500	282,500	328,500	424
2011	Jan - Dec	332,000	158,200	323,000	349
2010	Jan - Dec	366,000	250,000	355,000	321
2009	Jan - Dec	330,500	140,000	320,000	325
2008	Jan - Dec	380,000	211,259	379,450	322
2007	Jan - Dec	390,000	217,500	375,000	356
2006	Jan - Dec	405,000	271,500	395,000	402
2005	Jan - Dec	431,000	420,000	421,500	498
2004	Jan - Dec	400,000	173,500	385,000	614
2003	Jan - Dec	369,950	144,500	339,950	450

2002	Jan – Dec	324,500	117,000	287,000	555
2001	Jan – Dec	280,000	99,000	250,400	472
2000	Jan – Dec	235,500	79,900	206,700	558
1999	Jan – Dec	214,000	62,750	194,450	596
1998	Jan – Dec	193,000	66,200	179,900	616
1997	Jan – Dec	165,000	58,500	155,000	624
1996	Jan – Dec	161,418	52,500	152,000	502
1995	Jan – Dec	151,900	46,000	142,000	495
1994	Jan – Dec	150,000	35,000	139,000	553
1993	Jan – Dec	150,,050	47,950	140,000	550
1992	Jan – Dec	154,700	87,450	139,000	446
1991	Jan – Dec	145,000	57,500	138,750	326
1990	Jan – Dec	159,900	85,000	150,000	337
1989	Jan – Dec	162,950	77,000	152,000	445
1988	Jan – Dec	168,000	83,500	155,000	560

Source: Banker & Tradesman, The Warren Group.

### Marshfield, MA - Single Family Median Sales Price for Calendar Year



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Since the condo data prices were disproportionately affected by the sales of luxury over-55 condominiums after 2005, the following analysis will focus on single-family house prices which were not subject to quite as large of a distortion due to an influx of upper end units.

After a decline in market prices between 1988 and into the early 1990's, due largely to the economic slump, the market began to revive in 1995 but did not surpass the 1988 high until 1998, a full decade later. Since then the market has escalated precipitously, up 123% from \$193,000 in 1998 to \$432,000 by 2005 – an annual appreciation rate of more than 12% per year for 7 years! Since 2005, single-family home prices have dropped by 19% bringing them back to the level they were at 10 years ago. While this is a difficult situation for homeowners who purchased at or near the peak, prices have risen 6.7% over the last year which cuts the losses that many experienced.

Another analysis of housing market data is presented in the following two tables, which demonstrate the escalation of housing market prices based on sales data over the past five years from the Multiple Listing Service for single-family homes and condominiums:

**History of Sales by Price  
1998-2013  
Single-family Sales**

<b>Sales Price</b>	<b>1998</b>	<b>2002</b>	<b>2008</b>	<b>10/2012-10/2013</b>
<b>Under \$100K</b>	19	1	1	0
<b>100-200K</b>	198	20	2	17
<b>200-300K</b>	130	102	48	68
<b>300-400K</b>	58	92	63	76
<b>400-500K</b>	20	47	40	47
<b>500-600K</b>	3	33	19	30
<b>600-700K</b>	1	12	12	7
<b>700-800K</b>	1	9	5	8
<b>800-900K</b>	0	5	4	4
<b>900-1,000,000</b>	0	2	1	0
<b>Over 1,000,000</b>	1	3	0	4
<b>TOTAL</b>	431	326	195	273

Source: Multiple Listing Service

What stands out so clearly in the above table are the rapidly declining numbers of sales in the “affordable” range of \$200,000 or less, the steep increases in the numbers of sales in the higher price ranges, and the abrupt slowdown in the overall number of sales from 2002 to 2008. Over the past fifteen years there has been a virtual drain on the availability of homes in the affordable range, priced at \$200,000 or less, with 217 units sold under \$200,000 in 1998, 21 in 2003, 3 in 2008 and 17 in 2013. At current median income and interest rates, some houses selling for less than \$300,000 are affordable to households at or below 80% of median income; however, the sales of houses in that price range is also in decline. In 1998 and 2002, sales in the \$200-\$300,000 range accounted for roughly 30% of all sales, 2008 and 2013, that figure has dropped to 25%.

The escalating value of condominiums from 1998 to 2002 is clearly demonstrated in the following table; however, the addition of luxury over-55 condos priced in the 400,000 - \$550,000 range after 2005 have made it difficult to draw any conclusion other than to note that they exist.

**History of Sales by Price  
1998-2013  
Condominium Sales**

<b>Sales Price</b>	<b>1998</b>	<b>2002</b>	<b>2008</b>	<b>10/2012 10/2013</b>
<b>Under \$100K</b>	30	6	1	11
<b>100-200K</b>	9	27	10	7
<b>200-300K</b>	1	5	3	1
<b>300-400K</b>	0	0	11	5
<b>400-500K</b>	0	0	0	14
<b>500-600K</b>	0	0	0	4
<b>&gt;600K</b>	0	0	0	1
<b>TOTAL</b>	40	38	25	32
<b>Average List Price</b>	82,337	138,131	287,920	301,190
<b>Average Sales Price</b>	78,098	136,560	281,012	294,150
<b>Average Days on Market</b>	98	27	177	

Source: Multiple Listing Service

While the sales prices of condominiums are significantly more affordable than single-family homes (except for market-rate over-55 condos), their values have grown robustly from 1998 to 2002 (and a bit beyond) but have since moderated. It should also be noted that the numbers of condo sales in the higher price ranges increased significantly with only one unit sold above \$200,000 in 1998 to 13 in 2008 and 25 in 2013. It is important to note that roughly half of the units that were sold last year were priced within the means of those households earning at or below 80% of area median income and these units represent opportunities within the town's homeownership market for starter households or first-time homebuyers as well as seniors looking to downsize.

*Rentals*

The 2010 census indicated that the median gross rental was \$1,212, up 58% from the 2000 median rent of \$767. The median rents are likely to be skewed to the low end of the market range as the census includes subsidized rents in addition to market rentals. Of the 1,384 rental units analyzed, 203 units, or 14.7%, rented for less than \$750, documenting the existence of some affordable rental opportunities in town. At the other end of the range, 28.3%, or 391 units, were rented at more than \$1,500 per month. Sixty-one units were reported as having no cash rent.

## B. Cost Analysis of Existing Market Conditions

As housing prices decline, the affordability gap, defined as the gap between the cost of housing and the proportion of income that is reasonable to pay for housing, typically defined as 30% of gross income, has nearly disappeared. To afford the median sales price of \$350,000 (based on Warren Group data all sales in 2013), a household of 4 would have to earn approximately \$2,050 more than the 2013 median income of \$94,400. In comparison to the same figures done for the 2008 Community Housing Plan, a household would have to earn \$30,314 more than the 2008 median income of \$85,800. This is a welcome change homebuyers at or slightly above median income.

However, there still is an affordability gap if one considers the purchasing power of the median sized family of 3 rather than the stereotypical family of 4 noted above and for households at or below 80% of median income. The borrowing power of a 3-person household at 80% of median income (\$61,000) is \$218,000, based on the 2014 income limit chart published by the US Department of Housing and Urban Development; therefore, the affordability gap is about \$132,000. This group has some options as there are roughly 35 listings below \$250,000; although some of these homes are in need of significant repairs.

The following table presents a range of homes that sold during the past 12 months from a small bungalow near the beach to larger more expensive homes that are priced well beyond the means of most existing year-round Marshfield residents.

**Affordability of Existing Housing Prices**

House Type	Price	Annual Income Required <sup>7</sup>
Bungalow (1,123 sf) with 4 bedrooms, 1 bath without a garage located on Plymouth Ave in Ocean Bluff	\$217,500	\$57,750
Raised ranch with 3 bedrooms, 2 baths without a garage located on Moraine Street	\$261,900	\$69,575
Ranch (1,700 sf) with 3 bedrooms, 1 bath, and without a garage located in the Green Harbor neighborhood	\$300,000	\$79,700
Colonial (1,800 sf) with 4 bedrooms, 1 ½ baths and 2-car garage located near the Marshfield Country Club	\$414,000	\$110,000
Large Colonial (>4,300 sf) with 4 bedrooms, 3 1/2 baths, and 2-car garage located in Seaview	\$850,000	\$226,000

Source: Multiple Listing Service, November 11, 2013

In regard to rentals, the gross median rent of \$1,212 reported in the 2010 Census requires an income of at least \$48,480. This is affordable to a family of 2 at 80% of median income. A little over 25% of the occupied rental units in Marshfield are deed-restricted affordable units. Although Marshfield has a reasonable number of deed-restricted rental units and affordable market units, there are still too many people (46.3%) who are paying in excess of 35% of their income for rent.

## C. Affordable Housing Inventory

There are 550 affordable housing units in the current state-approved Subsidized Housing Inventory (SHI), 5.58% of the total year-round housing stock in Marshfield. With continued growth in population and housing the total affordable housing units required will increase to 1,086 to 1,186 based on MAPC

buildout projections (see buildout maps in Attachment 1) or 536 to 636 units more than are currently on the SHI.

