

Wellesley Housing Production Plan



Town of Wellesley
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Consultants:



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community preservation
+ planning

Wellesley Housing Production Plan 2018

Table of Contents

INTRODUCTION	1
What has Wellesley done to create more affordable housing?	2
What can this plan do for Wellesley?	4
Community engagement	5
Data sources	14
HOUSING NEEDS ASSESSMENT	15
Key findings	15
Population characteristics	16
Household characteristics	19
Housing characteristics & trends	22
Housing affordability & housing needs	26
POTENTIAL BARRIERS TO AFFORDABLE HOUSING DEVELOPMENT	31
Key findings	31
Environmental limitations	32
Preservation priorities	36
Infrastructure and public facilities	36
Regulatory framework	37
HOUSING GOALS	41
The challenge	41
Goal-setting process	41
HOUSING DEVELOPMENT STRATEGIES AND ACTION PLAN	45
Overview	45
Required action plan elements	46
Important implementation tools	52
APPENDIX	57
A. Glossary	57
B. Resources for Affordable Housing Information, Education, and Community Engagement	65
C. Safe Harbor Status through Housing Plan Certification	67
D. Amherst Special Legislation: Tax Incentives for Affordable Housing	69
E. Wellesley Housing Development Corporation Special Act of the Legislature	71



INTRODUCTION

In 2016, Wellesley embarked on a unique and comprehensive community planning process to develop what is known as the Unified Plan. Serving both as an update of the 2007 Wellesley Comprehensive Plan and a strategic plan for the Town, the Unified Plan is a plan for Wellesley's physical evolution and economic well-being and a vision to cohere local government decision-making. The process to develop the Unified Plan came at the heels of a contentious, difficult, and polarizing process that called upon Wellesley voters to decide whether to change their form of government to a modern, more centralized town manager framework, an effort that was not successful. In many ways, residual tension from defeat of the town manager proposal persists today.

Against the backdrop of deep divisions about considerations related to how the Town would operate in the future, Wellesley suddenly found itself with plans for several Chapter 40B developments all within a matter of weeks. What would have been hard for a peaceful town to manage became very challenging for Wellesley officials, staff, and residents. Today, the Zoning Board of Appeals is considering five comprehensive permit applications with a combined total of 228 mixed-income housing units. There are more projects that have either received Project Eligibility (PE) determinations or are anticipated to receive them soon. While difficult, the town government process made it apparent that Wellesley residents prefer a form of government that approaches problems collaboratively, based on consensus. It is in this vein that the Board of Selectmen, Planning Board, and Housing Development Corporation set out to develop this Housing Production Plan with broad participation, input, and support.

Housing in Wellesley is coveted real estate. The monthly rents for homes and apartments in Wellesley exceed what landlords charge in most of Greater Boston, except perhaps in Downtown Boston or the Seaport District. Norfolk County ranks forty-second out of the top 100 wealthy counties in the country, and Middlesex County is not far behind. Throughout the Boston Metro area, the housing wage necessary to afford a modest two-bedroom apartment is \$33.46 per hour.¹ That may seem manageable to many Wellesley residents, but it represents far more than the earnings of employees in Wellesley's retail, food service, or health care establishments. It is little wonder that 65 percent of the people who work in Wellesley each day commute from some other town.²

¹ National Low-Income Housing Coalition, *Out of Reach 2018*, 119.

² U.S. Census Bureau, *Commuting (Journey to Work)*, 2009-2013 5-Year American Community Survey Commuting Flows (2013).

What has Wellesley done to create more affordable housing?

Despite Wellesley's exceptionally high housing costs, the limited inventory of affordable units in Wellesley is not because the town has ignored its obligations to provide affordable housing. The opposite is true. Of the 575 units on the Chapter 40B Subsidized Housing Inventory (SHI) today, most have come about because of efforts by the Wellesley Housing Authority, Wellesley Housing Development Corporation (WHDC), Town boards and commissions, and Town staff. The WHDC's very existence owes to a home rule petition filed with the General Court in 1998.³ Wellesley has taken many steps to address affordable housing, including the following:

- **1998:** The Town of Wellesley submitted a home rule petition to the General Court to establish the WHDC.
- **2004:** The Community Preservation Committee provided \$65,000, in addition to HUD funds, to create a group home for people with disabilities at 4 Marshall Road.
- **2004:** Town Meeting adopted an Inclusionary Zoning Bylaw (IZB), requiring residential projects in commercial districts to provide 20 percent affordable housing, and commercial projects over 10,000 square feet to provide 2 percent affordable housing (1 unit for every 50,000 square feet constructed).
- **2005:** Town Meeting amended the IZB to apply to subdivisions with more than five new lots, thereby making new subdivisions include 20 percent affordable housing.
- **2007-2008:** Permitting began for projects at 978 Worcester Street and the former Wellesley Inn site at 576 Washington Street in Wellesley Square. Though delayed by the recession, these projects have been completed, resulting in seven SHI-eligible units at 978 Worcester and five SHI-eligible units at 576 Washington Street. Both projects were developed under the Town's IZB bylaw. The 978 Worcester St. project also provided a payment in-lieu for one unit.
- **2007:** The Linden Square project was completed, including seven affordable housing units created under the IZB. (The Town recently discovered that these units are not listed on the SHI. They are being added at this time.)
- **2007:** Town Meeting amended the definition of Floor Area Ratio in the Zoning Bylaw to exempt affordable units created under the IZB from the maximum FAR. This change

Of the 575 units on the Chapter 40B Subsidized Housing Inventory (SHI) today, most have come about because of efforts by the Wellesley Housing Authority, Wellesley Housing Development Corporation (WHDC), Town boards and commissions, and Town staff

³ Secretary of the Commonwealth, Acts and Resolves by the General Court. Chapter 311 of the Acts of 1998: An Act Establishing the Wellesley Housing Development Corporation.

- provides for the necessary increase in density to produce affordable housing in commercial districts.
- **2007:** Wellesley adopted an award-winning Comprehensive Plan in 2007 with numerous recommended actions for affordable housing.
 - **2009:** Permitting for the CVS resulted in a payment of in-lieu under the IZB.
 - **2011:** The ZBA approved a comprehensive permit for Wellesley Commons at 65-71 Washington Street, resulting in one new SHI-eligible homeownership unit.
 - **2012:** The Town approved Waterstone at Wellesley, 27 Washington Street, under the Residential Incentive Overlay (RIO) district in Wellesley Lower Falls. This project created 82 independent living units for seniors, all listed on the SHI. It also includes seven affordable assisted living units not listed on the SHI because of DHCD policies, but they are permanently deed restricted to be affordable.
 - **2012:** The Wellesley Housing Development Corporation purchased and renovated a two-family dwelling at Peck Ave and a single-family dwelling at 6 Mellon Road, creating three affordable units. At the same time, the Town also purchased 9 Highland Road for affordable housing. It is omitted from the SHI because the deed restriction does not meet DHCD requirements. This problem will be cured when the unit is resold.
 - **2013/2014:** The ZBA approved a comprehensive permit for 139 Linden Street, which added two units to the SHI.
 - **2013:** Town Meeting amended the Wellesley Square Zoning District to create a special permit to provide for density. This action benefited and allowed the previously stalled Wellesley Inn project to proceed.
 - **2016:** The Planning Board approved a definitive subdivision plan for 135 Great Plain Ave. that included a payment in-lieu for 2.4 units. (This site is now the subject of a 44-unit comprehensive permit application.)
 - **2016:** The Town began work on the first Unified Plan in the Commonwealth. This planning process brings together the Town's strategic plan and comprehensive plan. The Board of Selectmen and Planning Board are expected to adopt the final plan in 2018. It includes a housing strategy with a variety of mechanisms to increase housing type and



affordability. Several of the strategies in the Unified Plan have been incorporated in Section 5 of this Housing Production Plan.

- **2018: Actions by the Town:**
 - March 2018: The Board of Selectmen released a Request for Proposals (RFP) to develop the Tailby and Railroad Parking Lots near the Wellesley Square MBTA station for affordable housing and parking.
 - March 2018: The Planning Board sought FY19 funds to develop a sub-area study and plan to support the development of additional affordable housing. (CPA funds were also requested for this project.)
 - April 2018: With the Community Preservation Committee's recommendation, Town Meeting approved \$200,000 to the Wellesley Housing Authority to study the redevelopment potential of the Barton Road public housing property.
 - May 2018: The Board of Selectmen and WHDC purchased two additional rental units at 978 Worcester Street, bringing the affordability percentage to 25 percent and adding the total 36-unit development to the Town's SHI, a net increase of 29 units.
 - June 2018, John Hancock announced plans to redevelop the Wellesley Office Park and wants to partner with the Town to construct 350 rental housing units.

While Wellesley has taken steps to create affordable housing, the needs, constraints and challenges that existed when Wellesley completed the Comprehensive Plan in 2007 remain true today. The description of Wellesley in 2018 is not much different than it was eleven years ago.

What can this plan do for Wellesley?

The main purpose of this HPP is to help Wellesley implement the new Unified Plan and make steady progress toward meeting and exceeding the 10 percent statutory minimum. 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;
- Educate the public about Wellesley's need for more affordable housing and a wider variety of housing types;



- Identify specific locations and sites that would be appropriate for affordable and mixed-income housing development; and
- Guide future mixed-income housing development to these optimal sites and locations.

With a DHCD approved HPP in place, Wellesley may be able to manage the flow of new Chapter 40B proposals. However, the HPP will be effective for this purpose *only* if the Town implements it. Implementation of this plan and the new Unified Plan will be critical for Wellesley if a comprehensive permit were denied based on conflicts with local plans. Two recent Housing Appeals Committee (HAC) cases lay out the issues and requirements associated with planning for affordable housing. Excerpts from these decisions, shown on the

If the Town wants to direct higher-density housing to locations other than established neighborhoods, it needs to carry out strategies that will be effective toward that end. It also needs to work on ways to introduce modestly scaled affordable units in the established neighborhoods.

next page, could assist present and future readers to understand what the Town needs to do to help the Board of Appeals if an objectionable comprehensive permit is denied in the near future. These excerpts speak to the vital importance of *consistent* plan implementation. In short, having a plan is not enough; plan implementation is essential.

It is very unlikely that Wellesley's desire to protect the character of its single-family neighborhoods would rise to the level of a local planning concern that outweighs the regional need for affordable housing. If the Town wants to direct higher-density housing to locations other than established neighborhoods, it needs to carry out strategies that will be effective toward that end. It also needs to work on ways to introduce modestly scaled affordable units in the established neighborhoods. Doing so will create a track record that illustrates how Wellesley has both protected the single-family neighborhoods *and* provided affordable housing choices within them.

Community engagement

As part of the HPP process, the Town sought public involvement to include a variety of opinions on the production and retention of affordable housing in Wellesley. Public workshops were designed to be interactive, encouraging residents to talk and collaborate in some "hands-on" activities and to help the consultants understand the Town. Input provided by participants in these workshops has been used to direct the plan in several key ways. Wellesley's HPP has benefited from thoughtful input from the participants in three community workshops - April 7, May 3, and June 12, 2018 - and guidance from representatives of the Board of Selectmen, Planning Board, and Wellesley Housing Development Corporation. The consulting team also interviewed residents and others with knowledge of the housing situation in Wellesley.

COMMUNITY MEETING #1: APRIL 7, 2018

The first of three community-wide meetings for the Wellesley Housing Production Plan (HPP) took place on Saturday, April 7, at 9:30. Approximately 45 people attended, including two who did not sign the attendance sheet.

The meeting included informal small-group discussion time during registration, a presentation by the consultants, and an hour-long discussion period designed to elicit ideas about two topics: the ideal vision of housing in Wellesley, and an assessment of opportunities for and barriers to achieving the vision. Each table had a volunteer from the HPP working group whose job was to facilitate and record the group's discussion (about five to seven participants per table and a total of seven tables). At the end of the one-hour discussion period, each facilitator summarized what group members had said. The following summarizes key ideas and concerns that emerged during the first community meeting.

- **Housing Vision for Wellesley**

- Protect the character of established neighborhoods
- Strategically locate affordable housing near public transportation, goods and services, and schools, and in walkable locations
- Site more densely developed housing in and near the business districts, e.g., mixed-use buildings or multifamily buildings adjacent to commercial buildings
- Geographically distribute affordable housing throughout the town so that no neighborhood is overburdened
- Allow more housing choices in established neighborhoods, such as the ability to convert existing single-family homes to two-family or small multi-family dwellings
- Develop Town-owned property, e.g., the North 40 parcel or the Tailby Lot as a preferred way to create more housing
- Provide for additional development, infill, or reuse of existing properties in office park settings, e.g., Harvard Pilgrim or Sun Life, or the public housing on Barton Road (Wellesley Housing Authority)
- Remove the value of land from the cost of housing: consider a community land trust approach



- **Housing Opportunities**

- Pursue development of Town-owned property, e.g., North 40, Tailby Lot, Wellesley Middle School, Morton Circle
- Create more housing for employees at major institutions, e.g., Babson, Wellesley, Dana Hall, Tenacre
- Develop housing on surplus land at MassBay Community College or the Sisters of Charity/Seton Residence
- Allow accessory dwelling units and “age friendly” multifamily use of existing residences
- Identify redevelopment possibilities along Worcester Street/Route 9
- Zone for more diverse housing with overlay districts or reducing regulatory barriers, e.g., multifamily conversions
- Preserve existing small homes

- **Housing Barriers or Constraints**

- Conservation restrictions limit the amount of Town-owned land that can be developed for housing
- Tension between the desire to avoid, isolated large developments, preserve the character of existing single-family neighborhoods, and accommodate 400+ additional Chapter 40B units into those neighborhoods without scale and density
- The Town’s zoning substantially restricts what developers can do: use regulations, maximum density, maximum height, parking
- Wellesley’s high income/high household wealth profile, prestige, very high land values, and the economics of teardowns contribute to loss of smaller, relatively affordable homes
- Lack of opportunities for seniors to downsize interferes with “natural” turnover in housing stock and forces them to sell to a developer or let the house fall into disrepair because they cannot maintain it
- Lack of funding for affordable housing
- Lack of public awareness or understanding of Chapter 40B and affordable housing needs
- Perceptions of affordable housing
- Lack of public consensus and public commitment to housing

- Traffic, parking, limited in-town public transportation all contribute to mobility constraints

COMMUNITY MEETING #2: MAY 3, 2018

The second of three community-wide meetings for the Wellesley Housing Production Plan (HPP) took place on Thursday, May 3, at 7 PM. Approximately 30 people attended the meeting. The purpose of the meeting was to get community feedback on a set of goals for the HPP. It included a presentation by the consultants, followed by an open house-style activity designed to inform participants of the purpose of each goal and gather public opinion on the importance of incorporating the goal into the HPP. The results from this exercise and additional feedback from participants are summarized below.

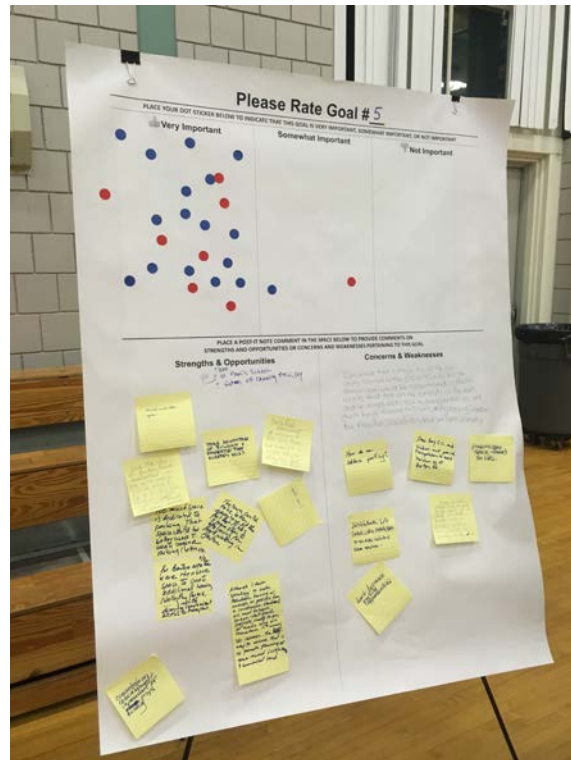
• Main Conclusions

- Participants feel strongly that Wellesley should strive to reach the affordable housing goal of 10 percent to maintain local control.
- Many participants were in favor of at least slightly increased density, more housing choice, and increased racial and socio-economic diversity.
- The most major concerns were increased traffic with the increase in density, the lack of public transportation access that some new developments might face, and the potential change in the character of Wellesley with new housing development.
- Participants favored creating more housing through redevelopment of existing buildings, as long as those units allowed for residents to be a part of the community and have access to town services and resources.

• Comments on Draft Housing goals

Goal 1: Create a variety of affordable and mixed-income housing that helps to make Wellesley a welcoming community for people with diverse socio-economic backgrounds.

Twenty-two participants marked this goal as “very important”, and three marked it as “somewhat important”. Many commenters saw the benefits of having a more diverse community, and some asked how to best educate the public on these benefits. Some suggested developing support systems for the socio-economically diverse population and to



promote diverse businesses to help integrate the community. Several comments mentioned MassBay as an opportunity to meet this goal. Others expressed concerns about neighborhood resistance to any housing other than single-family and they worried about how to meet this goal.

Goal 2: Provide more housing options, including affordable and market-rate housing options, for low- and middle-income families, seniors, and individuals with disabilities, through a variety of mechanisms to increase housing choice.

