

Town of Natick Housing Production Plan

Submitted to:
The Natick Affordable Housing Trust
Natick Town Hall
2nd Floor
13 East Central Street

March 2021



Submitted by:
Barrett Planning Group LLC
P.O. Box 6338
Plymouth, Massachusetts 02362

Table of Contents

| | | |
|----|--|----|
| 1. | INTRODUCTION | 1 |
| 2. | HOUSING NEEDS ASSESSMENT | 4 |
| | Key Findings | 4 |
| | Population Characteristics | 5 |
| | Household Characteristics | 14 |
| | Housing Characteristics | 17 |
| | Housing Affordability | 22 |
| | Development Opportunities & Constraints | 27 |
| 3. | STAKEHOLDER PERSPECTIVES | 41 |
| 4. | HOUSING GOALS | 45 |
| | Five-Year Housing Goals | 45 |
| 5. | STRATEGIES! | 51 |
| | Community Open House: Opportunities, Obstacles, Next Steps | 51 |
| | A plan isn't a plan without implementation | 53 |
| | Leadership, Education & Advocacy | 55 |
| | Regulatory Reform | 57 |
| | Funding, Assets, Partners | 62 |
| | Local Planning & Policy | 63 |
| 6. | APPENDIX | 65 |
| | Glossary | 67 |
| | Resources for Affordable Housing | 75 |
| | HUD Income Limits and Fair Market Rents | 77 |
| | Subsidized Housing Inventory (SHI) | 79 |
| | Affirmative Fair Housing Marketing | 81 |
| | List of Interviews | 83 |

1. Introduction

The Town of Natick, through its Community Development Advisory Committee (CDAC) and the Natick Affordable Housing Trust (NAHT), asked Barrett Planning Group to update the 2012 Housing Production Plan (HPP) in conformance with regulations and guidelines of the Massachusetts Department of Housing and Community Development (DHCD). Natick has reached the 10 percent affordable housing minimum under Chapter 40B, and the town has approved at least one additional mixed-income development even after meeting the statutory threshold. Clearly, Natick has worked to implement its last HPP, but long before the town even had such a plan, Natick took specific steps to create affordable housing and those steps have contributed to the Town's success.

■ *Why have a Housing Production Plan?*

The main purposes of a Housing Production Plan are to have a proactive plan for affordable housing production, help communities make steady progress toward the 10 percent statutory minimum, and ensure they stay above 10 percent once the minimum has been achieved. In doing so, the HPP creates an opportunity to:

- Assess demographic and housing data;
- Identify local housing needs;
- Recognize a community's ongoing efforts;
- Identify housing development barriers;
- Identify specific locations and sites that meet sustainability criteria for affordable and mixed-income housing development; and
- Potentially guide future mixed-income housing development to optimal sites and locations.

With a DHCD-approved HPP in place, Natick will continue to have opportunities to manage the flow of new Chapter 40B applications.

Many of the conditions that existed when Natick prepared its last report remain true today. This plan updates and builds upon the 2012 plan, so goals and recommendations that remain relevant today have been preserved in this update.

■ ***What Makes Affordable Units “Count” as part of the Chapter 40B Subsidized Housing Inventory (SHI)?***

Units must be:

- Affordable to households with incomes at or below 80 percent of the Area Median Income. For Natick, this means the Boston-Cambridge-Quincy Metro Area.
- Approved by a housing subsidy agency, including the Natick Housing Authority, as eligible for a comprehensive permit or as “Local Action Units” (developed without a comprehensive permit).
- Protected by a long-term affordable housing restriction; and
- Marketed and sold or rented under a DHCD compliant Affirmative Fair Housing Marketing Plan (AFHMP). (See Appendix for minimum AFHMP requirements).

■ ***Where does the information in this HPP come from?***

Information for the Natick Housing Production Plan comes from a variety of sources, including the Town, Natick 2030+ and other previous plans and studies, the U.S. Department of Housing and Urban Development, and Bureau of the Census. Since “the Census” encompasses different surveys and datasets, information has been drawn from the following census products:

- The Census of Population and Housing (decennial census): mainly Census 2010 and older decennial census data on file with the State Data Center at the Donohoe Institute.
- The American Community Survey (ACS). This Census Bureau program provides demographic and housing estimates for large and small geographic areas every year. Although the estimates are based on a small population sample, a new survey is collected each month, and the results are aggregated to provide a similar, “rolling” dataset on a wide variety of topics. In most cases, data labeled “ACS” in this plan are taken from the most recent five-year tabulation: 2011-2015 inclusive.¹
- Comprehensive Housing Affordability Strategy (CHAS) data. Created through a combined effort of the U.S. Department of Housing and Urban Development (HUD) and the Census Bureau, this dataset is a “special tabulation” of ACS According to the HUD guidance, “these

¹ Note: population and household estimates from the ACS may not align as well as one would like with local census data collected by the Town. However, to allow for a consistent basis of comparison between Natick and other communities, this HPP relies on ACS estimates.

special tabulation data provide counts of the numbers of households that fit certain combinations of HUD-specified criteria such as housing needs, HUD-defined income limits (primarily 30, 50, and 80 percent of median income) and household types of particular interest to planners and policy-makers.” The most recent CHAS Data are based on the ACS 2008-2012 estimates.

This plan also relies on information from:

- Local knowledge shared by residents, representatives of housing and social service organizations, Town committees and departments, and others who participated in individual and small-group interviews.
- The Massachusetts Department of Elementary and Secondary Education
- Massachusetts Office of Labor and Workforce Development
- Metropolitan Area Planning Council
- Department of Housing and Community Development
- The Federal Reserve, Community Development Division
- CoStar Market Reports
- Banker & Tradesman



2. Housing Needs Assessment

Key Findings



- Natick is a growing town with approximately 35,957 residents today.² Its population has increased 11 percent since 2010, outpacing overall growth in Middlesex County during the same period (7 percent). The most significant growth by population age occurred in the 45-49 age group, with a 17 percent increase.
- While population growth has occurred in most age groups, decreases have occurred among people 18 to 21 years (0.7 percent), 40 to 44 years (0.9 percent) and 80 years and older (1 percent). According to the Metropolitan Area Planning Council (MAPC) population projections, the population over 65 will grow the most by 2030, at 66 percent. MAPC also predicts an overall population growth rate of 3.2 percent between 2020 and 2030.³
- Natick's **daytime population**, or the number of people present during normal business hours, is approximately 54,610. The large size of Natick's daytime population can be attributed to Math Works Headquarters, the MetroWest Medical Center, the West Natick and Natick Center commuter rail stops, and other major employers and amenities within MetroWest and along I-90.⁴
- Natick has a fairly high homeownership rate of 71.9 percent. By age of householder, the highest homeownership rate (80 percent) exists among people 45 to 54 years. By contrast, young householders 15 to 24 years are almost exclusively renters, and 60 percent of householders 25 to 34 live in rental housing, too. Of all occupied units in town, 28 percent are renter occupied.⁵



² U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates, B01003.

³ Metropolitan Area Planning Council, "Population and Housing Demand Projections for Metro Boston Executive Summary," Status-Quo Scenario: Housing Municipal Report, January 2014.

⁴ ACS 2012-2017 5-Year Estimates, B01003, B08009, B0860.

⁵ ACS 2012-2017 5-Year Estimates, B25007, B25003.



- The median sale price for a single-family home in Natick has increased 71 percent over the past 30 years, from \$367,000 to today's \$565,000.⁶ Almost half of all Natick homes have a market value between \$500,000 and \$999,999.
- Natick has more rental housing than most of the surrounding cities and towns,⁷ and this is partially due to an uptick in Chapter 40B developments since 2000. A market survey conducted for this Housing Production Plan indicates that the most available rental option in Natick is a two-bedroom unit. Median gross rent in Natick is somewhat lower than that of some neighboring towns, \$1,393.⁸
- Despite somewhat lower gross rents, one-third of Natick's households (owners and renters) pay more for housing than they can comfortably afford. They meet the federal definition of **housing cost-burdened**, i.e., they pay 30 percent or more of their monthly income for housing.⁹
- Natick is gaining families, with or without dependent children. Today, families comprise 44 percent of all households, which is due at least in part to the prevalence of single-family homes (60 percent) in Natick's housing inventory.¹⁰ The town has limited options for older adults at all price points due, in part, to current zoning.

Population Characteristics

Located 18 miles west of Boston, Natick is a MetroWest suburb of approximately 35,957 people. Though similar in land area (16 sq. mi.) to nearby towns such as Dover, Sherborn, and Wayland, Natick has a distinctive land use pattern framed by five regional roadways, the railroad, and Lake Cochituate (Map 2-1/Existing Land Use). Flanked by Wellesley to the east and Framingham to the west, Natick has some of the qualities of each: high-end neighborhoods on the one hand and a regional employment center on the other hand. Today, Natick has 2.3 percent of the total population of Middlesex County and less than 1 percent of the state's population.

Natick's population growth history is very similar to that of many towns close to Route 128. Following World War II, the combined forces of regional highway construction, the "Baby Boom," subdivision laws that favor tract development, and mortgage lending practices that encouraged white mobility out of the cities converged to cause rapid population growth in the suburbs

⁶ The Warren Group, "Town Stats," 2019.

⁷ For purposes of this HPP, the surrounding towns consist of Framingham, Sherborn, Wayland, Weston, Dover, and Wellesley.

⁸ Sites looked at were Padmapper.com, Zillow.com and Apartments.com. Median gross rent from 2012-2017 American Community Survey 5-Year Estimates, B25064.

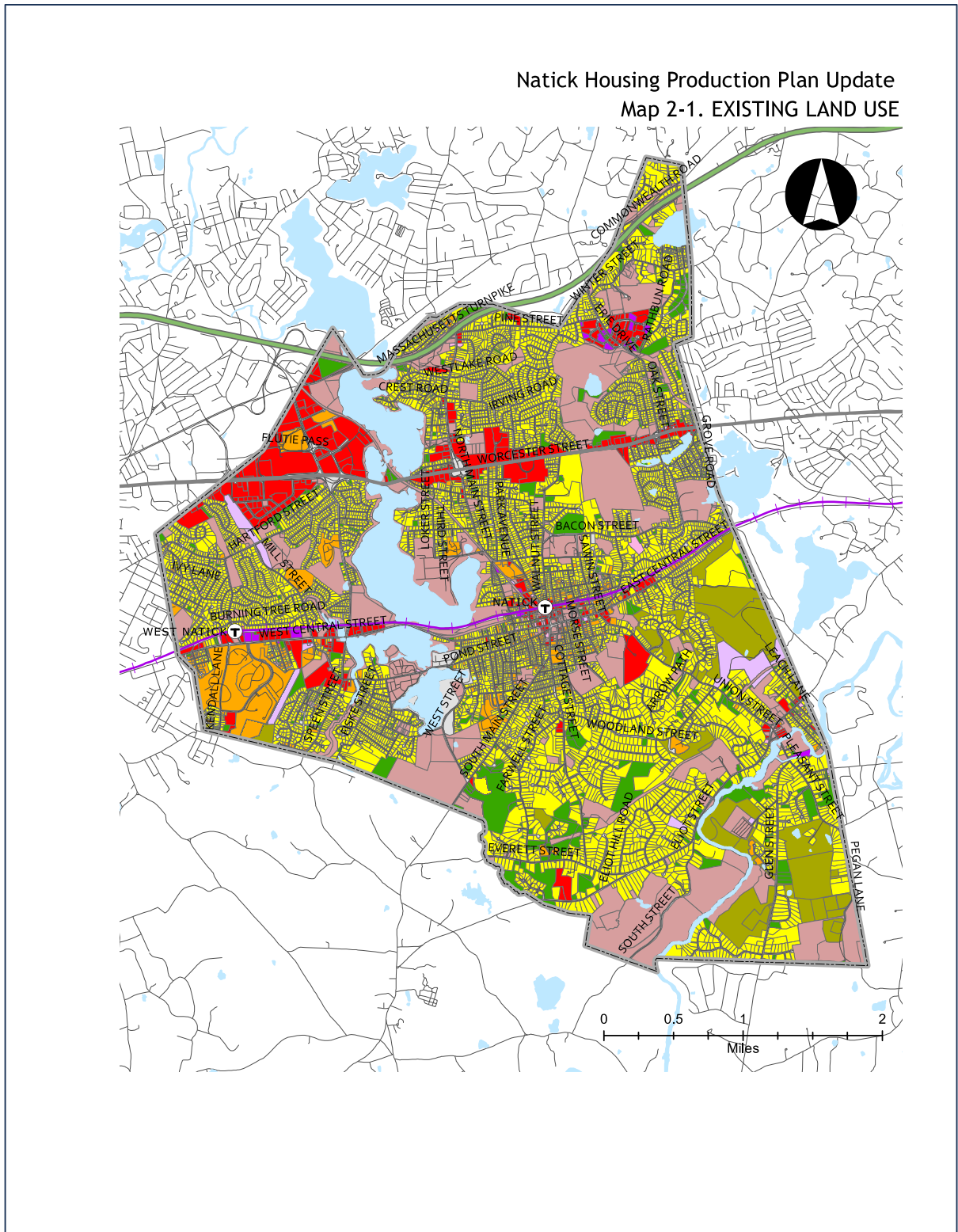
⁹ United States Department of Housing and Urban Development, CHAS 2011-15.

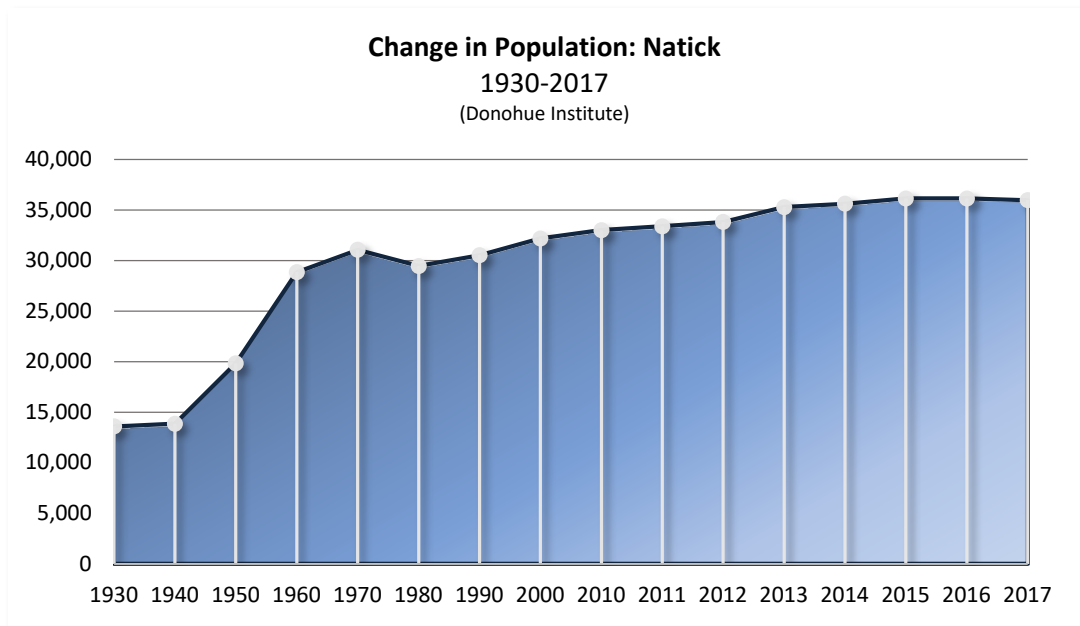
¹⁰ U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates, B11003 .

between 1950 and 1970. In that one 20-year period, Natick gained over 11,000 people and about 3,800 housing units: 26 percent of today's entire housing inventory.¹¹

¹¹ Social Explorer, SE:A10055. Occupied Housing Units by Year Structure Built.

Map 2-1/Existing Land Use

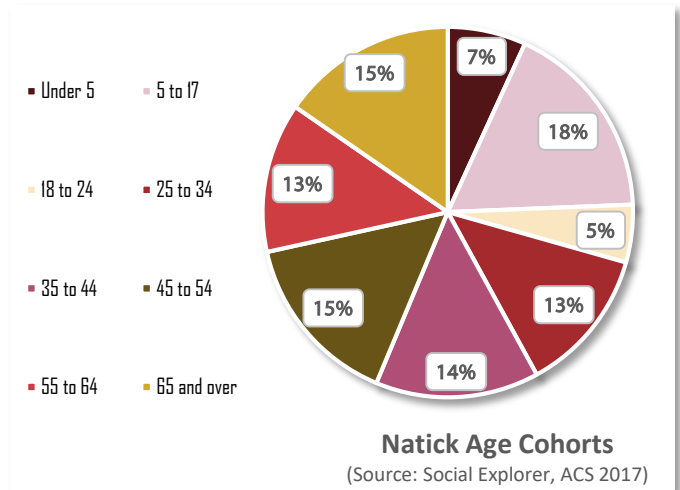




Natick has become increasingly attractive to younger households, and this has had an impact on the town's housing market. Several townhouse, multifamily, and mixed-use developments have been built in Natick, especially in West Natick by the Natick Mall, offering some affordability and quite a bit of choice to buyers and renters. Nevertheless, Natick has not been immune to regional pressures for "mansionization," too, and this is changing the character and demographic make-up of Natick's traditional single-family neighborhoods. According to available data, market pressure for a place to live in Natick has culminated in an 8.6 percent increase in total housing units since 2010, from 13,706 units to 14,882 units.¹²

POPULATION AGE

Natick's population age trends largely mirror conditions throughout Eastern Massachusetts. The population of older adults (people 65 and over) has increased 40 percent since 1990 and could potentially grow another 40 percent by 2030, according to MAPC.¹³ Like other Greater Boston suburbs, Natick tends to have relatively large percentages of people of child-rearing age (35 to 54) and children under 18, and small percentages of people in



¹² Environanalytics,

¹³ Social Explorer, SE:A01001, Age, and MAPC, Metro Boston Population and Housing Demand Projections (2014).

their early twenties. The drop-in “20-somethings” over the past few decades years is noteworthy. In 1990, people 20 to 29 years made up 18 percent of Natick’s total population; in 2017, the most recent year for which ACS estimates are available, that statistics had fallen to 10 percent.¹⁴

MOBILITY



According to the American Community Survey 2013-2017, 88.4 percent of Natick residents had lived in the same house for more than a year, leaving 11.6 percent that had moved recently. Census data suggest that people who leave Natick tend to move somewhere else in Middlesex County, and these are likely “move-ups.”¹⁵ Some may also be older adults leaving for more affordability or assisted living. The highest rate of ex-migration is among people 30 and 34 years. By contrast, in-migration tends to come from within Middlesex County as well, or from another state. People 25 to 29 represent a larger share of move-ins than other age groups, and this may be related to the large number of apartments built in Natick since the recession.¹⁶

RACE AND ETHNICITY

Natick has more racial and ethnic diversity than many of its neighbors, though less than the Greater Boston area. The town remains white (83 percent), and the largest minority group is Asian, at 12.5 percent of the total population.¹⁷ Many of Natick’s 6,400 foreign-born residents came from India (27 percent) or China (17 percent).¹⁸ Less than 2 percent of the population is Black, which places Natick well below regional parity with the Boston metro area (8 percent). (Map 2-2/Race by Census Tract)

Table 2.1. Population and Race

| | Framingham | Natick | Sherborn | Wayland | Weston | Dover | Wellesley |
|-----------------------------------|------------|--------|----------|---------|--------|-------|-----------|
| Total Population | 71,232 | 35,957 | 4,302 | 13,700 | 12,027 | 5,922 | 29,004 |
| White | 73.0% | 82.9% | 91.7% | 86.0% | 82.6% | 87.2% | 82.2% |
| Black, African American | 6.7% | 1.8% | 0.4% | 0.7% | 2.0% | 3.0% | 3.2% |
| American Indian and Alaska Native | 0.5% | 0.1% | 0.0% | 0.0% | 0.1% | 0.0% | 0.1% |
| Asian | 7.8% | 12.5% | 4.1% | 11.0% | 10.8% | 8.0% | 11.2% |
| Hawaiian, Pac. Islander | 0.0% | 0.0% | 0.0% | 0.3% | 0.0% | 0.0% | 0.1% |
| Some Other Race | 7.5% | 1.3% | 0.5% | 0.5% | 2.3% | 0.0% | 0.9% |
| Two or More Races | 4.4% | 1.5% | 3.3% | 1.6% | 2.2% | 1.7% | 2.4% |

Source: Social Explorer, A03001, citing American Community Survey, and Barrett Planning Group.

¹⁴ Massachusetts Housing Partnership (MHP), Data Town.

¹⁵ “Move ups” refer to moving into larger, more expensive homes. This also known as a “trade up.”

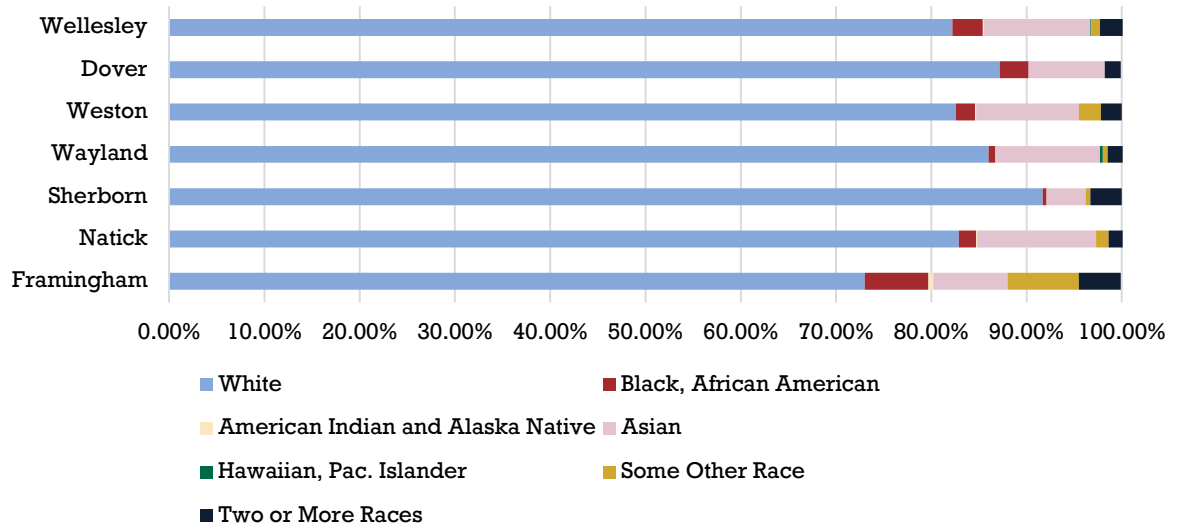
¹⁶ ACS 2012-2017 5-Year Estimates, B07401, B07001.