In 2008, DHCD made some regulatory revisions to Chapter 40B and the Local Initiative Program:

- Reduced Housing Production goals from .75% to .5% to respect a municipality’s ability to increase their housing stock at a manageable pace. Consequently, those municipalities with approved plans would be able to deny comprehensive permit applications if they are producing at least .5% of the year-round housing stock on an annual basis. For example, if Marshfield was to approve approximately 50 units of affordable housing per year it would likely not be susceptible to Chapter 40B applications during that year. Previous Housing Production requirements set goals at .75% of the year-round housing stock, and Marshfield would have had to produce about 70 affordable units per year, based on an approved housing plan, to be in a position where a developer could not appeal ZBA decisions at the state Housing Appeals Committee.
- Limit the number of units reviewed at any one time such that a zoning board of appeals could deny (or condition) a comprehensive permit application if such permits are pending during the prior nine-month period that would represent affordable housing equal or greater than 2% of the total year-round housing stock. Therefore, Marshfield would not be forced to review comprehensive permit applications at any time that totaled more than approximately 200 units.

To be counted as affordable under Chapter 40B, housing must be dedicated to long-term occupancy of income-eligible households through resale or rental restrictions. The following table presents the income limits for the affordable units based on the 2014 HUD guidelines for the Boston metropolitan area, that includes the town of Marshfield, directed to those earning at or below 80% of area median income adjusted by family size.

**Affordable Housing Income Limits  
Based on 80% of Area Median Income**

Number of Persons in Household	Income Limit
1	\$47,450
2	54,200
3	61,000
4	67,750
5	73,200
6	78,600
7	84,050
8	89,450

Using these income guidelines a family of three (the average owner-occupant household size in Marshfield is 2.76 persons) could afford to purchase a house for no more than approximately \$225,000<sup>7</sup> and rent for a maximum of about \$1,400 a month.<sup>8</sup> Based on housing market information described above, such purchase prices and rents are increasingly rare in Marshfield. The current housing market is significantly limited to those earning the median income and is inaccessible to those of low- and moderate-income. Recent home sales indicate that there were 4 sales of single-family homes of less than \$200,000 during the last year, all of which needed some work, suggesting that those earning at or below

<sup>7</sup> Based on 95% financing, interest of 4.5%, 30-year term and annual property tax and insurance costs of \$5,000.

<sup>8</sup> Assumes that a tenant should pay no more than 30% of gross income on rent and annual utility costs of \$1,500.

80% of area median income are virtually shut-out of the current homeownership market. The condo market is where there remains some supply of affordable units with prices between \$79,900 and \$181,000. However, these more affordable condos are not included in the town's Affordable Housing Inventory as they were not produced with state or federal subsidies and do not have the required deed restrictions to maintain affordability, and therefore do not meet the state's definition of affordable.

### **1. Current Inventory**

Of the 550 units that are considered affordable by the state, 144 units, or 26%, were developed through the inclusionary, special permit, or comprehensive permit process and of these, 118 units, or 27.4%, were sponsored by non-profit organizations.

There are 113 units that are owned and managed by the Marshfield Housing Authority<sup>9</sup> and incorporated into the Affordable Housing Inventory including the following:

- *Tea Rock Gardens*  
This 64-unit apartment complex for elderly and disabled residents was funded under the state's Chapter 667 Program and developed using the Chapter 40B comprehensive permit process.
- *Grace E. Ryder*  
This development also provides assisted housing for elderly and disabled residents under the state's Chapter 667 Program, including ten one-bedroom units and 23 congregate units. The Authority has encountered some difficulty leasing the congregate units because seniors have been reluctant to share bathrooms. Consequently, units have been rented to disabled clients who require 24-hour supervision including young people through the Massachusetts Rehabilitation Commission as well as seniors through the Massachusetts Department of Mental Retardation.
- *Scattered Site Units*  
The Housing Authority owns and manages 16 units for families that are scattered throughout town, developed under the state's Chapter 705 Program. Six of these units are duplexes, which are located on the grounds of the Authority's Tea Rock Gardens and were developed using the comprehensive permit process.

It is important to note that the Marshfield Housing Authority has a substantial waiting list of almost 200 applicants with long waits for available units, particularly for the family units that rarely turnover. This list includes 25 seniors who are Marshfield residents. Because of demand by Marshfield seniors, nonresidents who receive lower priority may never get access to available units. Also, approximately 40% of applicants request emergency priority due to such problems as homelessness or domestic abuse. There are a number of requests from families for three-bedroom units, which the Housing Authority cannot address because of the lack of availability of larger units.

There are another 151 units that were developed under the Federal Section 202 Program that provides supportive housing for the elderly who are 62 years of age or older and who earn at or below 50% of area median income, \$28,300 for a single individual. Financing is in the form of interest-free advances to non-profit project sponsors and the provision of rental assistance to project residents. The advances do not have to be repaid as long as the units remain affordable to very low-income seniors for at least 40 years. These residential units include the following:

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<sup>9</sup>Housing that is owned and managed by public housing authorities, such as the Marshfield Housing Authority, is directed to households earning no more than 80% of area median income, however, at least 40% of new admissions must earn no more than 30% of median.

- *Housing for Independent Living (Prence Grant)*  
This project on Parsonage Street includes 30 units owned and managed by South Shore Housing Development Corporation.
- *Marshfield Group Home for the Mentally Ill*  
This project is owned and managed by South Shore Housing Development Corp. and includes 8 units for the chronically mentally ill.
- *Winslow Village I*  
This project, sponsored by the First Congregational Church, involves 65 units of housing along Ocean Street. The project was refinanced through the Massachusetts Housing Partnership Fund that will insure the project's financial viability and affordability well into the future.
- *Winslow Village II*  
This second phase development, also on Ocean Street and sponsored by the First Congregational Church, has 48 units for the elderly. The development was processed through a Chapter 40B comprehensive permit and was also being refinanced with MassHousing approving a loan under the agency's Section 202 Refinancing Program. This will preserve the project's long-term affordability while at the same time providing funds for needed repairs as well as additional services for the elderly residents.

Another 194 affordable units were created through several other state financing programs including the following:

- *Ocean Shores*  
Beacon Residential Properties completed a 97-unit 100% affordable, over-55 rental utilizing Low Income Housing Tax Credits on land permitted through a Comprehensive Permit.
- *Attleboro Enterprise Group Home*  
This project involves four units of special needs housing that involved financing from MassHousing (formerly the Massachusetts Housing Finance Agency) Options for Independence Program and the Facilities Consolidation Fund (FCF) coordinated by the state's Community Economic Development Assistance Corporation (CEDAC) for group homes. The state's Executive Office of Health and Human Services provided additional resources.
- *Fresh Brook Way*  
This homeownership project was processed through the state's Local Initiatives Program (LIP) that is often referred to as the "friendly" Chapter 40B Program. Three of the units, or 25% of the total number of 12 units, were sold as affordable in perpetuity to first-time homebuyers.
- *Mariner's Hill*  
This project includes 90 units of rental housing that was financed through the State Housing Assistance for Rental Production Program (SHARP Program) that operated in the 1980's using operating budget funds to provide shallow 15-year loans to mixed-income housing developments with at least 25% of the units set-aside as low-income. This Program was used in combination with MassHousing's tax-exempt financing.

Another 3 affordable units have been created by Habitat for Humanity and the Town continues to be supportive of the efforts of this organization

The Town has added 17 units to date and hopes to add more through its innovative Marshfield Housing Opportunity Purchase Program (MHOPP) where income-qualified first-time homebuyers are given a

significant grant in exchange for agreeing to resale restrictions contained in deed rider which insures affordability in perpetuity. MHOPP is funded by the Community Preservation Act.

## **2. Proposed/In-construction Projects**

Due to the soft development market, there are no projects involving a Chapter 40B comprehensive permit application in front of the Town.

## **D. Gaps Between Existing Housing Needs and Current Supply - Municipal Constraints**

As the above affordability analysis indicates, gaps remain between what most current residents can afford and the housing that is available. In fact the current homeownership market is substantially limited for those earning below the median income and not accessible to low- and moderate-income households, with the exception of condos.

The buildout analysis that was performed by the Metropolitan Area Planning Council (MAPC) in 2013 projected that the town of Marshfield could experience a total build-out of 1,000 to 1,100 additional housing units under the town's current land use laws. The analysis projected 2,800 to 2,950 additional residents over the 2013 population.

This buildout analysis (see maps in Attachment 1) suggests that in order to meet the 10% state standard for the projected population growth, it would require 1,085 to 1,185 units of affordable housing. Therefore, 535 to 635 additional units of affordable housing will be required until build-out is obtained (once again this is based on current zoning). If this goal were met with new development only, it would require that roughly 54% to 58% of all future development would be affordable. The Town intends to continue to fund the conversion of existing privately owned housing to affordable housing meeting subsidized housing inventory standards which will help meet the goal. However, at an average subsidy of \$75,000 per unit, the Town can only afford to subsidize a handful of units per year.