Twenty-one people marked this goal “very important”, and four marked it “somewhat important”. Some strengths of this goal were that it would enable people who work in town (i.e. teachers, police officers) to live in town, it would diversify talents and skills sets in town, and it would offer more opportunities for intergenerational interaction by helping young families and elderly residents. Some participants noted opportunities, including promoting smaller projects in residential neighborhoods, creating higher density zoning on upper floors in commercial business districts, and creating cluster developments on larger parcels. Some concerns regarding this goal were that the increase in density would increase traffic and have the potential to change the character of the town, and that while the focus on low- and middle-income families is important, families with 80-120 percent AMI also need affordable housing in Wellesley.

Goal 3: Actively strive to incrementally achieve state’s MGL c.40B 10% goal for affordable housing by producing at least 45 units annually that count on the state’s subsidized housing inventory, through local actions and approval of private development, especially development of rental housing units. Create at least 400 housing units that are permanently affordable to income-eligible households by 2028.

Twenty-three people marked this goal as “very important”, three people marked it as “somewhat important”, and one person marked it as “not important”. Most commenters emphasized the importance of Wellesley being able to control its own destiny by striving not just for safe harbor but for the full 10 percent. Some commenters felt that this goal could help to meet other goals, but others expressed concern that if meeting this goal is not done in a thoughtful way, other goals, such as housing choice and diversity, could be at risk.

Goal 4: Encourage new development and repurposing of existing buildings to create affordable and mixed income housing that: (a) reinforces the development patterns of Wellesley’s residential neighborhoods and maintains a predominantly single-family character in established single-family neighborhoods; (b) strengthens the vitality of business districts and commercial corridors with diverse housing types; and (c) promotes housing development in walkable areas with convenient access to shops, services, public transportation, parks, schools, and other neighborhood destinations.

Every participant rated this goal as “very important” (25 people). Participants emphasized the repurposing of existing buildings to be an important aspect of the goal, and they stated that walkability and access to public transportation and town services is essential when considering placement of affordable housing. Some opportunities discussed were selling

and developing St. Paul's school building and the Sisters of Charity property or creating more mixed-use housing in Wellesley Square. Concerns residents had were the availability of parking and whether development that is not necessarily walkable but has easy access to highways should also be prioritized. One comment suggested that this type of development might not be good for the community aspect of residents living there.

Goal 5: Promote the development of surplus institutional and town-owned land as well as the redevelopment of office parks and existing affordable housing complexes to create desirable mixed-income and mixed-use neighborhoods, where feasible.

Twenty-three participants rated this goal as "very important", and two rated it as "somewhat important". Commenters mostly wanted to focus on redevelopment rather than new development to preserve as much open space as possible. They emphasized that it was important for these developments, whether they were new or redevelopments, to be close to services and able to connect to town life. One concern was regarding the potential decrease in parking in town. Another commenter was enthusiastic about redevelopment but acknowledged that a large amount of development projects would have to take place to realistically maintain SHI growth.

- **Strategies**

A final station asked participants what their ideas were for addressing housing needs in Wellesley, and what they think should be further explored in the planning process. Here are some of the responses.

- Talk to people who live in affordable housing
- Share what other towns are doing across the country
- Improve access to public transportation
- More community education about the benefits of a diverse community to children and families
- More accessory apartments in limited areas
- Change zoning to create slightly denser development
- Engage the neighborhoods to consider how to welcome new residents before they come, to be welcoming and integrate into the community.
- Local incentives to support affordable housing
- Mixed-use properties in places such as Wellesley Square
- Mass Bay rental units to allow students to live nearby; could also support Mass Bay faculty and staff

COMMUNITY MEETING #3: JUNE 12, 2018

The final community meeting occurred on June 12, 2018. Approximately 40 people attended the meeting, including members of the Board of Selectmen, Planning Board, and WHDC. The meeting's purpose was to solicit opinions from community members on transformation areas in Wellesley and what types of development would be suitable for the town. Consultants presented information about housing needs in Wellesley, participants gave comments and suggestions in an open house exercise, and a final group exercise allowed participants to discuss with one another and choose what types of housing would be suitable in which areas of town.

- **Main Conclusions**

- Participants are open to increased density if it is done wisely and tastefully.
- A main priority of housing development is to meet the 10 percent goal for affordable housing, and community members want this to be the focus for any new development.
- Key transformation areas that participants were generally in favor of included Wellesley Square, North 40, and sites in the east part of town.

- **Open House Stations**

Where are Wellesley's key transformation areas? Where is change most likely to occur in Wellesley? Where could change accommodate multifamily housing? Mixed-use developments?

The first station presented a map of Wellesley showing potential development sites and asked participants to leave comments answering the question above and responding to the suggested sites on the map. Participants left check marks by each development site, shown in the image below. The most popular sites were **North 40**, with ten check marks and two X marks, **Office Park** with 12 check marks, and **Wellesley Square & Neighborhoods**, with 14 check marks and one X mark. The area in the east part of town on the Newton line, which includes the office park, the **National Guard Site**, and **WHA Barton Rd**, received a good deal of support on the map, though one commenter noted that there are already many projects there that are affecting traffic, and suggested more projects in areas where there is less density.

Some key transformation areas that participants noted were Barton Road, Wellesley Square, North 40, and areas that had access to public transportation. These areas would be suitable for mixed-use or multifamily development. However, there were participants who disagreed that any of those would be good options, citing congestion and 40B projects that are already in the area. One area that a couple of commenters did not think was a good location for development was the Linden Street neighborhood, as there is already traffic congestion in the area and it is not ideal for access to public transportation.

What is the ONE most important step Wellesley should take to work toward or reach the 10 percent affordable housing goal under Chapter 40B?

Responses shared by participants included the following:

- Zoning for multifamily
- Make a dent in the SHI gap by approving development that will count completely towards the affordable housing goal
- Repurpose currently developed areas for more housing
- Pursue affordable elderly and disabled housing
- Create mixed-income housing areas
- Public housing in areas that are central to public transportation, have access to shopping areas, and encourage walkability
- Ensure that housing units complement rather than overwhelm the existing neighborhood (in terms of density and design)

GROUP EXERCISE

Following the open house, participants returned to their tables to partake in a group exercise. Each group had sets of Lego bricks in different sizes, where each size pertained to a different housing type: single-family, duplex, three- or four-unit building, larger multi-family, etc. The consultants asked participants to use all the Legos on a large map of Wellesley, placing them in areas where they believe development of that type of housing would be suitable.



Group A

As shown above on the left, Group A concentrated some larger developments (black and orange Legos) in the Barton Road area and the Office Park. There is also high density in the Wellesley Square area. They chose to scatter some smaller units (blue and yellow) across town. Group B (above right) chose similar areas for their large developments but added a large building near the Needham town line and another just north of Route 9, near the Hardy School.



Group B

Group C (left, below) concentrated density (red, black, and orange blocks) in a few areas: on the Needham line near Babson College, in Wellesley Square, in the Lower Falls vicinity of Walnut Street, and in the east part of town where Barton Road and the office park are. They combined some of the smaller two- to four-family units to create multi-family, and they scattered single-family houses evenly across town. Group D (right, next page), while keeping density in Wellesley Square and the eastern part of town, scattered their two- to four-family units (red and orange blocks) along the main streets of town. One unique choice this group made was to add some single-family units on the western side of Lake Waban.

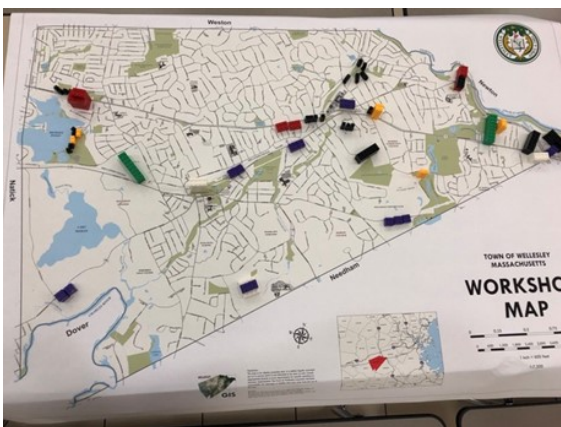


Group C



Group D

Group E (below, left) stacked some of their larger development blocks (green, red, and black blocks) and clustered some of their smaller development blocks to create high density in less space. Many of their proposed developments are along main roads in Wellesley and include the Fells Road area, the Wellesley Hills T station area, and the eastern part of town. Lastly, Group F (right) clustered their developments more so than any other group. They chose to stack multi-family blocks in the Wellesley Square area and added more units in the MassBay Community College/Sisters of Charity area than the other groups. The group clustered some smaller units in the North 40 area as well.



Group E



Group F

Data sources

Information for the Wellesley HPP comes from a variety of sources, including the Town, previous plans and studies, the Metropolitan Area Planning Council (MAPC), state agencies, proprietary data, the U.S. Department of Housing and Urban Development, and Bureau of the Census. The most frequently used sources of data are as follows:

- The **Census of Population and Housing** (decennial census): mainly Census 2010, though some tables from Census 2000 were relied upon as well.
- The **American Community Survey (ACS)**: The ACS 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: 2011-2016 inclusive. 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 Wellesley and other communities, this HPP relies on ACS estimates.
- HUD Consolidated Planning/**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 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.
- **Wellesley GIS**: The Town’s Geographic Information System (GIS) provided numerous GIS databases for use in this plan. The databases were used to map existing land uses, recent housing sales, recent single-family teardown/rebuild projects, zoning, infrastructure, natural resources, and other factors.
- **The Warren Group/Real Estate Records Search**: The consulting team tapped the Warren Group’s extensive real estate transaction databases to sample sales volume and sale prices in various parts of Wellesley.
- **UMass Amherst/Donohue Institute**: This source was relied upon for population projections and trends, and building permit trends.

Many other publications were also reviewed during the development of this plan as well. Extensive and invaluable guidance was received throughout from the Wellesley Planning Department.



CHAPTER TWO

HOUSING NEEDS ASSESSMENT

Key findings

- Wellesley is a town of homeowners. Over 82 percent of Wellesley households own their residence.
- Out of 7,111 homeowners, 6,699 – or 94 percent – live in detached single-family dwellings.
- Wellesley has the third highest median household income in Massachusetts.
- Wellesley has very little racial, ethnic, or class diversity. Black or African Americans make up a much smaller percentage of the total population in Wellesley than in the Boston Metro area as a whole. Moreover, federal census data indicate that over half of all blacks counted as part of Wellesley's total population are students and faculty at Wellesley and Babson.
- In 2017, Wellesley ranked tenth in the Boston Metro area for total number of housing sales. Since 2010, some 2,600 homes have sold in Wellesley.
- According to the Town's recently completed Unified Plan, the total number of housing units in Wellesley rose by just 218 units between 2000 and 2017. In 2017, the median single-family sale price in Wellesley was \$1.3 million.
- Wellesley is redeveloping. Most new housing construction in Wellesley occurs due to teardowns. Since 2009, the Wellesley building department has issued 575 residential demolition permits. Redevelopment of older housing stock brings higher asset value to the community, but in most cases, it does not produce a net increase in housing units.



Population characteristics

Wellesley and the surrounding communities have absorbed modest population growth over the past few decades. Echoing Greater Boston trends, Wellesley’s population growth rate accelerated with the “Baby Boom,” only to reverse with a slight population decline from 1970-1990 as household sizes fell throughout the U.S. Since 1990, however, Wellesley has been gaining residents again, narrowly outpacing the rate of growth in Norfolk County. Today, the Census Bureau estimates Wellesley’s total population at 29,215.⁴ Citing projections from the Metropolitan Area Planning Council (MAPC) and the University of Massachusetts Donohue Institute, Wellesley’s *Unified Plan* anticipates another cycle of population decreases through 2035, yet at the same time, modest growth in total households.⁵ This is generally consistent with conditions throughout Boston’s west suburbs, where household formation rates continue to rise while household sizes drop.

POPULATION AGE

Wellesley’s population age characteristics come as no surprise. Like virtually all communities in the Northeast, Wellesley has a “graying” population and a shrinking supply of younger adults. And, while available population projections point to a gradual decline in dependent children as well, Wellesley has a large share of people under 19 years compared with other Boston suburbs. Its prestigious school district has an undeniable impact on the homebuying choices made by wealthy families in the Greater Boston area. According to the Census Bureau, over half of all families in Wellesley (and 43 percent of all households) have children under 18.⁶ The size of the under-19 and over-65 population combined produces a staggering **age dependency ratio** of 0.93. These are not ordinary statistics.

RACE, ETHNICITY, CULTURE, AND GEOGRAPHIC MOBILITY

Wellesley has limited racial and ethnic diversity. Minorities comprise about 17 percent of the town’s total population (see Table 2.1), with Asians making up a larger percentage than all other racial groups combined and half of all foreign-born residents as well. The Latino community, which is primarily white, represents less than 5 percent of the total population.⁷ By contrast, the black or African American population in Wellesley is quite small – under 3 percent of the total – a fact not lost on many of the town’s affordable housing organizations and supporters. During an interview for this housing plan,

Table 2-1. Population by Race		
Race	Wellesley	Boston Metro
White	82.5%	77.3%
Black	2.4%	8.0%
American Indian or Alaskan Native	0.1%	0.2%
Asian	11.0%	7.3%
Native Hawaiian or Other Pacific Islander	0.1%	0.0%
Other Race (Unspecified)	0.9%	4.1%
2+ Races	3.0%	3.1%
Source: ACS 2012-2016, B03002.		

⁴ U.S. Census Bureau, American Community Survey (ACS) Five-Year Estimates, 2012-2016, B01003. “Total population” includes people in group quarters, e.g., college dormitories.

⁵ *Wellesley Unified Plan* (Draft), “Understanding Wellesley Today,” 8.

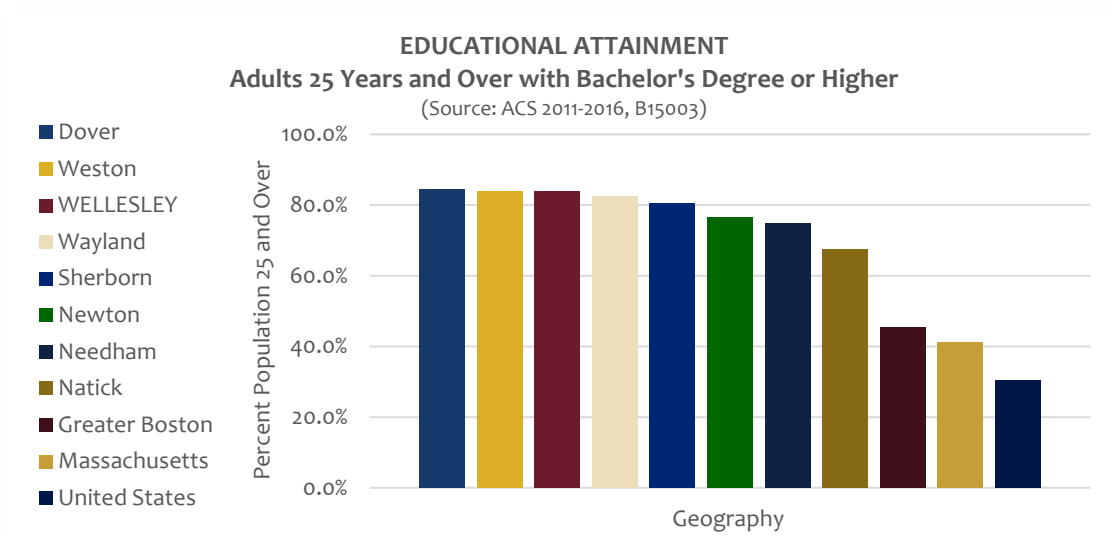
⁶ ACS 2012-2016, B11003, and Barrett Planning Group.

⁷ ACS 2012-2016, B03002, and Barrett Planning Group.

one commenter said she often wonders what residents mean when they say they want to maintain Wellesley as a town that welcomes diversity. Faculty and students at Wellesley College and Babson College represent over 50 percent of the town's entire black population.⁸ The unusually small percentage of blacks in Wellesley matters because throughout the Boston Metro area and nationally, the largest racial and ethnic disparities in wealth occur among blacks born in the U.S. and Latino blacks.⁹ Achieving housing equity for very low-income households can be very challenging in an affluent suburb because the gap between what they can afford and prevailing market values invariably requires deep subsidies.

EDUCATION

Wellesley residents are extraordinarily well educated, and so are their counterparts in the surrounding towns. Educational attainment is one of several measures that separates Greater Boston suburbs from the rest of the state and even more from the rest of the nation. Over 80 percent of Wellesley adults 25 years and over hold at least a bachelor's degree and over 50 percent hold a graduate or professional degree. Wellesley residents value and benefit from living in a region with many colleges and universities in addition to those within their own town.