¹⁷ U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates, B02001.

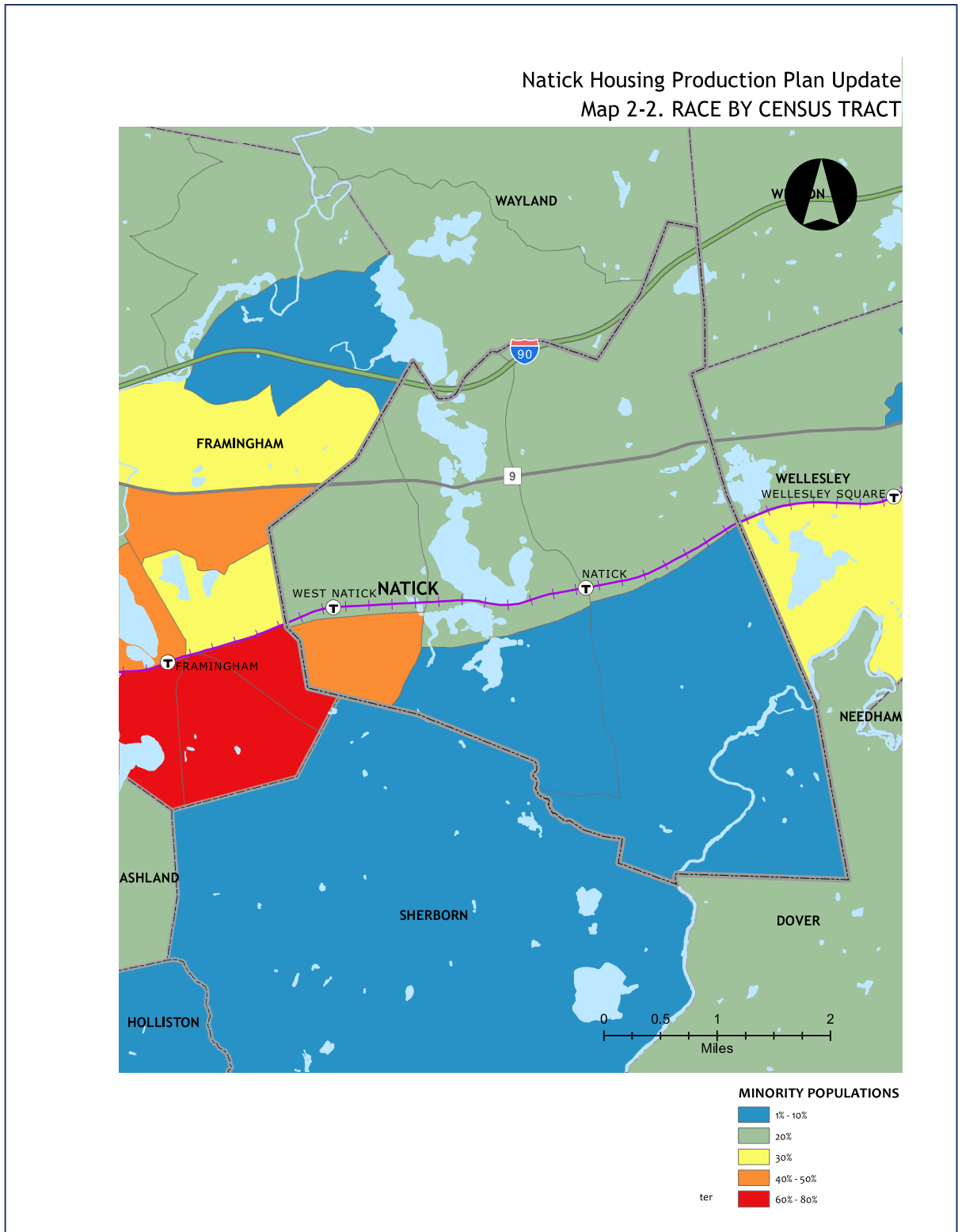
¹⁸ ACS 2012-2017 5-Year Estimates, B05006.

Population and Race

(Source: Social Explorer, ACS 2017)



Map 2-2/Race by Census Tract



EDUCATION



The American Community Survey reports that 68 percent of Natick residents 25 and older hold at least a college or graduate degree. This means that overall, Natick's labor force is competitive in the regional labor market. Though not as highly educated as residents of its wealthier neighbors, Natick's adult population is also a more diverse group of workers, with a variety of jobs distributed among multiple industry types.

Natick has a well-respected school system in the Commonwealth, that many residents, municipal staff, and community volunteers attest attracted them to the town. About 87 percent of children K-12 attend public school, which is on the higher end of MetroWest communities.¹⁹ The overwhelming majority of Natick High School graduates attend college (public or private), with less than 6 percent choosing post-graduation employment or military service. The town has four private schools and is a member of the ACCEPT educational collaborative.²⁰ The ACCEPT education collaborative a regional non-profit educational organization in the MetroWest Boston region. They provide programs and services addressing academics, behavioral and therapeutic needs, life skills, and specialized services, particularly for those with autism spectrum disorders, emotional/behavioral needs, global impairments/medically involved disabilities, cognitive/intellectual disabilities, language disorders, ADHD/ADD, and nonverbal learning disabilities.

LABOR FORCE AND EMPLOYMENT



Natick is a regional employment center with a large employment base. There are 1,550 employer establishments²¹ in the town, employing a combined total of 23,142 people. The most recently reported average weekly wage is \$1,343.²² The **unemployment rate** is 3.9 percent, lower than Massachusetts (6 percent) and Middlesex County (4.8 percent). Unemployment rates measure the percentage of people in the labor force that do not currently have a job or who are presently looking for work. A low unemployment rate is a positive sign that indicates a strong economy, a well-rounded and educated workforce, and availability of employment opportunities at the local and regional level.

Natick's **labor force participation rate** is 72.5 percent (of the civilian population 16 years and older). These figures exceed the state (67.3 percent) and county percentages (69.7 percent). A high labor force participation rate usually indicates a large working-age population and generally high education levels, but it also correlates with homeownership rates.

¹⁹ ACS 2012-2017 5-Year Estimates, B15003, S1401.

²⁰ Massachusetts Department of Elementary and Secondary Education, Natick School Profiles.

²¹ The U.S Census Bureau defines an employer establishments as a single physical location where business is conducted or where services or industrial operations are performed. It is not necessarily identical with a company or enterprise, which may consist of one establishment or more. When two or more activities are conducted at a single location under a single ownership, all activities are generally grouped together as a single establishment and classified on the basis of its major activity. Establishments with paid employees include all locations with paid employees any time during the year.

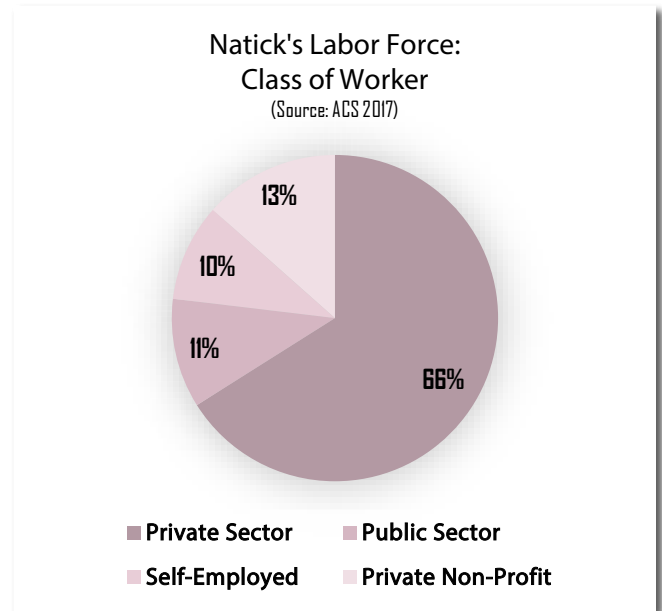
²² Massachusetts Executive office of Labor and Workforce Development (EOLWD), Labor Market Information, "Largest 100 Employers," 2019.

The majority of Natick’s labor force works in the educational, health care, and social assistance industries (28 percent), with professional, scientific, management, and administrative industries trailing just behind (20 percent). Well over half of Natick residents work for private-sector establishments, and about 10 percent are self-employed.

There are 4,679 people who both live and work in Natick based on 2015 state data.²³ The **jobs to housing ratio**, or the indication of the adequacy of employment and housing in a given community, is 1.6 in Natick. This means that there are 1.6 jobs for every one housing unit in Natick. A 1.6 ratio is generally considered a measure of reasonably balanced opportunities in a community.

Median earnings for workers in Natick average \$59,062, with women earning an average of 61 percent of what their male counterparts earn. As seen in many other Massachusetts towns, median earnings are often higher when public transportation options exist. Approximately 8 percent of Natick residents use some form of public transportation in Natick, and they are the highest earning workers in the total population.²⁴ The presence of two commuter rail stops has positively influenced median household incomes and median earnings in Natick as professionals seek alternative transit into Boston. Access to public transportation gives the town a competitive regional edge while simultaneously making it more attractive to professionals of all ages who are avoiding the high cost of living in Boston. However, there is not really equitable access to public transportation in Natick because for lower-income workers, the ability to choose transit depends in part on proximity.

Workforce and mixed-income housing near transit could benefit residents if the Town expanded its stock. Residents could also benefit from the provision of technical training and professional career skill-enhancement. During the planning process for this HPP update, interviewees actively engaged in the community reported that blue collar workers in Natick are struggling to keep up with high-profile employers in the area, competing with skills needed for such fields as data science, mechanical engineering, and the life sciences.



²³ ACS 2011-2015 5-Year Estimates, A DP03 and C24050, and MCD/County to MCD/County Journey to Work Tables.

²⁴ U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates, S2411, B08301, B08121.

DISABILITY



Approximately 8 percent of Natick's population (2,949) has some type of **disability**: a person with a physical or mental impairment that substantially limits one or more major life activity, as defined in the Americans with Disabilities Act (ADA). The median earnings of residents with a disability is just half the earnings of Natick residents with no disability.

POVERTY



Of total households in Natick, about 1% are at or below the poverty level compared with 8 percent in the state and 5 percent in Middlesex County. Poverty rates were highest among married-couple families with 1-2 children and single women with 1-2 children.²⁵ The poverty rate for older adults (65 and over) is 4.5 percent, which is about average for MetroWest towns. Concern over poverty rates is exacerbated by the present lack of deeply subsidized housing for lower-income individuals and families.

GROUP QUARTERS POPULATIONS

8.3 % of Natick's noninstitutionalized population has a disability.

Group quarters are defined as unrelated people living in a group residence or facility owned or managed between by an entity that provides housing/services for those residents. Common examples of group homes are college dorms, prisons, nursing homes and convents. One percent of Natick's total population (382 residents) reside in some type of group quarters. A total of 8.3 percent of Natick's noninstitutionalized civilian population has a disability, which is lower than the county percentage of 9.2 percent and the state percentage of 11.6 percent. However, it is higher than most of the towns in the subregional comparison such as Dover (5.5 percent), Wellesley (6.4 percent), and Wayland (6.6 percent).²⁶

Household Characteristics



A **household** consists of all the people who occupy a dwelling as a single housekeeping unit. It includes related family members (**families**), single people living alone, and unrelated people living together like a family. The Census Bureau's estimate of a community's households will always be the same as its estimate of **occupied housing units**.

About half of Natick's families have children under 18, and as is typical of most suburbs, the vast majority of the families with children are married couples.²⁷ Still, as Table 2.2 shows, the number of married couples without dependent children is almost the same as the number with dependents. This is no surprise because Natick's population is aging along with that of the region. Today, some 27 percent of all households in Natick have one or more people age 65 or over, and sometimes these are families with a live-in grandparent or an older couple raising grandchildren. Seniors living alone comprise 12 percent of all households, and a majority of the seniors living alone are women.

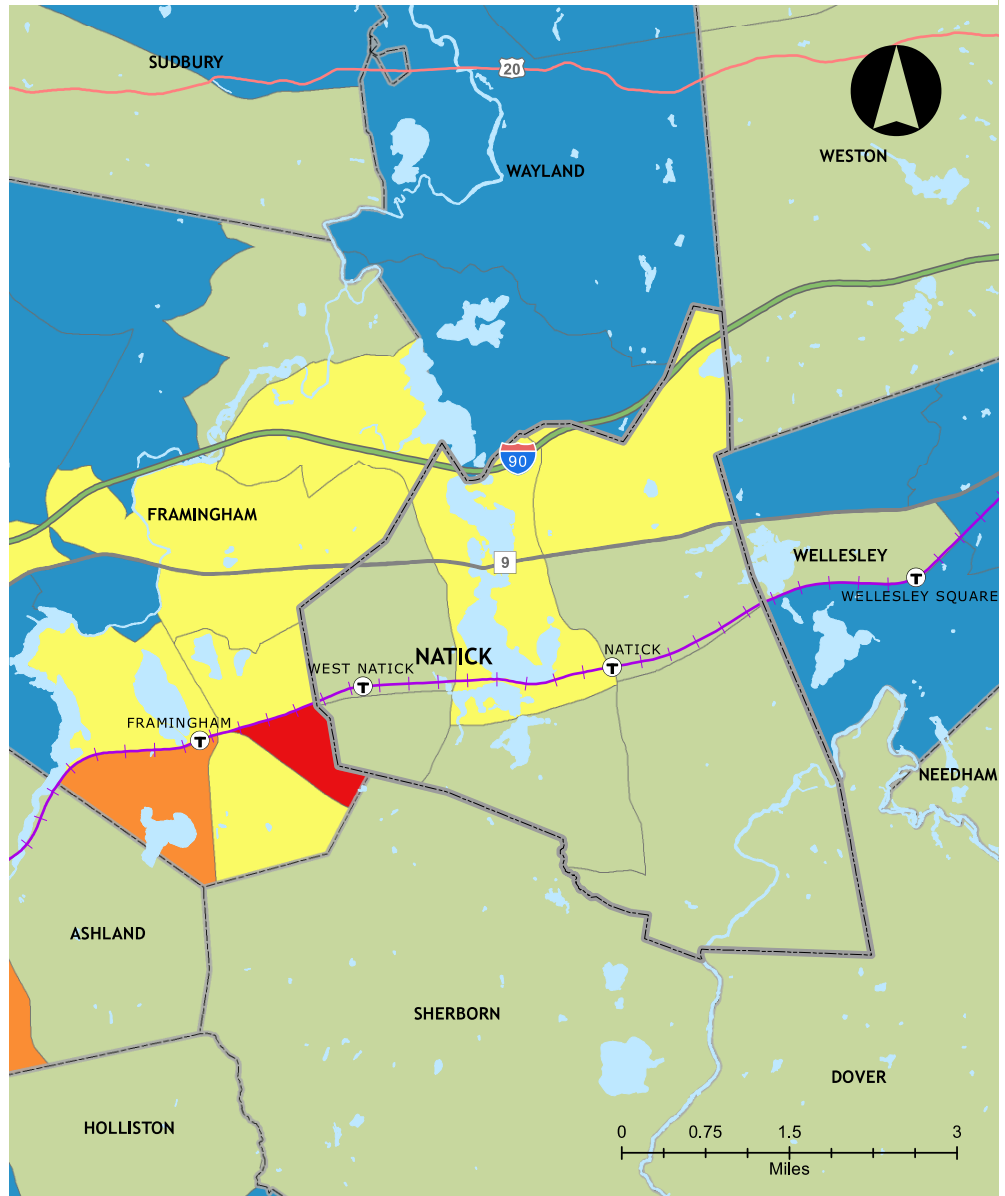
²⁵ ACS 2012-2017 5-Year Estimates, B17023.

²⁶ ACS 2012-2017 5-Year Estimates, B26001, S1810.

²⁷ ACS 2012-2017 5-Year Estimates, B11003.

Map 2-3/Household Characteristics

Natick Housing Production Plan Update
Map 2-3. HOUSEHOLD/SINGLE-PARENT FAMILIES



Nonfamily households are 33 percent of households in Natick, and roughly 52 percent are single people living alone.²⁸

| Table 2.2. Families by Type and Presence of Dependent Children | | | |
|---|---------|----------------------------|------------------------------|
| Family Type | Married | Unmarried Male Householder | Unmarried Female Householder |
| Total Families | 8,075 | 306 | 1,146 |
| With Children under 18 | 4,145 | 97 | 556 |
| Without Children under 18 | 3,930 | 209 | 590 |

Source: 2012-2017 American Community Survey 5-Year Estimates

The most systematic demographic and housing data collection in the United States is conducted by the Census Bureau, and this makes Census data invaluable for housing studies. Still, some of the Census Bureau's terminology for describing households and families does not always capture current trends in household composition. For example, the Census Bureau estimates how many households and families include **nonrelatives**, but households of nonrelatives in federal census terms often function as families. Single-parent families with a nonrelative may actually be a family of unmarried partners – people who function as a married couple but are not married.

In Natick today, unmarried partners comprise 3.3 percent of all households, but since they do not fit the federal definition of a "family," they are not counted as families and nothing about their households is included in the statistical profile of families. Natick also has households that are effectively roommates – people sharing a dwelling unit and all of the responsibilities of a single housekeeping unit. Sometimes "doubling up" points to a shortage of affordable units and sometimes it is simply for the convenience of people who choose to share a unit. Whatever the reason for nonrelative living arrangements, the point is that households have changed and they continue to change, which means that diversifying housing options has become increasingly important in cities and suburban economic centers.²⁹

MAPC projects that by 2030, Natick will have 15,282 households (2.6 percent growth).³⁰ This is similar to Natick's projected population growth rate, which is much slower than the rate of growth that occurred over the past decade. However, Natick is still very much in demand, with a combined increase in total housing units and total assessed home values since 2010.

HOUSEHOLD INCOME



The median household income in Natick, \$106,027, is high compared to the state as a whole and somewhat lower than that of surrounding towns.³¹ "Lower" has to be placed in context, though, because Middlesex County one of the wealthiest counties in the United States, currently ranked

²⁸ ACS 2012-2017 5-Year Estimates, B11007, B11010, B10063, B11016.

²⁹ U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates, B11002, B11009.

³⁰ Metropolitan Area Planning Council, "Population and Housing Demand Projections for Metro Boston Executive Summary," Stronger-Region Scenario: Housing Municipal Report, January 2014.

³¹ U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates, B19013.

thirty-fifth in highest median household income.³² Relative wealth has risen so much in Eastern Massachusetts that being on the lower end of the regional income continuum is somewhat of a misnomer. Natick households generally are less affluent than their counterparts in Wellesley, Dover, or Sherborn, but their economic position overall is higher than that of households in Middlesex County as a whole. (Map 2-4, Household Income by Census Tract)

As is the case just about everywhere, the highest-income households in Natick are the 45-to-64 age group, with a median income of \$135,114 in 2017. Older adults (65 and over) have significantly lower incomes, with a median of \$52,061.