If this is even possible, it is unlikely that the affordable housing that is produced will be sufficient to meet local needs. Six hundred new affordable units may not be enough to meet the existing need and demand, much less potential future needs, based on the following indicators from 2010:

- 1,831 owners paid more than 35% of income on housing;
- 641 renters paid more than 35% of income on housing (an additional 61 were not computed);
- There were 902 individuals and 158 families that were classified as living in poverty including 182 elderly individuals;
- More than 176 individuals are eligible for disability payments from the Social Security Administration. ;
- 200 households had incomes of less than \$10,000;

There is a sizable population of seniors, and/or special needs households, and/or very low income households who have significantly reduced capacity to secure decent, safe and affordable housing. Ocean Shores has helped to address some of these needs for many senior residents; however, a broader range of housing options is required to meet all the varied needs.

It will be a great challenge for the Town of Marshfield to create enough affordable housing units to meet the state's 10% affordable housing standard as well as the needs of its existing residents, particularly in light of the constraints to new development including the following:

- *Zoning*  
As is the case in most American communities, a zoning by-law or ordinance is enacted to control the use of land including the patterns of housing development. In most localities in the Commonwealth, zoning embraces large-lot subdivisions to maintain low housing densities, thus severely constraining the construction of affordable housing. While Marshfield is no exception, with the minimum lot size of between 10,000 and 43,560 square feet, the Town has added several provisions in its Zoning By-law to allow higher densities through voluntary inclusionary zoning, accessory apartments or senior housing based on specific requirements. The Town also has an Open Space Residential Development bylaw that promotes compact development and preserves 50% of land area of a development as protected open space. The Town is planning to explore other opportunities to promote affordable housing opportunities through zoning amendments.

#### *School Enrollment*

Despite a 3% growth in population from 2000-2010, the school enrollment in Marshfield has been decreasing since 2007-08. At that time, the K-12 enrollment was 4,613. It dropped by 8.5% to 4,223 by the 2013-14 school year. Projections prepared by the New England School Development Council estimate a steady decline in K-12 enrollment down to 3,607 404 in 2017. Therefore, it appears that school capacity will not be a limiting factor in the foreseeable future.

- *Environmental Concerns*  
Most residents are aware of the town's natural resources and are rightly concerned about protecting those resources. The town has an active Conservation Commission and Open Space Committee to promote the preservation of open space and members raise concerns about the impacts of new development. Additionally, regulations to protect the environment (e.g., wildlife, wetlands, and aquifers) significantly constrain new building activity by reducing the amount of buildable land and increasing the time and costs of new development. Marshfield has enacted a Water Resource Protection Bylaw that contains an environmental performance standard of a maximum level of nitrogen of five parts per million which is more restrictive than the existing state requirement of ten parts per million of nitrogen.
- *Infrastructure*  
Another constraint to new development in some areas of town is the issue of infrastructure. For example, Town water is available in most areas of town but the sewer district is only a small portion of the town. Most of the town must rely septic systems that will continue to significantly restrict development. Community residents have also voiced concerns over the availability of roads, police and fire protection, and other Town services to accommodate new development and the implications of increased costs associated with extending these services.
- *Availability of Subsidy Funds*  
Financial resources to subsidize affordable housing preservation and production as well as rental assistance have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly difficult to secure necessary funding and must be creative in determining how to finance projects and tenacious in securing these resources. In 2001 Marshfield approved the creation of a Community Preservation Fund with funding support from the state to support open space preservation, historic preservation and affordable housing production. In FY2013, the Community Preservation Fund had \$1,365,742 available of which \$349,240 or 25% was directed to affordable housing activities.

- *Community Perceptions*  
Affordable housing, subsidized housing, low-income housing, projects, Section 8, etc. – these terms can conjure thoughts from local residents of potential neglect that undermines property values, increased crime, and even tensions concerning class and race. If someone has not witnessed the benefits of affordable housing, images of the inner city may instead emerge. On the other hand, with soaring real estate prices, community perceptions are beginning to tilt towards the realization that affordable housing is needed in the community. Even 100% market-rate developments such as the Winslow Village at Proprietors Green assisted living facility met with anti-growth opposition. However, more people are recognizing that the new kindergarten teacher, the waitress at their favorite restaurant, grown children, or their elderly neighbor may not be able to afford to live or remain in the community. It is this growing awareness, as well as the successful completion and professional management of Ocean Shores and Winslow Village at Proprietors Green, which have started to alter community perception and have encouraged town officials to take a more proactive stance toward support for affordable housing initiatives.

## **E. Local Housing Organizations**

The Town of Marshfield has several agencies and organizations available to help support the production of affordable housing or provide housing-related services including the following:

### **1. Marshfield Housing Authority**

The Marshfield Housing Authority was incorporated in 1970 to produce housing for low-income residents. Today it owns and manages 113 affordable housing units at two apartment complexes including scattered site units (see Section II.C.1. above for a summary of projects). Additionally, the Marshfield Housing Authority has been managing 8 rental assistance vouchers through the Massachusetts Rental Voucher Program (MRVP). This program subsidizes the rents of qualifying households who locate units in privately owned apartments.

### **2. Marshfield Housing Partnership**

The Town of Marshfield Board of Selectmen formed the Marshfield Housing Partnership (MHP) in December 2002, to support local housing needs. It is the town's lead agency that develops policy and promotes affordable housing. The MHP is currently overseeing the preparation of this Housing Production Plan and is exploring the feasibility of a number of housing strategies to increase the number of units in the town's Affordable Housing Inventory including how the town can integrate existing privately owned affordable units in multi-family properties into the Affordable Housing Inventory and sponsor new development.

### **3. Marshfield Community Preservation Committee**

The Community Preservation Committee has been charged with the oversight of funds to be raised through Marshfield's passage of the Community Preservation Act adopted in the spring of 2001. In September of 2000 the Community Preservation Act was enacted to provide Massachusetts cities and towns with another tool to conserve open space, preserve historic properties and provide affordable housing. This enabling statute established the authority for municipalities in the Commonwealth to create a Community Preservation Fund derived from a surcharge of up to 3% of the property tax. Once adopted, the Act requires at least 10% of the monies raised to be distributed to each of the three categories (open space, historic preservation and affordable housing), allowing flexibility in distributing the majority of the money to any of the three uses as determined by the community. The Act further requires that a Community Preservation Committee of five to nine members be established, representing various boards or

committees in the community, to recommend to the legislative body, in this case Town Meeting, how to spend the Community Preservation Fund.

Marshfield has appointed nine members to the Community Preservation Committee, five representing existing committees (Conservation Commission, Historic Commission, Housing Authority, Planning Board and Recreation Commission) and four at large members appointed by the Selectmen. The Committee had approximately \$1.3 million in FY2013 to disburse. Marshfield chose to exempt from the 3% surcharge the first \$100,000 of property value, families at or below 80% of the area median income, and elderly over 60 years with income at or below 100% of area median income.

During the spring of 2002 the Committee created a Community Preservation Plan that specified the same goals that are the basis of this Plan included in Section I.C. above. The Community Preservation Plan indicated that it will give particular attention to the under-served needs of certain Marshfield residents and specifies the option of using Community Preservation Funds to support the costs of down payments for first-time homebuyers. The Plan clearly articulates the need to “ensure that our children, our parents, our teachers, police and firefighters can all live in our town”. The Plan adds finally that the Community Preservation Act “can serve as a highly effective tool in (1) providing housing for our community needs and (2) stopping developers from circumventing our zoning laws”.

#### **4. Marshfield Planning Board**

The Marshfield Planning Board, in addition to its typical regulatory responsibilities, is the special permit granting authority under the Town’s Age-Restricted Adult Village Bylaw and the Inclusionary Zoning Bylaw. The age-restricted bylaw applies to tracts of at least six acres in all residential zones and requires that it incorporates affordable housing.

#### **5. South Shore Habitat for Humanity (SSHH)**

Habitat for Humanity is an ecumenical, non-profit Christian ministry dedicated to building simple, decent homes in partnership with families in need. The organization has grown over the past two decades into one of the largest private homebuilders in the world with almost 1,600 U.S. affiliates and over 2,000 affiliates worldwide, including one on the South Shore that has been able to build new homes for first-time homebuyers through donated land, materials, labor and funding as well as other special financing strategies. South Shore Habitat for Humanity has produced 34 affordable homes on the South Shore with several more underway. The organization has built three homes in Marshfield. The Marshfield Housing Partnership successfully added these homes to the state’s Affordable Housing Inventory.

SSHH has responded to a Town-issued Request for Proposals which offered a town-owned parcel for development an affordable single-family house. SSHH is negotiating with a homeowner to purchase a house with enough land to potentially support 4 affordable homes.

An indication of the local demand for affordable housing was evidenced by the number of applicants for the new homes built through the organization. The first home resulted in 200 applications, of which more than 60 families were evaluated and determined as eligible.