LABOR FORCE AND EMPLOYMENT

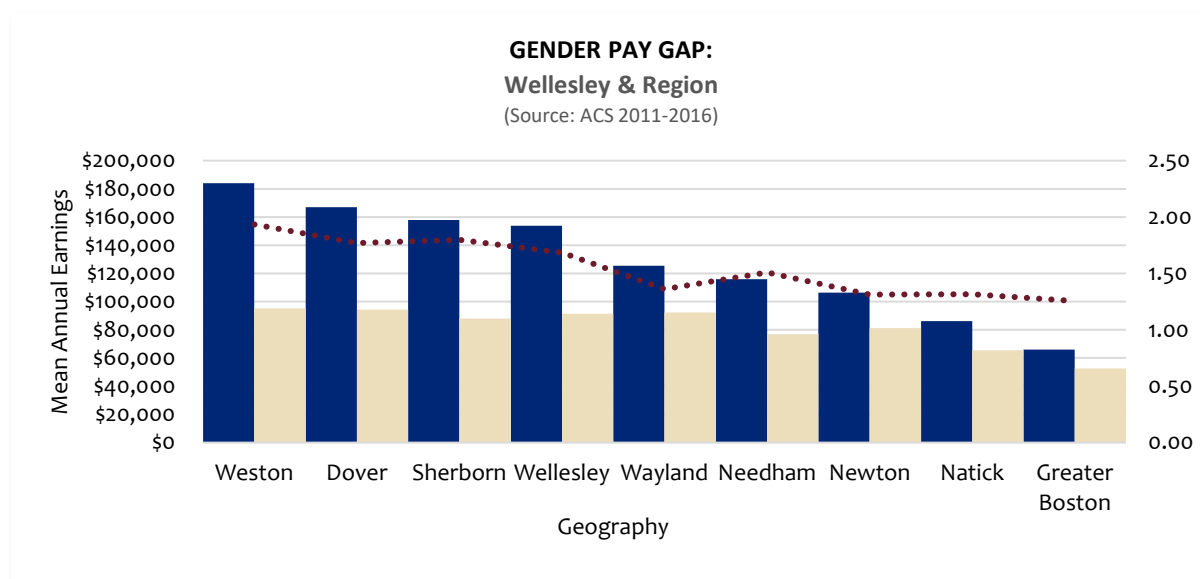
A community's **labor force** includes all civilian residents 16 years and over with a job or in the market for one. Wellesley's labor force includes approximately 13,000 people, 95 percent of whom are employed. The town is fortunate to have some large institutions and other private employers because they offer desirable employment for highly skilled and highly educated workers. As a result, Wellesley has a large percentage of residents 16 years and over working locally – about 35 percent (4,246 people) – and many residents who walk or bike to

⁸ ACS 2012-2016, B02001 (calculated by census block group), and Barrett Planning Group.

⁹ Tatjana Meschede, et al. *Wealth Inequalities in Greater Boston: Do Race and Ethnicity Matter?* CDP 2016-02. (Federal Reserve Bank of Boston, 2016).

work – about 12 percent.¹⁰ The town also has a sizeable group of telecommuters and self-employed people working at home, which is not uncommon in affluent communities.

Consistent with the town’s educational profile, Wellesley residents tend to work in fields requiring advanced degrees and in high-wage occupations. Higher education, health care, science and technology, professional services, finance, and management dominate the list of industries that employ Wellesley residents.¹¹ On average, Wellesley men with full-time employment earn \$153,836 per year, which is very high for the Greater Boston region overall but consistent with other west suburbs. Still, the gender pay gap persists in Wellesley and so many affluent towns, with men earning almost 1.7 times the annual salaries of women – a ratio dramatically higher than that of Greater Boston as a whole.¹² Without substantial child



support, a single woman with children and a full-time job would find it very difficult to live in Wellesley. As illustrated later in this chapter, it can even be harder for single women without children, especially older women.

THE JOBS-HOUSING (IM)BALANCE

The Executive Office of Labor and Workforce Development (EOLWD) reports that Wellesley has about 1,500 employer establishments with a combined total of 18,000 average monthly payroll jobs and an average weekly wage of \$1,576.¹³ The employment base (payroll jobs) is much larger than Wellesley’s total housing inventory, currently estimated at 9,023 year-round units. The **sustainability** goal for a local economy is 1.0-1.5 jobs per housing unit: enough jobs to give residents meaningful opportunities to work locally and enough housing units to give local workers meaningful options to live in the town. The **jobs-to-housing ratio** in Wellesley is

¹⁰ ACS 2012-2016, B08301, and Barrett Planning Group.

¹¹ ACS 2011-2016, C24050, and Wellesley Unified Plan (Draft), Chapter 9 (2018), 3.

¹² ACS 2011-2016, DP-03.

¹³ EOLWD, ES-202, Town of Wellesley, 2016 Annual Report, All NAISC Codes.

1.99, which means there are nearly two jobs for every one housing unit, i.e., potential demand that substantially exceeds the supply.

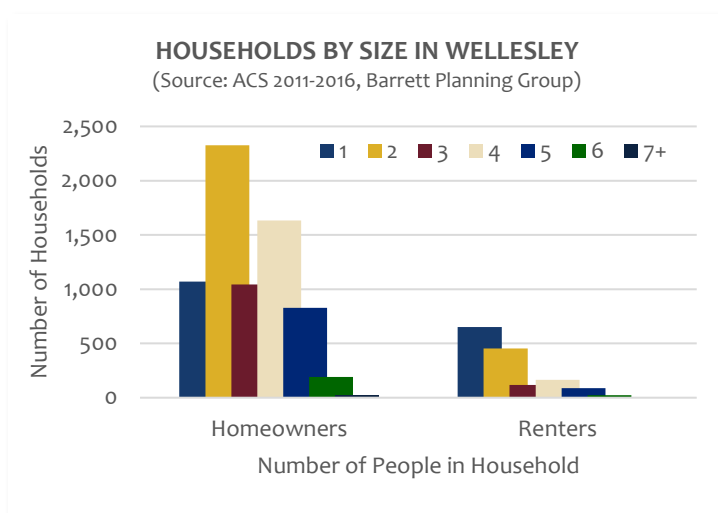
The jobs-to-housing ratio in Wellesley may be skewed slightly by the presence of college campuses with some of their workforce housed on site. For example, Wellesley College owns approximately 60 homes that serve as faculty housing. However, even with a reasonable estimate of the on-campus live/work population, the difference is not large enough to have a material impact on the ratio. Most people working in Wellesley commute from other towns every day, and this can be seen in the estimated size of its “workplace” or daytime population: 23,220 workers, which includes 4,246 who live in Wellesley.¹⁴

Household characteristics

Housing is a product, and households can be thought of as consumers. The housing needs and preferences of households vary by age group, household size, commuting distances, access to goods and services, and clearly, what people can afford for rent or a mortgage payment. The size and composition of a community’s households often indicate how well suited the existing housing inventory is to residents. In turn, the number and type of households and their spending power influence overall demand for housing.

HOUSEHOLDS AND FAMILIES

The Census Bureau divides households into two broad classes: families and non-families. A **family household** includes two or more related people living together in the same housing unit, and a **non-family household** can be a single person living alone or two or more unrelated people living together¹⁵ Town-wide, non-families comprise about 23 percent of all households in Wellesley.¹⁶ Compared with surrounding cities and towns, Wellesley’s family household rate of 77 percent is on the lower end, but much higher than the state average. As for family type, married couples make up an exceptionally high 91 percent of all families in Wellesley (and 70 percent of all households).¹⁷



¹⁴ Census Bureau, Journey to Work Tables.

¹⁵ People not counted as members of a household are counted in the group quarters population, i.e., college students or nursing home residents. See also, Appendix A, Glossary. For zoning and federal Fair Housing Act purposes, the definition of “family” differs from that used by the Census Bureau.

¹⁶ ACS 2012-2016, B11001, “Household Type (Including Living Alone),” and Barrett Planning Group.

¹⁷ Ibid.

HOUSEHOLD SIZE & COMPOSITION

Wellesley may not have the region's largest percentage of family households, but it ranks near the top of the Greater Boston area for family size. Over 34 percent of its households include four or more people, and since 1990 Wellesley's average family size has gradually increased even as household sizes overall have dipped. Today, the Census Bureau estimates that Wellesley's average household includes 2.84 people and the average family, 3.32. This seems consistent with findings in the Unified Plan that the primary group of households moving into Wellesley are "adults in the 35- to 44-year-old range in households with their children" while those moving out include young people leaving Wellesley to attend college or moving to job centers in other parts of the country and people in their seventies and older.¹⁸

The fact that Wellesley has a large percentage of families with dependent children seems widely understood in the town, but the characteristics of other types of families and nonfamily households matter as well. Single people living alone comprise some 20 percent of all Wellesley households and 87 percent of all nonfamily households. An unusual feature of Wellesley's one-person households is that about 60 percent are senior citizens: low compared with many suburbs and small towns.

HOUSEHOLD WEALTH

Household income influences where people live, their health care and quality of life, and the opportunities they can offer their children. Wellesley's prestige is inextricably tied to the wealth of its households, and this has been true for a long time. Table 2.2 offers a snapshot of three median income indicators – all households, family households, and non-family households – that have an

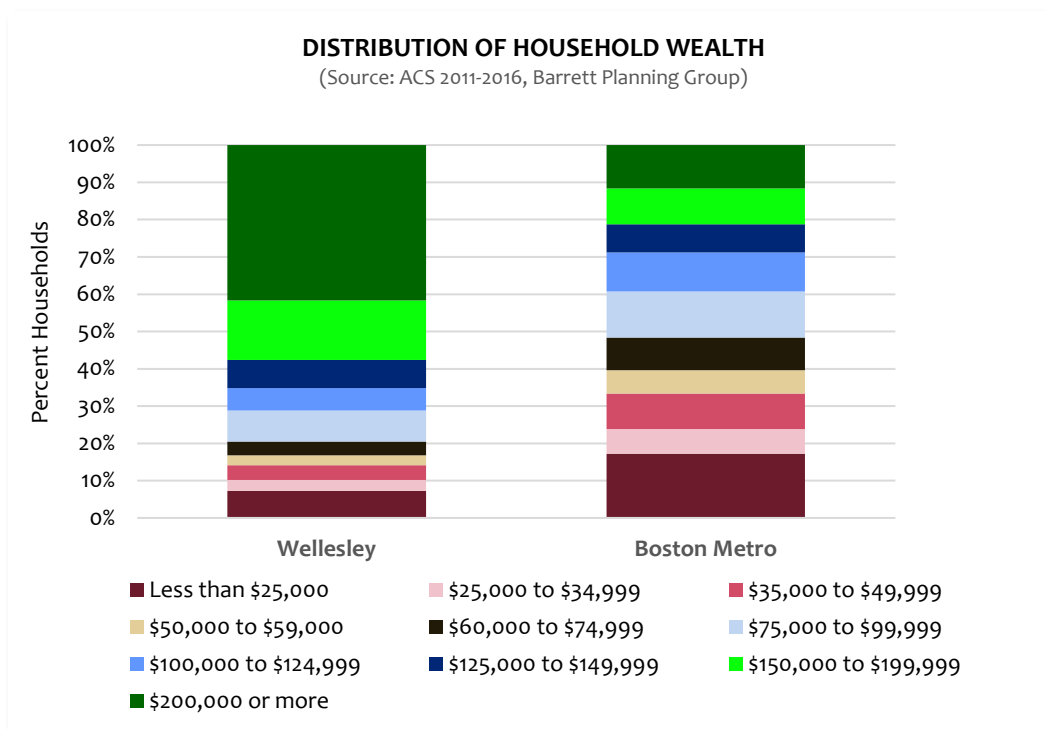
Town	Median Household Income	Median Family Income	Median Nonfamily Income
Dover	\$189,265	\$205,139	Not Reported
Natick	\$104,372	\$135,824	\$51,932
Needham	\$139,477	\$166,931	\$54,919
Newton	\$127,402	\$170,639	\$56,907
Sherborn	\$158,250	\$168,036	\$63,125
Wayland	\$157,500	\$191,134	\$44,448
WELLESLEY	\$171,719	\$200,817	\$74,000
Weston	\$191,744	\$235,766	Not Reported
Greater Boston	\$77,809	\$98,431	\$45,866
Source: ACS 2011-2016.			

important place in any conversation about housing affordability. As seen below, Wellesley is the third wealthiest town in the immediate area, behind Weston and Dover, in terms of median household and median family income. However, the nonfamily median income in Wellesley exceeds that of all the surrounding communities and ranks third for the state.¹⁹ This reflects, at least in part, the fact that Wellesley's one-person households include a broader mix of people than elderly seniors (75 years and over), whose incomes tend to be very low, especially among women. Single people living alone in Wellesley cover all age groups of owners and renters 24 years and over.

¹⁸ Wellesley Unified Plan, (Draft, 2018), 7-5.

¹⁹ ACS 2012-2016, B19202.

Median income statistics shed light on a community's relative economic position, but they also can mask extreme differences in household wealth. The next chart compares Wellesley and the Boston Metro area by the percentage of households in a range of incomes. The chart reinforces that Wellesley has a disproportionate concentration of households in the highest income band, i.e., there is greater income inequality in Wellesley than in surrounding region. As shown later in this section, statistics from the U.S. Department of Housing and Urban Development (HUD) show that 17 percent of Wellesley's households have incomes that fall within the meaning of **low or moderate income**, and about 72 percent of these households spend more of their monthly income on housing than is generally considered affordable. (See "Housing Cost Burden").



Comparing household incomes by household type or age offers another way to explore household income advantages and limitations. It is not uncommon for seniors to have lower incomes than young families, and this applies to Wellesley, too. However, Wellesley stands out for the degree of difference between the incomes of its young families (householders between 25 and 44 years) and their Boston Metro counterparts. In Wellesley, the median income for this group is \$217,222: 2.5 times more than the Boston Metro median income for the same group of householders, \$88,000. Furthermore, both regionally and nationally, the highest-income householders are between 45 and 64 years, but this is not the case in Wellesley, where their median income is 90 percent of the median for the younger cohort. And, the

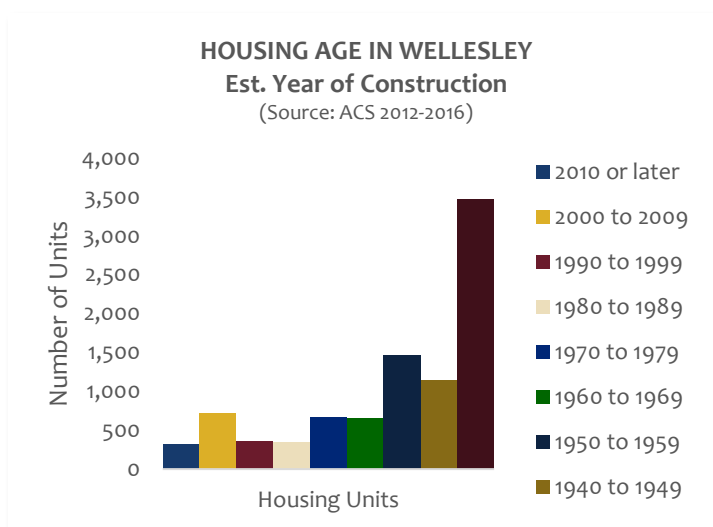
younger cohort represents most movers into Wellesley.²⁰ Single women without children and single retirees (people 65 and over) have the lowest incomes in Wellesley.

Housing characteristics & trends

WELLESLEY'S HOUSING SUPPLY

Wellesley has approximately 9,134 housing units. The overwhelming majority are detached single-family homes, and while many are older homes built before 1940, about 11 percent (over 1,000 units) have been constructed since 2000. Most of these did not add to the town's housing supply. Instead, they replaced older homes that were torn down to make way for new, larger residences.

Since 2009, Wellesley's building department has issued 575 residential demolition permits. Some of the town's neighborhood streets have been virtually transformed by the prevalence of teardown activity, such as Westgate, Wynnewood Road, Patton Road, or Benvenue Street, and several interconnected streets north of Route 9, or Livingston Road and Ridge Hill Farm Road near the Dover/Needham line.²¹ While words like "redevelopment" sometimes make people cringe, Wellesley is obviously redeveloping. The effects can be seen in just about every neighborhood in town. Nearly all the replacement housing consists of large single-family dwellings, though near Wellesley Square, two-unit residential condominiums have been built as well.²²



²⁰ ACS 2012-2016, B19049.

²¹ Wellesley Planning Department, "SFR Demo Permits 1-1-2009 to 2-18-2018" (Excel).

²² Wellesley Planning Department, "SFR New Permits 1-1-2009 to 2-18-2018" and "2-Family New Permits" (Excel).

HOUSING TYPES AND SIZES

Wellesley's homes are large, and the redevelopment process has made them even larger. Assessor's data reveal not only useful information about housing values and types, but also sizes – in residential floor area – and number of rooms, and a host of other information about style and structure trends, including housing age. Over time, the houses in Wellesley have increased in living area, or the floor area occupied as living space, as well as rooms, and most likely accessory features as well (such as garages, barns, and so on). While facts about the latter were not available for this housing plan, the amount of residential floor space, building age, and value statistics can be gleaned from the assessor's database.