Housing Characteristics

Natick's population and housing supply have risen steadily since the 1950s, with an uptick in development around 2000. Growth has been somewhat slower since 2010, but this is partially due to the lag associated with post-recession recovery. The success of Natick's housing market can be attributed to multiple factors: proximity to Boston, good schools, access to public transportation, the size of the employment base, and somewhat less expensive housing compared to many of the surrounding towns. In recent years, the highest growth rates by age of householder have occurred among homeowners 65 to 74 years and renters 25 to 34 years. The total number of housing units in Natick has increased by 8.6 percent since 2010.³³

There are currently 14,882 housing units in Natick, 72 percent of which are owner-occupied. Natick has 2.4 percent of all housing units in Middlesex County and 0.5 percent of total housing units in the state. It is a significant player in the MetroWest housing market.³⁴

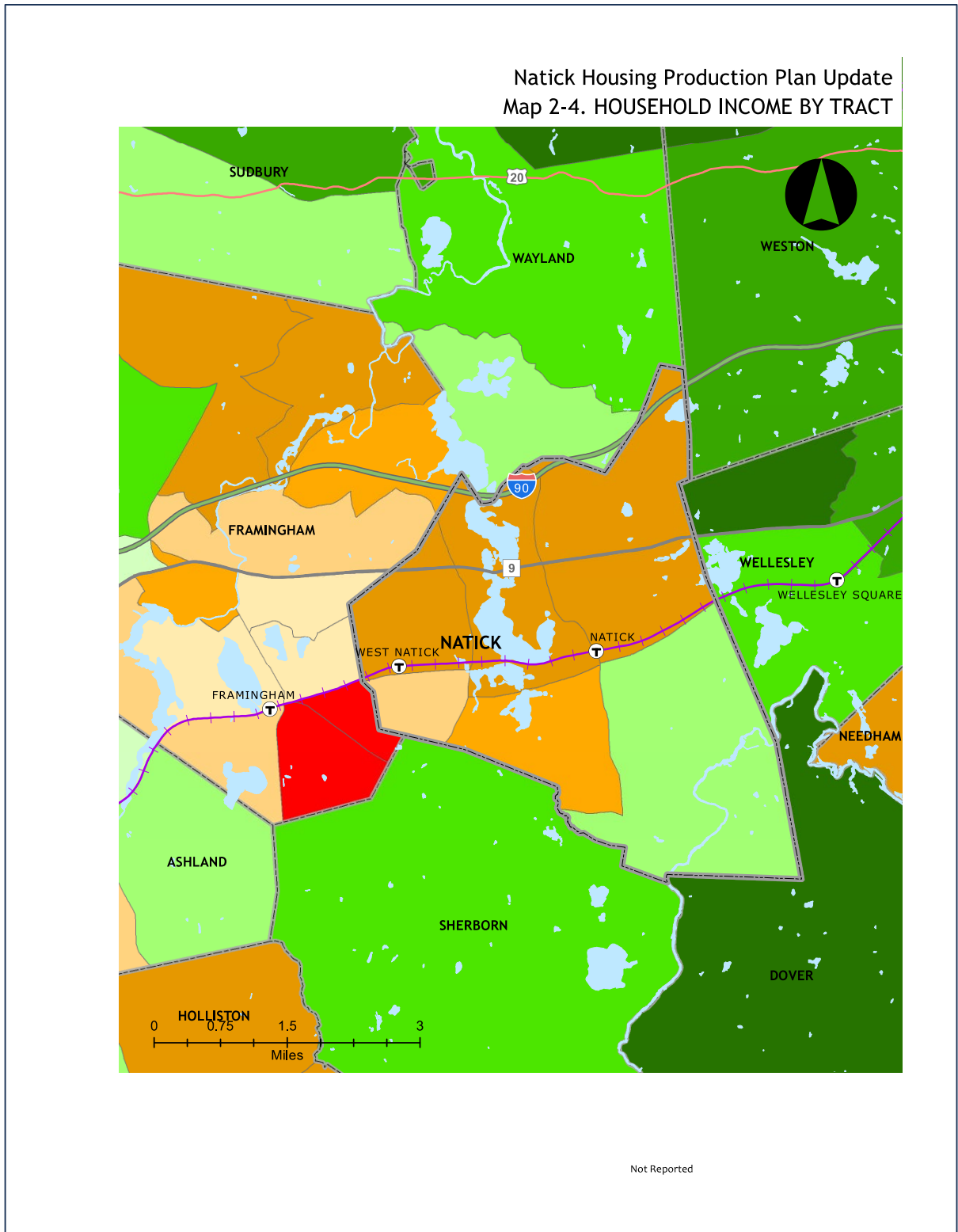
Of Natick's 14,882 housing units, most are owner-occupied, but Natick also has a large inventory of rental housing. This is partially due to the Town's own efforts (through zoning and other means) and partially because Chapter 40B has played a prominent role in Natick's recent housing history. The current housing stock is 60 percent

³² The Boston Globe, U.S. Census Bureau, 2012-2017 American Community Survey 5-Year Estimates, "Five-Year Trends Available for Median Household Income, Poverty Rates and Computer and Internet Use," December 6, 2018.

³³ UMASS Donohue Institute, Massachusetts State Data Center, 2019; and ACS 2012-2017, B25007 and B25001.

³⁴ ACS 2012-2017 5-Year Estimates, B25003.

Map 2-4/Household Income by Census Tract



detached single-family homes and 35 percent total multi-family housing. The remaining five percent account for mobile homes, boats, RV's, vans and similar living situations. The rental vacancy rate is 4 percent and the ownership vacancy rate is 0.4 percent.³⁵ The rental vacancy rate for the state of Massachusetts is also 4 percent and the state homeownership vacancy rate is 1.1 percent.

AGE OF HOUSING STOCK

Much of Natick's housing stock was built after World War II, with the majority being constructed earlier than 1960 (58 percent).³⁶ There was a noticeable construction boom between 1980 and 2000 when about 30 percent of the current housing supply was built. Only 4 percent of the current supply is new. For the most part, Natick's housing age and production history are similar to many of its neighbors. The prevalence of units built between 1940 and 1960 in Natick and the region is a key contributor to the number of teardowns all of these communities have begun to experience.

Table 2.3. Housing Age in Natick and the Subregion

| | 1949 or Earlier | % of Units | 1950 to 1979 | % of Units | 1980 to 2009 | % of Units | 2010 or Later | % of Units |
|------------|-----------------|------------|--------------|------------|--------------|------------|---------------|------------|
| Framingham | 7,194 | 25% | 16,057 | 56% | 5,217 | 18% | 373 | 1% |
| Natick | 4,664 | 31% | 5,026 | 34% | 4,528 | 30% | 664 | 4% |
| Sherborn | 339 | 22% | 794 | 51% | 398 | 26% | 19 | 1% |
| Wayland | 1,105 | 21% | 3,084 | 59% | 970 | 18% | 109 | 2% |
| Weston | 1,062 | 27% | 1,782 | 45% | 982 | 25% | 133 | 3% |
| Dover | 345 | 16% | 1,098 | 52% | 579 | 27% | 90 | 4% |
| Wellesley | 4,571 | 50% | 2,934 | 32% | 1,328 | 14% | 388 | 4% |

Source: 2012-2017 American Community Survey 5-Year Estimates

HOUSING VALUES AND SALE PRICES



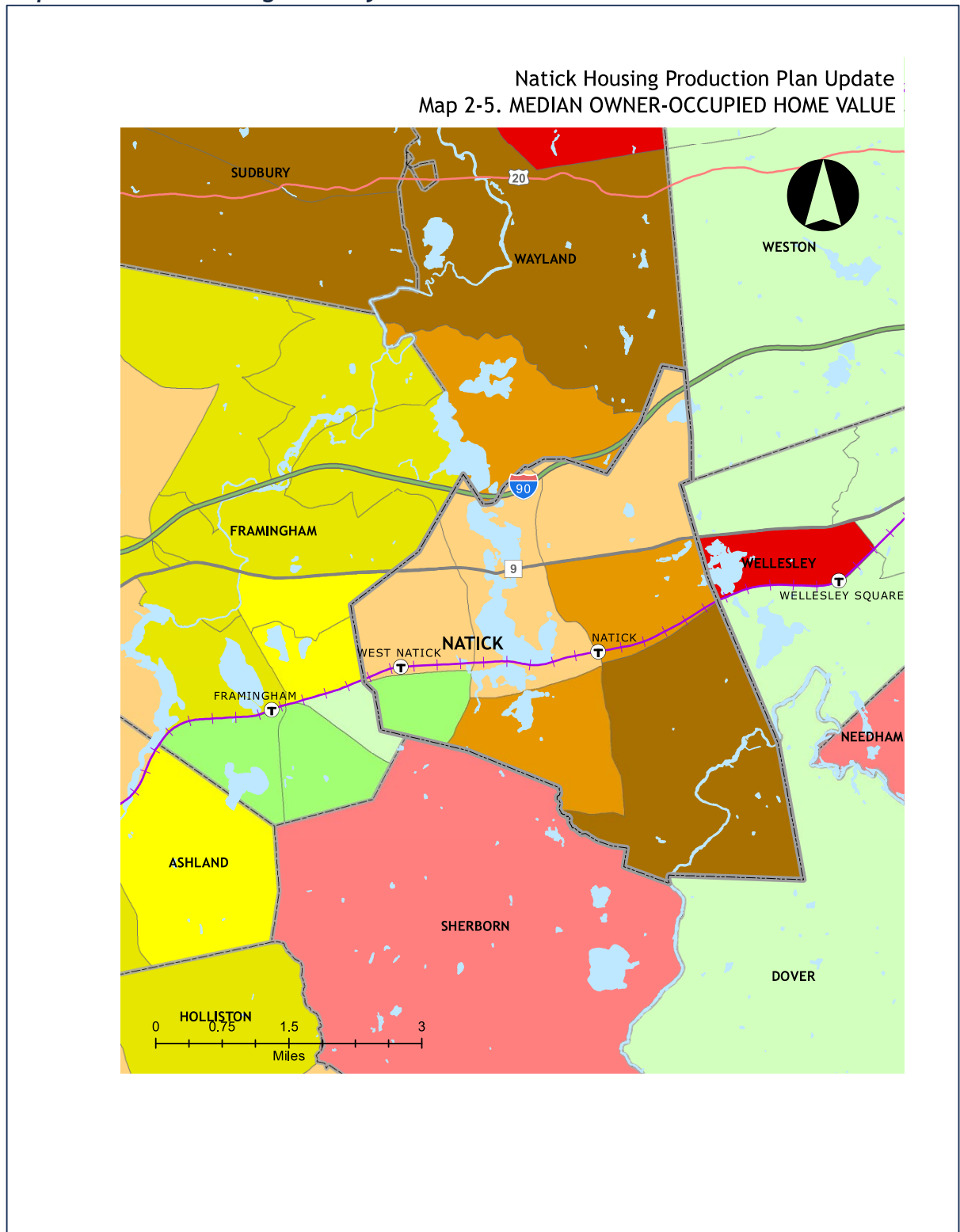
ACS reports that the median housing value in Natick has risen 15 percent since 2010. Natick's housing values are fairly competitive compared to its neighbors and Middlesex County overall (\$453,300), but the median home value remains \$144,600 higher than that of the state. The median value is a good way to compare municipalities in a region, but it does not reflect what homes are actually being sold for. For example, the median housing value is currently \$497,200, but the median sales price for a single-family home is \$565,000. According to a survey completed in 2018, Natick fell in the middle pricing range in a 2017 comparison of all state median single-family home prices, ranking 110 out of 351 municipalities.³⁷ (Map 2-5/Median Housing Value by Census Tract)

³⁵ ACS 2012- 5-Year Estimates, B25024, DP04.

³⁶ ACS 2012-2017 5-Year Estimates, B25034.

³⁷ ACS 2012-2017, B25077, The Warren Group, "Town Stats," and Boston Magazine, Massachusetts Association of Realtors and MLS Property Information Network, "Single-Family Home Prices in Greater Boston 2018," 2018.

Map 2-5/Median Housing Value by Census Tract



There have been 3,131 reported single-family home sales in Natick since 2010, or about 391 per year.³⁸ There were 717 home sales and 368 condominium sales between 2017-2018 alone. An increase in sales is present and is projected to grow in tandem with population between now and 2030, with MAPC reporting an 9 percent rise in households and a 6 percent rise in housing unit demand between 2020 and 2030.³⁹

Home prices and demand may be rising, but number of annual sales has remained relatively consistent between 2000 and 2018. As we can see in Table 2.4, the fluctuations have been within the range of 500-700 total sales per year. As housing values continue to rise and families look to Natick for viable options, it is likely Natick will experience pressure to grow its single-family housing stock. This could ultimately result in more teardown/rebuild projects without more aggressive regulatory measures by the town, yet in many Eastern Massachusetts suburbs, steps to curb teardowns have attracted both supporters and considerable opposition.

| Table 2.4. Owner-Occupied Housing Values and Number of Sales | | | | | |
|---|----------------------------|----------------------|--------------------------|-------------|-------------------------|
| Year | Single-Family Median Price | Condo – Median Price | All Sales - Median Price | Total Sales | Percent Change in Sales |
| 2000 | \$314,950 | \$132,500 | \$255,900 | 727 | 12.3% |
| 2010 | \$400,000 | \$349,950 | \$380,000 | 570 | -2.0% |
| 2018 | \$600,000 | \$308,500 | \$565,000 | 613 | 7.60% |
| <i>Source: The Warren Group, 2019</i> | | | | | |

The median sales prices for homes in Massachusetts has risen across the board and in Natick, too, yet the town has maintained some affordability relative to its neighbors. Still, one interviewee for this housing plan update said it is actually cheaper for her to live in Boston than Natick.

RENTAL HOUSING MARKET⁴⁰

Natick has more rental options than the comparative subregion.⁴¹ Despite the amount of rental development that has happened here, however, some MetroWest towns have attracted more new rental housing recently and this may be because Natick was already close to and has now surpassed the 10 percent minimum under Chapter 40B. There is a larger variety in style and price range in Framingham, but this has always been the case. Current market rate rents for apartments in Natick are reported in Table 2.5 below.

³⁸ The Warren Group, “Town Stats,” Natick MA, 2019.

³⁹ Metropolitan Area Planning Council, “Population and Housing Demand Projections for Metro Boston Executive Summary,” Stronger-Region Scenario: Housing Municipal Report, January 2014.

⁴⁰ Make sure people know the census median rent is based on all rental units in the community, including subsidized and PHA.

⁴¹ For purposes of this HPP, the comparative subregion consists of Framingham, Sherborn, Wayland, Weston, Dover, and Wellesley.

| Table 2.5. Market Rate Rental Rates | | | | | | | | | |
|--|---------|---------|-------------|---------|---------|-------------|------|---------|-------------|
| Development | 1 BR | Sq. Ft. | \$/ Sq. Ft. | 2 BR | Sq. Ft. | \$/ Sq. Ft. | 3 BR | Sq. Ft. | \$/ Sq. Ft. |
| Modera Natick Center | \$2,427 | 779 | \$3.11 | \$3,408 | 1,000 | \$3.41 | - | - | - |
| Cloverleaf Apartments | \$2,125 | 700 | \$3.03 | \$2,550 | 1,030 | 2.47 | - | - | - |
| Avalon Natick | \$2,300 | 717 | \$3.2 | \$2,570 | 1,074 | \$2.39 | - | - | - |
| Lakeview Gardens | \$1,495 | 650 | \$2.3 | \$1,695 | 750 | \$2.26 | - | - | - |
| Avenu Natick | \$3,125 | 759 | \$4.11 | \$4,055 | 914 | \$4.44 | - | - | - |
| Kendall Crossing | \$1,496 | 735 | \$2.04 | \$1,835 | 932 | \$1.96 | - | - | - |
| <i>Source: Apartments.com, Padmapper.com, 2019</i> | | | | | | | | | |

One-bedroom market rate rents for these five developments ranged from \$1,495 to \$3,955 during this survey. Two-bedroom units ranged from \$1,695 to \$5,812. There was no availability of three-bedroom units in Natick at the time of this survey. The prices in Table 2.5 portray the lowest asking price for each unit type. These developments are located in either Natick Center or by the Natick Mall in West Natick. Housing interviewees reiterated that the majority of market-rate rental options are located in these areas, with limited options throughout the rest of town.

Housing Affordability

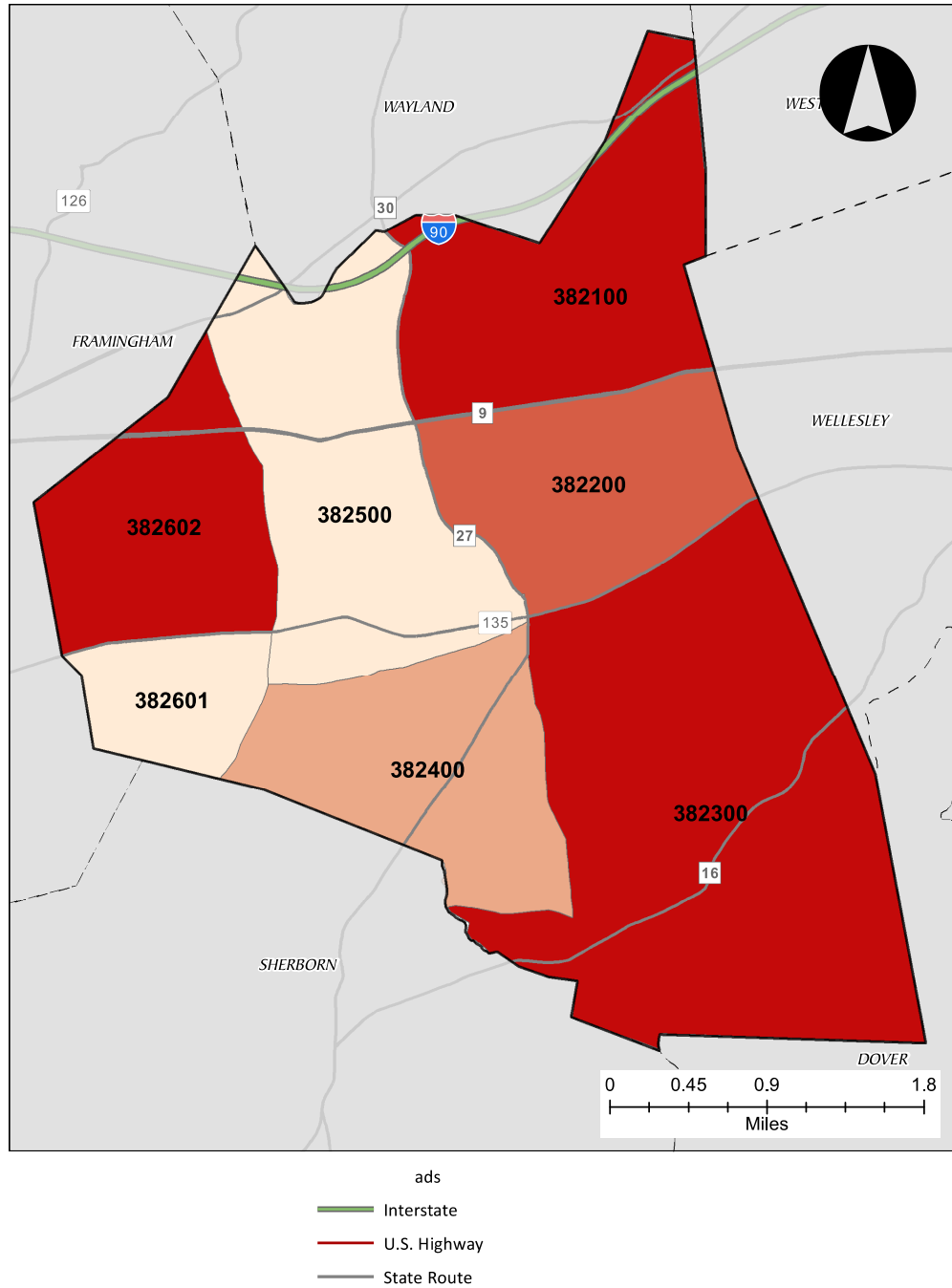
Housing cost burden is defined by the United States Department of Housing and Urban Development (HUD) as the condition in which low-or-moderate income households spend more than 30 percent of their gross income on housing. When low-to-moderate income households spend more than 50 percent of their monthly income on housing, they are defined as **severely cost burdened**.

Measuring cost-burden in a community is a basic part of evaluating the need for affordable housing. According to the most recent estimates from HUD, 60 percent of all lower-income households in Natick are cost-burdened, and 29 percent are severely cost-burdened.⁴² It was stated during our interviews that it is the cost-burdened households that often receive lower funding, despite the rising need for units and for those units to be better designed. Of current affordable units, 29 percent have a least one of four major housing problems as defined by HUD, and 13 percent have at least one severe housing problem.⁴³ Maps 2-6 and 2-7 below contains a detailed breakdown of cost-burdened households in Natick.

⁴² Natick 2030+ Comprehensive Master Plan, "Demographics and Housing Existing Conditions," 2019.

⁴³ United States Department of Housing and Urban Development, CHAS 2011-15.