#### **6. Marshfield Council on Aging**

The Marshfield Council on Aging is a Town committee that provides services to support the quality of life of Marshfield area elders through a wide variety of services including the operation of a Senior Center that offers social programs for seniors, an information and referral service on a

wide range of issues (e.g., housing, in-home help, nursing home placement, legal matters, health care, consumer issues, and home maintenance services), community-based services to promote independent living (e.g., transportation, congregate meals, health programs, educational programs, fuel assistance, and social/recreational programs), and in-home support services (home-delivered meals, Senior-to-Senior Chore Program, and Friendly Visitor Program). The Council relies heavily on local volunteers to support its services.

The Council on Aging receives many inquiries from area seniors that are related to housing, with most of these calls related to how they can find more affordable housing options in the community. Some elders are encountering difficulties affording to remain in their current homes and cannot locate alternative housing that is affordable, particularly if they require supportive services. There are no nursing homes in Marshfield as of late 2013, and a number of residents have had to seek alternatives outside of town. However, Welch Healthcare built a 149 unit facility that consists of 79 independent living units, 46 assisted living units and 24 Alzheimer units. This facility does not include any affordable units, but it will be a local option for residents who can afford it. Beacon Development built a 97 unit affordable rental for over-55 households with incomes at or below 60% of area median. This project does not include extensive supportive services but it will represent an attractive affordable option for residents who are independent or who may require less extensive services such as Meals on Wheels. Other needs that surface during inquiries involve deferred maintenance problems, handicapped accessibility issues, and proximity to transportation and services.

**7. South Shore Community Action Council**

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

**8. South Shore Housing Development Corporation (SSHDC)**

South Shore Housing Development Corporation (SSHDC) is committed to enhancing the quality of life for low- and moderate-income people by providing decent, safe and affordable housing; helping families move forward toward economic and social independence; and assisting individuals in reconnecting within their respective communities. This non-profit housing development corporation was established in 1970 to serve Bristol and Plymouth counties in the Southeast region of Massachusetts, including the town of Marshfield. The organization has expanded its housing services over the past decades to include rental assistance, new housing development, property management, homeless assistance, housing rehabilitation, and counseling and education. It owns and manages 30 units in Marshfield Center at Housing for Independent Living, also known as Prence Grant, that it is in the process of refinancing to make improvements and maintain long-term affordability. It also owns and manages 30 units at the Marshfield Group Home for the Mentally Ill.

**9. Corporation for Independent Living (CIL)**

The Corporation for Independent Living (CIL) is a non-profit housing development corporation that finances and builds affordable housing that is barrier free and enables individuals to live independently in community settings. Established in 1979, the organization has developed more than 400 single-family homes and 350 affordable

housing units in Massachusetts and Connecticut. CIL owns and operates two group homes in Marshfield serving eight Department of Developmental Services clients.

**10. Carolina Hill**

Carolina Hill is a transitional shelter for 13 to 16 homeless families that provides shelter and services for an average of 3 to 6 months. Carolina Hill has been in operation for over 15 years.

**IV. PROPERTY INVENTORY**

The following information represents a work in process that will be fine-tuned on an ongoing basis in coordination with other Town Boards and Committees.

**A. Publicly-Owned Properties**

The Marshfield Housing Partnership identified one (1) parcel that is owned by the Town, which is potentially suitable for some amount of affordable housing development:

**Town-owned Properties with Potential for Affordable Housing Development**

<b>Parcels</b>	<b>Housing Type</b>	<b>Map #/ Parcel #</b>	<b>Total Parcel Acres</b>	<b>Housing Acres</b>	<b>Projected Total # Units/ Affordable Units</b>
Town Parcel #1	Ownership	I15-14-02	.172	.172	180/40

The above projection is based on the following assumptions:

- Projections are based on eight (8) units per acre, however given specific site conditions it may be appropriate to lower or increase density.
- Town Parcel #1 **has been approved by the Board of Selectmen** for use as affordable housing. A Request for Proposals is being prepared.
- To the greatest extent possible, the Town of Marshfield has determined to develop affordable housing that will be harmonious with the surrounding community. Therefore, the Town proposes to put rental housing closer to commercial or in-town areas and homeownership units in the more outlying areas.

Additionally, with the use of Community Preservation Funds, the Town plans to acquire some private parcels largely to preserve open space. As part of this effort, the Town will insure to the greatest extent possible, that housing will be developed on a part of these parcels through cluster development that includes affordable housing. If any of the properties identified above are finally determined infeasible or do not obtain approval from Town Meeting, it is anticipated that the projected numbers of affordable units would be met through this acquisition process.

**B. Private Properties**

The Marshfield Housing Partnership has also identified privately owned properties that might be appropriate for incorporating some affordable housing development. As indicated in Section VI, the Housing Action Plan, a major strategy for producing new affordable units is the conversion of units in the existing housing stock to long-term affordability. A list of potential multi-unit

properties that might be appropriate for redeveloping and incorporating affordable units, without reference to current ownership, is provided in the table below:

**Privately-owned Properties with Potential for  
Affordable Housing Development**

<b>Parcels</b>	<b>Housing Type</b>	<b>Total Land Area</b>	<b>Size of Units</b>	<b># Existing Units</b>	<b>Projected Total # Affordable Units</b>
Property #1	2-story motel	2.87 acres	28 one-bedroom units; one 2-bedroom and one 3-bedroom	30	15-30
Property #2	2-story	25,372 square feet	Three bedroom apts.	8	4-8
Property #3	3 stories including a finished raised basement	2.76 acres	Two-bedroom apts.	25?	12-25?
Property #4	Large 2-story house with 2 floors, a finished attic and unfinished basement	24,045 square feet	6 one-bedroom units	4	2-4
Property #5	2-story house with brick veneer	30,492 square feet	Two-bedroom units	4	2-4
Property #6	2-story house with mixed commercial and residential uses	1.54 acres	One 1-bedroom unit	1	2-4
Property #7	3 stories including a raised finished basement	35,395 square feet	Four 1-bedrooms and eight 2-bedroom units	12	6-12
Total				84	43-84

The Town will continue to seek opportunities to work cooperatively with existing owners or for profit and non-profit developers and organizations to develop these properties, incorporating affordable housing. The Marshfield Housing Authority can also be an important local resource that can be involved potentially in managing properties, managing the rental subsidies and monitoring affordability. Consideration should be given where possible to adding new units to existing structures and/or demolishing existing units and replacing them with more and improved units.

In addition to the parcels listed above, it is likely that developers will continue to pursue comprehensive permit applications to produce housing that includes at least one-quarter of the units as affordable. Developers will also likely continue to use the Age-Restricted Adult Village Zoning Bylaw and, if the market conditions for housing development improve, developers may seek to utilize the Inclusionary Zoning Bylaw.

## **V. AFFORDABLE HOUSING PRODUCTION GOALS**

The Massachusetts Department of Housing and Community Development (DHCD) is required to review and approve the Housing Production Plan in accordance with regulations that enable cities and towns to prepare and adopt an affordable housing plans that demonstrate production of an increase of .5% over one year or 1% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory.<sup>10</sup> Marshfield will have to produce approximately 50 or 99 affordable units annually to meet these production goals. If DHCD certifies that the locality has complied with its annual production goals, the town may, through its Zoning Board of Appeals, deny comprehensive permit applications.

Using the strategies summarized under the Housing Action Plan described in Section VI.A through D., the Town of Marshfield has developed a Housing Production Plan to increase affordable housing production activity at a prudent pace over the next decade.

## **VI. HOUSING ACTION PLAN**

The strategies outlined below were first put forward in the 2004 Community Housing Plan and were based on the above planning studies, the context established by the Housing Needs Assessment, interviews with local planning and real estate professionals, and the experience of other comparable localities on the South Shore and throughout the Commonwealth. The strategies are grouped according to the type of action proposed – Planning and Regulatory Reform, Building Local Capacity, Housing Production, and Housing Preservation. Below each strategy from the 2004 plan is an update and comment based on the experience that the Marshfield Housing Partnership has gained over the last 10 years of working to implement a thoughtful housing policy consistent with the overall goals expressed by this plan.

### **A. Planning and Regulatory Reform**

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 on housing creation. 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.

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<sup>10</sup> Massachusetts General Law Chapter 40B, 760 CMR 56.03 (4) (f)

**1. Adopt Inclusionary Zoning**

*Status in 2004:* Inclusionary zoning was not an option included in Marshfield’s Zoning Bylaw. This mechanism has been adopted by many communities to insure that any new development project over a certain size would include a set-aside in numbers of affordable units or funding to support the creation of affordable housing. Most municipalities that have inclusionary zoning in place, one-third of the municipalities in the Commonwealth, are reaping the rewards of these actions through the creation of actual affordable units or cash contributions to the locality for investment in affordable housing production.

*Projected # Affordable Units Produced:* 20 units

**2009 UPDATE:**

An Inclusionary Zoning Bylaw was passed by Town Meeting in 2007. This was the result of extensive work by the Planning Board and Town Planner and by the Marshfield Housing Partnership and the Housing Coordinator and Housing Consultant. The bylaw allows a modest increase in density and increased flexibility in setback and frontage requirements in order to provide developers with an opportunity to obtain approval for an additional market rate unit when they agree to build an additional affordable unit. The IZB also includes innovative options for developers to fulfill the affordable requirement through the payment of an in-lieu fee or the provision of off-site units.