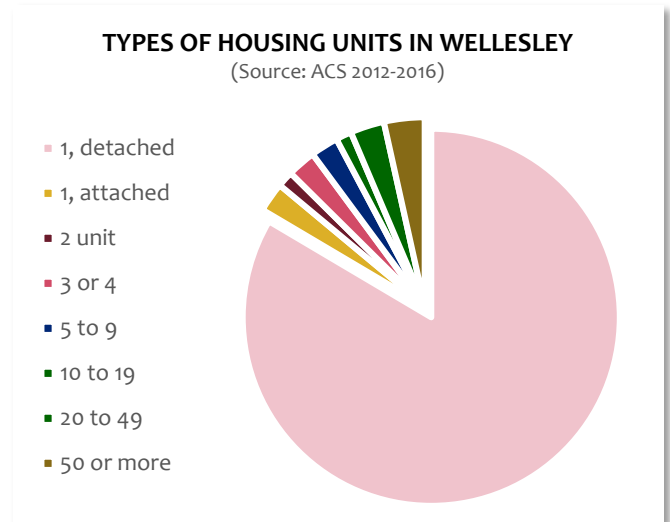


Table 2.3. Change in Size and Values in Wellesley's Single-Family Home Inventory

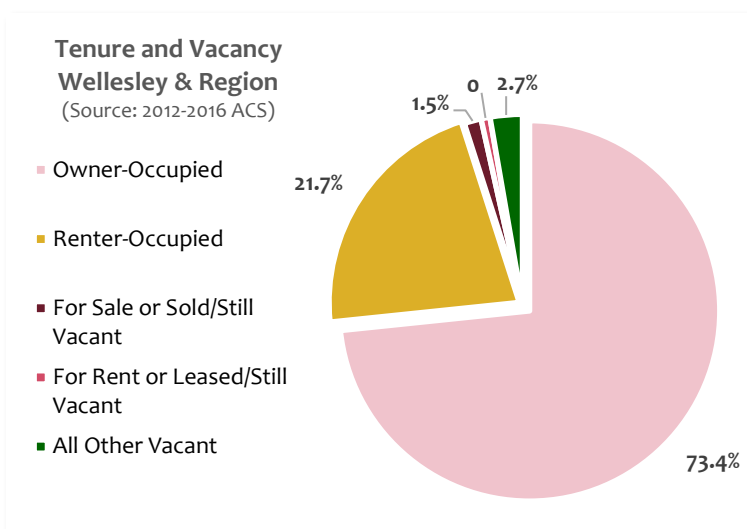
Age of Dwelling (Year Built)	Average Lot (Sq. Ft.)	Average Residential Floor Area (Sq. Ft.)	Average No. Rooms	Land Value to Building Value Ratio
2000 to Present	21,418	4,651	10	0.578
1980-1999	21,166	3,715	9	0.927
1960-1979	22,126	2,654	8	1.465
1945-1960	16,900	2,275	8	2.618
1920-1944	15,871	2,475	8	2.387
1900-1919	16,061	2,681	8	2.772
1865-1899	17,579	2,789	8	2.746
Pre-1865	24,855	2,592	9	3.248
Source: Wellesley's Assessor's Parcel Database (2014) and Barrett Planning Group LLC.				

As shown in Table 2.3, suburban redevelopment has ushered into Wellesley a generation of larger, very valuable homes. Demolition and rebuild projects will continue in Wellesley in neighborhoods with homes approximately 50 years old and older because the land is worth more than the existing residences (expressed in this table as a **land-value ratio**).

HOUSING OCCUPANCY

The prevalence of single-family homes goes together with high homeownership rates in just about every town, and Wellesley is no exception. Over 82 percent of all units in Wellesley are owner-occupied, and census tract data indicate that some of the renter-occupied units are housing for employees of Wellesley College or Babson College, and to a more limited extent at Dana Hall. There are very few vacancies in

Wellesley, where the homeownership vacancy rate hovers around 1 percent and the rental vacancy rate, 5 percent. Both statistics point to a tight housing market. For the past seven years, Wellesley has placed in the top 20 Greater Boston communities for number of single-family housing sales, ranking tenth for the entire region in 2017.²³



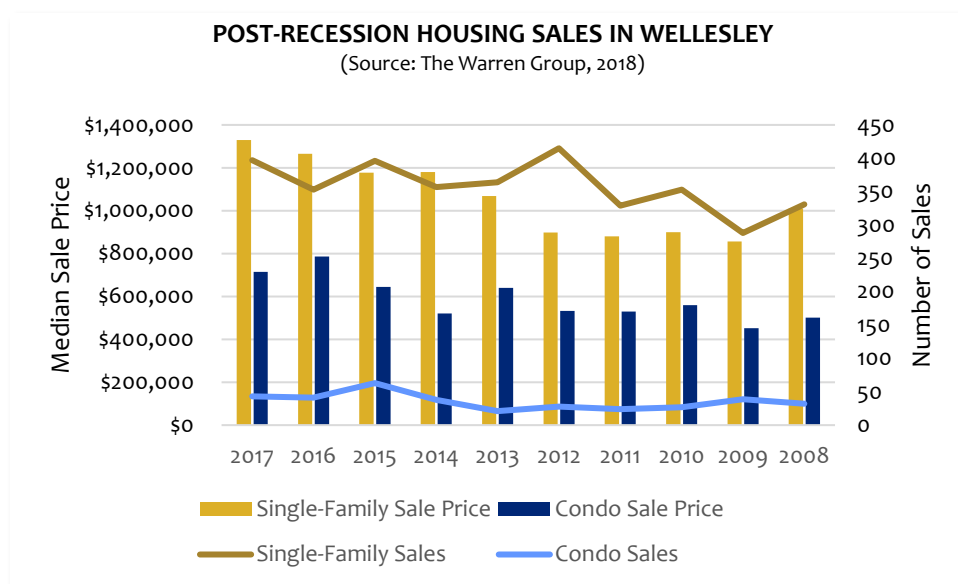
The competition for a home of one's own in Wellesley drives the value of land and the cost of housing. Moreover, the homeownership vacancy rate in all the towns around Wellesley is less than 3 percent, so there are remarkably few opportunities for young wage earners to choose one of these communities. Out of the 61,000 units in the inventory of owner-occupied and for-sale homes in Wellesley and the surrounding towns, only 450 are for sale and just over 700 have sold but have not yet closed. Vacant and available rental units are very hard to find, as indicated in the chart above. This has contributed to the uptick in applications to build rental housing in so many of Boston's west suburbs.

HOUSING SALE PRICES

Homes for sale in Wellesley cater to homebuyers with the means to "buy up" in Greater Boston and, quite often, homebuyers with children under 18. The chart below tracks median sale prices and sales volume statistics for Wellesley since 2008, covering the period of contraction and recovery in the region's residential real estate market. Current real estate sales data from *Banker & Tradesman* show that Wellesley's housing market remains highly competitive and its home sellers can command top dollar for a single-family residence. The median sale price for all of 2017 was \$1.3 million, but in 2018, the median sale price had already reached \$1.3 million by the end of January alone – at a time when sales volume tends to be at the lowest point of the year. None of these sales involved first-time homebuyers. The average mortgage loan for homes recently purchased in Wellesley is anywhere from 60 to 70 percent of the sale price.²⁴

²³ The Boston Foundation, *Greater Boston Housing Report Card 2017, Ideas from the Urban Core: Responsive Development as a Model for Regional Growth*, 21.

²⁴ *Banker & Tradesman*, Real Estate Records (Online), YTD January 2018.



Estimates published by the Census Bureau indicate that about 20 percent of Wellesley's homeowners moved into their present residence after 2009. This seems consistent with findings in the *Greater Boston Housing Report Card 2017*, which ranks Wellesley (and Newton) among the top Greater Boston communities for housing sales volume since 2011.²⁵

MARKET RENTS

Like home prices, market rents run very high in Wellesley, and there are only a few units available at any given time. An informal survey conducted for this plan produced a limited list of available properties, many of which are not apartments, as shown below. Wellesley is like many single-family suburbs where most of the rental supply consists of detached single-family homes and small attached or multi-unit buildings. In fact, 54 percent of Wellesley's renter-occupied housing units are

Table 2.4. Rental Listings in Wellesley, February 2018 (Sample)

Location	Unit Size	Asking Rent
Hastings Village (Apartment)	2 BR	\$2,600
Worcester Street (House)	5 BR	\$4,750
Apartment (Location Undisclosed)	2 BR	\$3,600
Longfellow Road (House)	4 BR	\$3,950
Cedar Street (Condo)	3 BR	\$2,300
Cedar Street (Apartment)	2 BR	\$2,500
Lawrence Road (Condo)	3 BR	\$3,600
Washington Street (Apartment)	2 BR	\$1,850
Lathrop Road (House)	4 BR	\$5,000
Worcester Street (Apartment)	2 BR	\$2,900
Central Street (Apartment)	1 BR	\$1,800
Linden Street (Apartment)	2 BR	\$2,100
Westwood Road (House)	5 BR	\$7,400
Wareland Road	2 BR	\$2,590

Source: Trulia, Zillow, and Apartment Guide.

one- to four-unit residences, many of which are condominiums not occupied by the owners. Excluding single-family homes, Wellesley's rental housing is dominated by small units. The

²⁵ ACS 2012-2016, B07001, B25038, and Barrett Planning Group.

multifamily apartment and condo-for-rent inventory consists almost entirely of 1- or 2-bedroom units designed for small households, yet the monthly rents clearly exceed what most single people can afford and, in many cases, they also exceed what a young employed couple could afford. In the table above, the rents would require an annual household income of anywhere from \$74,000 to \$144,000, not including the single-family houses.²⁶

Housing affordability & housing needs

Under a 1969 Massachusetts law, all communities are supposed to have housing that is affordable to **low-income households** and remains affordable to them even when home values appreciate under robust market conditions. Another type of affordable housing - generally older, moderately priced dwellings without deed restrictions, and which lack the features and amenities of new, high-end homes - can help to meet housing needs, too, but only if the market allows. There are other differences, too. For example, any household - regardless of income - may purchase or rent an unrestricted affordable unit, but only a low- or moderate-income household qualifies to purchase or rent a deed restricted unit. Both types of affordable housing meet a variety of housing needs and both are important. The difference is that the market determines the price of unrestricted affordable units while a legally enforceable deed restriction determines the price of restricted units. Today, Wellesley has very few affordable units, unrestricted or deed restricted. Furthermore, unrestricted units that may have offered a pathway to owning a home in the past have been a key target of teardown/rebuild projects in Wellesley's older neighborhoods.

CHAPTER 40B SUBSIDIZED HOUSING INVENTORY

When people refer to "Chapter 40B," they usually mean the state law that provides for low- and moderate-income housing development by lifting local zoning restrictions. However, G.L. c. 40B - Chapter 40B proper - is actually the Commonwealth's regional planning law and the parent legislation for agencies like MAPC. The four short sections that make up the affordable housing provision were added in 1969, and they are called "Chapter 40B" in this plan to be consistent with affordable housing nomenclature in Massachusetts. Nevertheless, remembering the regional planning umbrella for affordable housing can help local officials and residents understand the premise of the law and reduce confusion and misinformation.

Chapter 40B's purpose is to provide for a regionally fair distribution of affordable housing for people with low or moderate incomes (see Table 2.7). Affordable units created under Chapter 40B remain affordable over time because a deed restriction limits resale prices and rents for many years, if not in perpetuity. The law establishes a statewide goal that at least 10 percent of the housing units in every city and town will be deed restricted affordable housing. This 10 percent minimum represents each community's "regional fair share" of low- or moderate-income housing. It is not a measure of housing needs.

Chapter 40B authorizes the Zoning Board of Appeals (ZBA) to grant a **comprehensive permit** to pre-qualified developers to build affordable housing. "Pre-qualified developer" means a developer that has a "Project Eligibility" letter from a state housing agency. A comprehensive

²⁶ ACS 2012-2016, B25024, and Barrett Planning Group.

permit covers all the approvals required under *local* bylaws and regulations. Under Chapter 40B, the ZBA can waive local requirements and approve, conditionally approve, or deny a comprehensive permit, but in communities that do not meet the 10 percent minimum, developers may appeal to the state Housing Appeals Committee (HAC). During its deliberations, the ZBA must balance the **regional need for affordable housing** against valid local concerns such as public health and safety, environmental resources, traffic, or design. In towns that fall below 10 percent, Chapter 40B tips the balance in favor of housing needs. In addition, ZBAs cannot subject a comprehensive permit project to requirements that “by-right” developments do not have to meet, e.g., conventional subdivisions.

The 10 percent statutory minimum is based on the total number of year-round housing units in the most recent federal census. For Wellesley, the 10 percent minimum is currently 909 units (Table 2.5). At 6.33 percent, Wellesley falls short of the 10 percent minimum by 334 units.

Table 2.5. Wellesley Subsidized Housing Inventory			
Development	Location	Type	Units
Barton Road Development	190 Barton Rd.	Rental	90
Dean House/List House	41 River St./315 Weston Rd.	Rental	57
Kilmain House	505-513 Washington St.	Rental	40
Morton Circle Development	487-503 Washington Street	Rental	36
Linden Street Development	Waldo Ct./Linden	Rental	12
Ardemore at Wellesley	4 Cedar Street	Rental	36
Jubilee House	10 Cross St	Rental	4
Glen Grove	50 & 60 Grove Street	Rental	125
Townhouses at Edgemoor Circle	Edgemoor Ave and Overbrook Drive	Ownership	3
DDS Group Homes	Confidential	Rental	12
Walnut Street Fire Station	182 Walnut Street	Ownership	1
Hastings Village	54-66 Hastings St	Rental	52
Wellesley Manor	874-878 Worcester St	Ownership	7
Peck Avenue & Mellon Road	Peck Avenue & Mellon Road	Ownership	3
Waterstone at Wellesley	27 Washington St	Rental	82
Wellesley Commons	65 Washington Street	Ownership	1
The Belclare Condominium	580 Washington & 53 Grove	Ownership	5
Wellesley Place	978 Worcester Ave	Rental	7
Linden Street	Linden Street	Rental	2
		Total	575
		10% Minimum	909
		Shortfall	334
Source: Massachusetts Department of Housing and Community Development, 2018, Note: The Town of Wellesley’s records differ slightly from DHCD’s. This plan reports the official SHI from DHCD, as of January 26, 2018.			

Due to its prestige, extraordinarily high market prices, high land values, and zoning policies that are out of alignment with regional housing demand, Wellesley has become vulnerable to applications for comprehensive permits. What is happening in Wellesley now echoes conditions in Brookline, Newton, and Wayland, where the ZBAs have faced multiple comprehensive permits filed very close together. By contrast, Needham and Natick no longer

face the threat of unwanted comprehensive permits because they meet the 10 percent minimum, at least until the Census Bureau publishes new housing statistics with Census 2020. At that time, the denominator (total year-round housing units) will change and some towns that currently exceed 10 percent could fall below the statutory minimum.

Table 2.6 shows that as of September 2018, the Wellesley ZBA has received five comprehensive permit applications, most of which involve developments with Project Eligibility from MassHousing,

Address	Type	Total Units	Units Eligible for SHI	Actually Affordable Units
1-8 Delanson Circle	Rental	90	90	18
148 Weston Road	Rental	55	55	11
135 Great Plain Ave.	Owner	44	11	11
680 Worcester St.	Rental	20	20	5
16 Stearns Road	Owner	36	9	9
Total		245	185	54

the largest state subsidizing agency. One other project is seeking a Project Eligibility letter as well. Although MassHousing originally denied Project Eligibility for two projects (680 Worcester Street and 16 Stearns Road), both were subsequently approved with only *de minimis* changes to the first set of plans. Even if all the proposed developments eventually received a comprehensive permit, the combined increase in the Subsidized Housing Inventory would be 249 units – still 85 short of the 10 percent minimum. With a DHCD-approved Housing Production Plan, however, either Delanson Circle or 148 Weston Road would make the Town eligible for a “safe harbor” one-year plan certification (see Section 1 and the Appendix)..

MEASURING HOUSING NEEDS

One measure of housing needs is the shortfall of Chapter 40B units. However, Chapter 40B developments usually respond to the strength of a regional housing market, so comprehensive permits do not always address the affordable housing needs of a community or region. Furthermore, low-and moderate-income households make up a significantly larger percentage of all households than 10 percent. This can be seen in Wellesley, where 17 percent of the town’s households have incomes that would qualify for a Chapter 40B unit. Understanding housing needs requires a more nuanced approach than can be gleaned from a community's Chapter 40B "gap." It involves an assessment of needs and barriers that exist within individual communities and the region of which they are part.

Housing needs are not limited to low- or moderate-income people, but often, other needs overlap with economic need. Accessible homes for people with disabilities, small housing units for older people who do not want the maintenance responsibilities of a single-family home, and a base of modestly priced apartments for young citizens entering the workforce are common needs throughout Massachusetts. About 10.5 percent of Wellesley’s population has a disability, but except for senior housing and a very small inventory of group home units, Wellesley has very little barrier-free housing. The same populations – seniors, young workers, and people with disabilities – have needs for housing near goods and services, yet there are not many affordably priced housing units near any of Wellesley’s village centers. Furthermore, while there are “over-55” age-restricted developments in and around Wellesley,

many of the units are expensive condominiums or townhouses. Meanwhile, housing that would meet the needs of lower-income seniors has become increasingly difficult to build due to a shortage of federal and state housing subsidies.

WELLESLEY'S HOUSING AFFORDABILITY GAP

There is an enormous **affordability gap** in Wellesley. In addition to market-rate rents that far exceed the maximum affordable housing payment for low- or moderate-income people, the for-sale market is out of reach for low- or moderate-income and middle-income homebuyers. For example, a three-bedroom condominium with an asking price of \$216,800 (rounded) would be affordable to a moderate-income purchaser, but in 2017, the median condominium sale price in Wellesley was \$715,000. Moreover, while a moderate-income homebuyer could afford to purchase a \$248,300 single-family home, last year's median sale price was \$1.3 million – that is, a price roughly 5.5 times greater than the maximum affordable purchase price for a Chapter 40B homeownership unit.²⁷ The \$216,800 per-unit gap for a condominium and \$1+ million per unit gap for a single-family home far exceeds the maximum per-unit subsidies available from most state and federal housing programs, and this is a key reason for the very high density found in many Chapter 40B developments in Boston's west suburbs.

HOUSING COST BURDEN

A disparity between growth in housing prices and household incomes contributes to a housing affordability problem known as **housing cost burden**. The U.S. Department of Housing and Urban Development (HUD) defines housing cost burden as the condition in which low- or moderate-income households spend more than 30 percent of their monthly gross income on housing. When they spend more than half their income on housing, they are said to have a **severe housing cost burden**. Housing cost burden – not Chapter 40B – is the key indicator of affordable housing need in cities and towns. Table 2.7 reports HUD's current housing program income limits by family size for the Boston Metro Area and the maximum housing payment that is affordable in each tier. "Low" and "moderate" incomes are based on percentages of the HUD Area Median Family Income (HAMFI), adjusted for household size. What low- and moderate-income households can afford is far less than prevailing market rents in Wellesley.