Map 2-6/Housing Cost Burden by Census Tract - Ownership



Map 2-7/Housing Cost Burden by Census Tract - Rental

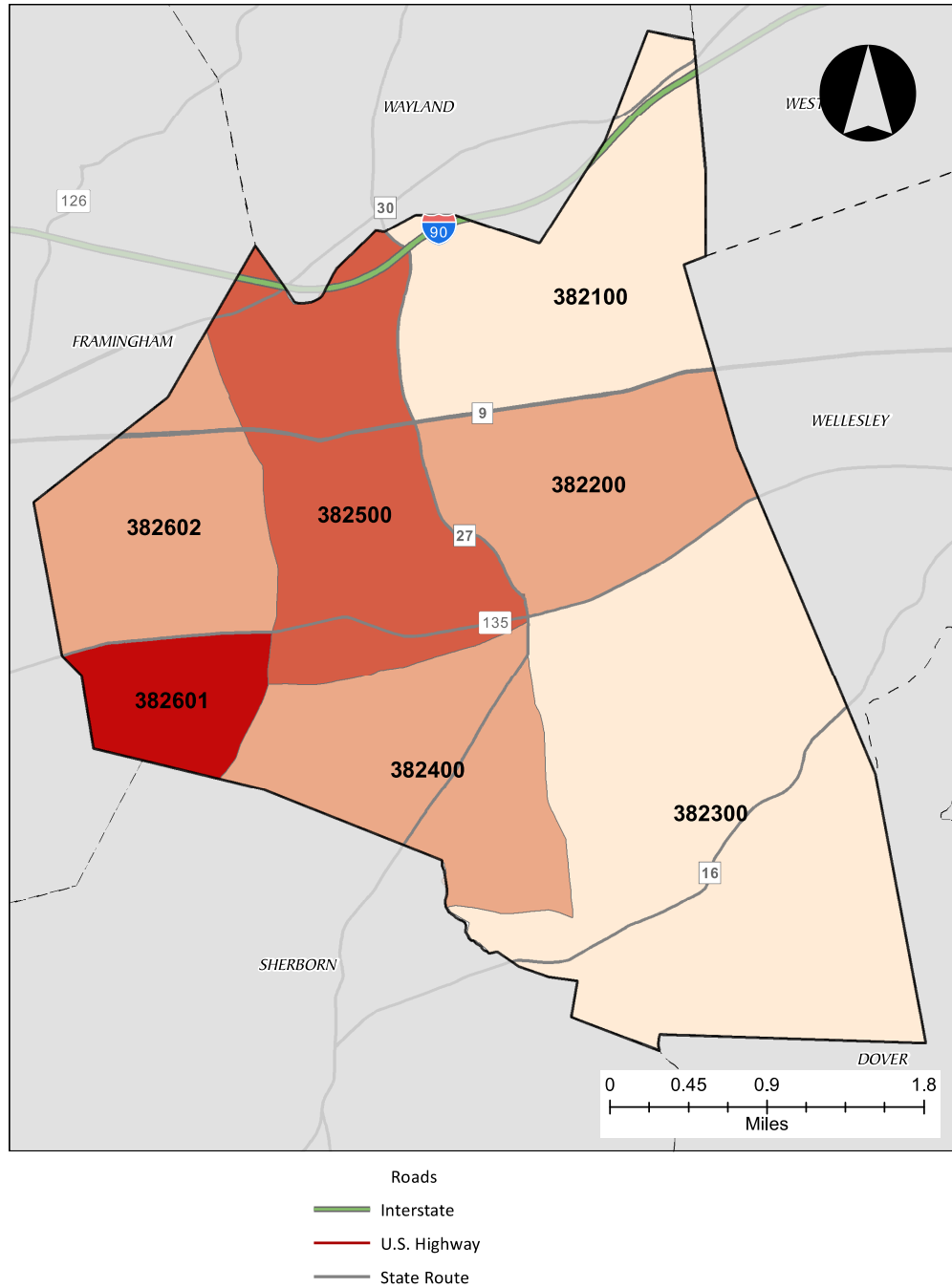


Table 2.6. Estimate of Housing Cost Burdened Households in Natick by Income Range

| Income by Housing Problems | Cost Burdened | Total in Income Group | Percent Cost Burdened | Percent Owners |
|----------------------------|---------------|-----------------------|-----------------------|----------------|
| Extremely Low Income | 985 | 1,355 | 72.7% | 49.7% |
| Very Low Income | 850 | 1,410 | 60.3% | 57.1% |
| Low Income | 875 | 1,755 | 49.9% | 49.1% |
| Total | 2,710 | 4,520 | 60.0% | 51.8% |

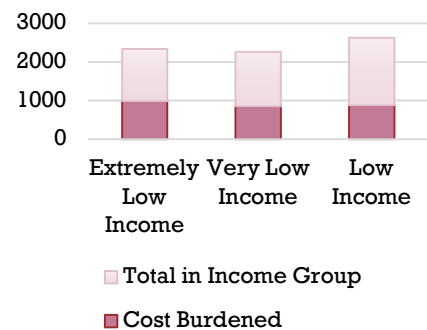
Source: HUD CHAS Data, 2015

Affordability Mismatch is an affordable housing barrier tabulated by HUD that represents housing units in a community that are affordable but unavailable to lower-income households due to their occupation by higher-income households. To measure this, one must look at the number of housing units in the market with rents or home values affordable to people with extremely low incomes (at or below 30 percent of the Area Median Income (AMI)), very low incomes (between 31 and 50 percent AMI), and low incomes (between 51 and 80 percent AMI), the number of households within each income tier, how many live in units they can afford, and how many affordable units have a high probability of housing problems in addition to housing costs. HUD recently reported that 43 percent of affordable units in Natick are actually occupied by households that could afford to pay higher rents. In addition, only one half of affordable units are physically adequate for occupancy.⁴⁴ Physically adequate housing is housing that does not have any one or more of the following four problems identified by HUD:

- Housing unit lacks complete kitchen facilities;
- Housing unit lacks complete plumbing facilities;
- Household is overcrowded; and
- Household is cost burdened.

Cost Burdened Households in Natick

(Source: HUD CHAS)



CHAPTER 40B AND SUBSIDIZED HOUSING

For purposes of setting **area median income (AMI)**, household income limits, and affordable housing prices, HUD includes Natick in Boston-Cambridge-Quincy HUD Metro Area. Under current income limits, the maximum eligible household income for affordable housing for a four-person family in Natick is \$89,200 and for a two-person household, \$71,400. **Chapter 40B** is a Massachusetts law that was enacted in 1969 to make it feasible for developers to build and operate affordable housing and to provide a regional “fair share” of affordable housing in every

The max eligible household income for affordable housing for a family of 4 is \$89,200.

⁴⁴ HUD, CHAS Detail Tables, 2011-2015.

town. Chapter 40B is included in the regional planning law because the need for low-to-moderate income housing is a regional issue.

Affordable units that qualify for the **Chapter 40B Subsidized Housing Inventory (SHI)** have long-term (and often perpetual) protection because a deed restriction controls resale prices and rents. While most communities have affordably priced housing that is not deed-restricted, these units are vulnerable to market conditions and can easily become too expensive for low- or moderate-income people. They are also vulnerable to teardowns, as can be seen in Natick. In addition, units not protected by a deed restriction can be rented or sold to anyone without regard to household income. This can effectively reduce the supply of affordable housing for people who need it most.

Each Massachusetts municipality must have at least 10 percent of its housing stock restricted as affordable and available to people with low or moderate incomes. In most cases, these units are created through a comprehensive permit issued by the Zoning Board of Appeals (ZBA) under Chapter 40B. The **comprehensive permit** is designed to streamline the permitting process because it covers zoning and all other local regulatory approvals. The ZBA can approve (with or without conditions) or deny a comprehensive permit, but in communities that have not met the 10 percent minimum, an aggrieved developer can appeal to the Housing Appeals Committee.

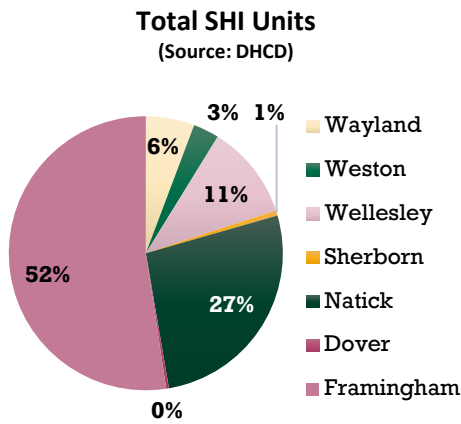
Natick is just over the 10% limit of affordable units mandated by the state, at 10.51%.

The SHI is used to determine if a municipality has reached the 10 percent minimum. Natick is just over the 10 percent minimum at 10.51 percent, with 1,477 units on its Subsidized Housing Inventory (SHI) today.⁴⁵ It is important to note that all of the units on the SHI are not necessarily “affordable” because the inclusion of all apartments in a qualifying rental development means a large number of “counted” units are actually market-rate units. If at least 25 percent of units are for income-eligible households at or below 80 percent AMI, or, if at least 20 percent of units are for households at or below 50 percent AMI, and all criteria outlined for SHI inclusion are met, all of the units in the mixed-income rental development are included on the SHI. A detailed list of the units on Natick’s SHI can be found in the Appendix. Table 2.7 below compares the SHI in Natick and surrounding towns based on the most currently available data.

⁴⁵ Department of Housing and Community Development, Chapter 40B Subsidized Housing Inventory (SHI), May 2019.

| Table 2.7. Snapshot of Regional Subsidized Housing Inventory | | | |
|--|-----------------|--------------------------------------|--------------------|
| Town | Total SHI Units | 2010 Census Year-Round Housing Units | Percent Subsidized |
| Wayland | 317 | 4,957 | 6.39% |
| Weston | 169 | 3,952 | 4.28% |
| Wellesley | 615 | 9,090 | 6.77% |
| Sherborn | 34 | 1,479 | 2.3% |
| Natick | 1,477 | 14,052 | 10.51% |
| Dover | 18 | 1,950 | .92% |
| Framingham | 2,893 | 27,443 | 10.54% |

Source: Department of Housing and Community Development (DHCD), 2019



A common issue in many communities is that older deed riders for affordable units allow for annual increases in sales prices. This has resulted in prices that quickly exceed the maximum sales price for households earning up to 80 percent of AMI. The units are then subject to becoming ineligible to be listed on the SHI. To combat this, the Affordable Housing Trust has worked with owners of affordable units to try to “buy down” their unit so that deed riders can be replaced with the state’s standard Local Initiative Program (LIP) Deed Rider⁴⁶; an example of this is Natick Village. Some municipalities are struggling with projects that use HOME funds for homeownership development and/or down payment

assistance or first-time homebuyer training. There is a disconnect between what HOME will allow and the standard form of deed rider required by DHCD.

Development Opportunities & Constraints

NATICK ZONING OVERVIEW

Communities control the make-up of their populations by the housing growth choices they make!

Zoning is a powerful tool that can provide for housing choices and encourage population diversity. It also can impose, even if not intended, requirements that make housing expensive and effectively limit population diversity. The result may be a disparate impact on populations protected by the federal Fair Housing Act or Massachusetts Fair Housing Law. Communities

⁴⁶ The term of affordability for projects should be the longest period permitted by law. The model LIP Regulatory Agreement and Deed Rider, which constitute “affordable housing restrictions” as defined in M.G.L. c.184 §§ 31 and 32, provide for affordability in perpetuity. A shorter term will be approved only upon showing that a longer term is infeasible or not in the public interest. The term of affordability for LIP purposes will be no less than the term specified in a comprehensive or special permit issued for the project, many of which require perpetual affordability.

largely control the make-up of their populations by the choices they make to control housing growth, so an equitable housing plan must be supported by equitable zoning.

In Natick, multifamily housing (meaning three or more units) is allowed in the Residential Multiple (RM) district and by special permit in the Downtown Mixed-Use District (DM). The minimum lot size in the RM district is 20,000 for the first four units and 4,300 sq. ft. for each additional unit. These metrics translate into a fairly low density by multifamily standards. In addition, the RM and DM districts combined contain less than 1 percent of the town's land area. The Natick 2030+ Master Plan recommends increasing the allowance of by-right integration in Natick Center, as well as general rezoning in neighborhoods with more political and financial support for multi-family and mixed-use development. (Map 2-8/Existing Zoning)

RM and DM districts combined contain less than 1% of Natick's land area.

A modest provision for multifamily dwellings also exists in the Limited Commercial district, but at a low density of six units per acre. There are some other options, such as townhouse clusters by special permit in the Residence Single (RS) district, if the applicant has a 40-acre site, and through special permit cluster development provisions in the RS-B district. Nevertheless, on balance Natick has done more with its own zoning to create for affordable housing than most Eastern Massachusetts towns. Some experiments have been more successful than others, as discussed below.

INCLUSIONARY AFFORDABLE HOUSING

An Inclusionary Affordable Housing Bylaw was approved at the Fall 2018 Town Meeting. It requires affordable units for any project that results in a net increase of two or more units, the subdivision of land for two or more dwelling units under an Inclusionary Housing Special Permit, or any residential project that includes two or more assisted living units.⁴⁷ The bylaw requires fifteen percent (15%) of dwellings in projects with six or more units to be affordable to occupants earning 80% or less of the Boston Area Median Income. Developments with five or fewer dwellings must pay Fees in Lieu of Units to the Natick Affordable Housing Trust.

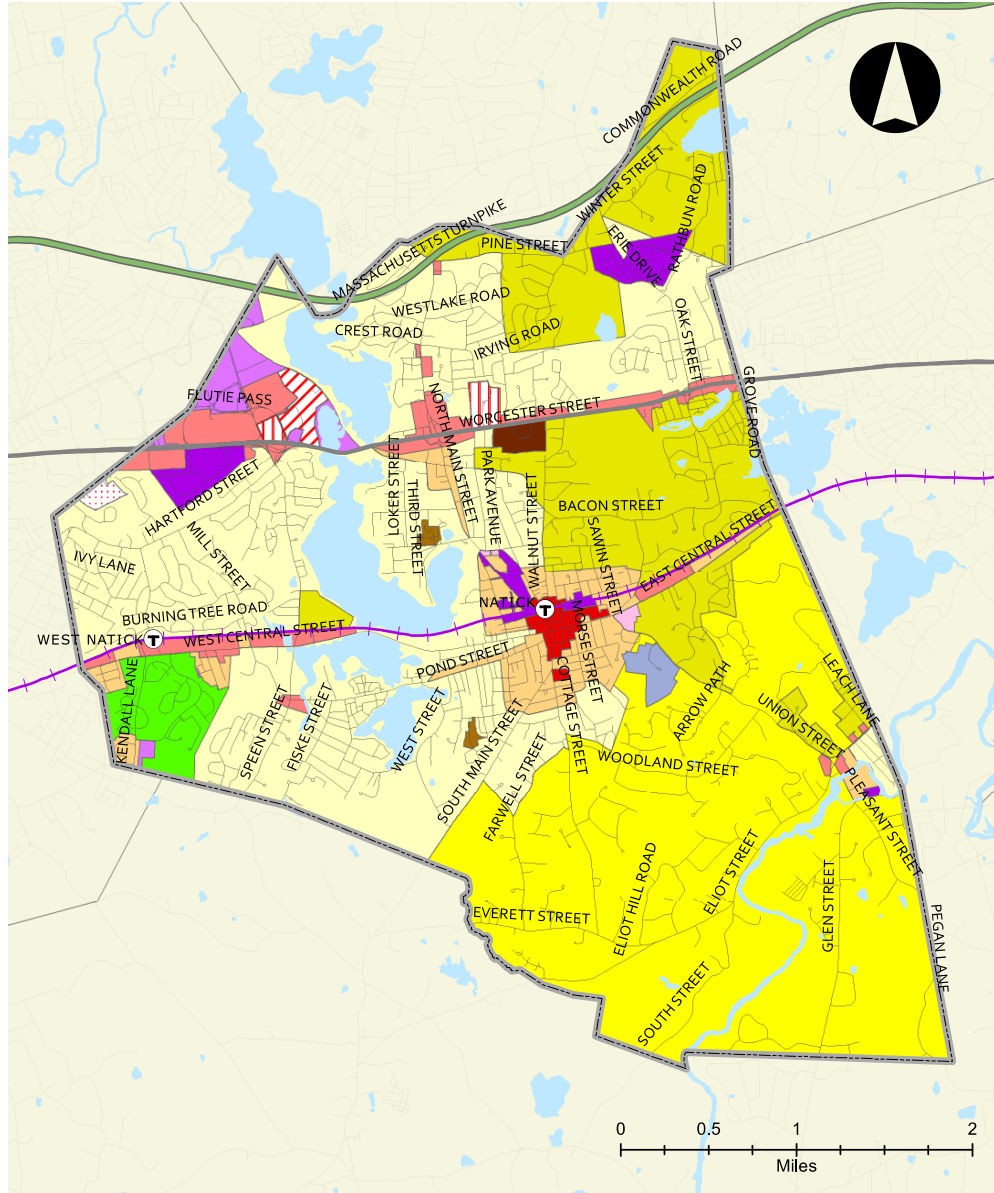
SINGLE FAMILY CLUSTER SUBDIVISIONS

Natick's Fall 2020 Annual Town Meeting approved zoning by-law revisions that allow single family cluster subdivisions on residential lots of two or more acres. At least half of cluster sites must be preserved for permanently protected open space accessible to the public. Single-family homes, townhomes and small single-family cottages (> 1,000 sf) may be constructed on cluster subdivisions. At least thirty percent (30%) of dwellings in a cluster must be moderately sized (< 2,000 sf), and density bonuses can be earned for developments with smaller homes. Inclusionary Housing affordability regulations apply to single-family clusters, either through direct provision of units for payment of Fees in Lieu of Units to the Natick Affordable Housing Trust.

⁴⁷ Natick 2030+ Comprehensive Master Plan, "Demographics and Housing Goals and Recommendations," 2019.

Map 2-8/Existing Zoning

Natick Housing Production Plan Update
Map 2-8. EXISTING ZONING



- Residential-Single B
- Residential-Single C
- Open Water

be affordable dwelling units, with 20 percent applied to projects with 30 or more units in the DM District. Units can be provided in the following ways or in a combination of any of the following ways:

- provision of affordable units on site
- provision of affordable units off-site
- provision of fees-in-lieu of units payment to the Natick Affordable Housing Trust
- provision of buildable land

According to Town staff, adoption of the Inclusionary Affordable Housing Bylaw has significantly increased funding for housing initiatives by either earmarking payments for housing overseen by the Trust, or being appropriated for affordable housing purposes at Town Meeting.⁴⁸ This, in turn, has shifted housing growth and development in Natick.

INCLUSIONARY HOUSING OPTION PROGRAM (IHOP):

Natick's Inclusionary Housing Option Program (IHOP) has been modified since publication of the last Housing Plan but according to Town staff, it still has not been utilized. IHOP allows any proposed residential developments of ten or more dwelling units to develop additional dwelling units via special permit, not to exceed 20 percent of what would otherwise be allowed by underlying zoning, and to potentially reduce the amount of area and/or relax frontage requirements by underlying zoning to a maximum of 15 percent of the minimum intensity requirements, with reduction of area or a 20 percent reduction in frontage.⁴⁹ These bonuses may be allowed if the development provides a certain percentage of affordable housing as described below:

- By donation to the Natick Housing Authority: A minimum of 10 percent
- By sale to the Natick Housing Authority: A minimum of 10 percent
- By sale directly to income-eligible households: A minimum of 10 percent
- By cash payment to be used for low- or moderate-income family housing or other affordable housing units: Amount to be determined by valuation methods as the equivalent value to the units which otherwise would have been provided within the development as affordable units.

IHOP was used in connection with one planned development at 13A Redman Drive in the 1990s which was to provide one affordable unit. This development reportedly did not go as planned, so

⁴⁸ Interview with T. Fields.

⁴⁹ Town of Natick Zoning Bylaw, Section III – A.6 Affordable Housing, A-Inclusionary Housing Option Program – (IHOP), 2018

neither funds nor an affordable unit were transferred. Its lack of use may be due to the fact that most single-family home developments in Natick are less than 10 units.

HOUSING OVERLAY OPTION PLAN (HOOP):

Natick has two overlay districts, HOOP I and HOOP II, to produce affordable dwelling units for low- and moderate-income households. HOOP districts are designed to contain sprawl and create affordable housing in underutilized areas of Natick Center where public transportation is available. The purpose of these districts is to provide for pedestrian areas within and between housing, public parks, open space, and additional open space resulting from placing parking under buildings or underground.⁵⁰ HOOP-I provides for higher density and intensity of allowable development, as shown below.

| Regulation | HOOP-I | HOOP-II |
|----------------------------|----------------|----------------|
| Minimum Lot Area | 15,000 sq. ft. | 20,000 sq. ft. |
| Continuous Frontage | 100 ft. min | 100 ft. min |
| Minimum Depth | 75 ft. | 75 ft. |
| Minimum Setback Front | 10 ft. | 10 ft. |
| Minimum Side-Yard Setback | 5 ft. | 5 ft. |
| Minimum Rear-Yard Set Back | 5 ft. | 5 ft. |
| Maximum Building Coverage | 40% | 40% |
| Maximum Building Height | 40 ft. | 40% |
| Minimum Open Space | 35% | 45% |

Source: Town of Natick Zoning Bylaw, 2018.

HOOP-I allows for a development at 17 units per acre (up to 29 units with bonuses) and HOOP-II allows for 12 units per acre (up to 14 units with bonuses).⁵¹ Town staff report that several affordable projects have been developed in the HOOP I and II districts since the Housing Production Plan was published in 2013, such as 48 South Avenue, 20 South Avenue, and 58 North Avenue, totaling 14 SHI units out of 76 total units.⁵² HOOP-II was expanded north to Bigelow Avenue at Spring 2018 Annual Town Meeting.

SMART GROWTH OVERLAY DISTRICT (SGO)

The Smart Growth Overlay District (SGO) is a “Chapter 40R” district that encourages increased housing production in Natick. The SGO district utilizes smart growth principles to emphasize mixing land uses, increasing the availability of affordable housing by creating a range of housing opportunities in neighborhoods, taking advantage of compact design, fostering distinctive and attractive communities, preserving open space, farmland, natural beauty and critical environmental areas, strengthening existing communities, providing a variety of transportation choices, making development decisions predictable, fair and cost effective, and encouraging

⁵⁰ Town of Natick Zoning Bylaw, Section III – A.6 Affordable Housing, B-Housing Overlay Option Plan – (HOOP), 2018

⁵¹ Natick 2030+ Comprehensive Master Plan, “Demographics and Housing Goals and Recommendations,” 2019.

⁵² Department of Housing and Community Development, Chapter 40B Subsidized Housing Inventory (SHI), November 2017.

community and stakeholder collaboration in development decisions.⁵³ The permitted as-of-right uses in the SGO are:

- Single-family use (8 units/acre), 2 and 3-family use (12 units/acre), multifamily residential use (27 units/acre)
- Parking accessory to any of the above permitted uses, including surface, garage-under, and structured parking
- Accessory uses customarily incidental to any of the above permitted uses
- 20 percent affordable housing units (as required by the Chapter 40R statute).

Table 2.9. SGO District Regulations

| | |
|--|---------|
| Continuous Frontage | 40 ft. |
| Minimum Depth | 100 ft. |
| Minimum Front-Yard Setback | 25 ft. |
| Minimum Side-Yard Setback | 15 ft. |
| Minimum Rear-Yard Set Back | 15 ft. |
| Minimum Setback from Rail Right of Way | 0 ft. |
| Maximum Building Coverage | 40% |
| Maximum Building Height | 40 ft. |
| Minimum Open Space | 35% |

Source: Town of Natick Zoning Bylaw, 2018

Since publication of last Housing Plan, there has been one completed affordable housing project in the SGO: the Modera Apartments at 82 North Main Street, with 28 affordable units and 138 total units. (See Map 2-9/Overlay Districts)

FUNDING FOR AFFORDABLE HOUSING

Limited funding sources are currently available for affordable housing in Natick. These include HOME funds available through the West Metro HOME Consortium and Inclusionary Housing funding. These and other potential funding sources are described below.