**2014 COMMENT:**

Due to the recent slowdown in the residential real estate sector, no developments have been proposed under the bylaw. We will continue to review the provisions the bylaw and are ready to put forth changes if circumstances suggest they are needed. One option that is under review is whether the bylaw should be made mandatory.

**2. Review the Feasibility of Revising the Accessory Apartment Bylaw**

*Status in 2004:* The current Zoning Bylaw allows accessory apartments, however restricts them to existing owner-occupied, single-family residences through Special Permit within the R1, R2, R3, B1 and B2 zoning districts. There are currently 37 approved accessory apartments. The Bylaw acknowledges the usefulness of these units and lists objectives the Town hopes to achieve through accessory apartments including:

- a. To enable homeowners who wish to remain in their homes and neighborhoods to do so.
- b. To promote more efficient use of the existing housing stock by allowing flexibility in response to changing household size.
- c. To promote affordable rental housing and homeownership for small households.
- d. To protect and maintain the character of the surrounding neighborhood.

The Bylaw also states that the Special Permit for an accessory apartment terminates upon resale, and the new owner must apply for a new approval of the Permit. Additionally, no later than January 31<sup>st</sup> of each year, each owner of an accessory apartment must recertify that they continue to occupy the home as their principle residence.

The Zoning Bylaw defines an accessory apartment as a second dwelling unit located within an owner-occupied, single-family home that is subordinate in size to the principal dwelling unit in a manner that maintains the appearance of the structure as a detached single-family home. Accessory units are helpful in meeting a number of public policy objectives. First, they enable homeowners to capture additional income, which is particularly important for elderly homeowners or single parents where such income may be critical to remaining in their homes. Also, without the flow of income from an accessory apartment, some young families or moderate-income households might not be able to afford homeownership. Second they provide appropriately sized units for growing numbers of smaller households. Third, accessory units are inexpensive ways of increasing the rental housing stock at lower cost than new construction and without significant impact on the surrounding neighborhood. And the creation of accessory units does not require additional town services such as streets or utilities or involve the loss of open space. Fourth, tenants in accessory apartments can also provide companionship, security and services for the homeowner, from shoveling the sidewalk for an elderly owner, to babysitting for a single parent. Fifth, often referred to as “in-law” apartments, they have offered good opportunities for keeping extended families in closer contact. Sixth, new accessory units typically generate tax revenue in a locality because accessory units add value to existing homes. Seventh, recently the Massachusetts House of Representatives allowed several new types of housing units to count toward a community’s 10% goal including accessory apartments constructed on or after July 1, 2002, pursuant to a local ordinance or bylaw, and “that is affordable to the occupant”. For an accessory apartment to “count” in the community’s Affordable Housing Inventory, Town staff will have to annually certify the affordability of each accessory unit to DHCD.

2009 UPDATE: The Marshfield Housing Partnership chose to focus on other priorities; therefore, it did not utilize the Housing Coordinator nor request staff time from the Town Planner.

2014 COMMENT: It remains a viable option and will be pursued within the next two years.

### **3. Review Age-Restricted Adult Village Bylaw**

*Status in 2004:* Last year Marshfield amended its Zoning Bylaw and added Section 11.08, the Age-Restricted Adult Village Zoning Bylaw, commonly referred to as the Elderly Housing Bylaw. The intent of the Bylaw is to encourage the development of housing units for those over 55 years of age that incorporate at least 10% of the units as affordable to those earning at or below 80% of area median income, in exchange for some zoning relief in regard to density. The bylaw specifies the maximum number of units per acre by zoning district, the siting of the affordable units, minimum design and construction standards, and the timing of construction for the affordable versus market rate units, fees in lieu of units, marketing and community preference as well as resale restrictions. The Planning Board has been designated as the Special Permit Granting Authority, and the Marshfield Housing Authority has been designated to market the affordable units and insure their affordability over the long-term per the requirements of the deed riders. Thus far the Town has received four applications from developers involving a total of 163 units and including 18 affordable units.

*Projected # Affordable Units Produced:* 40 units

2009 UPDATE: The Age-Restricted Adult Village Zoning Bylaw was the subject of a moratorium from Fall '06 to April '08 to allow the Planning Department to develop revisions. A comprehensive revision of the bylaw was approved by Town Meeting in April 2008. Among the key revisions was the adoption of the in-lieu and offsite options in order to fulfill the affordable housing requirements.

2014 COMMENT: No new applications have been received since April 2008 due to the overall slowdown in the development market. We will review the bylaw and update if need be.

**4. Waive Application Fees for Town-Supported Projects**

*Status in 2004:* Many communities are waiving application fees for certain affordable housing developments, either for certain types of projects or on a case-by-case basis. Waivers are now a key to gaining funding from potentially supportive funding agencies, which, in some cases, make such waivers a pre-requisite for assistance. All regulatory fees become part of a development budget that affects the affordability of the housing produced. Waiver of regulatory fees is one area that the Town might have some capability to directly affect project costs and affordability.

2009 UPDATE and 2014 COMMENT : No meaningful work was done on this item; however, fees have been waived on an ad hoc basis for Habitat for Humanity developments.

**B. Continue to Build Local Capacity to Promote Affordable Housing**

In order to be able to carry out the strategies included in this Community Housing Plan and meet the Planned Production goals, it will be important for the town of Marshfield 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.

**1. Conduct an Educational Campaign for Affordable Housing**

*Status in 2004:* Affordable housing has become a more visible issue in Marshfield, largely as a result of the wave of comprehensive permit projects that have ignited significant local opposition. While many residents are aware of escalating housing prices and some are encountering significant difficulties affording housing in Marshfield, it is likely that most residents hold on to negative stereotypes of what affordable housing is and what it will do to their community.

On December 2, 2003, the Marshfield Housing Partnership sponsored a forum for local leaders and the public to hear the results of a recently completed Housing Needs Assessment that is a substantial component of this Community Housing Plan, in fact the context within which the Housing Action Plan and Planned Production goals have evolved. During this meeting, updated information on the erosion of affordable housing units in Marshfield was presented highlighting the current gaps between the supply of housing and local needs.

Another public forum was held on February 3, 2004, to provide information on the draft Community Housing Plan to not only get feedback on the Plan's strategies and goals, but also to offer another opportunity to showcase the issue of affordable housing in a light that demonstrates how the town can be proactive on the issue to better serve the wide range of local needs. Additional opportunities to engage the community in discussions on affordable housing and to present information on the issue are needed 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 local concerns and suggestions.

2009 UPDATE: The Marshfield Housing Partnership held two general informational sessions promoting resources for affordable First Time Homebuyers in 2007. In addition, the MHP developed promotional brochures, handouts and a PowerPoint presentation for the Marshfield Housing Opportunity Purchase Program. These materials were not only instrumental in obtaining Town approval of the program; they provided an excellent explanation of key affordable housing concepts.

2014 COMMENT: Education remains an important task for the MHP. **Informational workshops will continue to be held on important housing topics at least once or twice annually.**

**2. Provide an Expanded Role for the Marshfield Housing Partnership**

*Status in 2004:* The Marshfield Housing Partnership's current mission is to "identify the needs of residents for affordable housing and develop strategies that are consistent with other town priorities to meet these needs." In addition to this planning effort, it will be useful to have the Marshfield Housing Partnership responsible for overseeing its implementation. Most communities have identified a local committee or partnership to coordinate the Town's housing activities. These groups are typically the first entry point for developers interested in pursuing new projects to discuss their proposals and receive input. If the Town intends to be more proactive on the issue of affordable housing and successfully meet Planned Production goals that are a key component of this Housing Plan, it will need to have some entity in place to coordinate activities and effectively communicate with other Town entities.

2009 UPDATE: This has been done. Some recent examples include assisting the ZBA in the review of technical issues on the Ocean Shores development and assisting the Town Assessor in correctly assessing the value of the affordable housing stock in town.

2014 COMMENT: We recommend continuing to expand the utilization of the housing knowledge and insight of the Housing Coordinator and Board throughout the Town. A recent example is assistance in evaluating the impact of the proposed Federal Emergency Management Agency (FEMA) flood maps on affordable units in Town.

**3. Hire a Housing Coordinator**

*Status in 2004:* If the Town of Marshfield wants to assume a more proactive role in promoting affordable housing and effectively implement the range of actions included in this Housing Production Plan, it will have to augment its capacity to coordinate these activities. While most of the strategies that are included in this Plan do not by themselves

involve substantial amounts of staff time from the Town Planner or other Town officials, when considered altogether they require a significant time commitment and involve some specialized expertise in housing programs, policy and development. Because the principal responsibilities of the new position will involve the oversight of the Housing Plan and staffing of the Marshfield Housing Partnership, the Housing Coordinator should report to the Town Planner.