In Wellesley, 1,055 low- or moderate-income households are housing cost burdened (71 percent) and 745 are severely cost burdened (51 percent).²⁸ Table 2.8 reports of low- or moderate-income households and housing cost burden in Wellesley by tenure. Low- or moderate-income households are eligible to purchase or rent Chapter 40B affordable units.

²⁷ Maximum affordable purchase prices calculated with DHCD "Local Initiative Program" affordability assumptions: 30% FRM, interest rate @ 4.4 percent based on most recent Freddie Mac Mortgage Market Survey, 5% downpayment, and household income for pricing purposes at 70% of the Boston Metro HUD median income for a family of four. Wellesley FY 2018 tax rate of \$11.95 per thousand.

²⁸ CHAS 2010-2014.

Table 2.7. Low & Moderate Income Limits and Affordable Housing Costs

	Low Income		Moderate Income	
Household Size (# People)	HUD Income Limit	Maximum Affordable Housing Payment	HUD Income Limit	Maximum Affordable Housing Payment
1	\$37,750	\$944	\$56,800	\$1,420
2	\$43,150	\$1,079	\$64,900	\$1,623
3	\$48,550	\$1,214	\$73,000	\$1,825
4	\$53,900	\$1,348	\$81,100	\$2,028
5	\$58,250	\$1,456	\$87,600	\$2,190
6	\$62,550	\$1,564	\$94,100	\$2,353

Source: U.S. Department of Housing and Urban Development, FY 2018 Boston Metro Income Limits.

Table 2.8. Low- and Moderate-Income Households and Housing Cost Burden in Wellesley

Household Income Group	Total	% Cost Burdened	% Severely Cost Burdened
Low-Income Households	1,060	75.5%	58.5%
Owners	550	91.8%	68.2%
Renters	510	56.9%	48.0%
Moderate-Income Households	410	62.2%	30.5%
Owners	310	61.3%	29.0%
Renters	100	70.0%	40.0%

Source: HUD, Comprehensive Housing Affordability Strategy (CHAS) Data. Low and moderate income limits are shown in Table 2.7.



CHAPTER THREE

POTENTIAL BARRIERS TO AFFORDABLE HOUSING DEVELOPMENT

This section describes Wellesley's natural and built environment, focusing on conditions that limit housing growth in Wellesley. The information presented here is largely based on other planning documents, including the 2015 *Wellesley Open Space and Recreation Plan* and the Draft *Unified Plan*. Specific environmental elements that can affect housing development include land and water resources, wildlife habitat, scenic features, and contaminated sites. Local regulations also limit the amount of housing development and types of housing that can be built. In most cases, these local regulations form the basis for the waivers that comprehensive permit developers ask the ZBA to grant in order for them to build affordable housing.

Key findings

- Wellesley relies on groundwater for much of its public water supply, and the town contains two major aquifers. Additional water is provided by the MWRA as needed.
- The vegetated wetlands in Wellesley are some of the most important natural resources in the Town because of the unique habitat they offer for endangered or threatened species.
- Wellesley has two areas designated as Priority Habitat: along the northern shore of the Charles River at Elm Bank and an area in the Cochituate Aqueduct. Priority Habitats are not protected by law, but the species that may use these habitats are protected.
- Wellesley has the basic municipal infrastructure and utilities required for land development: public water and sewer service, adequate roads, and some public transportation facilities. Its schools have entered a period of declining K-12 enrollment.
- Wellesley's zoning does little to encourage a range of housing types or the density required to support affordable housing development on privately owned land. Taken together, the zoning and non-zoning requirements Wellesley imposes on housing construction effectively encourage developers to pursue Chapter 40B comprehensive permits.
- The potential for conflicts exists between some of the housing and residential development goals in Wellesley's new *Unified Plan* and the realities of affordable and mixed-income housing development. The potential conflicts involve scale, density, housing types, and settings. As the *Unified Plan* makes clear, the Town will need to use

strategic redevelopment to achieve multiple goals and identify development opportunities that solve more than one challenge at a time.

Environmental limitations

TOPOGRAPHY AND SOILS

Wellesley's rolling hills are the legacy of the continental glacier that once extended beyond Cape Cod. Maugus Hill is the largest of six drumlins in the Town. Kames can be found in Wellesley College's Nehoiden and Wellesley Country Club golf courses, while eskers snake around Morses Pond, Longfellow Pond, and Town Forest along Rosemary Brook. Lake Waban and Morse's Pond are depressions left by melted blocks of ice as the land took on its present appearance. Glacial erratics are scattered throughout the town. These large boulders were transported by the glacier to their present sites. Boulder Brook Reservation is named for its collection of erratics, including one aptly named Elephant Rock. "Problem Rock" is found at Grove and Dover Streets. Isolated round ponds are kettle holes left when great blocks of ice melted.

Like Wellesley's topography, its soil patterns vary from north to south. On the north side of town, the soils are generally well suited for development. However, other conditions constrain development in this part of Wellesley, notably steep slopes near the Weston town line and wet soils associated with Bogle, Boulder and Cold Stream Brooks. In addition, a large area stretching from Rocky Ledges to Cliff Road consists of soils with severe development limitations because of shallow depth to bedrock. Even here, though, there are pockets of moderately deep, well-drained soils, that can accommodate development, and much of this area has been developed for lots close to the minimum allowed by zoning (20,000 sq. ft.).

South of the railroad line, there are several soil groupings that can support development and woodland production. The southernmost part of Wellesley contains large areas of soils that have severe restrictions for development because of either topography or wetness.

WATER RESOURCES

Wellesley is in the middle of the Charles River Watershed, one of three watersheds to flow into Boston Harbor. Six stream systems flow through the Town to the main stream of the Charles River on the north and south borders. They include the Waban Brook, Fuller Brook, and Pollock Brook, which drain the westerly two-thirds of the Town, and four stream systems that drain the easterly third of Wellesley toward the Charles River, opposite Newton: Cold Stream Brook, Rosemary Brook, Academy Brook, and Hurd Brook.

Wellesley's ponds and lakes range from Morses Pond and Lake Waban to small ponds scattered throughout Town. Lake Waban is a "Great Pond" because it covers ten or more acres, which makes it subject to state environmental regulations. Many of Wellesley's ponds have algal blooms caused by fertilizer pollutants and high amounts of sedimentation. In 1998, Wellesley began implementing the Pond Restoration Master Plan, which set priorities for improving and restoring the town's smaller ponds. The plan has resulted in the dredging and

restoration of Rockridge Pond through removal of 6,000 yards of sediment and replacement of the pond outlet structure and drain; restoration of Bezanson Pond and Reeds Pond; and a feasibility study of the Town Hall Duck Pond.

Because of the extensive urbanization, Wellesley's streams and ponds are susceptible to degradation of water quality. Morses Pond, on the Wellesley-Natick town line, serves multiple uses. Several areas along its shores are densely developed for housing. Wellesley has two public water supply wells and a swimming beach on the easterly side of the pond, and a major open space corridor (Cochituate Aqueduct) passes along the north and east sides. Morses Pond is also vulnerable to the pressures of urbanization, for Worcester Street (Route 9) crosses two of the pond's tributaries, and there is extensive commercial strip development both in Natick and Wellesley.

Wellesley obtains most of its public water from groundwater, which is drawn from municipal wells at five locations throughout the Town with a total yield of 3.0 million gallons per day (mgd). Additional water is provided by the Massachusetts Water Resources Authority (MWRA), which when needed delivers 3.5 mgd to the Town, for a total potential supply of 6.5 mgd. Since 1980, the Town has encouraged water conservation through increased rates during the summer season. In 2003, Town Meeting adopted a Restriction on the Use of Water Supply Bylaw that empowers the Town to restrict or ban outside watering.

Wellesley lies over two major aquifers, portions of which are protected by the Water Supply Protection District that Town Meeting instituted in 1987.

- The Waban Brook Alluvial Aquifer begins in Weston and Natick and extends to the Charles River through the westerly part of Wellesley. Natick and Wellesley have water supply wells in this aquifer adjacent to Morses Pond, and Wellesley College's wells are located on its campus on the easterly side of Lake Waban. Of all the Town wells, those at Morses Pond are known to be the most influenced by surface water quality. Approximately 35 percent of the Waban Brook basin lies within Wellesley. In 1987, Wellesley created a Water Supply Protection District and based the Waban Brook portion of the district on the basin boundary.
- The second major aquifer in Wellesley, the Rosemary Brook Valley Aquifer, extends from downtown Needham to the easterly part of Wellesley. Wellesley has four municipal wells in the Rosemary basin, and the Wellesley Country Club has two private wells that are used solely for irrigation of the golf course. As in the case of the Waban Brook aquifer and basin, the Rosemary Brook basin demarcation is used to denote the overall recharge area for this aquifer. About 40 percent of the Rosemary Brook basin, or 982 acres, is in Wellesley, with the remaining 60 percent (1450 acres) in Needham.

A significant potential water supply source is the Elm Bank area, located alongside the Charles River in Dover adjacent to Wellesley and Natick. The site is currently owned by the Commonwealth of Massachusetts, which allows three uses: a riverfront park, water supply for the Towns of Dover, Natick, Needham and Wellesley, and affordable housing.

FLOOD HAZARD AREAS

Floodplains are land areas that are likely to flood during a storm event and are classified according to the average frequency of flooding. For example, the “100- year floodplain” is that area of land that will be flooded, on average, once in every 100 years. Floodplains are delineated by topographical, hydrological, and development characteristics of a particular area. In Wellesley’s case, the Federal Emergency Management Agency (FEMA) last mapped the 100-year and 500-year floodplains in 2012. The FEMA study found that most of Wellesley’s flooding problems stem from water backup caused by culverts, bridge crossings, and dams.

The widest floodplains occur on Fuller Brook near the Needham town line and the Town’s Recycling and Disposal Facility, along Fuller and Caroline Brooks upstream of their confluence (including Wellesley High School and much of Smith Street), and on the Charles River near William Street. Smaller floodplains are located adjacent to Boulder Brook at Worcester Street (Route 9) and Lexington Road; in the Boulder Brook Reservation; on Fuller and Waban Brooks near the Charles River; on Rosemary Brook in the Town Forest upstream of the Oakland Street crossing; and on the Charles River near Livingston Road and Winding River Circle.

WETLANDS AND WILDLIFE HABITAT

The vegetated wetlands in Wellesley are some of the most important natural resources, offering unique habitat for locally threatened species of amphibians and the ecosystems in which they thrive. The west side of Sabrina Lake is held in trust by the Wellesley Conservation Council, Inc. as the Guernsey Sanctuary. Wetlands on private land are protected by the state’s Wetlands Protection Act and local regulations.

Wellesley also has several certified vernal pools. Vernal pools are wet depressions in the land that flood only part of the year. Many rare and valuable species depend on them. The Natural Heritage and Endangered Species Program (NHESP) identifies twelve certified vernal pools within Wellesley which include the north shore of Sabrina Lake in the Guernsey Sanctuary, the northerly corner of the “North 40” on Weston Road, two in the Boulder Brook Reservation, Boulder Brook where it crosses Route 9, and near Cold Stream Brook in the Farms area. By analyzing aerial photographs, state environmental scientists have identified thirty-two additional potential vernal pools in Wellesley.

Wellesley has two small areas designated as Priority Habitat under the Massachusetts Endangered Species Act (MESA): along the northern shore of the Charles River at Elm Bank and a small area in the Cochituate Aqueduct between Forest Street and Laurel Avenue. Priority Habitat Areas indicate where the NHESP estimates the existence of habitat for state-listed rare species. These estimates are based on species population records, habitat requirement, and landscape information. Priority Habitats per se are not protected by law, but the rare species that may use these habitats are protected.

SCENIC ROADS

Wellesley's streets and parks have been planned and are maintained to high standards, allowing for many otherwise average suburban landscapes to be deemed "scenic." Wellesley has a variety of scenic roads – that is, roads the Town has designated as scenic under the Massachusetts Scenic Roads Act. These roads are protected by special regulations so that trees and stone walls within the right-of-way will be protected and will not be altered except after a public hearing and after consideration of the work by the Planning Board and Natural Resources Commission. They include Benvenue Street, Brookside Road, Cartwright Road, Cheney Drive, Pond Road, Squirrel Road, and The Waterway/Brookway.

ENVIRONMENTAL HAZARDS

According to the Massachusetts Department of Environmental Protection (DEP), Wellesley has two "Tier I" hazardous waste sites: The old Paint Shop site adjacent to Paint Shop Pond and Alumnae Valley west of College Road. Paint Shop Pond had one of the most serious chemical contaminations in the state until it was remediated by Wellesley College in 2003-2004. Arsenic and chromium-laden waste was dumped from a large paint pigment factory that operated east of the pond from the 1880s to 1930s. The toxic waste had affected nearly 40 acres of former wildlife habitat, killed amphibians, and rendered soils too toxic for plant growth. This property is in a high-yield aquifer recharge area.

A Groundwater Protection Study prepared by MAPC in 1982 identified several sites in the Waban Brook and Rosemary Brook basins that had been used in the past to dump solid waste. They include:

- An area east of the Morses Pond pumping station was used for a brief period in 1980 to dump ballast from the railroad. Materials were removed within one month of disposal, and test results indicated no evidence of pollution of the Morses Pond wells.
- A portion of the "North 40" off Turner Road was used as a temporary dump-and-cover landfill for household wastes during the late 1950s and early 1960s.
- The old Paint Shop site described above.
- Ash was formerly dumped at Nehoiden Golf Course off Washington Street. Wellesley College has built an equipment shed on the site of the original incinerator. Studies have shown no leachate problems in the nearby Fuller Brook and Lower Waban Brook.
- Closed landfills are at the playing fields between the Middle School on Linden Street and the Sprague Elementary School, were remediated as required by the Mass DEP and now a fully functional playing field.

The Department of Public Works facility off Woodlawn Avenue is also a closed landfill.

Preservation priorities

OPEN SPACE

Wellesley has identified about 30 properties as priority candidates for land conservation, many of which occur along Washington Street, Pond Street, and the Aqueduct. While some of these properties may be poor candidates for new housing development, others may have potential for a mix of open space and residential development.

HISTORIC PRESERVATION

Wellesley has a rich inventory of historic resources and the character of many of its neighborhoods and commercial areas are defined by historic buildings, structures, landscapes, and objects. Over 1,100 buildings, one cemetery, and 125 objects and structures are listed on the Massachusetts Cultural Resources Information System (MACRIS). Among these historic resources are 63 properties in Wellesley's five districts listed on the National Register of Historic Places:

- Hunnewell Estates Historic District
- Cochituate Aqueduct Linear District
- Sudbury Aqueduct Linear District
- Elm Bank
- Fuller Brook Park

MACRIS also identifies 47 properties listed individually on the National Register of Historic Places. A National Register district does not restrict private use or changes to properties. However, it facilitates rehabilitation tax incentives for owners of income-producing properties and provides limited protection from adverse effects of federal and state projects.

Infrastructure and public facilities

INFRASTRUCTURE

Wastewater Capacity. The sewer system in Wellesley discharges to the Massachusetts Water Resources Authority (MWRA) Deer Island Sewer Treatment Plant, which serves 43 Greater Boston communities. While most properties in Wellesley are connected to the public sewer system, 203 properties still rely on septic systems for wastewater disposal. The Deer Island plant in Boston Harbor treats approximately 3.85 MGD (million gallons per day) of sewage per day from Wellesley and sends the treated effluent nine miles out into the Gulf of Maine. The Deer Island plant has a peak capacity of 1.2 billion gallons per day, with average flows of 380 million gallons per day.

Stormwater. Wellesley has begun to address discharges into stormwater drains by adopting Municipal Stormwater Drainage System Rules and Regulations in 2005. Through these rules,

Wellesley complies with the Environmental Protection Agency's Phase II Stormwater Regulations.

Drinking Water. According to the Wellesley Department of Public Works (DPW), 61 percent of Wellesley's drinking water is from local well supplies and 39 percent from the MWRA. The MWRA transmits water to many Greater Boston cities and towns from the Quabbin and Wachusett Reservoirs and the Ware River and other surface water supplies in Central Massachusetts. Wellesley's local water supplies consist of ten wells located within the Town. Water pumped from the wells is treated at the DPW's three corrosion control and iron/manganese removal facilities and distributed to customers through a 140-mile network of street mains. The distribution system also includes two large storage facilities with a combined capacity of nearly six million gallons.

TRANSPORTATION FACILITIES & SERVICES

Wellesley has three Massachusetts Bay Transit Authority (MBTA) commuter rail stations: Wellesley Square, Wellesley Hills, and Wellesley Farms on the Framingham/Worcester Line. The MetroWest Regional Transit Authority's #1 and #8 busses also serve Wellesley, making connections from Natick to Wellesley College, Wellesley Square, Wellesley Hills, MassBay Community College, Babson College, Lower Falls, and the Woodland MBTA Station. The colleges also provide shuttles for their students, staff and faculty.

Wellesley has one marked bicycle lane on a limited segment of Washington Street. The DPW is creating new bicycle markings on Cliff Road and Kingsbury Street.

SCHOOLS

Wellesley has 10 public schools (Preschool at Wellesley Schools, seven elementary schools, one middle school, and one high school) and enrolls approximately 5,000 students each year. In addition to the public schools, there are six private elementary, middle and/or high schools in Wellesley with a total enrollment of 1,166 students, the largest of which is Dana Hall School.