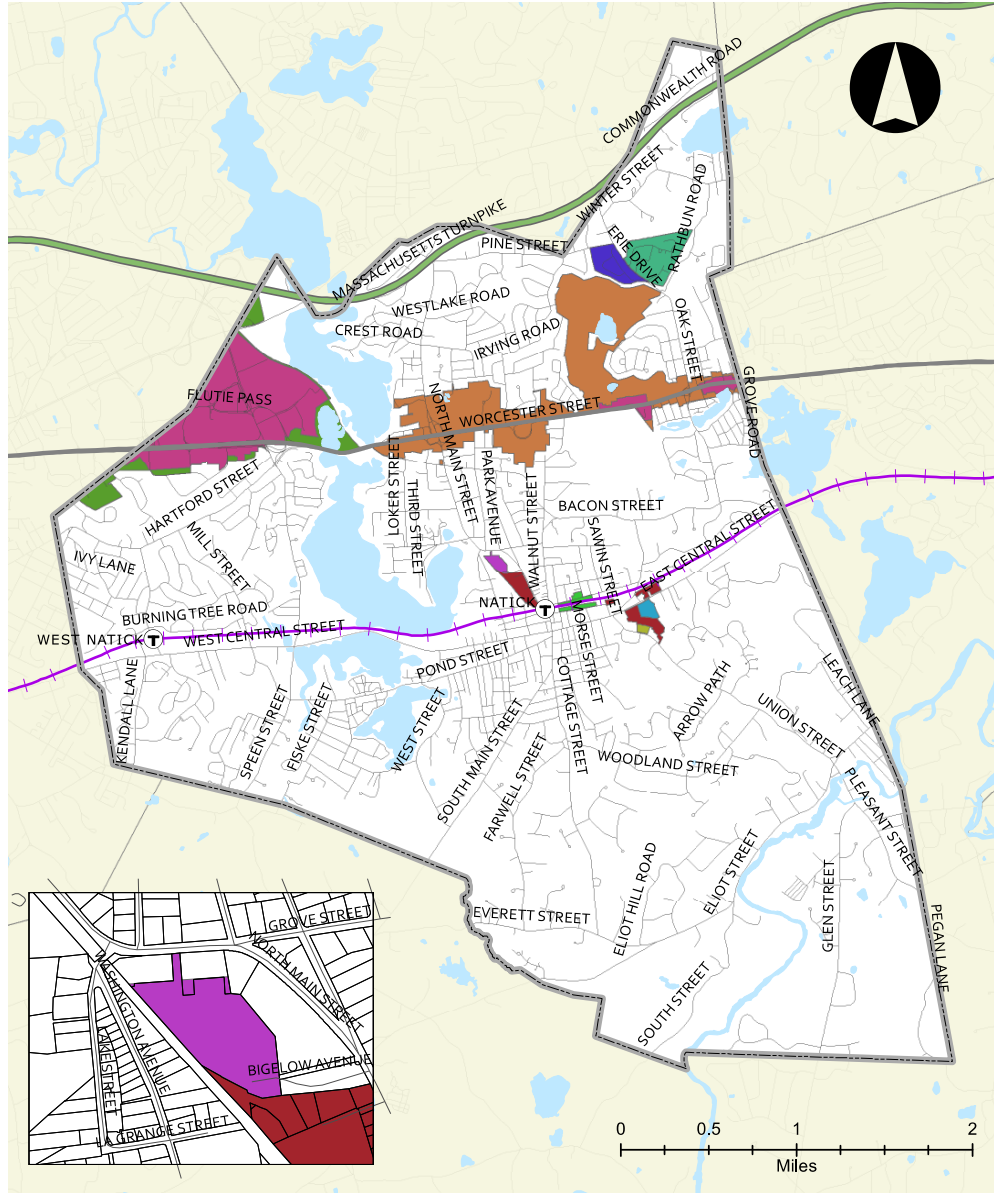
- **Community Preservation Act**

Natick has not adopted the Community Preservation Act (CPA). However, there is interest among Trust members to work with the Open Space and Historical Preservation Committees to implement the CPA. CPA funds can be used for three community purposes: open space (excluding recreational uses), historic preservation and community housing. At least 10 percent of the total revenues received must be spent

⁵³ Town of Natick Zoning Bylaw, Section III – A.6 Affordable Housing, C-Smart Growth Overlay District (SGO), 2018

Map 2-9/ Overlay Districts

Natick Housing Production Plan Update
Map 2-9. OVERLAY DISTRICTS



on each. The remaining 70 percent can be spent at the discretion of Town Meeting, which must approve all appropriations of CPA money.⁵⁴

If enacted, it would add a surcharge on property tax bills of 1.5 to 3 percent depending on what voters decide to approve. The expected tax increase has rendered the implementation of the CPA challenging in Natick, at least for time being. The Town can adopt some exemptions, too, such as excluding the first \$100,000 of assessed valuation for residential properties and waiving the surcharge for low- and moderate-income homeowners. The state provides an amount of matching funds each year. Those funds are distributed to all the communities that have adopted the CPA.

Map 2-10 identifies the communities in Natick's region that have adopted the CPA.

- **HOME Investment Partnership Program**

Natick has been a member of the West Metro HOME Consortium since 2007. The Town's yearly allocation is small, approximately \$50,000. Some examples of projects in Natick that have used HOME funds are 6 Plain Street and the William Coolidge House. According to prior HOME Activities Reports, Natick committed HOME funds primarily to rehabilitation between 2010 and 2015. This year, the Town is committing HOME funds for tenant-based rental assistance.

- **Natick Affordable Housing Trust**



*Source: Family Promise
Executive Director Sue Crossley, Chair Randy Johnson and Director Jay Ball from the Natick Affordable Housing Trust Board celebrate the opening of Bacon Street.*

Natick established the Natick Affordable Housing Trust (NAHT) in 2008. The Trust has several powers, including the ability to buy, retain, construct, and improve property. The Trust's technical description of responsibilities is to develop and provide affordable housing opportunities through the expenditure of local Housing Trust funds and federal HOME funds; however, their mission is deeper than that. They exist *"to provide for the creation and preservation of affordable housing in the Town of Natick for the benefit of low and moderate-income individuals and families."* The Trust has supported a variety of endeavors in twelve years, including feasibility studies, and development projects for the elderly, disabled, veterans, and other special needs populations.

⁵⁴ Massachusetts Department of Revenue, Community Preservation Fund G.L. Ch. 44B, December 2000.

*NAHT will receive
\$80,000 for
FY20 as a line
item in
the Town budget.*

In 2021, the NAHT has \$209,000 in available funds. The cost to finish the Bacon Street project was between \$80,000 and \$100,000. The Trust was able to partner with Family Promise to get the Bacon Street Duplex fully operational in 2019. As recommended in Natick 2030+, the NAHT has received \$80,000 every year since 2019 as a line item in the town budget. The town recently amended the Zoning Bylaws to provide for affordable housing in the approval and permitting process for new residential development (Inclusionary Zoning for Affordable Housing), and to date over \$900,000 from In-Lieu-Fees from one sub-division have been committed to the Trust, payable over the next several years.

Town staff report that the Trust wants to encourage smaller-scale Chapter 40B projects that are more evenly distributed throughout town. It is also interested in figuring out a strategy for developing 69R Bacon Street (considering selling it for money to use in other places) and using modular housing to offset construction costs. In a July 2018 Housing Goals Survey conducted for this housing plan, 47 percent of respondents agreed that higher-density housing needs to increase in appropriate locations throughout town.⁵⁵

The NAHT is utilizing the state's Local Initiative Program (LIP) to try to provide more affordable housing throughout town on a "scattered site" basis. The LIP encourages the creation of affordable housing by providing technical assistance to communities and developers who are working together to create affordable opportunities.⁵⁶ Unlike most Chapter 40B housing programs, DHCD is the subsidizing agency for LIP and this means it has authority to approve Project Eligibility – a legal requirement that developers must meet to apply for a comprehensive permit.⁵⁷ The Trust has also been working with groups such as the South Middlesex Opportunities Council (SMOC), the regional non-profit housing development organization serving Natick's area. The Town and NAHT have redirected focus to more small and medium-scale projects; the LIP program will help overcome this constraint.

⁵⁵ Natick 2030+ Comprehensive Master Plan, "Demographics and Housing Goals and Recommendations," 2019.

⁵⁶ Massachusetts Department of Housing and Community Development, "Local Initiative Program," 2019.

⁵⁷ Massachusetts Housing Partnership, "A Municipality's Role in Chapter 40B," Norfolk, MA, February 27, 2018.

*The Senior/Veteran
Property Tax Work-
Off Programs
currently has 39
participants.*

- **Senior Citizen/Veteran Property Tax Work-Off Program**

Natick tries to offer lower-income seniors support for housing through a variety of flexible housing options, supportive services, and barrier-free housing. The Town of Natick offers a Senior Citizen/Veteran Property Tax Work-Off Program for Veterans and residents 60 years and over. While the program does not fund the creation of affordable housing in town and is funded by taxpayers, it makes housing more affordable for seniors by reducing their property taxes by \$1,500 a year. The program has 125 approved positions for 125 hours of work a year. Currently 39 people participate in the program.

Natick also offers the AARP Foundation Tax-Aide Program for taxpayers with low and moderate income (with special attention to those over 60), the Property Tax Circuit Breaker (for qualifying seniors) to provide a refund on state income taxes, the Disabled Accommodation Property Tax Exemption to fund home improvements to accommodate a person 60 and over with a disability, the Tax Deferral Program for qualifying homeowners 65 and over who may defer all or part of their property taxes until the property is sold or transferred at 2 percent interest, a water and sewer discount program, and general state property tax exemptions for seniors, veterans, legally blind and other qualifying taxpayers.⁵⁸ One of the Natick 2030+ Master Plan recommendations was to offer a property tax break in return for the preservation of homes over a certain time period.

- **Historic Tax Credits**

The Massachusetts Historical Commission (MHC) administers the Massachusetts Historic Rehabilitation Tax Credit Program, which allows certain projects to qualify for up to 20 percent of rehabilitation costs in state income tax credits. The project must produce income (apartments qualify) and must be (a) listed on the National Register of Historic Places, (b) be a contributing building within a registered historic district, or (c) be eligible for listing on the National Register as determined by the MHC.⁵⁹ There is also a Federal Historic Preservation Tax Incentives program whereby historic buildings on the National Register or buildings in historic districts can qualify for a 20 percent tax credit. The federal credit is available to buildings rehabilitated for rental purposes and not for owner-occupied residential properties.⁶⁰

TRANSPORTATION CONSTRAINTS

Natick remains an auto-dependent community despite the presence of commuter rail service. This is largely due to the east west highway access, particularly via Interstate 90 and State Routes 9, 135, and 16. Residents can therefore drive east-west to nearby Boston or other employment centers. The first and last mile problem to public transportation remains an issue, however, for people without a vehicle. Bus routes do not effectively reach all neighborhoods, and the

⁵⁸ Town of Natick Assessors Department, "Tax Relief," 2019.

⁵⁹ Massachusetts Department of Revenue, "Historic Rehabilitation Tax Credit," 2019.

⁶⁰ National Park Service, Technical Preservation Services, "Tax Incentives for Preserving Historic Properties," 2019.

commuter rail is limited to locations that are on the line. Feedback during the outreach process indicates that the Town wants to bridge transportation gaps to and from the commuter rail, with particular attention to the Natick Mall area.

*The average cost
of owning a vehicle in
2019 was over \$9,000.*

The MWRTA continues to not operate at hours that accommodate employees in certain locations, such as the mall, due to the inability to return home at night after 8:35PM or at any time on Sundays.⁶¹ To offset some of these constraints, the town is finalizing development of the Cochituate Rail Trail/Natick Complete Streets Tier 3 Construction Project this year, which extends from Saxonville in Framingham to beyond the Natick Mall. The Rail Trail will provide multi-modal options for the high volume of people living and working in Central/East Natick. An arterial segment study of Route 30 was conducted as part of the Cochituate Rail Trail construction which identified options for addressing mobility issues for all transit modes in the segment.⁶² The Rail Trail project will add previously unavailable options for cyclists, which continues to be a constraint.

The lack of public transportation in Natick presents a barrier for people who may not be able to afford a vehicle, reiterating the need for mixed-use development, particularly in the downtown area. According to the Bureau of Transportation Statistics, the average cost of owning and operating an automobile was \$9,282 in 2019. Creating housing opportunities near jobs and amenities would eliminate the need for a vehicle entirely. If lower-income residents could spend less on transportation, they would be able to afford housing costs without having to sacrifice necessities. The town has been working with the MBTA to reconstruct a fully accessible, above-ground commuter rail station with either two elevators or ramps in Natick Center. The station is finalizing design and is projected to begin construction in 2020. The increased accessibility of this station could substantially incentivize the development of housing downtown and alleviate congestion by reducing car dependency for potential residents there. This stop is the second in Natick, as well as the West Natick station. Transit ridership from both stations has been growing over the past ten years according the 2030+ Master Plan (2019), so modernization is a priority for the town.

Transportation updates and infrastructure maintenance are heavily dependent on State funding. Without it, these projects are subject to delay or are never completed. This intertwines with the potential for more affordable housing options near these updates that would be very useful. State funding is needed to alleviate many of the traffic bottlenecks in Natick. Some of these locations include intersections around Route 9, the Natick Mall and in West Natick, where major north-south thoroughfares meet. Funds from the state will be necessary to mitigate issues with traffic safety, and finish projects that have not yet been undertaken.

The town is currently working on reconstructing Route 27 (from North Avenue to the Wayland town line), with focus on the right-of-way constraints, bridge replacement, and interchange

⁶¹ Metro West Regional Transit Authority, "Route 1 (M-F)," 2019.

⁶² Natick 2030+ Comprehensive Master Plan, "Transportation," 2019.

improvements. The Route 27, Route 135, Route 9 and the Speen Street corridors were areas of concern regarding congestion and traffic also discussed in Natick 2030+. ⁶³ Large developments are required to complete traffic impact studies when locating to Natick. New traffic counts, existing traffic volume studies, and safety analyses for high crash locations of major intersections and arteries were recently completed as part of the Master Plan process. This includes a project completed by the Boston Region Metropolitan Planning Organization (MPO) to provide low-cost traffic signal timing and phasing improvements at several intersections.

Parking remains a constraint in Natick, particularly in Natick Center and at the commuter rail stations. Since the last Housing Plan was published, the town has begun looking at pricing and possibilities to construct a garage in the downtown to meet the unmet demand. This garage would provide 250 to 350 new spaces for employees of downtown businesses to utilize during the weekdays. Long-term weekday parking was identified as a major need in Natick Center in the 2030+ Master Plan.

WATER AND WASTEWATER MANAGEMENT CONSTRAINTS

There are very few constraints to development in terms of sewer and water in Natick. The Town is part of the Massachusetts Water Resources Authority (MWRA) sewer system and utilizes its own wells and their own treatment plant for water. According to Town staff, the Town has the capacity for future development and encourages it. There are needs for improved stormwater management, however.

CONSERVATION CONSTRAINTS

Concern continues to be expressed over conservation land preservation in Natick, but the town continues to believe that there are no open-space constraints to development of affordable or market-rate housing. The Conservation Commission also continues to feel that open space is an important part of any future development, especially housing, and should be strongly considered when making those decisions. Despite department turnover since the last Housing Plan, a main concern continues to be the preservation of wetlands (dictated by existing regulations) with infill development being desired to preserve existing open space.

⁶³ Natick 2030+ Comprehensive Master Plan, “Transportation,” 2019.



3. Stakeholder Perspectives

Understanding the strengths and weaknesses of housing in a community requires going beyond data and consulting with people who work and volunteer in fair and affordable housing. Speaking to them enhances the assessment of current conditions in towns and the needs of the community. For this Housing Production Plan update, interviews were conducted with 13 professionals including Town staff, Affordable Housing Trust members, non-profit managers, and active volunteers.⁶⁴ The purpose of the interviews was to understand the missions of various housing organizations, learn about current initiatives and programs, and identify common concerns about housing in Natick.

■ *What we learned*

Interviewees identified several housing needs, concerns, and issues in Natick:

- Affordability of any type of housing, especially for seniors, veterans, single householders with children, and for young families
- The high cost of affordable units for people with extremely low incomes
- Lack of options for people looking to downsize
- Lack of zoning flexibility, notably for accessory dwelling units (ADUs)
- Lack of affordable housing options that promote walkability and proximity to green spaces
- Lack of public education about affordable housing and lack of awareness of housing needs
- Demand for affordable units that significantly exceeds supply
- Impact of housing growth on municipal and school services

⁶⁴ Interviews included representatives of the following: Family Promise MetroWest, Town of Natick Staff and Volunteers, Natick Housing Authority, Natick Affordable Housing Trust, Natick Public Schools, Natick School Committee, Board of Selectmen, Natick Service Council, Bacon Free Library, Interfaith Clergy Association, Natick Master Plan Committee, and Town Meeting members.



Many reported that people who can no longer afford to live in Natick are moving farther west or south to areas such as Worcester and Middleborough. Those who rent generally gravitate toward Framingham. Interviewees were almost unanimous that people who relocate out of Natick only do so because they feel they have no other option. It was not due to a desire to leave the town or upgrade their lives. One interviewee made a point to say that satisfying the 10 percent affordability minimum does not necessarily mean units are affordable to those that need them (please see the Appendix for interview list).

Several successful examples of affordable housing in Natick were mentioned during the interview sessions as models to look to going forward. These include but are not limited to the West Hill properties run by the Natick Housing Authority, the transition homes on 72 South Main Street, 299-301 Bacon Street, the Cloverleaf, the Natick Mill, Coolidge Gardens, and the potential units at the Sacred Heart Church under discussion.

■ *Needs for walkability, transit, downtown living*

Providing accessible housing that is both walkable and transit-oriented continues to be a priority in Natick. There is a distinguished need for better options in downtown Natick, despite the progress that has already been made there for mixed-use development. An example of such progress is the conversion of the historic American Legion property at 13 West Central Street into a mixed-use development with ground-floor retail and restaurant uses and 11 above units.⁶⁵

Many interviewees said there could be more opportunities to work and live affordably in Natick Center, within closer proximity to the commuter rail. Natick Center feels limited and deters people, according to some interviewees. It was also discussed that there could be improvement in getting to and from the downtown overall. A lasting point made was that there is a disproportionate number of one and two-bedroom units in West Natick, and restricted availability throughout the rest of town (as noted in the rent market survey, too).

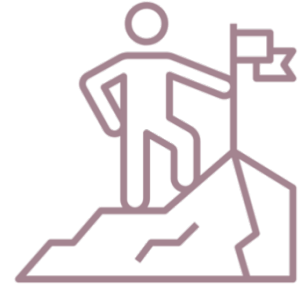
⁶⁵ Stonegate Group, “13 West Central Street Natick (formerly American Legion),” 2019.

A final barrier Natick needs to overcome are the misconceptions of affordable housing and what it entails. Almost every interviewee said that there is a lack of understanding about the topic and there are misconceptions in place that generate mistaken assumptions. One interviewee pointed out the importance of affordable housing to the economy: a variety of housing options will support people in every industry and contribute to improved public services as well as the local economy. Most also said that Natick residents think affordable housing is synonymous with massive scale, and there is a mentality of fear over an upsurge in traffic congestion, land values, and tax rates.

■ *Stakeholder recommendations*

Examples of suggestions made by stakeholders include:

- An affordable housing strategic plan
- Ways to get the message out to people who need housing
- A housing fund (continuously funded and available)
- Better access to subsidies to reach housing goals
- Provide transit options that are safe for kids to get where they need to go
- Relieve overcrowded after-school childcare programs
- Provide financial relief for working parents
- Incorporate more mixed-income units, especially in vacant lots owned by the Town.
- Provide the density needed to create affordable options for low-income and extremely low-income families with or without dependent children



4. Housing Goals

Five-Year Housing Goals

Natick's new Comprehensive Plan (Natick 2030+) envisions the town's future as a "healthy community of diverse and interconnected citizens, businesses, organizations, and neighborhoods, where citizens of all ages, backgrounds and income levels can live, work and thrive."

Yet today, Natick:

- Is far from regional parity in terms of race and ethnicity;
- Has many unmet housing needs, including units suitable for one-person households, most of whom are seniors living alone;
- Has a shortage of housing that is affordable to households with low or moderate or middle incomes, despite having over 10 percent of its housing stock deemed eligible for the Chapter 40B Subsidized Housing Inventory.



By preparing this Housing Production Plan (HPP) and continuing to increase its supply of low- or moderate-income units, Natick may be able to remain over the 10 percent minimum once the Subsidized Housing Inventory is updated after Census 2020. In the event Natick falls below the 10 percent minimum after Census 2020, an important advantage available to communities with a DHCD-approved HPP is the ability to qualify for HPP *certification*: a **safe harbor** status that makes it easier for Natick to work back toward and stay at the 10 percent minimum at a pace of housing production the community can absorb. Toward that end, Natick needs to set both *quantitative* goals – meaning housing development targets – and *qualitative* goals, or goals that reflect the types of housing the community wants and that can help to meet local needs.

QUANTITATIVE GOALS: PRODUCTION

Housing Plan certification will be available to Natick if the Town creates at least 70 low- or moderate-income units in a given calendar year. At that scale of annual production, the Town would qualify for a one-year safe-harbor certification, but with production of at least 141 low- or moderate-income units in a given calendar year, the certification period would be two years.⁶⁶ Certification means the Zoning Board of Appeals could deny an unwanted comprehensive permit without fear of being overturned by the state Housing Appeals Committee. It also could continue to approve new comprehensive permit applications, too, but the Board would have far more authority to negotiate for best possible developments for Natick.