2009 UPDATE: In 2004, Town Meeting approved \$65,000 of Community Preservation funds for the hiring of a Housing Coordinator. The MHP issued a Request for Proposals and hired a Housing Coordinator. Town Meeting has continued to fund the position at a rate of \$65,000/year. The MHP reissued the RFP in 2006 and reviewed four proposals. The MHP decided to utilize split the position into two parts in order to hire two individuals with complimentary skills.

2014 COMMENT: We recommend continuation of the funding for the Housing Coordinator position which has proven to be instrumental in providing expertise in the affordable housing field. The position has proven to be a key element in the Town's affordable housing program.

### **C. Housing Production**

To accomplish the actions included in this Community Housing Plan and meet production goals, it will be essential for the Town of Marshfield to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources. The development strategies described below rely on joint ventures with developers – for profit and non-profit – to create affordable units. For example, competitive Requests for Proposals (RFP's) are recommended for the selection of developers of Town-owned property, and also the redevelopment of the Town Center and conversion of existing multi-family housing into affordable housing rely on private developers. For profit developers continue to express interest in developing housing in Marshfield, and there are numbers of non-profit organizations that have the capacity to undertake affordable development including South Shore Housing Development Corp., South Shore Habitat for Humanity, and Road to Responsibility as well as other regional special needs development organizations that have successfully completed affordable housing projects throughout the Cape and Boston area.

In addition to the active participation of the development community, it will be important for Marshfield to actively seek support from state and federal agencies. The production of a substantial number of new affordable units will require subsidies beyond what is available through the Community Preservation Fund. If affordable housing was allocated one-third of the existing CPA funding, it could expect approximately \$360,000 assuming a 100% state match. Marshfield currently receives a match of roughly 70%. Beyond the support of the proposed Housing Coordinator, this amount is likely to support the creation of no more than a half-dozen affordable units per year, whereas the Planned Production goals project the production of about affordable 46 units annually. In addition to the state's Department of Housing and Community Development (DHCD), other state and quasi-public agencies that have resources to support affordable and special needs housing include MassHousing, MassDevelopment, Department of Mental Retardation, Department of Mental Health, Community Economic Development Assistance Corp. (CEDAC), Massachusetts Housing Partnership Fund, and Massachusetts Housing Investment Corporation (MHIC). And because affordable housing is rarely developed without private financing, project developers with support from the Town, will need to reach out to private lenders as well.

## 1. **Make Town-Owned Land Available for Affordable Housing**

*Status in 2004:* The contribution or “bargain sale” of land owned by the Town but not essential for municipal purposes is a substantial component of Planned Production goals and will enable Marshfield to proactively launch its housing efforts. The Marshfield Housing Partnership has identified Town-owned parcels that could potentially be developed as affordable housing and has preliminarily determined – based on site conditions, local needs, location, and other factors – whether the parcel should be designated for rental or ownership, or a combination of both, including other specific project guidelines (see Section IV.A. of this Plan for the list of properties under considerations). Final conveyance of these parcels is subject to a more thorough feasibility analysis of site conditions and Town Meeting approval.

In addition to currently owned Town parcels, the Town of Marshfield anticipates that it will acquire a number of privately owned sites over the next decade for the purposes of protecting open space and developing some amount of housing, including affordable housing, through cluster development on a portion of the sites. Community Preservation Funds would be a good source for such acquisition as the accommodation of both affordable housing and open space would serve two CPA goals.

*Next Steps:* The Marshfield Housing Partnership should work with other Town officials to conduct a preliminary feasibility analysis on existing Town-owned parcels, including those listed in Section IV.A., or on sites identified at a later time that might potentially include some amount of affordable housing. If this analysis indicates that housing can be accommodated, the Partnership should request approval from the Board of Selectmen and Town Meeting to designate these identified parcels for affordable housing development. It will be necessary to determine to what entity the property will be conveyed, whether the Housing Authority or Local Housing Trust (if established), or at some point directly to the selected developer, whether for profit or non-profit, via a Land Disposition Agreement. Town Meeting will need to declare the property surplus and convey it for purposes of affordable housing to this identified entity, ideally for a nominal amount.

Following the necessary approvals and transfer, the proposed Housing Coordinator should work with the Housing Partnership to prepare a Request for Proposals (RFP) to solicit interest from developers based on the Town’s specific project requirements and select a developer based also on specific criteria included in the RFP. It is likely that the project will require densities or other regulatory relief beyond what is allowed under the existing Zoning Bylaw, and the Housing Partnership may be able to obtain this relief through normal channels, if community support is assured, or use the “friendly” comprehensive permit process through DHCD’s Local Initiatives Program (LIP) or MassHousing’s Housing Starts Program. Additionally, the Partnership will probably need to be involved in pulling together the necessary financial, technical and political support for new development. Subsidies from the Community Preservation Fund are likely to be pivotal to assuring affordability of housing units.

The major steps involved in such development are likely to include the following:

- Identify property for development,
- Conduct preliminary feasibility analysis,
- Explore technical assistance funding from Massachusetts Housing Partnership or other entity to hire a consultant to conduct preliminary feasibility analysis and prepare a Request for Proposals (RFP) for builders/developers,

- Establish project criteria (e.g., design guidelines, community preference criteria, income mix, type of financing, ownership and management),
- Secure approval from Town Meeting to declare property surplus and convey for development to incorporate at least some affordable housing,
- Prepare and issue Request for Proposals,
- Select builder/developer,
- Finalize plans and budget,
- Secure regulatory approvals,
- Secure financing,
- Conduct closing including disposition of property to builder/developer under a Land Disposition Agreement,
- Secure building permits,
- Start construction,
- Market and select tenants/owners,
- Complete construction,
- Occupy property, and
- Manage property including annual income recertification of tenants in affordable units (in the case of rentals). Monitoring of the resales in affordable homeownership projects will also be required. The Marshfield Housing Authority is currently serving as monitoring agent for the Age Restricted Adult Village projects and may be interested in serving in this capacity for additional affordable developments on a fee for service basis.

*Timetable: Two-Year Action Plan and ongoing*

*Resources Required:* Staff time of the proposed Housing Coordinator to work with the Housing Partnership to prepare a Request for Proposals, coordinate the builder/developer selection process and oversee development and construction, marketing and tenant/owner selection and occupancy. In addition to costs of coordinating development, resources will be required to help subsidize the development. Comprehensive permits typically do not involve external public subsidies but use internal subsidies by which the market units in fact subsidize the affordable ones. Many communities have used the “friendly” comprehensive permit process to take advantage of these internal subsidies, to create the necessary densities to make development feasible, and to make it easier to navigate the existing regulatory system. Other communities are finding that they require public subsidies to cover the costs of affordable or mixed-income residential development and need to access a range of programs through the state and federal government and other financial institutions to accomplish these objectives. Because the costs of development are typically significantly higher than the rents or purchase prices that low- and moderate-income tenants can afford, multiple layers of subsidies are often required to fill the gaps. Sometimes even Chapter 40B developments are finding it useful to apply for external subsidies to increase the numbers of affordable units, to target units to lower income or special needs populations, or to fill gaps that market rates cannot fully cover.

It is likely that a number of financial and technical resources will be required to produce affordable units in Marshfield. Marshfield is fortunate to have Community Preservation Act funding available to support affordable housing but will also need to explore the following resources to make affordable housing development feasible in addition to the Town-owned property conveyed at a nominal price:

- Predevelopment funding from the Massachusetts Housing Partnership Fund, CEDAC, MHIC, Life Initiative, etc.
- Federal HOME Program or Housing Stabilization Fund financing of up to \$65,000 per unit administered through DHCD for a range of housing activities. These are competitive funding sources, and DHCD typically accepts proposals through two funding rounds per year.
- Possible federal financing through Low Income Housing Tax Credits to developers of affordable housing that provide significant equity into a development. The allocating agency is DHCD and there are typically two funding rounds per year. These funds are directed to rental properties solely and are extremely competitive.
- Affordable Housing Program grant funding from the Federal Home Loan Bank Board, applied through participating banks.
- Rental subsidies through the Project Based Section 8 Program or individual Section 8 vouchers.
- Section 8 to Homeownership Program, enabling Section 8 subsidy recipients to access homeownership – this program is beginning to be implemented in the state.
- Additional resources that are directed solely to first-time homebuyer projects to make homeownership more affordable including the Soft Second Loan Program, Purchaser-Based HOME Program and MassHousing First-Time Homebuyer financing.
- Financing from the Community Economic Development Assistance Corporation to support innovative forms of affordable housing including SRO's, transitional housing, limited equity cooperatives, etc. and to preserve existing affordable housing developments.
- OneSource Loan Program is a streamlined financing program offered jointly by Massachusetts Housing Investment Corporation and Massachusetts Housing Partnership Fund offering construction and permanent financing in a single package.
- Local Initiative Support Corporation, a national intermediary organization, is beginning to entertain financing proposals from organizations operating in the suburban ring of Boston to support new housing development.
- Other state funding programs.

*Projected # Affordable Units Produced:* 162 units as well as 17 middle-income units

2009 UPDATE and 2014 COMMENT: There is one Town-owned parcel that is in the disposition process which will produce one affordable unit. The town will continue to review its holdings for suitability for affordable housing development.