Enrollment in the Wellesley Public Schools increased from 2012 to 2016 but has decreased in the last two years. Per enrollment projections from FutureThink, K-12 enrollment in Wellesley is expected to decline about 7 percent from 2017 to 2027. In March 2017, the Wellesley School Committee considered a recommendation from the Hardy, Hunnewell, and Upham (HHU) Master Plan Committee to rebuild schools at all three HHU sites to meet better standards of education and to plan for elementary enrollment changes. The School Committee agreed to rebuild at least two schools with 19 classrooms in each, with the third under consideration based on enrollment.

Regulatory framework

ZONING

Wellesley's Zoning Bylaw (ZBL) reflects practices and policies that have not kept pace with changes in modern land use regulation. Updated incrementally over time, the ZBL today

contains 24 use districts and six overlay districts, and some unusual project review requirements. It is a difficult bylaw to follow and understand, in part because it has so many districts and in part because it lacks the graphics, illustrations, and use of color that make contemporary bylaws and ordinances much easier to interpret. As Wellesley's *Unified Plan* notes, the town faces several significant land use and zoning challenges due in part to the following conditions:

- Wellesley's mostly built-out character;
- Wellesley has relatively few sites suitable for redevelopment or development;
- There are continuing "character" concerns about tear downs and replacement houses;
- There are concerns about traffic and other potential impacts of additional housing development;
- Wellesley lacks clear design standards and guidelines for impacts on the public realm of private development; and
- Wellesley does not have a consistent venue for boards, commissions, and departmental staff to collaborate about development and preservation issues.

These conditions, coupled with Wellesley's hard-to-navigate zoning, very high land costs, and potential for highly profitable market-rate sales and rents, have contributed to the recent arrival of several Chapter 40B comprehensive permits.

The ZBL in Wellesley is what planners typically describe as "pyramid" or "cumulative" zoning, i.e., a framework that builds from a set of most restrictive districts to less restrictive districts with successively fewer requirements. In Wellesley, the single residence districts are the most restrictive areas and the foundation of the "pyramid." As the permitted density or intensity of use increases in other residential zones and then as commercial and industrial uses are allowed in as well, the uses permitted in more restrictive districts are still allowed. However, single-family or two-family developments would create land use conflicts if they were constructed in the Industrial or Administrative and Professional Districts.

Wellesley has an **inclusionary zoning** provision that applies to developments requiring "Project of Significant Impact" (PSI) approval in the Business Districts, Business Districts A, Industrial Districts, Industrial Districts A, and Wellesley Square Commercial District, and to any single-family residential development with five or more units.²⁹ In a given development, the minimum affordable housing requirement is one affordable unit for every five residential units or, in a mixed-use project, one affordable unit per five units plus one per 50,000 sq. ft. of nonresidential floor space. There is no specific density incentive or other cost offset for providing affordable units. Wellesley allows "in-lieu" payments to the Wellesley Housing

²⁹ A Project of Significant Impact (PSI) is any development of 10,000 or more sq. ft. or renovation of 15,000 or more sq. ft. in a building of at least 15,000 sq. ft. of existing space, if the proposed use will be different from the existing use. The PSI is a special permit review and approval process.

Development Corporation's trust fund. The amount of the fee per unit approximates the affordability gap described in the previous section.

Wellesley has had a Large House Review (LHR) bylaw since 2008. The bylaw was recently updated and strengthened. LHR reflects the Town's concerns about the impact of teardowns and "mansionization" on Wellesley neighborhoods, so the bylaw is triggered by size (floor area) increases. It applies to any proposed residence (new construction or alterations) that will exceed the floor area limit for the single-family district in which it is located, excluding changes to non-conforming properties (handled by the ZBA) or alterations that increase living space within an existing building without any exterior change to the structure, e.g., converting an attic to living space. In Wellesley and most towns with this type of zoning, LHR is a design review process, not a prohibition against large houses. The purpose is to ensure design compatibility and mitigate impacts on neighboring properties. While the Planning Board has final approval powers, the first required step in the permitting process involves the Design Review Board.

Wellesley recently adopted a Natural Resource Protection Development (NRPD) bylaw, too. Inspired by the Natural Resource Protection Zoning (NRPZ) in the Commonwealth's Smart Growth Toolkit, Wellesley's NRPD applies to the development of any property that can be divided into five or more lots. It requires at least half the site to be set aside as open space, and through a complicated formula the allowable number of lots can be determined. Unlike most NRPZ bylaws, however, Wellesley sets a floor on the reduced lot size allowed in a covered project, and it does not provide flexibility to mix housing types. All units must be detached single-family residences. The bylaw allows the Planning Board to grant a special permit for relief from NRPD requirements, but only if a different approach to the site would provide as much natural resource protection as a conforming development.

LOCAL HISTORIC DISTRICTS

There are 67 properties in Wellesley's Local Historic District, The Cottage Street Historic District. This district contains multiple properties located on Cottage Street, Washington Street, Abbott Street, Waban Street, and Weston Road outside of Wellesley Square.

Four other historic districts are single properties. Wellesley created its first two single building historic districts in 2011: the Methodist Meeting House Historic District and the Tufts House Historic District. The 2014 Annual Town Meeting voted unanimously to approve the creation of two additional single building Historic Districts: the Sylvia Plath House Historic District and the Fiske House Historic District.

Towns may establish Local Historic Districts per G.L. c. 40C to protect historic resources. Property owners must submit any exterior changes that are visible from a public way, park, or body of water to a local district commission for approval. A variety of exterior features are often exempt such as air conditioning units, storm doors, storm windows, paint color, and temporary structures. The decision on which features are exempt from review depends on the specifics of the local bylaw. In Wellesley, the Town-appointed Historic District Commission (HDC) oversees the review process, which consists primarily of an application by the property owner, a public hearing, and a written decision by the HDC.

NEIGHBORHOOD CONSERVATION DISTRICTS

Wellesley has one Neighborhood Conservation District (NCD): the Denton Road NCD. NCDs were authorized by vote at Town Meeting in 2007 in response to the increasing pace of home demolitions starting in the early 2000s. An NCD is a legally designated area that can protect property owners in distinctive neighborhoods that may not be eligible for protection as Historic Districts. Unlike Historic Districts that focus on architectural details of individual buildings, an NCD addresses neighborhood characteristics. NCD bylaws set design guidelines that are tailored to the needs of the neighborhood and administered by each NCD's own commission. The NCD commission encourages construction and alterations consistent with neighborhood character.

DEMOLITION DELAY REVIEW BYLAW

Adopted in August 2017, the Historic Preservation Demolition Review Bylaw applies to any building used as a dwelling (as defined in the State Building Code) that was built on or prior to December 31, 1949. Under the Bylaw, if an owner intends to demolish such a building, entirely or by removing or enveloping 50 percent or more of the existing exterior structure, then additional review by the Wellesley Historical Commission is required. The Historical Commission may determine if the dwelling should be "preferably preserved." If so, a 12-month delay would be imposed on any permits by the Building Department to demolish the dwelling.

LOCAL WETLANDS BYLAW

Wellesley has a local wetlands protection bylaw that requires varying levels of permitting for activities the Wetlands Protection Committee deems to have an impact on wetland interests and values, including public or private water supply, groundwater, flood control, erosion and sedimentation control, storm damage prevention, water pollution prevention, fisheries, wildlife habitat, and recreation. The Massachusetts Wetlands Protection Act, G.L. c. 131, § 40, and the Wellesley Wetlands Protection Bylaw prohibit altering land, water, or vegetation in lakes, streams, wetlands, floodplains, or areas within 100 feet of wetlands and 200 feet of perennial streams without a permit from the Wellesley Wetlands Protection Committee. Some Bylaw Resource Areas are different from or are not identified in the state wetlands law. An applicant whose project triggers both the state act and local bylaw must comply with the bylaw's more restrictive requirements.



CHAPTER FOUR

HOUSING GOALS

The challenge

The 2018 Unified Plan describes the community's vision of Wellesley as a place that welcomes diversity, fosters a sense of community and community building, and preserves the character of the town's residential neighborhoods, commercial centers, and open spaces.

Yet, today Wellesley . . .

- Has little racial, ethnic, or class diversity
- Lacks adequate housing options to support a population with diverse housing needs, including single-person households, 60 percent of which are seniors living alone
- Has little housing that is affordable to households with low or moderate or middle incomes, despite an estimated 17 percent (about 1,445 households) of the town's total households having incomes in the low- or moderate-income range

By preparing this Housing Production Plan and increasing its supply of low- or moderate-income units, Wellesley could become eligible for a flexible approach to managing the comprehensive permit process. To qualify for the flexibility that a Housing Production Plan offers when it is approved by the Department of Housing and Community Development (DHCD) Wellesley needs to meet an affordable housing production standard - a minimum numerical target - and obtain certification from DHCD that standard had been met. The minimum target is 0.5 percent of the Town's year-round housing inventory - 45 units - as reported in the most recent decennial census, and the target must be met within a single calendar year. If DHCD finds that Wellesley has met the annual standard, the one-year certification will take effect as of the date that Wellesley achieved the numerical target for that calendar year. If the Town's new affordable housing production is equal to or greater than the 1 percent of its year-round housing inventory (91 or more units), the certification will remain in effect for two years.

Goal-setting process

To develop the goals of this Housing Production Plan, the Wellesley Planning Board, Board of Selectmen, and Wellesley Housing Development Corporation sponsored workshops-style public meetings on April 7, May 3, and June 12, 2018. The purpose of these workshops was to

engage residents and community members in an interactive process that served to provide information about housing needs, solicit the participants' ideas, and obtain their feedback on draft goals.

Participants had to grapple with an important challenge: How can Wellesley provide for more housing options, including affordable housing to achieve the state's goal under Chapter 40B, while preserving and enhancing the character of the town's residential neighborhoods, commercial centers, and open spaces? With this core challenge in view, Wellesley's HPP is guided by the following five goals.

GOAL 1: CREATE A VARIETY OF AFFORDABLE AND MIXED-INCOME HOUSING THAT HELPS TO MAKE WELLESLEY A WELCOMING COMMUNITY FOR PEOPLE WITH DIVERSE SOCIO-ECONOMIC BACKGROUNDS.

This goal recognizes that an adequate housing supply can help stabilize prices and enhance affordability. Wellesley can promote this goal by overcoming barriers to creating multi-family housing, rental housing, town homes, modest-sized single-family houses on small lots, and accessory dwelling units.

GOAL 2: PROVIDE MORE HOUSING OPTIONS, INCLUDING AFFORDABLE AND MARKET-RATE HOUSING OPTIONS, FOR LOW- AND MIDDLE-INCOME FAMILIES, SENIORS, AND INDIVIDUALS WITH DISABILITIES, THROUGH A VARIETY OF MECHANISMS TO INCREASE HOUSING CHOICE.

Similar to the first goal, this goal promotes creating more housing options, but for the purpose of creating more affordable and accessible options, including two-family housing, multi-family housing, conversion of single-family houses to multifamily, accessory apartments and detached accessory dwelling units, mixed-use housing, mansion-style condos, and the community land trust model.

GOAL 3: ACTIVELY STRIVE TO ACHIEVE STATE'S CHAPTER 40B 10 PERCENT MINIMUM FOR AFFORDABLE HOUSING BY ANNUALLY PRODUCING AT LEAST 45 UNITS THAT COUNT ON THE SUBSIDIZED HOUSING INVENTORY, THROUGH LOCAL ACTIONS AND APPROVAL OF PRIVATE DEVELOPMENT, ESPECIALLY DEVELOPMENT OF RENTAL HOUSING UNITS.

This goal aligns with a goal of the Unified Plan to create at least 400 housing units that are permanently affordable to income-eligible households by 2028 and would enable to the town to achieve "safe harbor" through certification of this Housing Production Plan, once approved locally and by the state. Achieving safe harbor allows the Zoning Board of Appeals (ZBA) more flexibility to deny a Comprehensive Permit application. Per the Massachusetts Department of Housing and Community Development (DHCD) Comprehensive Permit Regulations (760 CMR 56), there are three conditions under which a denial of a Comprehensive Permit will be upheld:

1. The municipality achieves one or more of the Statutory Minima, e.g., the 10 percent minimum;
2. DHCD certifies the municipality's compliance with the goals of its approved Housing Production Plan; or
3. The municipality has made recent progress toward the Statutory Minima (i.e., large project or related application previously received). This goal can be accomplished by permitting one or more developments within one calendar year that increase the SHI by at least 45 units.

GOAL 4: ENCOURAGE NEW DEVELOPMENT AND REPURPOSING OF EXISTING BUILDINGS TO CREATE AFFORDABLE AND MIXED INCOME HOUSING THAT:

- Reinforces the development patterns of Wellesley's residential neighborhoods and maintains a predominantly single-family character in established single-family neighborhoods
- Strengthens the vitality of business districts and commercial corridors with diverse housing types
- Promotes housing development in walkable areas with convenient access to shops, services, public transportation, parks, schools, and other neighborhood destinations

Although many residents view Wellesley as largely built-out, there are opportunities to repurpose existing buildings, redevelop underutilized properties, and create infill development in existing residential neighborhoods. Workshop participants expressed the desire for smart, secondary growth that maintains the character of what people want in Wellesley while increasing the value and livability in the town. They want to move forward in a planned, thoughtful way.

GOAL 5: PROMOTE THE DEVELOPMENT OF SURPLUS INSTITUTIONAL AND TOWN-OWNED LAND AS WELL AS THE REDEVELOPMENT OF OFFICE PARKS AND EXISTING AFFORDABLE HOUSING COMPLEXES TO CREATE DESIRABLE MIXED-INCOME AND MIXED-USE NEIGHBORHOODS, WHERE FEASIBLE.

Wellesley has a variety of key transformation areas that could be appropriate opportunities for redevelopment to create mixed-income, multi-family, and/or mixed-use residential developments including properties in commercial areas, office parks, municipal property, and institutional properties.

Wherever possible, it will be important for affordable units produced under this HPP to be eligible for listing in the Chapter 40B Subsidized Housing Inventory (SHI). For non-comprehensive permit units, this means making sure the units meet the requirements of DHCD's Local Initiative Program (LIP) by virtue of a qualifying local action, such as:

1. Zoning approval, such as “by right” or special permits for affordable housing;
2. Funding assistance, such as CPA;
3. Provision of land or buildings that are owned or acquired by the Town and conveyed at a price that is substantially below-market value.

To be counted as part of the SHI, the units must meet the following criteria:

1. A result of municipal action or approval;
2. Sold or rented based on procedures articulated in an affirmative fair marketing and lottery plan approved by DHCD;
3. Sales prices and rents must be affordable to households earning at or below 80 percent of area median income; and
4. Long-term affordability is enforced through affordability restrictions, approved by DHCD.
5. Additionally, the SHI New Units Request Form must be submitted to DHCD.



CHAPTER FIVE

HOUSING DEVELOPMENT STRATEGIES AND ACTION PLAN

Overview

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 systematically increasing its low- and moderate-income housing inventory, Wellesley could gain more control over when, where, and how much affordable housing should be built and encourage Chapter 40B comprehensive permits in the most appropriate locations.

As noted elsewhere in this plan, however, Wellesley's housing needs go beyond Chapter 40B. Just as the town has housing diversity needs, it also has many options available to address them. Implementing the Unified Plan, 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 informing the public about Wellesley's varied housing needs will be critical components 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.

- **Regulatory Reform:** These strategies have significant potential in Wellesley and they could be coordinated with implementing the Unified Plan. Within Wellesley's reach are policies and techniques to make permitting more efficient, allow more housing and more types of housing in Wellesley, and capitalize on existing assets are all within the Town's reach.
- **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.
- **Leadership, Education, and Advocacy:** Wellesley can combine several approaches into an education program that reaches key decision makers, property owners, neighbors, and people most at risk from the effects of limited housing choices. There is a tendency in Wellesley to view affordable housing as primarily an urban problem more than a matter that affects affluent suburbs, yet this kind of thinking is exactly why Chapter 40B was enacted 49 years ago.

- **Planning and Public Policy:** The Town could 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 Wellesley 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 the Unified Plan because they will help Wellesley expand affordable housing opportunities in a variety of settings.

Required action plan elements

760 CMR 56.03(d)(1) 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.

ZONING DISTRICTS

There are at least four zoning districts in Wellesley where the Town could encourage or require affordable units in new development, infill, or redevelopment. These exemplify opportunities for **regulatory reform**. (For district locations, see Zoning Map.)

- The **Administration and Professional (AP) District** covers land near Route 128/I-95 and Route 9. It includes the 26-acre Wellesley Office Park, situated between Route 128 and the Charles River and owned by John Hancock Real Estate. Wellesley has been approached by representatives of the office park and a national multifamily developer with an interest in developing 300 or more apartments in this location. Currently multifamily housing is not allowed in the AP district, but the Town could consider strategies such as:
 - Amending the AP use and dimensional regulations to pave the way for multifamily and mixed-use development, either by special permit or as-of-right, subject to the Project of Significant Impact (PSI) review process;
 - Adding all or a portion of the AP district to the Residential Incentive Overlay (RIO) district, which provides for multifamily development in underlying nonresidential areas, also subject to the PSI review process; or
 - Creating a **Chapter 40R** overlay district to accommodate multifamily development as-of-right in a specific portion of the AP district. This option can include special site plan review and design review procedures, but since Wellesley’s PSI process requires a special permit, it could not apply to the Chapter 40R district. At least 20 percent of the units in Chapter 40R developments must be affordable to lower-income households, though many towns have set the minimum affordability requirement at 25 percent (so that all rental units will count on the Subsidized Housing Inventory).

A potential advantage to allowing multifamily and mixed-use development in this location – at densities that can support mixed-income apartments with appropriate amenities– is that the office park can accommodate large buildings without creating an

inherent use conflict with abutting single-family neighborhoods. Support for this concept can be found in Wellesley's new Unified Plan, too.