These production targets are based on Natick’s Census 2010 year-round housing count: 14,052. The targets, or production goals, will change, but there is not enough reliable data to determine what the updated goals will be. If currently available housing estimates from the American Community Survey (ACS) reflect what has actually happened in Natick since 2010, the 10 percent minimum after 2020 will be about 1,480 and the production goals, 74 units for one year and 148 for two years. The effect of this estimate is shown in Table 4.1.



70 Units/1-Year
Certification



141 Units/2-Year
Certification

⁶⁶ DHCD, HPP Production Goals.

Table 4.1. Potential Impact of Housing Production at HPP Annual Goals

| Year | New Units; 0.5% | Affordable Units (Count) | Total Housing Supply | Pct. SHI | New Units; 1% | Affordable Units (Count) | Total Housing Supply | Pct. SHI |
|-----------------|--------------------|--------------------------|----------------------|----------|---------------|--------------------------|----------------------|----------|
| Current numbers | | 1,477 | 14,052 | 10.5% | | 1,477 | 14,052 | 10.5% |
| 2019 | 70 | 1,547 | 14,052 | 11.0% | 141 | 1,618 | 14,052 | 11.5% |
| 2020 | 70 | 1,617 | 14,052 | 11.5% | 141 | 1,759 | 14,052 | 12.5% |
| 2021 | 70 | 1,687 | 14,052 | 12.0% | 141 | 1,900 | 14,052 | 13.5% |
| 2022 | 74 | 1,761 | 14,882 | 11.8% | 148 | 2,048 | 14,882 | 13.8% |
| 2023 | 74 | 1,835 | 14,882 | 12.3% | 148 | 2,196 | 14,882 | 14.8% |

Sources: DHCD Subsidized Housing Inventory; Housing Production Goals; and Barrett Planning Group, citing American Community Survey. Note: Total Housing Supply is based on Census 2010 year-round inventory through 2022, by which time it is expected that DHCD will have updated the statewide SHI and published new HPP goals based on Census 2020 housing counts.

■ What if the Town is already over the 10 percent minimum?

Meeting the 10 percent minimum under Chapter 40B does not preclude developers from applying for a Chapter 40B comprehensive permit or for the Town to consider new Chapter 40B developments. If a valid comprehensive permit application reaches the Zoning Board of Appeals, the process under Chapter 40B still applies: the ZBA would need to open a properly noticed public hearing within 30 days of receiving the application. Within 15 days of opening the hearing, the ZBA would need to notify the applicant that it has can deny the application because the Town meets or exceeds the 10 percent threshold, in which case the denial would be deemed “consistent with local needs” under the statute.

The Applicant can challenge the ZBA's determination by providing written notice to DHCD, copied to the ZBA, within 15 days of receiving the ZBA's notice, including any supporting documentation. DHCD will review the materials provided by both parties and issue a decision within 30 days. The ZBA has the burden of proof that it can deny based on safe harbor – which could be that the town is over 10 percent, or the Town's HPP is currently certified, or some other reason. If DHCD fails to issue a timely decision, the matter will be resolved in favor of the town.

QUALITATIVE GOALS

On June 11, 2019, the Affordable Housing Trust sponsored an open house participation event to help define goals for this HPP.⁶⁷ The open house featured display boards with questions for residents to respond to with post-it notes and colored dots. Many attendees said most of the goals in the 2013 HPP remain relevant today. Three goals in particular were identified as “still relevant” and “very important,” including:

⁶⁷ A second open house, held in July 2019, focused on housing production strategies and is discussed in Chapter 5.

- Providing low income seniors with housing options that include supportive services;
- Increase affordable homeownership opportunities for low-income, first-time homebuyers; and
- Preserving existing affordable homeownership and rental units.

Individual hand-outs were also distributed to attendees to gather additional feedback. Below are the two questions people were asked to address.

■ ***How has Natick changed over time and how do you feel about these changes?***

Participants cited housing growth, development, and traffic, coupled with rising costs and lack of affordability, as most noticeable changes. Several mentioned the improved vitality of Downtown Natick as a positive, and others commented on the rise of mansion-style homes as a factor that limits options for young people, new families, and households with middle-to-low incomes. The last, most commonly mentioned concern was Natick's aging population and lack of affordable options for them.

■ ***What do you believe are the primary housing issues in Natick that you hope this planning effort will help to address?***

The most common response was preserving and maintaining affordability in Natick, particularly for seniors and people with low incomes. Participants were generally critical of the number of tear-down/rebuild projects in Natick and the construction of expensive/luxury-style condominiums and apartments. Many said these types of developments limit diversity and exacerbate the Town's housing affordability problems. They said seniors and low-income residents were being displaced due to the lack of reasonably priced rental and homeownership options. There were also several comments about the need for housing near transit.

Based on the open house results, interviews, and the recently completed Natick 2030+ Comprehensive Plan, this HPP promotes the following qualitative goals:

1. **Preserve** existing affordable homeownership and rental units.
2. **Encourage** a mix of housing at a variety of price points:
 - Create affordable rental housing for very low-income and low-income individuals and families.
 - Support affordable homeownership for moderate-income first-time homebuyers.
 - Support the existence of naturally occurring affordable housing in Natick through housing preservation and development of compact neighborhoods.
3. **Encourage** the development of a mix of housing types appropriate for an aging population and affordable to extremely low- to moderate-income older adults, including service-

enriched, housing, and continue to provide resources and support for long-time older homeowners who choose to age in place.

4. **Provide** supportive housing for people with special needs, including group homes, transitional housing, and single-room occupancy housing.
5. **Support** opportunities for service-enriched permanent housing for homeless individuals and families.
6. **Educate** Town boards and the general public about equity and fair housing.

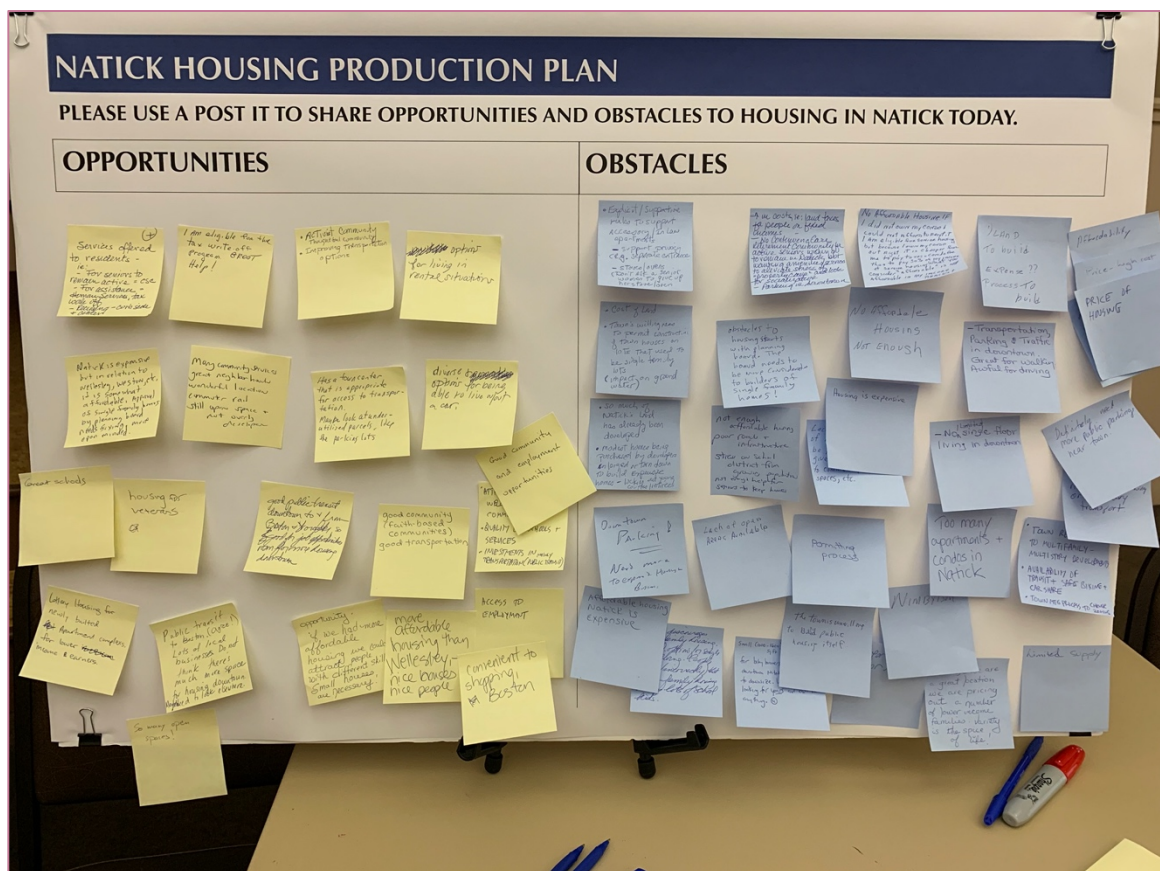
5. Strategies!⁶⁸

Community Open House: Opportunities, Obstacles, Next Steps

The second open house conducted for this HPP (July 9, 2019) focused on opportunities and obstacles to housing, key transformation areas throughout town, and next steps. Its purpose was to inform this most important element of the HPP: implementation strategies. The open house was organized around a series of display boards that attendees could respond to as they moved around the room.

■ What could work? What's the problem?

The opportunities and obstacles board generated the most discussion and feedback during the open house, with at least twenty post-it notes in each category. Respondents stated that Natick's opportunities include senior services, tax incentives, open space, a good school system, public transportation to Boston, access to employment, location, and a strong community base. Obstacles included high housing costs, lack of land to develop, general lack of affordable housing, parking, permitting processes, zoning that discourages multi-family housing, and NIMBY (not in my back yard).



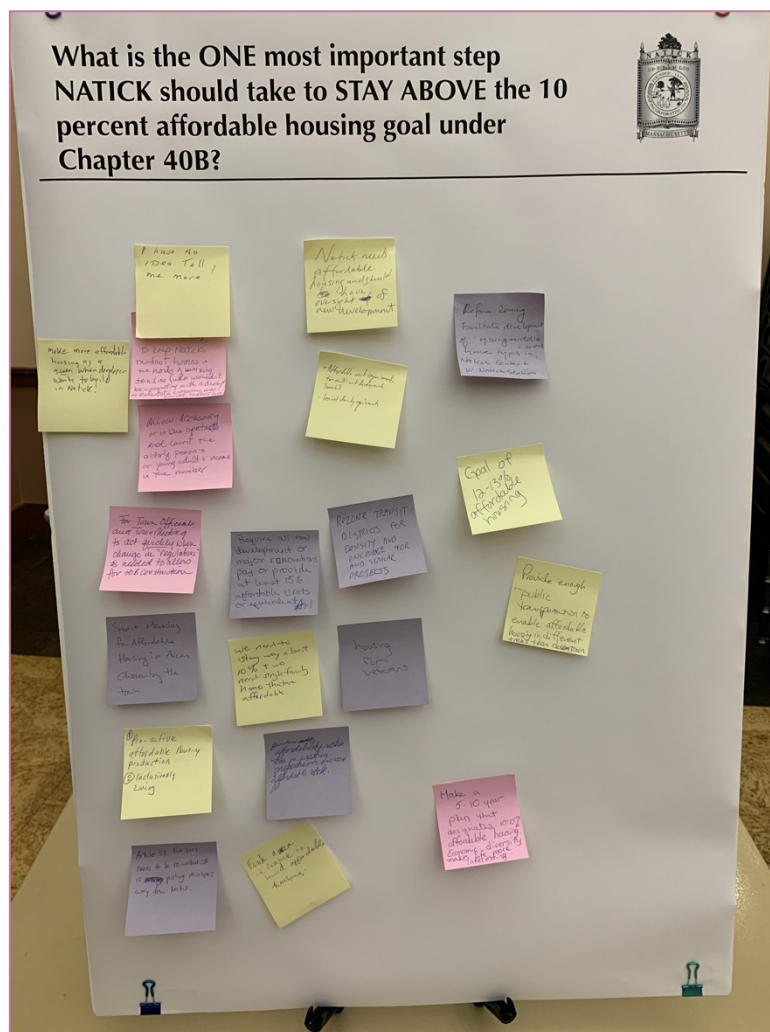
permitting processes, zoning that discourages multi-family housing, and NIMBY (not in my back yard).

⁶⁸ Initiatives: local, he says as-if-right density bonus for IZ. Planning Board is looking at a cottage bylaw (small units).

■ *One step - what should it be?*

The next board in the series asked the following: "What is the ONE most important step Natick should take to stay above the 10 percent affordable housing goal under Chapter 40B?" Respondents gave creative answers. For example:

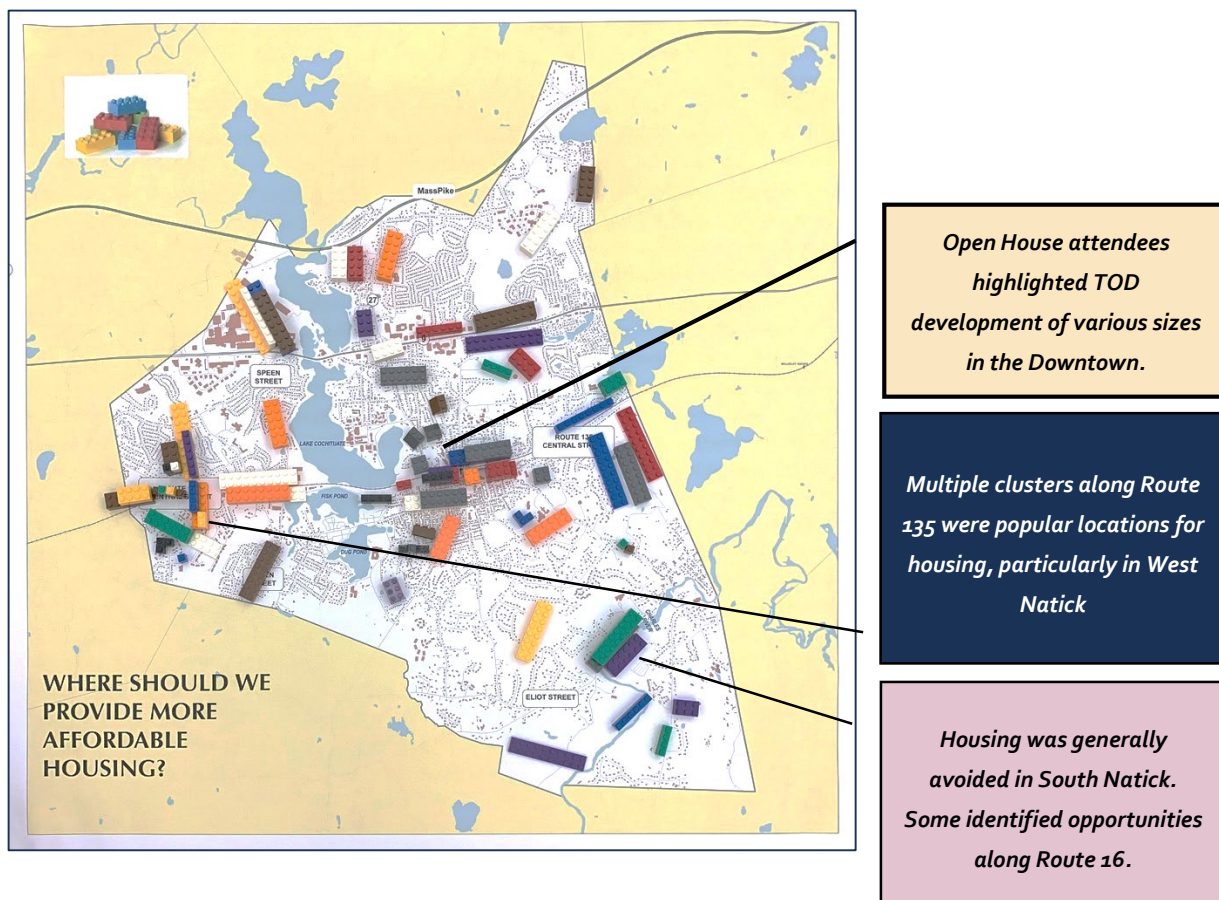
- Allowing accessory dwelling units or in-law apartments,
- Exercising inclusionary zoning and proactive affordable housing development,
- Raising the inclusionary threshold to between 12 and 15 percent,
- Adopting more lenient density requirements,
- Encouraging Chapter 40R and the rezoning of transit districts, and
- Purchasing affordability restrictions on existing properties to grow the affordable housing stock.



■ *Where will Natick change the most? How can housing benefit?*

When asked about key transformation areas in town at the last interactive board, many did not provide feedback. Those who did respond said the following: transformation, change accommodating multi-family housing, and mixed-use development will be most likely to occur near the train station. West Natick was looked at as a location for a new "node," or area of expansion with new uses on current lots. It was also suggested that multifamily and mixed-use housing could fit in South Natick.

■ *Where should housing go? Build a town!*⁶⁹



The final activity was an interactive mapping game in which participants had to use Legos to designate where affordable housing should be located across town. Each player was given a bag of 70 “units,” (the number of studs on each Lego represented housing units) of different shapes and sizes. The results are presented in the image below.

A Plan isn’t a Plan Without Implementation













DHCD encourages cities and towns to prepare, adopt, and implement a Housing Production Plan that demonstrates an annual increase in Chapter 40B units equal to or greater than 0.50 percent of the community’s year-round housing units. By increasing its low- and moderate-income housing inventory, Natick has gained some control over when, where, and how much affordable housing can be built. It has the power to encourage additional Chapter 40B comprehensive permits in the most appropriate locations.

⁶⁹ *Please note the Lego blocks used for this exercise are not to scale.

Still, Natick's housing needs go beyond Chapter 40B, and this is established well in Natick's new comprehensive plan. Implementing Natick 2030+, removing regulatory barriers to housing production, providing leadership from the Board of Selectmen, Planning Board, and others, making public land available for housing development, and educating the public about Natick's varied housing needs will be important parts of a successful housing program. The strategies outlined in this plan fall into four groups, and all the strategies relate in one or more ways to the types of actions this Housing Production Plan is required to address (as shown on the chart on the next page).

■ *What are the basic strategies?*

- **Leadership, Education, and Advocacy:** Natick needs a programmatic approach to public education about affordable housing. The program needs to proactively reach and inform key decision makers such as the Planning Board and Board of Selectmen, the Affordable Housing Trust, property owners, neighbors, and people most at risk from the effects of limited housing choices.
- **Regulatory Reform:** These strategies have potential in Natick. In fact, the town has already taken many steps to encourage housing development through the use of regulatory strategies like Chapter 40R. Steps to continue diversifying Natick's housing supply can be done in concert with implementing Natick 2030+. Within Natick's reach are policies and techniques to make permitting more efficient, allow more housing and more types of housing in Natick, and capitalize on existing assets.
- **Funding and Assets:** The focus of these strategies is to protect and improve the quality of existing affordable housing, expand the Town's funding commitments to affordable housing development, and use Town-owned land to increase the affordable housing supply.
- **Planning and Public Policy:** The Town can become an effective partner with developers and other housing organizations and create a more welcoming environment for housing development. Strategies such as establishing guidelines for "friendly" comprehensive permits could help Natick communicate to developers what types of projects are most likely to address local concerns and move quickly through the permitting process. In addition, the Town should move forward with implementing the housing and land use recommendations of Natick 2030+ because they will help the town expand affordable housing opportunities in a variety of settings.

| 760 CMR 56.03 | 4(d)(1) | 4(d)(2) | 4(d)(3) | 4(d)(4) | 4(d)(5) |
|---|---|---|--|--|--|
| DHCD Housing Production Plan Regulatory Requirement | The identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purposes of creating SHI Eligible Housing developments to meet its housing production goal. | The identification of specific sites for which the municipality will encourage the filing of Comprehensive Permit applications. | Characteristics of proposed residential or mixed-use developments that would be preferred by the municipality for example, infill development, cluster developments, adaptive re-use, transit-oriented housing, mixed-use development, and/or inclusionary zoning. | Identification of municipally owned parcels for which the municipality commits to issue requests for proposals (RFP) to develop SHI Eligible Housing, including information on appropriate use of the site, and a timeline for the issuance of an RFP. | Participation in regional collaborations addressing housing development. |
| Regulatory Reform |  | |  |  | |
| Funding, Assets, Partners | |  | |  |  |
| Leadership, Education & Advocacy |  | | | |  |
| Local Planning & Policy |  |  |  |  | |
| | | | | | |

Leadership, Education & Advocacy

PUBLIC EDUCATION

Natick's last HPP stressed the importance of public education, and that need is just as important today. It is clear from the community participation events conducted for this plan and the events conducted for Natick 2030+ that public understanding of housing needs in Natick requires much more attention. Affordable housing tends to be the "third rail" in community planning and local policymaking. It takes *constant* effort and a sustained educational program – not just occasional meetings or a brochure – to dispel myths, change attitudes, and build broad support for equitable housing. Natick should develop an education program about housing: how it operates as a safety net, builds neighborhoods and builds community, provides the foundation for social inclusion, and is an essential ingredient of community sustainability. An example of a successful educational campaign is the Easton Housing Trust. The Trust outlines the following public education strategies in their Action Plan:

- Regular status updates to the Board of Selectmen and Community Preservation Committee regarding initiatives.
- Updates at regular meetings of other entities such as the, School Committee, Zoning Board of Appeals, and Planning Board.
- Sponsor professional speakers about affordable housing needs and issues.
- Utilize existing digital engagement forums including the Town Newsletter and Facebook page to post information about Trust-funded initiatives, housing issues and information, as well as housing assistance resources.
- Continue to update the Trust's Housing Resources webpage and brochure (quarterly, at minimum).
- Submit letters to the editor, press releases, and arrange interviews with local reporters regarding housing assistance resources, trust initiatives, housing lotteries, and general educational information about housing issues.