## **2. Convert Existing Housing Stock to Affordability**

*Status in 2004:* Marshfield has a relatively high level of rental housing, relative to other comparable communities, involving almost 20% of the existing housing stock. Notably 747 units, or 7.5% of the housing stock, are located in larger multi-family structures of ten or more units. Most of these multi-family developments are privately owned and managed, some showing significant signs of age and deferred maintenance needs. While acquisition prices are high, some of these developments in town might possibly be converted to mixed-income or affordable housing.

*Next Steps:* Such conversion could occur through two general scenarios: First, through discussions with existing owners, it might be possible to provide sufficient incentives to enable these owners to make the necessary improvements and convert some of the units to affordable. Second, some existing owners may be interested in selling their property, and a non-profit, such as South Shore Housing Development Corp., or other non-profit or for profit developer could purchase and redevelop the property to incorporate affordable units either as rental apartments or condominiums. The Marshfield Housing Authority could also be an important resource for potentially managing properties, the rental subsidies and monitoring affordability restrictions that are guaranteed through affordable rental agreements or deed riders.

The Marshfield Housing Partnership has begun to identify possible multi-family properties that might be targeted for conversion to incorporate some level of long-term affordability as included in the property inventory above in Section IV. Prior to contacting individual owners, the Housing Partnership should try to secure some sense of existing “as-is” market value. This may not be easy to obtain if market comparables are not readily available, but ballpark estimates will help determine a reasonable range for the costs of acquisition. The owners should be contacted regarding the possibility of working with the Housing Partnership to help them refinance their property to improve and incorporate affordability or purchase their property through another development entity. If SSHDC or other developer were interested in this initiative, it would be up to them to proceed with individual negotiations with owners. It would be important for the Partnership to stay involved to provide support, particularly in providing CPA funds and advocating for subsidy funds.

An example of a rental conversion project is as follows:

- *Project Configuration:* Purchase of a ten-unit property requiring moderate rehabilitation, to be leased to qualifying low- and moderate-income tenants with Section 8 vouchers.
- *Total Development Costs:* Assuming an acquisition cost of \$1,000,000 and further development costs per unit of \$70,000, total development costs per unit would be \$170,000 and total development costs for the project would be \$1.7 million.
- *Total Operating Income:* Assuming rents affordable to households at 80% of median income for two-bedroom units of \$1,350 per month per unit, total project income would equal about \$13,500 per month, \$162,000 annually.
- *Total Operating Expenses:* Assumes operating expenses of \$450 per unit per month, or \$54,000 annually.
- *Financing Gap:* Amount left to support debt is \$99,900 annually, that could generate approximately \$1.4 million in private financing on a 30 year fixed rate mortgage at a 6% interest rate, leaving \$300,000 to be financed through grants or deferred loans, most likely through CPA, or \$30,000 per unit.

The key here will be the relationship between the acquisition price and the amount of work that would be needed. This model works well for renters that are at or near 80% of median income; however, deeper subsidies would be needed to reach the heart of the renter market which is more in the 50-60% of median range.

If the same property was to be developed for ownership/condominiums, the following scenario is offered:

- *Project Configuration:* Purchase of a ten-unit property requiring moderate rehabilitation, the units to be sold as condominiums, all to qualifying low- and moderate-income purchasers.
- *Total Development Costs:* Assuming an acquisition cost of \$1,000,000 and further development costs per unit of \$100,000, total development costs per unit would be \$200,000 and total development costs for the project would be \$2 million.
- *Projected Purchase Prices:* \$140,000 per condo totaling \$1.4 million.
- *Financing Gap:* There is a financing gap of \$600,000, or \$60,000 per unit. This is in line with our current MHOPP subsidy amounts. The key would be finding the right building and developer to undertake the project.

If this same property was developed as mixed-income condominiums, the following scenario is offered:

- *Project Configuration:* Purchase of a ten-unit property requiring substantial rehabilitation, the units to be sold as condominiums, five of which would be targeted to qualifying low- and moderate-income purchasers.
- *Total Development Costs:* Assuming an acquisition cost of \$1,000,000 and further development costs per unit of \$100,000, total development costs per unit would be \$200,000 and total development costs for the project would be \$2 million.
- *Projected Purchase Prices:* \$140,000 per condo for the affordable units and \$200,000 for the market units, totaling \$1.7 million.
- *Financing Gap:* There is a financing gap of \$300,000, or \$60,000 per unit, which potentially could all be covered by CPA funds.

*Timeframe:* Two-Year Action Plan

*Resources Required:* Staff time from the proposed Housing Coordinator to work with the Housing Partnership and project sponsor to develop projects including support for securing subsidy funds. See strategy VI.C.1. above for list of possible funding sources.

*Projected # Affordable Units Produced:* 40 affordable units and 4 middle-income units

2009 UPDATE – Rental: The Housing Coordinator pursued three conversion opportunities with existing owners at properties containing a total of 61 units. Of these contacts, the 30-unit property located at 1717 Ocean Street presented the best chance for success as the owner is an experienced developer who was looking to add units to the property. He chose to privately finance the renovation.

2014 COMMENT - Rental: Working with existing owners of rental property is very challenging for a variety of reasons and it is highly unlikely that a project can be crafted that would simultaneously meet with the approval of the Housing Partnership, the Community Preservation Committee, Town Meeting, the developer and the state. However, we will continue to be ready to support the efforts of experienced affordable housing developers who might be interested in purchasing existing rental property to operate as affordable housing that would qualify for the Subsidized Housing Inventory.

2009 UPDATE – Ownership: The MHP successfully developed a program that converts existing ownership units into affordable units. The Marshfield Housing Opportunity Purchase Plan was approved by DHCD under the LIP program in February 2007, and the first two units, a two-bedroom condo and a three-bedroom house, closed under the program in the late summer/early fall of 2008. Town Meeting has approved further funding and MHP has two participants currently looking for homes under the program and plans to support an additional 6 units in a Spring 2009 round of funding.

2014 COMMENT – Ownership: MHOPP has been an unqualified success with 17 units purchased and permanently preserved under the program. The MHP will continue to run this popular and successful program as funding allows. Should the right building and developer be found to undertake an affordable ownership project, the Town would consider using CPA funds to subsidize such a project.

3. **Review the Feasibility of Pursuing Housing in the Town Center and Other Areas**  
*Status in 2004:* Housing in business districts serves several objectives including increasing housing supply, supporting local businesses by increasing the market within walking distance, reducing auto travel for the equivalent number of households, and making business areas livelier and safer over longer periods of time. Much of the focus of the “smart growth” movement has been towards town center redevelopment to promote more efficient land use, compact development patterns, less dependence on the automobile, and a greater range of housing choices within a commercial area. Based on recent Town-sponsored planning sessions on the redevelopment of Marshfield’s Town Center, there appears to be increasing local interest in integrating housing into redevelopment strategies. There are likely to be other business areas in town where such new housing creation would also be applicable.

The Housing Needs Assessment also demonstrated the need for a wider range of housing options for local residents that included seniors wishing to down-size but with income higher than the thresholds allowed in the town’s Section 202 developments. Seniors are often interested in housing that is closer to transportation, goods and services and are a good market for “in town” housing. Another potential market includes young families and individuals who are priced out of the existing private market and would likely find living in a village setting desirable.

*Next Steps:* The Marshfield Housing Partnership should continue to advocate for the inclusion of new housing in any redevelopment plans of the Town Center, promoting the incorporation of affordable units. Other possible areas of town where there is the potential for mixed-use development should also be explored. It will be important to recognize the importance of providing sufficient incentives to make mixed-use, and most likely mixed-income, development economically feasible for local businesses and developers to respond. Consequently, density bonuses or zoning amendments that incorporate higher densities will be required.

*Timeframe: Two-Year Action Plan*

*Resources Required:* Staff time of Town Planner to continue to coordinate necessary planning and zoning changes for the Town Center and other areas, and potentially the hiring of a consultant(s) to guide mixed-use development efforts. Additional staff time from the proposed Housing Coordinator would be necessary to support the development

of the housing component. It is also probable that subsidy funds will be necessary to make at least a portion of the units affordable to low-and moderate-income households.

*Projected # Affordable Units Produced:* 90 affordable units and 9 middle-income units.

2009 UPDATE: This remains a viable option.

2014 COMMENT: In 2014, voters at the annual Town Meeting will be able to approve mixed used zoning in the Brant Rock neighborhood of Marshfield. Action on this bylaw amendment may inform the Town on the chances of other mixed use bylaws in other commercial districts.