- The **Wellesley Square Commercial (WSC) District** includes the compact commercial village around Central Street, Church Street, Grove Street, Linden Street, and Weston Road. It is a civic, social, and governmental center for the town. This district should be amended to encourage upper-story dwelling units over storefronts. Similar amendments could be introduced in the **Linden Street Corridor (LSCO) District** as well.
- Wellesley's **General Residence (GR) District** needs to be overhauled. It includes neighborhoods around Wellesley Square and Linden Street, along Washington Street by Wellesley Avenue, and in the vicinity of the Wellesley Hills train station. Though zoned for townhouses, this district is governed by density parameters that are quite low for infill and reinvestment. The use regulations would need to be updated, too. The GR district is a classic example of a zone that could encourage so-called “**missing middle**” housing, but the zoning that makes “missing middle” feasible does not exist in Wellesley.



- **Residential Incentive Overlay (RIO) District.** Wellesley created the RIO in 1998 following completion of the Wellesley Lower Falls planning and zoning study (Goody Clancy and Connery; 1997). It applies to portions of the Business, Industrial and AO districts north of Washington Street in the Lower Falls area and allows multifamily development in what are otherwise non-residentially zoned locations. To date, only one developer has used it: National Development, for construction of the Waterstone at Wellesley senior residential community. In addition to considering other locations where the RIO could apply, the Town should evaluate the provisions of this district to determine whether it needs to be updated to make it a more usable tool.

Years ago, the prevailing practice in Wellesley involved codifying development that already existed on the ground and creating new provisions in small, very precise physical units to accommodate proposed projects. The Zoning Map attests to this history. Innovations such as the Linden Street Corridor Overlay District (LSCOD) came later, but the Euclidean roots of Wellesley's zoning are unmistakable. This practice has led to a proliferation of small, finely tuned districts, a few of which are virtually identical. Moreover, split lots abound in Wellesley – a problem the town has addressed, incrementally, in overlay districts, but most of the town lies in districts with lots that are complicated by more than one set of rules.

AREAS

As Wellesley looks to implement both this HPP and the new Unified Plan, it is an ideal time to consider new zoning innovations in the following areas. Under existing conditions, what the Town wants to see in many areas will not be possible without updated zoning and a policy framework that welcomes town-developer partnerships.

- **Worcester Street (Route 9) and Cedar Street**, which currently consists of several zones, all in small doses: the Business District, Business A, Single Residence 10, AO, and GR.
- **Worcester Street/Route 128**, which includes not only the AO district, but also Single Residence 10 and Limited Business.
- Any of the following areas could be appropriate settings for some “missing middle” housing innovations: land along **Walnut Street in Wellesley Lower Falls**; the vicinity of the **Wellesley Hills train station**; **Worcester Street around Fells Road/Fells Circle/Weston Road** toward the west, or **Worcester and Overbrook** near the Natick town line. Currently, the Worcester Street/Fells Road area includes a mix of Single Residence, Business, and Business A zoning, and Worcester/Overbrook contains some larger Business/Business A properties. There are existing Chapter 40B developments in these locations as well.
- The **neighborhoods adjacent to Wellesley Square**, which include – in addition to the GR district – the Limited Residence and Multifamily Residence districts. Multifamily Residence exists in only two locations in Wellesley: four small contiguous lots on Washington Street near Wellesley Square and a parcel that extends between Seaver and Park Streets.
- In any of the single-family neighborhoods, the potential may exist to create **small affordable units on nonconforming lots** that are otherwise unbuildable. The units will probably require some form of subsidy. Still, making additional land available could support production of scattered-site units by mission-based organizations like Wellesley Housing Development Corporation or Habitat for Humanity.

760 CMR 56.03(d)(2) Identification of specific sites for which the municipality will encourage the filing of Comprehensive Permit applications.

Wellesley has four opportunity areas where Chapter 40B comprehensive permits would be an appropriate vehicle for providing higher-density multifamily development. Any of these options will require the Town to embrace new ideas about housing **policy** and most likely a commitment of Town funding. Wellesley will need to work in partnership with developers and private property owners, and in some cases the Commonwealth of Massachusetts. Appropriate locations for comprehensive permit applications include the following. Municipally owned sites are discussed in a later section of this chapter.

- The **MassBay Community College** campus along Worcester Street and Oakland Street clearly has surplus land – that is, land the college does not use and is unlikely to ever need for educational purposes. The Town and Commonwealth should work collaboratively on a disposition plan for surplus property in this location. It is ideally located with direct

access to a regional highway and close to the Wellesley Hills train station. Mixed-income housing here could provide options for students, faculty, and others seeking the opportunity to live and work in Wellesley.

- The **Sisters of Charity** property, also off Oakland Street, includes a retirement residence and a considerable amount of vacant land. This property is also close to a community park and single-family residential neighborhoods.
- The former **Army National Guard Reserve** property at the end of Minuteman Lane (off Worcester Street) is another opportunity site.
- The Wellesley Housing Authority's **Barton Road** public housing development needs reinvestment. This project is an older townhouse-style community with 90 family units. Separated from all its neighbors by woodlands and situated directly next to Route 128, the Barton Road housing development is all but segregated from the rest of Wellesley. It needs to be redeveloped, but the capital cost is prohibitive without substantial subsidies and, most likely, relief from some of the requirements that apply to public construction projects under G.L. c. 149. In addition, the project would have to include funding for tenant relocation. According to the **Massachusetts Housing Partnership (MHP)**, the feasibility of public housing redevelopment generally requires three market-rate units for each low-income replacement unit. The Town has appropriated \$200,000 to help the Housing Authority study the feasibility of redeveloping the Barton Road housing.

760 CMR 56.03(d)(3). Characteristics of proposed residential or mixed-use developments that would be preferred by the municipality (examples might include cluster developments, adaptive re-use, transit-oriented housing, mixed-use development, inclusionary housing, etc.).

Wellesley has a long-standing policy of protecting established single-family neighborhoods from changes in use. This principle is reinforced by the Zoning Bylaw and articulated in the Unified Plan, its predecessor the Wellesley Comprehensive Plan, and the Affordable Housing Policy. While this policy matters to townspeople, it is critical for residents and town officials to understand that until Wellesley reaches the 10 percent minimum under Chapter 40B, the single-family neighborhoods *will* see more comprehensive permit activity. It will take well-informed leadership and flexible policies to accommodate some residential use changes, especially in older neighborhoods where so much of the demolition/rebuild activity has already taken place.

Residents who participated in the public meetings for this plan identified some preferences for the types of housing they would like to see in Wellesley. Below are some of the ideas people expressed, together with ways to make comprehensive permit developments as compatible as possible with nearby single-family residences.

- Well-designed **multifamily apartments** could be considered in numerous locations along Worcester Street/Route 9, within the AO district, and near the train stations. Context is everything, so a multi-story development that works well in an office park would not be appropriate along Route 9 on sites that directly abut single-family neighborhoods.

Designing for transitions should be part of the plan in these settings, e.g., upper-story step backs, deeper yards with generous buffers, and lower-density housing closer to the neighborhood side of the property.

- Multifamily units can also 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. This approach to creating more housing options gained many positive responses during the Unified Plan process.
- Clusters of **cottage-style homes** could provide desirable homeownership options both for downsizing seniors and young families. This method of creating housing choices in Wellesley may be hard for private developers because of the town's exceptionally high land values, 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.
- **Accessory apartments** should be a relatively "barrier free" housing choice in Wellesley. In the past few years, numerous 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 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 almost invisible to the neighborhood.
- **Senior housing** is a critical need in Wellesley with or without income restrictions. Many participants in the HPP process pointed that current zoning does not provide for "downsizing" opportunities that would help older residents choose to stay in town as their housing needs change. A well-thought-out senior housing bylaw needs to accommodate a variety of residential options, from detached cottages to independent living apartments, assisted living, and memory care, all with enough density to support the requisite residential amenities.

760 CMR 56.03(d)(4). Municipally owned parcels for which the municipality commits to issue requests for proposals to develop SHI Eligible Housing; and/or participation in regional collaborations addressing housing development.

There are scores of examples of affordable housing on town-owned land in Massachusetts. It is probably one of the easiest strategies for increasing the supply of affordable units in any city or town. Wellesley has recently pursued a town-owned land development strategy through a Request for Proposals (RFP) process for the Tailby Parking Lot at Crest Road and Linden Street and the Railroad Parking Lot at Grove Street and Railroad Avenue

- As Wellesley's Unified Plan points out, Wellesley purchased the **North 40** property from Wellesley College to control how the land is used in the future. This parcel is large enough

to accommodate multiple uses and meet multiple needs. Representatives of conservation, housing, and other interests must work cooperatively on a disposition plan that can provide as many public benefits as possible, including affordable housing. A compact, dense, low-rise development in this location could create an attractive neighborhood, give future residents of the project easy access to goods and services, and protect most of the land for conservation and open space purposes.

- There could be opportunities to create some affordable or mixed-income housing in **Wellesley Hills** on property owned by the Wellesley Community Center, the Town of Wellesley (Public Works Department), and Wellesley Hills Congregational Church – that is, where Washington Street crosses Worcester Street. A small development in this location would require a partnership of the Town, the non-profit owners of the community center, and the church, but there is land here that is also close to some services and the commuter rail.
- Wellesley’s most recent Open Space and Recreation Plan (OSRP) identifies about 30 properties as priorities for **open space** protection. It may be that all the parcels merit protection, but the Planning Department should initiate a process that includes open space, recreation, and housing experts to evaluate the conservation and development suitability of each site. As the town acquires more land for open space in the future, Wellesley could prioritize sites that also have housing potential as part of an ongoing effort to meet both types of needs. The same exorbitant land costs that make open space acquisition challenging in Wellesley also make it difficult to create more affordable housing.

760 CMR 56.03(d)(5). Participation in regional collaborations addressing housing development.

There are two opportunities for Wellesley to explore regional initiatives for housing, and possibly more. The two most immediate possibilities are as follows.

- The **WestMETRO HOME Consortium** includes thirteen communities west of Boston, organized under leadership from the City of Newton. The federal Home Investment Partnership Program – HOME – is a block grant program launched by the U.S. Department of Housing and Urban Development (HUD) under the National Affordable Housing Act of 1990. Since the funds are only available on an “entitlement” basis to cities with very high need indicators, Newton worked early on with neighboring towns to form a consortium that would qualify for entitlement funding under a different set of eligibility criteria. A consortium must be comprised of contiguous cities and towns.

The WestMetro HOME Consortium uses HOME funds to make grants and loans to developers to subsidize deeply affordable housing. Wellesley could take advantage of this resource to assist with acquisition, development, or preservation of affordable units, working with the Wellesley Housing Development Corporation, other non-profits, or for-profit developers.

- The **Regional Housing Services Office (RHSO)**, currently based in Concord, is the brainchild of the Hanscom Area Towns (HATS) Committee and Metropolitan Area Planning Council (MAPC), which worked collaboratively on a study of options for regionalizing housing programs and services. Their efforts led to an interlocal agreement between Bedford, Lincoln, Concord, Lexington, Sudbury, and Weston to form the RHSO. Since its inception, the RHSO has grown to include Acton and Burlington. The RHSO has full-time staff available to help member communities with a wide range of housing services, from managing affordable housing lotteries and monitoring affordable housing restrictions to helping communities plan for affordable housing development.

Important implementation tools

Wellesley needs to increase local capacity to plan for affordable housing, work with state subsidizing agencies, developers, and neighborhoods, and advise the planning department and local officials about broad housing policy issues. Public education about affordable housing – policies, design, who benefits and how, positive and negative impacts – is important for neighbors, policy-makers and leaders, residents and landlords. People with the most accurate knowledge will become the best advocates for affordable housing.

ONE PLAN, ONE VOICE

The Town's new Unified Plan is the umbrella for this HPP, and it needs to be the principal guidance document for present and future endeavors to meet Wellesley's obligations for fair and affordable housing. The Town has been guided by an Affordable Housing Policy that Town Meeting originally adopted in the late 1980s, and to a point it has value. However, Wellesley has just completed a model planning process and has begun to implement it by undertaking this HPP. Focusing on Unified Plan implementation is the most important step Wellesley can take to create affordable housing *and* manage Chapter 40B. Coupled with details contained in this HPP, the Unified Plan – not the Affordable Housing Policy – should be the standard for evaluating future requests for comprehensive permits and future local initiative opportunities.

PROVIDE LEADERSHIP 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 Wellesley Board of Selectmen and Planning Board can help by providing leadership and support for meeting the Town's housing needs. For example, representatives of both boards have participated in a working group to develop this Housing Production Plan. 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 Wellesley. Two key policy-level boards working as partners to convey a unified message about affordable housing would be a significant step forward in Wellesley. Most people do take it seriously when their elected officials lead by example.

On a going-forward basis, the Town should pursue affordable and fair housing training resources for the Board of Selectmen, Planning Board, and other policy-level bodies. Non-profit advocacy and education organizations that provide fair and affordable housing training and technical assistance are listed in the Appendix.

CREATE A HOUSING COORDINATOR POSITION

Positioning Wellesley to build its housing supply in the many ways described in this plan requires resources, including time and money. The Town has well-qualified staff and volunteers dedicated to community planning and housing, and partners who are committed to meeting housing needs. However, there needs to be a central "point person" with the time, authority, and resources to work on housing policy and housing strategies in Wellesley. Like other towns in Massachusetts that are trying to tackle complex housing policy concerns, Wellesley would benefit from having a housing professional on staff to coordinate affordable housing education and policy, work with developers and neighborhoods, serve as liaison with the subsidizing agencies, provide support to the Board of Appeals for comprehensive permits, monitor affordable housing restrictions, and advise Town boards about potential opportunities to increase the supply of affordable housing.

Funding for this position is an allowable use of Community Preservation Act (CPA) funds. An in-house Housing Coordinator or Housing Specialist, coupled with participating in the Regional Housing Services Office, would significantly help Wellesley move forward with implementing this plan and the housing recommendations of the Unified Plan.

REVISIT THE POWERS OF THE WELLESLEY HOUSING DEVELOPMENT CORPORATION

When the Town of Wellesley petitioned the General Court to establish the Wellesley Housing Development Corporation in 1997, the Municipal Housing Trust legislation (G.L. c. 44, §55C)

was seven years in the future. Wellesley's petition occurred at a time that many towns were taking similar steps, all for similar reasons: to have a local non-profit vehicle for affordable housing development. Some communities wanted an agent that could work their housing authority or redevelopment authority by acting as a non-profit development partner or pass-through for funding. Others wanted an entity that could become rental property managers for projects developed by other (usually for-profit) organizations. And, still others had access to funding sources like the federal HOME Program or mitigation payments from for-profit developers, and they wanted to establish a local agent to invest those dollars in creating and preserving affordable housing. For these and other reasons, the state legislature passed a flurry of similar home rule petitions between the mid-1990s and early 2000s, precisely as market was recovering from the deep recession a few years earlier.

However, the Department of Revenue (DOR) became concerned about the variety of special revenue accounts that would have to be tracked, many having unique local rules. This, coupled with passage of the Community Preservation Act (G.L. c. 44B) in 2000 and leadership from the Citizens Housing and Planning Association (CHAPA), provided backdrop for passage of the Municipal Housing Trust bill in 2004.

On one hand, the WHDC's powers mirror those of other non-profit organizations; on the other hand, its ability to exercise those powers hinges almost entirely on approval by the Board of Selectmen.³⁰ This may work for Wellesley, but a non-profit or semi-public entity that has more autonomy – an organization closer to the concept of a Municipal Housing Trust – could give the Town an entity that has powers similar to the Wellesley Natural Resources Commission, also a product of home rule legislation but with substantially separate authority to carry out its responsibilities.³¹ Instead of establishing a Municipal Housing Trust, Wellesley may have opportunities to revise and update the WHDC's status and allow it to work as a more independent agent of affordable housing development. Another model the WHDC may want to review is the **community land trust**, the most widely used vehicle for creating affordable housing in many parts of the United States.

ESTABLISH AND WORK WITH A COMMUNITY LAND TRUST

A community land trust (CLT) is a nonprofit organization that develops and protects affordable housing. It can also be used for other types of development, nationally the main purpose of the CLT is to have an agent that can develop affordable housing and keep it affordable over the long term. The CLT ensures affordability because it retains ownership of the land and controls the resale process of the buildings. The owner can retain some equity upon resale, but the sale price is restricted at prices affordable to eligible buyers and the land stays with the CLT. In the classic CLT model, membership includes residents of the leased housing, community residents, and representatives of town government, funding agencies, and non-profit organizations.

Massachusetts has several examples of CLT and CLT-like organizations:

³⁰ See Appendix for text of Chapter 311 of the Acts of 1998.

³¹ Secretary of the Commonwealth, Acts and Resolves, Chapter 555, An Act Authorizing Certain Bylaws and Amending Certain Acts Relating to the Town of Wellesley.

- The Dudley Square Neighborhood Initiative, Boston
- The Rural Land Foundation, Lincoln, which developed, owns, and manages the South Lincoln commercial center by Lincoln Station.
- Amherst Community Land Trust, Amherst
- Bread and Roses Housing, Lawrence
- CLT of Cape Ann/Harborlight Community Partners, Beverly
- Island Housing Trust, Martha's Vineyard
- Worcester Common Ground, Worcester

CONNECTING HISTORIC PRESERVATION WITH HOUSING AFFORDABILITY

As a substantially built-out community, Wellesley will probably see much of its future affordable housing created from redevelopment and reuse of existing properties. The Town should explore options to engage in historic preservation projects that include creation of affordable housing. Pairing preservation with affordability can be encouraged both with Community Preservation Act (CPA) funds and regulatory changes, e.g., density and land use relief made available to owners of older buildings that may otherwise be demolished and replaced with large, expensive single-family homes. Moving a small older home to spare it from demolition and allowing it to be placed on another lot with an existing residence could be an appealing way to create detached accessory apartments.