Participation in developing a comprehensive housing education program should include both internal (Natick) individuals and organizations and external resources. In addition to Natick's existing affiliation with the West Metro HOME Consortium, the Town – likely through the Community Development Advisory Committee (CDAC) – could partner with established non-profit entities such as Neighborhood of Affordable Housing, Inc. (NOAH) and the Women's Institute for education, capacity building, and technical support. Resources to consider for developing and customizing a program for Natick can be found in the Appendix.

INTERNET PRESENCE

While many residents know first-hand about Natick's high housing prices and some have encountered housing affordability problems, it seems clear that many residents still have negative ideas about what affordable housing is and what having more of it will do to detract from Natick's character and prestige. Beyond the two community meetings held for this HPP, Natick needs more opportunities to engage residents in conversations about affordable housing, to dispel myths, and to build local support to increase the supply of affordable units.

At minimum, the CDAC and NAHT – ideally together – should have a separate website dedicated to affordable housing. The existing page on the Town website is helpful, but it only summarizes basic information about affordable housing resources, the CDAC, and the NAHT, and the rest of the page is a series of links to other documents, none with any explanation. There is no information about local or regional housing needs, what "affordable housing" is and who is served by it, why the provision of affordable housing is a matter of basic social fairness, and how affordable housing at a variety of levels affects the Town's and region's economy. The Town website is fine as far as it goes, but it is like many other government websites: basic information, a very "linear" page layout, and no graphics.

By contrast, an affordable housing website linked to the Town website could be a much more informative, interesting, and visually engaging resource to develop content for a housing information web page. In addition, well-planned outreach to local groups needs to occur through speakers or

information meetings. For example, Natick could invite representatives from other towns to speak about innovative housing strategies in their communities or ask the Massachusetts Housing Partnership to make a presentation about local and regional housing needs at a televised meeting of the Board of Selectmen or Planning Board. Organizing panel presentations with the Natick Interfaith Council, Council on Aging, social services organizations, and others could help to build community awareness, improve communication, reduce misinformation, and enlist support.

The Town of Amherst has a very active Housing Trust that works with *Amherst Media* to broadcast meetings on various platforms such as YouTube. They record and post each of their public hearings, their Fall Housing Forum, and any featured speakers they may host. All presentations, public comments, Board comments, commissioned plans/studies, and advertising materials are regularly updated on their website. A priority initiative of the Trust according to their 2018-2022 Strategic Plan is to consider creating a “Yes in My Backyard” affordable housing online toolkit to promote understanding of the benefits of affordable housing, including items like fact sheets, presentations, and downloadable exercises for neighborhood groups.

The Housing Toolbox for Massachusetts Communities is a helpful resource for educating the community and gaining support for affordable housing. More information about this resource can be found in the Appendix.

Regulatory Reform

ZONING STRATEGIES

According to Natick 2030+, Natick has at least four areas where the Town could encourage or require affordable units in new development, infill, or redevelopment. **Regulatory reform** will be needed in these areas to provide for Natick’s housing needs. (See Map 5-1/Opportunity Areas)

- Natick Center
- West Natick
- Golden Triangle
- Route 9 and Route 27 interchange area
- Natick Center is a great downtown. There is clearly a market for more multifamily housing and upper-story units in the town center, as evidenced by the success of Natick Common Residences and the conversion of the former American Legion building. In addition, Natick Center offers direct access to transit, which makes it an ideal setting for more housing (which in turn can provide more support for the businesses located there).



Source: Bellevue Reporter

- Multifamily units can be created through **single-family conversions**. This approach provides opportunities to preserve some existing older structures instead of losing them to the teardown/rebuild market. It also offers a seamless way to mix housing types in established single-family neighborhoods.
- Clusters of **cottage-style homes** in **compact neighborhoods** could provide desirable homeownership options both for downsizing seniors and young families. This method of creating housing choices will be hard without adequate density and as-of-right permitting, but mixed-income cottages could be feasible on private land at a fairly high density or municipally owned land because the town could choose to offer the land at below-market value (at lower density).
- **Accessory dwelling units (ADUs)** should be a relatively “barrier free” housing choice in every town. In the past few years, many communities have adopted zoning that makes it easier for single-family homeowners to create accessory apartments. By complying with a set of basic requirements and design standards in the zoning bylaw, a homeowner with an eligible property can obtain approval to construct an accessory unit by applying for a

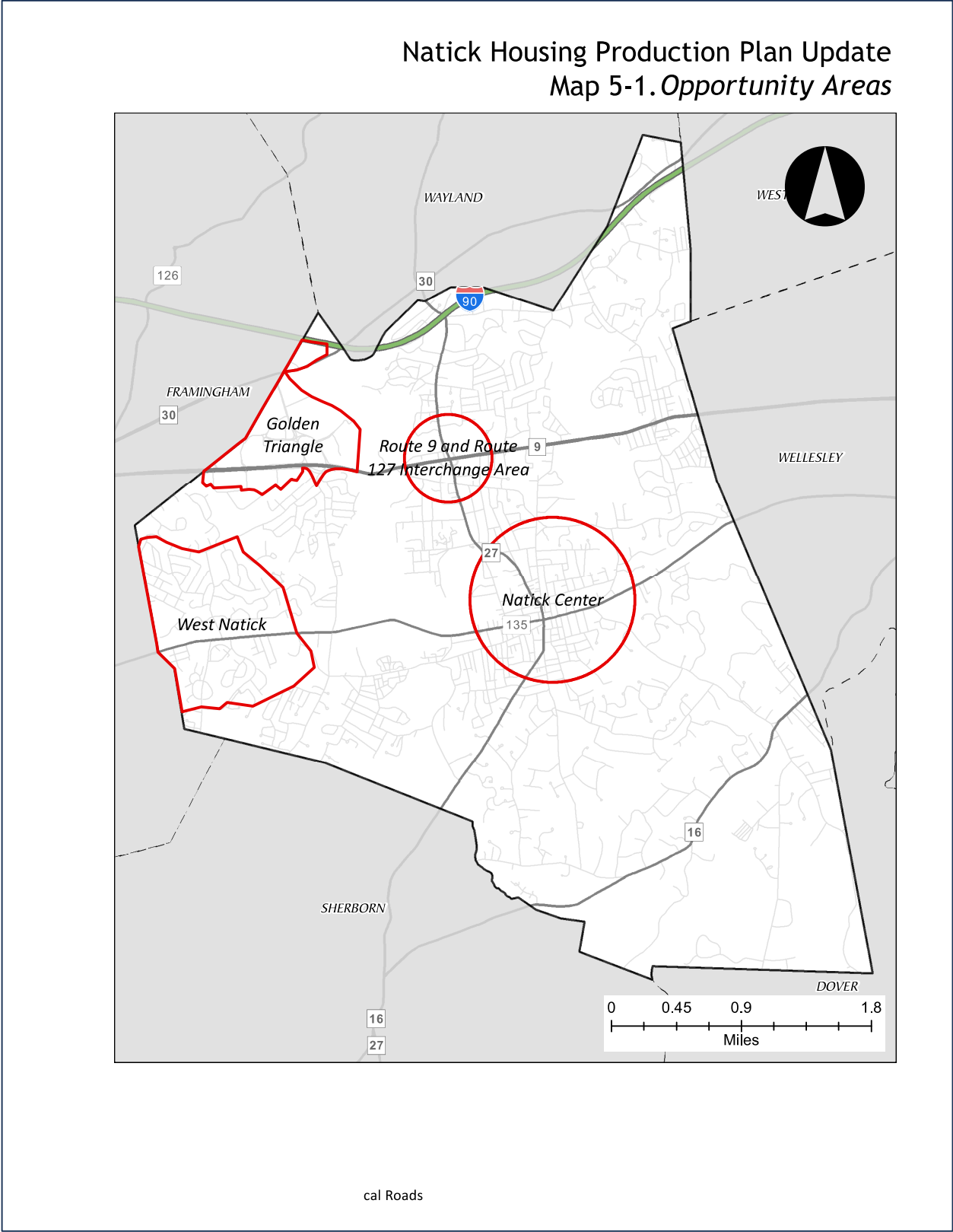


Source: Ross Chapin, Conover Cottages



Source: Pam MacRae, Sightline Institute

Map 5-1/Opportunity Areas



building permit and filing a simple site plan. Most towns still require a special permit for free-standing accessory dwellings, e.g., back yard cottages, carriage houses, or units above a detached garage, but an accessory apartment inside a single-family home can be an important step for Natick. In addition, the Town can consider these actions to increase the supply of housing:

- Expand the areas designated for multifamily dwellings as of right, subject to site plan and design review.
- Consider allowing two-family dwellings in all residential districts.



Source: Microhouse NW

UNIVERSAL DESIGN

Universal Design is a popular strategy in aging communities, focusing on barrier-free design.

Ensure that new/remodeled units and infrastructure follow ADA Standards at a minimum but ideally incorporate Universal Design Standards. With an 8.3 percent of residents having disabilities and a projected 30 percent of the population being over 65 years old by 2035, there is an even greater need for units and infrastructure that follows, at the minimum, standards set by the Americans with Disabilities Act. However, preferably, these units follow more stringent standards such as Universal Design, which means that a housing unit is both accessible and barrier-free. Universal Design goes far beyond the minimum specifications and limitations of legislated mandates for accessible and barrier-free facilities. Universal Design homes avoid use of special assistive technology devices and, instead incorporate consumer products and design features that are easily usable and commonly available. In addition to create a more livable environment, the home is also “visitable,” which allows relatives and friends to access the unit as well.

SUSTAINABLE DESIGN

Sustainable Design Standards help to create more energy efficient, low-carbon solutions for housing that reduces the costs to renting or owning a home. There are several methods that can be used, including (but not limited to) Passive House design, EnergyStar, Green Globes, and LEED. Passive House is a building standard that does not require any heating system other than post air heating; it focuses on optimizing heating and cooling systems, utilizing the sun’s energy, and using innovative approaches to ventilation and temperature control. Green Globes and LEED are assessment protocols, rating systems, and guides for green building design, operation and management; whereas EnergyStar is an EPA program that certifies household appliances. Such principles were recently included in Natick’s new Cluster Subdivision regulations in the zoning by-law.

MAKE GOOD USE OF CHAPTER 40B AS A VEHICLE FOR CREATING AFFORDABLE HOUSING

Natick should actively pursue partnerships with non-profit and for-profit developers that have collaborated with cities and towns on so-called “friendly” Chapter 40B developments. Local funds should be dedicated and prioritized for well-planned rental developments. A well-known example of municipal funding that fundamentally changed the outcome for a comprehensive permit project is Easton’s Shovel Shop Village. There, the Town intervened to save a historic mill complex from

demolition by a mixed-income housing developer. Easton partnered with another developer and invested \$7.5 million in Community Preservation Act (CPA) funds to save the buildings. The project was permitted under Chapter 40B, not through a zoning change. The Natick Select Board entered into a Development Agreement with Stonegate LLC in 2020 for redevelopment of the former St. Patrick's School campus in Natick Center into a mixed residential/commercial complex under a "friendly" Comprehensive Permit process. The Select Board sponsored a zone change (which was approved by Town Meeting) to allow mixed uses on the site, and Stonegate is preparing to apply for a Comprehensive Permit from the Natick Zoning Board of Appeals later in 2021.

FAST-TRACK COMPREHENSIVE PERMITS

Modernizing existing public housing facilities in today's financial climate is challenging for large cities and small towns alike. While limited resources do allow for some interior or exterior maintenance and modification, the vast majority of the nation's public housing stock is substandard and needs to be replaced. As Natick evaluates improvements to its existing public housing facilities, some consideration should be given to creating a public/partnership with an outside developer to help finance and construct new public housing for Natick's most vulnerable populations. To accomplish this, the Town would have to incorporate a mixed-income strategy to any new redevelopment so market-rate housing units could be used to cross-subsidize the deeply affordable units needed to maintain or increase the number of public housing units. This strategy would require allowing a higher intensity of development on the site to accommodate both affordable and market rate units, but would result in substantial improvements to the housing stock and the quality of life for residents. Most recently, the Natick Zoning Board of Appeals (ZBA) approved a Comprehensive Permit for a new medium-sized (73 unit) affordable apartment development in 2018 at the Cloverleaf shopping center. The project sponsor, the owner of the property, has not built the project to date due to high construction costs.

HOUSING AUTHORITY

The Town should work with the Natick Housing Authority (NHA) to explore options for a public/private partnership with a developer to modernize the public housing inventory through mixed-income development. Densification of these properties should be achieved with a comprehensive permit. The NHA and the Housing Trust recently worked together on a feasibility study of different solutions to accessibility barriers at Cedar Gardens; the Trust provided the funding grant to the study. Potential solutions to the challenge range from adding small infill houses across the site, to acquiring adjacent land for expansion and new construction. The NHA is now in the process of trying to secure funds for the new, ADA-accessible site.

Funding, Assets, Partners

LOCAL PROPERTY TAX INCENTIVES FOR AFFORDABLE HOUSING

Affordable housing production will not happen without predictable, adequate funding for acquisition, pre-development, development, management, and monitoring. There is growing interest in Massachusetts (and beyond) in using local government tax policy as a mechanism for creating affordable housing. While there are very few models available, a few cities have established tax incentive programs and recently, the Town of Amherst secured passage of a home rule petition with broad powers to allow special incentives and tax increment financing agreements (TIF) for production of affordable units (Appendix). Natick could consider instituting a similar approach and target it to encourage sustainable projects that can be difficult to carry out, e.g., redevelopment/reuse projects or intensification of existing uses, or to encourage development of employer-assisted housing. Another option is to provide property tax exemptions to owners who rent units to low- or moderate-income households, similar to a program that has existed in Provincetown for several years.

HOUSING CHOICE

Natick should be alert to opportunities to seek designation as a Housing Choice Community. This would provide preferential access to state grant programs as well as a new grant program open only to Housing Choice Communities. In 2018, the Baker Administration created the Housing Choice Initiative, a multi-pronged effort to align resources and data to create a single point of entry for communities seeking assistance in increasing their housing supply. A crucial part of Housing Choice Initiative is the Housing Choice designation and grant program. The Administration has identified simple, flexible standards that are achievable for all municipalities. For more information on how to become designated as a Housing Choice Community, see the Appendix.

REQUEST FOR EXPRESSIONS OF INTEREST (RFI) AND HOST COMMUNITY AGREEMENT

Work with and for non-profit developers to create affordable housing through methods such as a Host Community Agreement. This is a relatively new strategy that is being used to establish an on-going, long-term relationship between a developer(s) and a local government in an effort to create affordable housing consistent with the community's goals. The agreement encourages regular communication between the developer and various boards and committees responsible for creating affordable housing.

MUNICIPAL LAND INVENTORY

Inventory publicly owned land to determine suitability and availability for developing affordable housing. One way to reduce the costs associated with developing affordable housing is to utilize publicly owned land. By creating an inventory of land, a community can work collaboratively to develop criteria that narrows down which properties are most suitable for housing development. Criteria can include access to services and transportation, proximity to schools, wetlands or environmental constraint present, etc.

MASSACHUSETTS HEALTHY AGING COLLABORATIVE AGE-FRIENDLY COMMUNITIES

Consider participating in the MA Healthy Aging Collaborative's Age-Friendly Communities Program. Age-friendly communities strive to better meet the needs of their older residents by considering the environmental, economic, and social factors that influence the health and well-being of older adults. These programs seek to allow older adults to stay in their communities and "age in place." One option is to join an age-friendly network. The World Health Organization (WHO) established a Global Network of Age-Friendly Cities and Communities to support communities who are taking active steps toward becoming more age-friendly. The American Association of Retired Persons (AARP) Network of Age-Friendly Communities is the U.S. affiliate of the WHO network. Several Massachusetts communities have been accepted into the WHO global network, and other communities are exploring applications. To date, no MetroWest communities have joined the network.

Local Planning & Policy

ONE PLAN, ONE VOICE

Natick 2030+ is the umbrella for this HPP, and it needs to be the principal guidance document for present and future endeavors to meet Natick's obligations for fair and affordable housing.



DEVELOPING LEADERSHIP & PROVIDING GUIDANCE AT THE TOP

Chapter 40B was enacted in 1969 at a time when throughout the state, the Zoning Board of Appeals (ZBA) was only town board that could grant special permits and variances, so it made sense to give ZBAs authority for comprehensive permits as well. From a 1969 perspective, local regulations were the main barrier to constructing affordable housing, yet in 1969, both the federal and state governments were consistently subsidizing low-income housing development. At the time, no one could have anticipated the eventual abdication of federal responsibility for housing for the poor, or how the industry would change over the next two decades. The notion that municipalities might provide funding to create low- or moderate-income housing or work as partners with affordable housing developers was barely on the horizon at the end of the 1960s. The same can be said for comprehensive planning – almost non-existent in suburbs and small towns until the federal government provided Section 701 planning grants in the 1960s.



Since 1969, the roles and responsibilities of cities and towns have changed considerably. Many functions that seem ordinary or essential today did not exist in 1969, e.g., a Council on Aging, a Youth Commission, or a Human Services Department. Forty years ago, no community anticipated that it would ever play a significant, activist role in affordable housing. At best, communities knew in 1969 that the legislature had imposed more permitting responsibilities on them and in many cases, they resented their new-found powers.



By the mid-1980s, it had become clear that local governments had to mobilize for affordable housing development and not simply wait for the arrival of comprehensive permits. Over time, other municipal officials have taken on new duties and learned the value of collaboration for affordable housing. Working together, the Natick Board of Selectmen, Planning Board, Community Development Advisory Committee (CDAC), and Natick Affordable Housing Trust (NAHT) can help by providing leadership and support for meeting the Town's housing needs. They could also play an instrumental part in building consensus among groups that need to work together to increase the supply of affordable housing in Natick. Having the Town's key policy-level boards working as partners with the housing advocacy community to convey a unified message about affordable housing would be important for Natick. Perhaps the most important application for this is at Town Meeting, where housing policies are deliberated and voted-on. It is critical to inform the community of the benefits of a growing and diverse housing stock. Most people do take it seriously when their elected officials lead by example and believe in what they say, compared to a reactionary stance that is "checking the boxes." Strengthening the Trust's partnerships will help build their resources and leverage their decision-making power in Town.

On a going-forward basis, the Town should pursue proactive affordable and fair housing training resources for the Board of Selectmen, Planning Board, and other policy-level bodies. Training and information sessions should also be made available for the general public, as Natick residents continue to grapple with affordable housing myths and stigmas. Non-profit advocacy and education organizations that provide fair and affordable housing training and technical assistance are listed in the Appendix.

6. Appendix

Glossary

Affirmative Fair Housing Marketing Plan (AFHMP). A plan that meets the fair housing and non-discrimination requirements of the Department of Housing and Community Development (DHCD) for marketing affordable housing units. The plan typically provides for a lottery and outreach to populations protected under the federal Fair Housing Act of 1968, as amended. The plan must be designed to prevent housing discrimination on the basis of race, creed, color, national origin, sex, age, disability, familial status, sexual orientation, gender identity, or any other legally protected class under state or federal law.

Affordable Housing. As used in this report, "affordable housing" is synonymous with low- or moderate-income housing, i.e., housing available to households with income that does not exceed 80 percent of area median income and at a cost that does not exceed 30 percent of their monthly gross income.

Affordable Housing Restriction. A contract, mortgage agreement, deed restriction or other legal instrument, acceptable in form and substance to the Town, that effectively restricts occupancy of an affordable housing unit to a qualified purchaser or renter, and which provides for administration, monitoring, and enforcement of the restriction during the term of affordability. An affordable housing restriction runs with the land in perpetuity or for the maximum period allowed by law. It should be entered into and made enforceable under the provisions of G.L. c. 184, §§ 31-33 or other equivalent state law.

Affordable Housing Trust. A municipal trust fund, overseen by a Board of Trustees, for creating and protecting affordable housing.

Age-Dependency Ratio. A measure defined by dividing the combined populations under 18 years and 65 years and over by the 18-64 years population and multiplying by 100.

Area Median Income (AMI). The median family income, adjusted for household size, within a given metropolitan or non-metropolitan area, updated annually by HUD and used to determine eligibility for most housing assistance programs. For Natick, AMI is based on the Boston-Cambridge-Newton Median Family Income.

Average-Income Household. Loosely defined term for households with incomes over the maximum for affordable housing but typically outpriced by housing costs in affluent suburbs. An income between 81 and 120 percent of AMI generally encompasses average-income households.

Chapter 40A. G.L. c. 40A, the state Zoning Act. The current version of the Zoning Act was adopted in 1975 (1975 Mass. Acts 808).

Chapter 40B. G.L. c. 40B, § 20-23 (1969 Mass. Acts 774), the state law administered locally by the Board of Appeals in order to create affordable housing. It provides eligible developers with a unified permitting process that subsumes all permits normally issued by multiple town

boards. Chapter 40B establishes a basic presumption at least 10 percent of the housing in each city and town should be affordable to low- or moderate-income households. In communities below the 10 percent statutory minimum, affordable housing developers aggrieved by a decision of the Board of Appeals can appeal to the state Housing Appeals Committee, which in turn has authority to uphold or reverse the Board's decision.

Chapter 40R. G.L. c. 40R (2004 Mass. Acts 149, s. 92), a state law that provides for overlay districts with variable densities for residential development and multi-family housing by right (subject to site plan review). At least 20 percent of the units in a Chapter 40R district have to be affordable to low- or moderate-income people. Natick has established a Chapter 40R district.

Chapter 44B. G.L. c. 44B (2000 Mass. Acts 267), the Community Preservation Act, allows communities to establish a Community Preservation Fund for open space, historic preservation, and community housing by imposing a surcharge of up to 3 percent on local property tax bills. The state provides matching funds (or a partial match) from the Community Preservation Trust Fund, generated from Registry of Deeds fees.