#### **4. Review the Feasibility of an Amnesty Program for Accessory Apartments**

*Status in 2004:* The Town of Barnstable has implemented a program to enable those with illegal accessory units to come forward and receive necessary assistance to convert their units to legal use and be maintained, in the short-term at least, as affordable and eligible for inclusion in the town's Affordable Housing Inventory. This program was created in recognition of the number of illegal accessory apartments that some estimated to be approximately 100 that the Town was not able to assess at market value and might involve health and safety hazards. Barnstable has processed more than 60 units through its program. Key features of Barnstable's Program include:

- a. The property is brought up to health and safety standards with subsidies available to assist owners with these improvements. An inspector is assigned to the program from the Housing Authority.
- b. Applicants may select their own tenant provided tenants meet program requirements (within 80% of area median income). The monitoring agent regarding eligibility is the Housing Authority. When a unit becomes available, it must be listed with the Housing Authority and regional non-profit housing organization.
- c. Leases have a minimum term of one year.
- d. Each year the applicant files an affidavit with the Housing Authority listing the rent charged and the income level of the occupants to verify compliance with program requirements.
- e. The comprehensive permit is not transferable without prior approval of the Hearing Officer or Zoning Board of Appeals.
- f. Barnstable now allows applicants to use a detached structure or build a new addition to their property for the purpose of creating an accessory unit.
- g. The average processing time of an application has been two and a half months.

While Marshfield does allow accessory apartments in existing dwellings through a special permit, it is likely that numbers of illegal accessory units exist that do not meet existing requirements, potentially pose fire hazards and for which the Town is not collecting any additional tax revenue from the increased value that accessory units create.

*Next Steps:* The Town should consider adopting an amnesty period like the model implemented by the Town of Barnstable, whereby the owners of any illegal accessory units can secure the necessary permits to convert their units to legal use, and the town can incorporate the units into its Affordable Housing Inventory. Owners should be given the option of participating in the Program, therefore incentives need to be offered to

encourage owners to enter into a short-term agreement to maintain their accessory unit as affordable, such as property tax relief.

The proposed Housing Coordinator and Housing Partnership should adapt Barnstable's Amnesty Program to Marshfield and prepare an implementation plan. The major steps involved in implementation include the following:

- a. Adapt Barnstable's Town Ordinance for the Amnesty Program and secure approval. The intent of the Ordinance is to provide an opportunity to bring into compliance many of the currently unpermitted accessory apartments and to encourage the use of existing dwellings to create additional affordable housing. The Ordinance also states that "it is the position of the Town of Barnstable that the most appropriate mechanism for allowing for the conversion of unlawful dwelling units to lawful units is found in GL c.40B, ss. 20-23, the so-called "comprehensive permit" program. The Ordinance also creates the position of a hearing officer within the Zoning Board of Appeals to expedite the processing of applications. Hearings are held once a month.
- b. Work with the Marshfield Housing Authority to undertake the necessary inspections on a fee for service basis.
- c. Prepare materials to support implementation of the program.
- d. Determine how best to provide funding support for bringing properties up to code and support program administration with some concentration of fees, possible CPA funding, and rehab loans from South Shore Housing Development Corp. While Barnstable has set-aside funding for this purpose, only several applicants have used these funds thus far. Most of the needed improvements have been fairly minor.
- e. Establish a tax relief policy to encourage owners of accessory units to participate in the program and maintain their accessory apartments as affordable.
- f. Receive approvals to implement the program.
- g. Implement the program.

*Timeframe: Two-Year Action Plan*

The Amnesty Program Implementation Plan could be developed within the next year to be considered by Town Meeting in the spring of 2005.

*Resources Required:* Staff time from the proposed Housing Coordinator to work with the Housing Partnership to adapt Barnstable's Amnesty Program to Marshfield. The Town must determine how to access or provide funds to assist homeowners in making home improvements to bring accessory apartments up to code if necessary. Inspections and other costs related to Program administration could be covered by modest processing fees. Barnstable charges applicants \$160.00 to pay for the administrative costs and \$25.00 for each home inspection. The costs of-monitoring the Program could be supported by fees derived from participating homeowners, perhaps \$25.00 annually. Additionally, if the town were to offer tax relief to participating owners, it would forego a certain amount of tax revenue.

*Projected # Affordable Units Produced:* 20 units (this unit count is also included under strategy VI.A.3.)

2009 UPDATE: The Marshfield Housing Partnership chose to focus on other priorities and did not utilize the Housing Coordinator and local officials time in determining the feasibility of this strategy.

2014 COMMENT: It remains a viable option and will be pursued over the next two years.

**D. Housing Preservation**

Housing production is critical, but the Town also needs to be concerned that it does not lose units already counted as part of its Affordable Housing Inventory and provides resources to improve the existing housing supply.

**1. Monitor Expiring Use Properties**

*Status in 2004:* Based on how housing was financed and how long the affordability requirements were established, the affordable status of some current housing units are likely to be in jeopardy in the future. The current inventory of “expiring use projects” with affordability restrictions that are due within the near future is maintained on CHAPA’s web site, and this list is being updated to incorporate additional projects by Community Economic Development Assistance Corp. (CEDAC). Even if expiring use restrictions allow an owner to convert a property to market rentals, based on a recent court case, the Zoning Board of Appeals of Wellesley vs. Ardmore Apartments, the Town may still have some leverage to enforce affordability given the applicability of certain regulatory or land use controls (e.g., comprehensive permit, 121A tax agreement, ZBA variance). It will be important to monitor projects that are included in the town’s Affordable Housing Inventory and intervene if necessary to maintain affordability well into the future.

*Next Steps:* It is important to insure that all affordable housing units that are produced remain a part of the Town’s Affordable Housing Inventory, in perpetuity if possible. The Marshfield Housing Partnership working with the Town Planner should closely monitor developments with affordable units, and the Town should intervene if necessary to maintain the units as affordable through the courts or through purchase and refinancing if necessary. New affordable units that come into the Inventory should be designated as affordable for as long a period of time as possible and, in the case of homeownership, with resale restrictions indexed to changes in HUD’s area median income as opposed to market value.

*Timeframe: Two-Year Action Plan and Ongoing*

*Resources Required:* Staff time from the proposed Housing Coordinator. The state’s Community Economic Development Assistance Corporation (CEDAC) maintains an inventory of expiring use projects, updating it on a regular basis. This Inventory is available on CHAPA’s web site, [www.chapa.org](http://www.chapa.org). If some intervention is needed to maintain a project as affordable, model strategies and financial resources are also available at CHAPA’s web site.

*Projected # Affordable Units Produced:* While this strategy is unlikely to create new affordable units, it is essential for maintaining existing affordable units.

2009 UPDATE and 2014 COMMENT: This is done as a regular part of the Housing Coordinator position.

**2. Access Housing Rehab Programs**

*Status in 2004:* The Council on Aging indicated that they encounter elders who need assistance in addressing deferred home maintenance needs. It is not unusual for elderly homeowners on fixed incomes to have such needs, stretching their limited funds to pay taxes and utilities. Many seniors and others with special needs require adaptations, improvements and repairs to remain in their homes. Marshfield residents might also benefit from technical and financial support in the case of septic failures and Title V compliance issues.

*Next Steps:* Through the community educational campaign recommended in Section VI.B.1., important information on housing improvement resources could be disseminated, both to real estate professionals, local organizations and community residents.

*Timeframe:* *Two-Year Action Plan and Ongoing*

*Resources Required:* The Council on Aging indicates that on occasion they receive requests from elders with repair needs (e.g., furnace, windows, roofs) that require the intervention of professionals. Under such circumstances, seniors should be referred to programs sponsored by South Shore Housing Development Corporation (SSHDC) and MassHousing for example, which provide low-cost financing for repair needs including deleading, septic systems, building code violations, and other home improvements. The proposed Housing Coordinator would be also available to answer inquiries, make appropriate referrals and provide community outreach on available resources.

*Projected # Affordable Units Produced:* Unlikely to produce new affordable units but to help seniors and others with special needs remain independent in their homes.

2009 UPDATE: The Housing Coordinator regularly took inquiries from the general public and made appropriate referrals.

2014 COMMENT: The MHP met with the Council on Aging regarding repair needs and it has explored different varieties of Housing Rehabilitation Programs. It will continue to explore opportunities to expand homeowner rehabilitation activities in town.

**E. New Action Items for 2009 with 2014 Update**

- 1. Education in preventing and dealing with foreclosure** *Two-Year Action Plan*
- 2. Coordinate town participation in the Neighborhood Stabilization program** *Ongoing as long as Marshfield is eligible for funding.*

*Resources Required:* The Housing Coordinator will implement these activities.

**2014 COMMENT:** The Housing Coordinator will continue to provide education and support to homeowners in danger of foreclosure. The Neighborhood Stabilization program is no longer available in Marshfield.

## **VII. DESCRIPTION OF USE RESTRICTIONS**

As has been indicated in various sections of this Housing Plan, the town of Marshfield is committed to maintaining its Affordable Housing Inventory for as long a period as possible. Deed riders or affordable rental restrictions should assure continued affordability in perpetuity to the greatest extent possible. The resale prices included in homeownership projects should be indexed to HUD's area median income as opposed to market value to better assure this affordability over the long-term. The monitoring of the resale restrictions and annual recertification in the case of rental agreements should be the responsibility of the project sponsor who must report annually to the Marshfield Housing Authority, South Shore Housing Development Corp., or other housing organization approved by the Town.

**ATTACHMENT**

**Metropolitan Area Planning Council Buildout Maps**