PARTICIPATE IN CHAPA'S MUNICIPAL ENGAGEMENT PROGRAM

Wellesley should consult with the Citizens Housing and Planning Association (CHAPA) about participating in a new initiative, the Municipal Engagement Program. CHAPA has piloted the program this year in two communities (Acton and Medford) and it expects to work with five or six additional communities in 2018-2019. The program's focus is building a broader base of advocates for affordable housing, outside the local government "mainstream," to promote broader and deeper understanding about housing needs and opportunities to address them. The Cape Cod Commission, in partnership with the Housing Assistance Corporation of Cape Cod and the Community Development Partnership, recently conducted a similar program on Cape Cod and plans to offer it again this year.

STRENGTHEN PUBLIC INFORMATION AND EDUCATION EFFORTS

While many residents know first-hand about Wellesley's very 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 Wellesley's character and prestige. Beyond the three community meetings held for this HPP, Wellesley 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 Town should add to its official website a page dedicated to affordable housing. The existing page about current Chapter 40B applications is helpful, but it focuses on the statute and the development applications currently before the ZBA. 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. An early task for the new Housing Coordinator would be 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, Wellesley 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 Wellesley’s faith-based communities, realtors, Council on Aging, social services organizations, and others could help to build community awareness, improve communication, reduce misinformation, and enlist support.

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 Appendix.

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

Wellesley 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.

EXPLORE 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). Wellesley 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.

APPENDIX

A. 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. The mechanism used to account for and report revenues and expenditures for affordable housing, including but not limited to Community Preservation Act (CPA) receipts and other affordable housing funding sources.

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 Wellesley, 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.

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. Chapter 44B. G.L. c. 44B (2000 Mass. Acts 267) 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 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.

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 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-substandard 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% to 120% 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.

B. Resources for Affordable Housing Information, Education, and Community Engagement

Housing Toolbox for Massachusetts Communities
www.housingtoolbox.org/

Citizens Housing and Planning Association (CHAPA)
www.chapa.org

Local Initiatives Support Corporation (Boston Office)
www.lisc.org/boston/

Joint Center for Housing Studies at Harvard University
www.jchs.harvard.edu/

National Low-Income Housing Coalition
nlihc.org/

MassAccess Housing Registry
<http://www.massaccesshousingregistry.org/>

National Fair Housing Alliance
nationalfairhousing.org/

Housing Rights Center
www.hrc-la.org/

The Fair Housing Center of Greater Boston
<http://bostonfairhousing.org/>

Massachusetts Affordable Housing Alliance
mahahome.org/

National Community Land Trust Network
cltnetwork.org/

National Housing Trust
www.nationalhousingtrust.org/

C. Safe Harbor Status through Housing Plan Certification

In 2002, the Massachusetts Department of Housing and Community Development (DHCD) created an incentive for cities and towns to take an active role in increasing the supply of affordable housing. By developing a plan that met DHCD's requirements under the Planned Production program, communities could become eligible to deny a comprehensive permit for twelve (or possibly twenty-four) months if they implemented their housing plan by meeting a minimum annual low-income housing production target. The Planned Production program was overhauled in 2008, at which time the planning component became known as the Housing Production Plan.

To qualify for the flexibility that a DHCD-approved Housing Production Plan offers, Wellesley would need to create (through the issuance of permits and approvals) at least twenty-four new low- or moderate-income housing units (or an amount equal to or greater than the 0.50 percent production goal) in a given calendar year and obtain certification from DHCD that the Housing Production Plan standard had been met. Units eligible for the Subsidized Housing Inventory (SHI) will be counted for certification purposes in accordance with 760 CMR 56.03(2):

(2) Subsidized Housing Inventory.

- (a) The Department shall maintain the SHI to measure a municipality's stock of SHI Eligible Housing. The SHI is not limited to housing units developed through issuance of a Comprehensive Permit; it may also include SHI Eligible Housing units developed under G.L. Chapters 40A, 40R, and other statutes, regulations, and programs, so long as such units are subject to a Use Restriction and an Affirmative Fair Marketing Plan, and they satisfy the requirements of guidelines issued by the Department.
- (b) Units shall be eligible to be counted on the SHI *at the earliest* of the following:
 1. For units that require a Comprehensive Permit under M.G.L. c. 40B, § 20 through 23, or a zoning approval under M.G.L. c. 40A or completion of plan review under M.G.L. c. 40R, the date when:
 - a. the permit or approval is filed with the municipal clerk, notwithstanding any appeal by a party other than the Board, but subject to the time limit for counting such units set forth at 760 CMR 56.03(2)(c); or
 - b. on the date when the last appeal by the Board is fully resolved;
 2. When the building permit for the unit is issued;
 3. When the occupancy permit for the unit is issued; or
 4. When the unit is occupied by an Income Eligible Household and all the conditions of 760 CMR 56.03(2)(b) have been met (if no Comprehensive Permit, zoning approval, building permit, or occupancy permit is required.)

Requests for certification may be submitted at any time. DHCD will determine whether Wellesley complies within 30 days of receipt of the Town's request. If DHCD finds that Wellesley complies with the Housing Production Plan, the certification will be deemed

effective on the date upon which Wellesley created new units on the SHI under 760 CMR 56.03(2). The certification will remain in effect for one year from its effective date. If DHCD finds that Wellesley has increased its number of SHI Eligible Housing units in a calendar year by at least 1 percent of its total housing units (91 units), the certification will remain in effect for two years from its effective date.

The certification process would allow the Zoning Board of Appeals to deny a comprehensive permit for twelve months (or twenty-four months, as applicable), or continue to approve projects based on merit. However, if the Board decides to deny a comprehensive permit or impose conditions during the Housing Plan certification period, it must do so according to the following procedures. 760 CMR 56.05(3) and 56.03(8):

- Within fifteen days of opening the public hearing on a comprehensive permit application, the Board has to provide written notice to the applicant, with a copy to DHCD, that denying the permit or imposing conditions or requirements would be consistent with local needs, the grounds that it believes has been met (e.g., a Housing Plan certification is in effect), and the factual basis for that position, including supportive documentation.
- If the Applicant wishes to challenge the Board's assertion, it must do so by providing written notice to DHCD, with a copy to the Board, within fifteen days of receiving the Board's notice, and include supportive documentation.
- DHCD will review the materials provided by the Board and the applicant and issue a decision within thirty days. The Board has the burden of proving that a denial or approval with conditions would be consistent with local needs, but any failure of DHCD to issue a timely decision constitutes a determination in favor of the Town.
- While this process is underway, it tolls the requirement to complete the public hearing and final action within 180 days.

D. Amherst Special Legislation: Tax Incentives for Affordable Housing

Chapter 148 of the Acts of 2015

AN ACT PROVIDING AFFORDABLE HOUSING PROPERTY TAX INCENTIVES IN THE TOWN OF AMHERST.

Be it enacted by the Senate and House of Representatives in General Court assembled, and by the authority of the same as follows:

SECTION 1. For the purposes of this act, “Low or moderate income housing”, shall mean housing for individuals or families with incomes at or below 95 per cent of area median income. Area median income shall be calculated by the United States Department of Housing and Urban Development, or any successor agency, and shall be adjusted for family size.

SECTION 2. Notwithstanding any general or special law to the contrary, the select board of the town of Amherst may enter into agreements for special tax assessments for properties that include low or moderate income affordable housing consistent with the terms of this act.

SECTION 3. For a residential or mixed use development with 10 or more dwelling units in which at least 10 per cent of the units are low or moderate income housing and subject to an affordable housing restriction as defined in section 31 of chapter 184 of the General Laws, the increase in assessed value resulting from such development shall be phased in increments over a period of up to 10 years to the full assessed value of the property; provided, however, that the maximum property tax incentive shall be based on the difference in net operating income for such development with affordable units and the net operating income without such affordable units. Determination of eligibility shall be made as of July 1 of each year for the fiscal year beginning on July 1.

Approved, December 4, 2015.

**E. Wellesley Housing Development Corporation Special Act of the
Legislature**

Chapter 311. AN ACT ESTABLISHING THE WELLESLEY HOUSING DEVELOPMENT CORPORATION.

Be it enacted, etc., as follows:

SECTION 1. There is hereby established a nonprofit housing corporation to be known as the Wellesley Housing Development Corporation, which shall be subject to the supervision of the board of selectmen of the town of Wellesley. Said corporation shall be governed by a board of directors hereinafter referred to as the board. Said board, which is hereby established, shall consist of not less than five members who shall be residents of said town and who shall be appointed by the board of selectmen for staggered three year terms as designated by said board of selectmen. Such appointments shall be made on or before June 30. Members shall serve until their successors are appointed and qualified. Continuing members may act despite a vacancy in said board and, for this purpose, shall be deemed to constitute a full board. A vacancy in the board, however occurring, may be filled by said board of selectmen for the remainder of the unexpired portion of the term.

The board shall exercise its powers and perform its duties for the purpose of investigating and implementing alternatives for the provision of and providing affordable housing for persons of low, moderate and middle income and others whose needs may be identified from time to time in said town. The powers and duties of said board shall be alternative and supplemental to, and not in limitation of, the powers and duties of the Wellesley Housing Authority, established pursuant to chapter 121B of the General Laws. The liability of said board and its members shall be limited to the same extent as the liability of a public employer and public employees as provided in section 2 of chapter 258 of the General Laws.

SECTION 2. The board shall have the powers conferred by the provisions of paragraphs (a) to (i), inclusive, and paragraph (k) of section 9 of chapter 156B of the General Laws and the following powers; provided, however, that no such power shall be exercised either in a manner inconsistent with this act or any other general or special law or to carry on any activity which is not in furtherance of the purposes set forth herein:

(a) to adopt, amend and repeal corporate by-laws for the regulation and conduct of its business including, but not limited to, the call and conduct of its meetings, the number of members which shall constitute a quorum and the mode of voting by proxy;

(b) to elect a chairman and vice-chairman, each of whom shall be members of said board, and a secretary and a treasurer, who need not be members of said board and who may be the same person. The treasurer shall give bond for the faithful performance of his duties in a form and amount approved and affixed by the board of selectmen, the cost of which bond shall be paid from funds of said board. The chairman and, in his absence, the vice-chairman shall chair meetings of said board. The secretary shall be the custodian of all books, documents and papers filed with said board and of the minute book or journal of said board;

(c) with the approval of the board of selectmen, to make and execute all contracts and all other instruments necessary or convenient for the exercise of its power and functions, subject to approval of the town counsel as to form;

(d) with the approval of the board of selectmen, to acquire or lease, by purchase, gift or otherwise, and to own, hold and use, on such terms and conditions and in such manner as it may deem proper, and to exchange, grant options on, sell, transfer, convey, assign, lease, pledge, mortgage, encumber, grant liens on and security interests in, or to otherwise dispose of, on such terms and conditions as it may deem proper, real, personal or mixed real and personal property or any interest, easements or rights therein and assets or revenues of said board, as may be necessary or appropriate to carry out its purposes, it being understood that said board's right to acquire or sell town owned real estate shall be subject to town meeting vote authorizing the same;

(e) with the approval of the board of selectmen, to enter into agreements or other transactions with the commonwealth or a political subdivision or public instrumentality thereof, the United States government or a federal, state or other governmental agency;

(f) with the approval of the board of selectmen, to borrow money and to execute notes therefor which shall not be deemed to be debts or obligations of said town, to hold mortgages and to invest any funds not required for immediate disbursement in such investments as may be lawful for fiduciaries in the commonwealth; provided, however, that said board shall have no stock;

(g) with the approval of the board of selectmen, to enter into contracts or agreements with, and to employ from time to time, contractors, architects, engineers, consultants, attorneys, accountants, construction, financial and other experts, superintendents, managers and such other agents and employees as may be necessary in its judgment and to fix their compensation;

(h) with the approval of the board of selectmen, to receive and hold funds appropriated by the town and other funds, property, labor and other things of value from any source, public or private, by gift, grant, bequest, loan or otherwise, either absolutely or in trust, and to expend or utilize the same on behalf of said board for any of its purposes or to act as an agent or conduit in administering or disbursing funds or financial or other aid from any source; provided, however, that all revenues collected or received by said board in connection with its activities, investments or transactions shall be expended only with the approval of said board of selectmen;

(i) to appear in its own behalf before boards, commissions, departments or other agencies of government, municipal, state or federal;

(j) to procure insurance against any loss in connection with the property or activities of said board, in such amounts and from such insurers as it may deem necessary or desirable and, with the approval of the board of selectmen, to indemnify its members or agents if and to the extent specified from time to time in the by-laws of said board and subject to and in the manner provided in section 6 of chapter 180 of the General Laws;

(k) to formulate and, with the approval of the board of selectmen, carry out or monitor plans for projects involving the acquisition or operation of housing facilities of any kind or nature and to construct, reconstruct, renovate, expand, extend, improve, repair, remodel, equip, furnish, maintain, manage and operate such facilities;

Chap. 311

(l) with the approval of the board of selectmen, to fix and revise from time to time and to charge and collect rates, fees, rentals and other charges and sales prices for or in connection with the use, occupancy or other disposition of any housing facility or other property or portion thereof under its ownership or control;

(m) with the approval of the board of selectmen, to establish, impose, grant or amend, by deed, lease or other means or method, and to hold the benefit of, monitor, exercise and enforce lawful restrictions on the rental, sale, resale, use or occupancy of housing facilities or other property under its ownership or control or other facilities or property designated by said board of selectmen or restrictions with respect to the income of owners, tenants or occupants of such housing facilities or other property or options and rights of first refusal with respect to such facilities or property and to waive, release or discharge any such rights or restrictions; provided, however, that the foregoing shall not apply to any town owned real estate or facilities except upon the vote of the town meeting so voting;

(n) with the approval of the board of selectmen, to enter into, perform or monitor agreements or other transactions with contractors, developers, brokers or other real estate professionals or any other person relating to the providing of affordable housing for persons of low and moderate income in the town;

(o) to do any and all things necessary or convenient to carry out its purposes and exercise the powers conferred by this act.

Said board may delegate to any subcommittee or member of the committee any action which said board is authorized to do or make. Said board may be a partner in any business enterprise which it would have power to conduct by itself.

SECTION 3. Notwithstanding the provisions of any general or special law to the contrary, the income, assets and activities of the board shall be exempt from all taxes and assessments and said board shall not be subject to any of the provisions of chapter 63 of the General Laws or to any taxes based upon or measured by property or income imposed by the commonwealth or by any political subdivision thereof. Said board may enter into agreements with the assessor of the town of Wellesley, with the approval of the board of selectmen, wherein said board shall undertake to make to said town annual payments in lieu of taxes in connection with any real property acquired and owned by said board, the amounts of such payments to be reasonable sums stipulated in such agreement or agreements or determined in accordance with a reasonable formula so stipulated.

SECTION 4. Without limiting the powers of the board, said board may receive, expend and utilize for its purposes all interests in town owned real estate and proceeds of the sale by the town of Wellesley of certain lands, properties, and surplus buildings, as voted by said town but not otherwise. In addition, said town may appropriate other funds for the carrying out by said board of its purposes as set forth herein. Any appropriation therefor may be raised by said town by taxation. At least annually, said board shall cause independent audits to be made of its books and records of said board, which annual audits shall be filed with the board of selectmen.

SECTION 5. In the event that the board shall be dissolved in accordance with law

Chap. 311

at any time, all property and interests therein, assets and rights of said board existing at such time shall be transferred to the town of Wellesley and title to all such property and all such rights shall vest in said town automatically without the need for further action or instrument, and said town shall, to the maximum extent permitted by law and acting by and through its board of selectmen, assume, hold and exercise the powers and duties of said board set forth herein with respect to such property and rights so transferred to said town.

SECTION 6. This act shall take effect upon its passage.

Approved August 28, 1998.

**Chapter 312. AN ACT RELATIVE TO THE QUALIFICATIONS OF
COMMISSIONER OF CODE ENFORCEMENT IN THE CITY OF
SPRINGFIELD.**

Be it enacted, etc., as follows:

SECTION 1. Section 2 of chapter 194 of the acts of 1991 is hereby amended by striking out the first sentence and inserting in place thereof the following five sentences:- The commissioner shall be an architect, as defined in section 60A of chapter 112 of the General Laws or a professional engineer, as defined in section 81D of said chapter 112 or shall have had at least five years of experience in the supervision of building construction or design, or in the alternative, a four year undergraduate degree in a field related to building construction or design, or any combination of education and experience which would confer equivalent knowledge and ability, as determined by the state board of building regulations and standards. Said commissioner shall also have general knowledge of the accepted requirements for building construction, fire prevention, light, ventilation and safe egress, as well as a general knowledge of the other equipment and materials essential for safety, comfort, and convenience of the occupants of a building or structure. Said commissioner shall be certified by said state board of building regulations and standards in accordance with the provisions of section 3 of chapter 143 of the General Laws. The city of Springfield may require additional qualifications or experience as it deems necessary. Said commissioner shall be subject to the residency ordinance of said city.

SECTION 2. This act shall take effect upon its passage.

Approved August 28, 1998.

**Chapter 313. AN ACT PROVIDING FOR THE CONSTRUCTION OF CERTAIN
FACILITIES OF THE MASSACHUSETTS PORT AUTHORITY.**

Whereas, The deferred operation of this act would tend to defeat its purpose, which is forthwith to provide for the construction of certain facilities of the Massachusetts Port