Comprehensive Permit. The unified permit authorized by Chapter 40B, §§ 20-23, for affordable housing development.

Community Development Block Grant (CDBG). Under the Housing and Community Development Act of 1974, as amended (42 U.S.C. 5300 et seq.), the U.S. Department of Housing and Urban Development (HUD) makes funds available each year for large cities ("entitlement communities") and each of the fifty states (the Small Cities or "non-entitlement" program). CDBG can be used to support a variety of housing and community development activities provided they meet one of three "national objectives" established by Congress. Housing activities are usually designed to meet the national objective of providing benefits to low- or moderate-income people. Funds may be used for housing rehabilitation, redevelopment of existing properties for residential purposes (in some cases), making site improvements to publicly owned land to support the construction of new housing, interest rate and mortgage principal subsidies, and downpayment and closing cost assistance.

Community Housing. As defined under Chapter 44B, "community housing" includes housing affordable and available to (a) households with incomes at or below 80 percent AMI and (b) between 81 percent and 100 percent AMI.

Community Land Trust. Community land trusts are nonprofit, community-based organizations designed to ensure community stewardship of land. They are used primarily to ensure long-term housing affordability. To do so, the trust acquires land and maintains ownership of it permanently. With prospective homeowners, it enters into a long-term, renewable lease instead of a traditional sale. When the homeowner sells, the family earns only a portion of the increased property value. The remainder is kept by the trust, preserving the affordability for future low- to moderate-income families.

Community Preservation Act. See *Chapter 44B*.

Comprehensive Permit. The unified permit authorized by Chapter 40B for affordable housing development.

Department of Housing and Community Development (DHCD). The state's lead housing agency, originally known as the Department of Community Affairs (DCA). DHCD oversees state-funded public housing and administers rental assistance programs, the state allocation of CDBG and HOME funds, various state-funded affordable housing development programs, and the Community Services Block Grant (CSBG) Program. DHCD also oversees the administration of Chapter 40B.

Disparate Impact. A legal doctrine under Fair Housing that states a policy may be seen as discriminatory if it has a disproportionately adverse effect on groups protected by the Act. The intent does not have to be discriminative; disparate impact looks at the *effect*.

Extremely Low-Income Household. A household income at or below 30 percent of AMI. (In some housing programs, a household with income at or below 30 percent of AMI is called very low income.)

Fair Housing Act (Federal). Established under Title VII of the 1968 Civil Rights Act, the federal Fair Housing Act prohibits discrimination in the sale, rental, and financing of dwellings, and in other housing-related transactions, based on race, color, national origin, religion, sex, familial status (including children under the age of 18 living with parents or legal custodians, pregnant women, and people securing custody of children under the age of 18), sexual orientation, gender identity, and disability.

Fair Housing Law, Massachusetts. G.L. c. 151B (1946), the state Fair Housing Act prohibits housing discrimination on the basis of race, color religious creed, national origin, sex, sexual orientation, age, children, ancestry, marital status, veteran history, public assistance reciprocity, or physical or mental disability.

Fair Market Rent (FMR). A mechanism used by HUD to control costs in the Section 8 rental assistance program. HUD sets FMRs annually for metropolitan and non-metropolitan housing market areas. The FMR is the 40th percentile of gross rents for typical, non-substandard rental units occupied by recent movers in a local housing market. (See 24 CFR 888.)

Family. Under the Federal Fair Housing Act (FFHA), family includes any of the following:

- (1) A single person, who may be an elderly person, displaced person, disabled person, near-elderly person, or any other single person; or
- (2) A group of persons residing together, and such group includes, but is not limited to:
 - (a) A family with or without children (a child who is temporarily away from the home because of placement in foster care is considered a member of the family);
 - (b) An elderly family;
 - (c) A near-elderly family;
 - (d) A disabled family;
 - (e) A displaced family; and

(f) The remaining members of a tenant family.

Gross Rent. Gross rent is the sum of the rent paid to the owner ("contract rent") plus any utility costs incurred by the tenant. Utilities include electricity, gas, water and sewer, and trash removal services but not telephone service. If the owner pays for all utilities, then gross rent equals the rent paid to the owner.

Group Home. A type of congregate housing for people with disabilities; usually a single-family home.

HOME Program (Home Investment Partnership Program). A block grant administered by HUD for the creation and preservation of low- and moderate-income housing. HOME funds are available to states, qualifying cities, and groups of communities that together qualify as a HOME Consortium. Natick is a member of the West Metro HOME Consortium.

Household. One or more people forming a single housekeeping unit and occupying the same housing unit. (See definition of *Family*)

Housing Appeals Committee (HAC). A five-member body that adjudicates disputes under Chapter 40B. Three members are appointed by the Director of DHCD, one of whom must be a DHCD employee. The governor appoints the other two members, one of whom must be a city councilor and the other, a selectman.

Housing Authority. Authorized under G.L. 121B, a public agency that develops and operates rental housing for very-low-income and low-income households.

Housing Cost, Monthly. For homeowners, monthly housing cost is the sum of principal and interest payments, property taxes, and insurance, and where applicable, homeowners association or condominium fees. For renters, monthly housing cost includes rent and basic utilities (oil/gas, electricity).

HUD. See *U.S. Department of Housing and Urban Development*.

Inclusionary Zoning. A zoning ordinance or bylaw that encourages or requires developers to build affordable housing in their developments or provide a comparable public benefit, such as providing affordable units in other locations ("off-site units") or paying fees in lieu of units to an affordable housing trust fund.

Infill Development. Construction on vacant lots or underutilized land in established neighborhoods and commercial centers.

Jobs-to-Housing Ratio. An indicator of the adequacy of employment and housing in a given community or area.

Labor Force. The civilian non-institutionalized population 16 years and over, either employed or looking for work.

Labor Force Participation Rate. The percentage of the civilian non-institutionalized population 16 years and over that is in the labor force.

Local Initiative Program (LIP). A program administered by DHCD that encourages communities to create Chapter 40B-eligible housing without a comprehensive permit, e.g., through inclusionary zoning, purchase price buydowns, a Chapter 40R overlay district, and so forth. LIP grew out of recommendations from the Special Commission Relative to the Implementation of Low or Moderate Income Housing Provisions in 1989. The Commission prepared a comprehensive assessment of Chapter 40B and recommended new, more flexible ways to create affordable housing without dependence on financial subsidies.

Low-Income Household. As used in the terminology of Chapter 40B and DHCD's Chapter 40B Regulations, low income means a household income at or below 50 percent of AMI. It includes the HUD household income group known as very low income.

Low or Moderate Income. As used in Chapter 40B, low or moderate income is a household that meets the income test of a state or federal housing subsidy program. Massachusetts follows the same standard as the rest of the nation, which is that "subsidized" or low- or moderate-income housing means housing for people with incomes at or below 80 percent of the applicable AMI.

Massachusetts Housing Partnership (MHP). A public non-profit affordable housing organization established by the legislature in 1985. MHP provides technical assistance to cities and towns, permanent financing for rental housing, and mortgage assistance for first-time homebuyers.

MassDevelopment. A quasi-public state agency that provides financing for commercial, industrial, and multifamily rental developments and facilities owned by non-profit organizations.

MassHousing. A quasi-public state agency that provides financing for affordable housing.

Mixed-Income Development. A residential development that includes market-rate and affordable housing.

Mixed-Use Development. A development with more than one use on a single lot. The uses may be contained within a single building ("vertical mixed use") or divided among two or more buildings ("horizontal mixed use").

Moderate-Income Household. As used in the terminology of Chapter 40B and DHCD's Chapter 40B Regulations, moderate income means a household income between 51 and 80 percent of AMI. In some federal housing programs, a household with income between 51 and 80 percent of AMI is called low income.

Non-Family Household. A term the Census Bureau uses to describe households composed of single people living alone or multiple unrelated people sharing a housing unit.

Overlay District. A zoning district that covers all or portions of basic use districts and imposes additional (more restrictive) requirements or offers additional (less restrictive) opportunities for the use of land.

Regulatory Agreement. An affordable housing restriction, recorded with the Registry of Deeds or the Land Court, outlining the developer's responsibilities and rights

Section 8. A HUD-administered rental assistance program that subsidizes "mobile" certificates and vouchers to help very-low and low-income households pay for private housing. Tenants pay 30 percent (sometimes as high as 40 percent) of their income for rent and basic utilities, and the Section 8 subsidy pays the balance of the rent. Section 8 also can be used as a subsidy for eligible rental developments, known as Section 8 Project-Based Vouchers (PBV), which are not "mobile" because they are attached to specific units.

Shared Equity Homeownership. Owner-occupied affordable housing units that remain affordable over time due to a deed restriction that controls resale prices, thereby retaining the benefits of the initial subsidy for future moderate-income homebuyers.

Single Room Occupancy (SRO). A building that includes single rooms for occupancy by individuals and usually includes common cooking and bathroom facilities shared by the occupants.

Subsidized Housing Inventory (SHI). A list of housing units that "count" toward a community's 10 percent statutory minimum under Chapter 40B.

SHI-Eligible Unit. A housing unit that DHCD finds eligible for the Subsidized Housing Inventory because its affordability is secured by a long-term use restriction and the unit is made available to low- or moderate-income households through an approved affirmative marketing plan.

Subsidy. Financial or other assistance to make housing affordable to low- or moderate-income people.

Sustainability. To create and maintain conditions under which people and nature can exist in productive harmony while fulfilling the social, economic and other requirements of present and future generations. For housing, sustainability requires an equity framework that includes affirmative measures to provide greater energy-efficiency and healthy housing, to connect housing to jobs, to improve access to affordable transportation, and to enhance educational opportunity.

Typical, Non-standard Rental Units. A term that defines the types of rental units that HUD includes and excludes in establishing the FMR for each housing market area. The term excludes: public housing units, rental units built in the last two years, rental units with housing quality problems, seasonal rentals, and rental units on ten or more acres.

U.S. Department of Housing and Urban Development (HUD). The lead federal agency for financing affordable housing development and administering the Fair Housing Act.

Very Low Income. See Extremely Low Income.

Workforce. People who work or who are available for work, either in a defined geographic area or a specific industry.

Workforce Housing. There is no single industry standard that defines "workforce housing." HUD defines it as housing affordable to households earning between 80 and 120 percent of AMI. The Urban Land Institute has traditionally used the term "workforce housing" to describe units affordable to households with incomes between 60 and 100 percent AMI. By contrast,

MassHousing defines “workforce housing” as housing affordable to individuals and families with incomes of 61 percent to 120 percent of AMI. In general, workforce housing is housing for people who work in a community and the pricing methodology should account for wages paid by local employers. (See also, *Average-Income Household*)

Resources for Affordable Housing

NATICK HOUSING PRODUCTION PLAN (2012)

<https://www.natickma.gov/DocumentCenter/View/54/2012-Natick-Housing-Production-Plan-Final-Implementation-PDF>

NATICK AFFORDABLE HOUSING BROCHURE

<https://www.natickma.gov/DocumentCenter/View/55/2013-Affordable-Housing-Brochure-PDF>

NATICK LIST OF AFFORDABLE HOUSING SERVICE PROVIDERS

<https://www.natickma.gov/DocumentCenter/View/5177/Natick-Affordable-Housing-Providers-listpdf>

NATICK FAIR HOUSING PLAN (2008)

<https://www.natickma.gov/DocumentCenter/View/57/Fair-Housing-Plan-PDF>

MASSACHUSETTS HOUSING PARTNERSHIP, UPDATED MUNICIPAL AFFORDABLE HOUSING TRUST GUIDEBOOK (2018)

https://www.mhp.net/writable/resources/documents/MAHTGuidebook_2018.pdf

MASSACHUSETTS HOUSING PARTNERSHIP, MUNICIPAL AFFORDABLE HOUSING TRUST OPERATIONS MANUAL (2015)

https://www.housingtoolbox.org/writable/files/resources/MAHT-Ops-Manual_final.pdf

HOUSING TOOLBOX FOR MASSACHUSETTS COMMUNITIES

<https://www.housingtoolbox.org/>

40B FACT SHEET: A GUIDE TO THE STATE'S AFFORDABLE HOUSING LAW PREPARED BY THE CITIZEN'S HOUSING AND PLANNING ASSOCIATION.

www.chapa.org/sites/default/files/Fact%20Sheet%20on%20Chapter%2040B%202011%20update.pdf

CHAPTER 40B REGULATIONS

www.mass.gov/regulations/760-CMR-5600-comprehensive-permit-low-or-moderate-income-housing

HOUSING CHOICE DESIGNATION AND GRANTS

<https://www.mass.gov/housing-choice-designation-and-grants>

WEST METRO HOME CONSORTIUM

http://www.newtonma.gov/gov/planning/hcd/westmetro_home_consortium/default.asp

METROPOLITAN AREA PLANNING COUNCIL

<https://www.mapc.org/>

MA DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT

<https://www.mass.gov/orgs/housing-and-community-development>

COMMUNITY PRESERVATION COALITION

<https://www.communitypreservation.org/>

COMMUNITY LAND TRUSTS

<https://community-wealth.org/strategies/panel/clts/index.html>

INCOME LIMITS

The Department of Housing and Urban Development (HUD) sets income limits that determine eligibility for assisted housing programs. HUD develops income limits based on median family income estimates and fair market rent area definitions for each metropolitan and non-metro area.

www.huduser.gov/portal/datasets/il.html

HUD Income Limits and Fair Market Rents

HUD 2019 INCOME LIMITS

| FY2019 Income Limit Area | Median Family Income | FY2019 Income Limit Category | Persons in Family | | | | | | | |
|---|----------------------|----------------------------------|-------------------|--------|--------|--------|--------|---------|---------|---------|
| | | | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 |
| Boston- Cambridge- Quincy, MA-NH HUD Metro FMR Area | \$133,300 | Very Low (50%) Income Limits(\$) | 41,500 | 47,400 | 53,350 | 59,250 | 64,000 | 68,750 | 73,500 | 78,250 |
| | | Extremely Low Income Limits (\$) | 24,900 | 28,450 | 32,000 | 35,550 | 38,400 | 41,250 | 44,100 | 46,950 |
| | | Low (80%) Income Limits (\$) | 62,450 | 71,400 | 80,300 | 89,200 | 96,350 | 103,500 | 110,650 | 117,750 |

2019 FAIR MARKET RENTS

| Final FY 2019 FMRs By Unit Bedrooms | | | | |
|-------------------------------------|-------------|-------------|---------------|--------------|
| Efficiency | One-Bedroom | Two-Bedroom | Three-Bedroom | Four-bedroom |
| \$1,608 | \$1,801 | \$2,194 | \$2,749 | \$2,966 |

Subsidized Housing Inventory (SHI)

| ID # | Project Name | Address | Type | Units | Expires | Comprehensive Permit? | Subsidy |
|------|--------------------------|---|-----------|-------|---------|-----------------------|--------------|
| 2063 | n/a | Curve/High Sts. | Rental | 52 | Perp | No | DHCD |
| 2064 | n/a | Cedar Terrace | Rental | 260 | Perp | No | DHCD |
| 2065 | n/a | 4 Cottage St. | Rental | 45 | Perp | Yes | DHCD |
| 2066 | William Coolidge House | 72 South Main St. | Rental | 10 | Perp | No | DHCD |
| 2067 | West Hill | 17 & 18 West Hill Park | Rental | 8 | Perp | No | DHCD |
| 2068 | n/a | 201 Pond St; 44 Curve St. | Rental | 3 | Perp | No | DHCD |
| 2069 | n/a | 106-108 Pond/6 Plain/ 2 Hunter Hill/1 Westview, 92 S.Main | Rental | 10 | Perp | No | DHCD |
| 2070 | n/a | 5-17 School St; 8 Webster St | Rental | 8 | Perp | Yes | DHCD |
| 2071 | n/a | 1-16 West Hill Park | Rental | 16 | Perp | Yes | DHCD |
| 2073 | Natick Village set-aside | 8 Natick Village Way | Rental | 6 | 2042 | No | EOHHS, FHLLB |
| 2074 | Sherwood Village | Mill Street | Rental | 236 | 2034* | Yes | MassHousing |
| 2075 | Walnut Street | 12-13 Walnut Street | Ownership | 5 | perp | No | DHCD |
| 2076 | Walden Street | Walden Drive | Ownership | 2 | perp | No | DHCD |
| 2077 | Thoreau Street | Thoreau Street | Ownership | 1 | perp | No | DHCD |
| 4384 | DDS Group Homes | Confidential | Rental | 38 | N/A | No | DDS |
| 8652 | Cloverleaf Apartments | 321 Speen St | Rental | 183 | 2031 | YES | FHLBB |
| 8833 | South Natick Hills | 226 South Main St & 61 Rockland Ave | Ownership | 67 | perp | YES | MassHousing |
| 8834 | 8-10 Grant Street | 8-10 Grant Street | Rental | 24 | perp | YES | MassHousing |
| 9008 | Natick Mall Offsite | Dewey Street | Ownership | 3 | Perp | NO | DHCD |
| 9009 | Natick Mall Offsite | Thoreau Court | Ownership | 2 | Perp | NO | DHCD |
| 9010 | Natick Mall Offsite | Walden Drive | Ownership | 6 | Perp | NO | DHCD |
| 9011 | Natick Mall Offsite | Village Rock Lane | Ownership | 7 | Perp | NO | DHCD |
| 9012 | Natick Mall Offsite | Post Oak Lane | Ownership | 1 | Perp | NO | DHCD |
| 9028 | Chrysler Apartments | 321 Speen Street | Rental | 407 | Perp | YES | MHP |
| 9083 | DMH Group Homes | Confidential | Rental | 10 | N/A | NO | DMH |
| 9299 | Castle Courtyard | Castle Courtyard | Ownership | 4 | Perp | NO | DHCD HUD |
| 9300 | Admiral's Cove | 7 Dewey Street | Ownership | 2 | Perp | NO | DHCD HUD |
| 9391 | Natick Mall Offsite | Village Way | Ownership | 5 | Perp | NO | DHCD |
| 9392 | Natick Mall Offsite | Village Hill Lane | Ownership | 6 | Perp | NO | DHCD |
| 9393 | Natick Mall Offsite | Squire Court | Ownership | 1 | Perp | NO | DHCD |
| 9394 | Natick Mall Offsite | Silver Hill Lane | Ownership | 5 | Perp | NO | DHCD |
| 9395 | Natick Mall Offsite | Village Brook Lane | Ownership | 2 | Perp | NO | DHCD |

NATICK HOUSING PRODUCTION PLAN

| ID # | Project Name | Address | Type | Units | Expires | Comprehensive Permit? | Subsidy |
|---------------------|--------------------------------------|----------------------|-----------|--------|---------|-----------------------|---------|
| 9486 | 20 South Avenue | 20 South Avenue | Ownership | 5 | Perp | NO | DHCD |
| 10137 | Modera Apartments | 82 North Main Street | Rental | 28 | Perp* | NO | DHCD |
| 10176 | 48 South Avenue | 48 South Avenue | Ownership | 1 | Perp | NO | DHCD |
| 10178 | 58 North Avenue | 58 North Avenue | Rental | 8 | Perp | NO | DHCD |
| | Total SHI Units | | | 1,477 | | | |
| | Census 2010 Year-Round Housing Units | | | 14,052 | | | |
| | Percent Subsidized | | | 10.51% | | | |
| Source: DHCD, 2019. | | | | | | | |

Affirmative Fair Housing Marketing

The Commonwealth of Massachusetts has a compelling interest in creating fair and open access to affordable housing and promoting compliance with state and federal civil rights obligations. Therefore, all housing with state subsidy or housing for inclusion on the SHI shall have an Affirmative Fair Housing Marketing Plan. To that end, DHCD has prepared and published comprehensive guidelines that all agencies follow in resident selection for affordable housing units. In particular, the local preference allowable categories are specified:

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

The full guidelines can be found here:

<http://www.mass.gov/hed/docs/dhcd/hd/fair/afhmp.pdf>.

List of Interviews

Ball, J. (2019, May 2). Member-at-Large, Natick Affordable Housing Trust. (F. Coughlan, Interviewer)

Chenard, W. (2019, May 2). Deputy Town Administrator, Town of Natick. (F. Coughlan, Interviewer)

Collins, C. (2019, May 2). Natick School Committee. (F. Coughlan, Interviewer)

Crossley, S. (2019, May 2). Executive Director, Family Promise MetroWest. (F. Coughlan, Interviewer)

Fagan, B. (2019, May 2). Special Assistant, Community Services Department. (F. Coughlan, Interviewer)

Fields, T. (2019, May 22 and May 24). Senior Planner, Town of Natick. (F. Coughlan, Interviewer)

Hickey, M. (2019, May 2). Board of Selectmen. (F. Coughlan, Interviewer)

Jackowitz, D. (2019, May 2). Zoning Board of Appeals. (F. Coughlan, Interviewer)

Johnson, R. (2019, May 2). Chair, Natick Affordable Housing Trust. (F. Coughlan, Interviewer)

Markman, E. (2019, May 2). Reverend, Interfaith Clergy Congregation. (F. Coughlan, Interviewer)

Nolin, A. (2019, May 2). Superintendent of Schools, Natick Public Schools. (F. Coughlan, Interviewer)

Parish, D. (2019, May 2). Chair, Natick Housing Authority. (F. Coughlan, Interviewer)

Salamoff, S. (2019, May 2). Board of Selectmen, Natick Affordable Housing Trust. (F. Coughlan, Interviewer)

Sciarra, P. (2019, June 3). Natick Affordable Housing Trust. (F. Coughlan, Interviewer)

Tutuny, G. (2019, May 2). Executive Director, Natick Service Council. (F. Coughlan, Interviewer)

Waters, R. (2019, May 2). Executive Director, Natick Housing Authority. (F. Coughlan, Interviewer)

