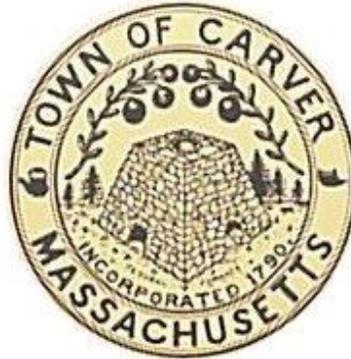


TOWN OF CARVER

HOUSING PRODUCTION PLAN



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**TOWN OF CARVER
HOUSING PRODUCTION PLAN**

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TOWN OF CARVER

HOUSING PRODUCTION PLAN

I. EXECUTIVE SUMMARY

A. Introduction

Carver is a small rural, agricultural community with the cranberry industry as its primary industry. Most of Carver's land area is undeveloped either in agricultural use or as vacant open space. The town includes approximately 24,749 total acres of which only about 16% are developed, 83% for residential use. Therefore while there has been substantial recent growth, projections indicate that the town is likely to grow substantially in the future with some estimates claiming that the town might accommodate as many as 21,000 additional residents or about 7,500 new housing units at maximum build-out¹ despite considerable wetlands and other development constraints. These projections seem unfathomable for such a small rural community.

The Town's 2001 Master Plan reported two major trends that are impacting future growth. First, southeastern Massachusetts is one of the fastest growing regions in the state and it is likely that this trend will continue as residents from other areas look for more affordable places to live. Second, the cranberry industry has kept thousands of acres of land in Carver out of development but changes in the industry due to competitive global pressures had been forcing cranberry growers to sell their developable land in order to survive financially, although some softening in the housing market has more recently slowed down this trend. The convergence of these two trends is increasingly raising local concerns about the rate and type of growth that will occur and how to better direct new development to be more consistent with the character of the town and local needs and priorities.

The Town also wants to insure that future growth maintains some diversity in the housing stock and includes housing that meets the full range of local needs, including affordable housing. According to Chapter 40B regulations, if a municipality has less than 10% of its year-round housing set-aside for low- and moderate-income residents, it is not meeting the regional and local need for affordable housing. Not meeting this affordability standard makes the town susceptible to a state override of local zoning if a developer chooses to create affordable housing through the Chapter 40B comprehensive permit process.²

¹ These build-out projections that were prepared by the state in the end of 1999, and updated by SRPEDD in 2005, identified undeveloped land without wetlands, floodplains and other restrictions, and estimate future growth potential and infrastructure needs based on existing zoning.

² Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

Carver is therefore vulnerable to losing control over housing development through Chapter 40B comprehensive permit applications. To meet the 10% standard, at least 406 of the existing units would have to be “affordable” based on the state’s definition, requiring at least another 288 housing units to be converted to affordability to meet just the 10% standard. Assuming future housing growth, this 10% figure is a moving target and ultimately the required minimum number of year-round units will increase over time. Additionally, the Town should also attempt to exert some control related to the appropriateness of new development including siting, renewing critical areas in town, promoting pedestrian circulation, etc.

This Housing Needs Assessment represents the first phase of a planning process to create a Housing Production Plan that suggests a range of options to meet pressing local housing needs, as identified in the Housing Needs Assessment, and to enable Carver to make progress towards meeting the state 10% affordable housing threshold, presenting a proactive housing agenda of Town-sponsored initiatives. While the housing stock in Carver is relatively more affordable than other communities in the Boston region, due to increased costs of homeownership, including escalating costs associated with taxes and utilities, many residents are likely finding it increasingly difficult to afford to live in Carver. Children who grew up in the town are now facing the possibility that they may not be able to return to raise their own families locally. Long-term residents, especially the elderly, are finding themselves less able to maintain their homes and keep up with increased real estate taxes (primarily due to increased valuations) but hard-pressed to find alternative housing that better meets their current life styles. Families are finding it more difficult to “buy up,” purchasing larger homes as their families grow. Town employees and employees of the local businesses are increasingly hard pressed to find housing that is affordable in town. More housing options are required to meet these local needs and produce Carver’s fair share of regional needs. The Housing Production Plan, building on the work that was done through the 2001 Master Plan, will be a critical step forward and an opportunity for the Town to chart its own course on affordable housing development.

B. Housing Goals and Challenges

In September 2007, the Town of Carver’s Affordable Housing Committee prepared a vision statement as well as housing goals for inclusion in the Housing Production Plan. The vision statement is:

To provide greater housing opportunities to a broad income range of the population while retaining Carver’s agricultural and rural character.

They also established specific housing goals including the following:

- Provide a full range of housing options, ownership/rental and housing types at all income levels.
- Direct future growth to areas within the town that can accept appropriate densities.

- Balance future growth with protection of the town’s rural quality and sensitive natural resources.
- Link the growth of market rate housing with the creation of affordable housing units.
- Maintain and expand the affordable housing stock.

While these housing goals articulate a commitment to producing affordable housing in Carver based on smart growth principles, obstacles to new development exist that will challenge new initiatives including:

- *Zoning*
As is the case in most American communities, a zoning by-law or ordinance is enacted to control the use of land including the patterns of housing development. Like most localities in the Commonwealth, Carver’s Zoning By-law largely embraces large-lot zoning of at least 30,000 square feet and in most cases requiring 60,000 square feet. While this zoning was put in place to slow development, preserve the town’s rural character and accommodate septic systems in compliance with Title V requirements, the zoning maintains low housing densities, severely constrains the construction of affordable housing, and promotes sprawl that unless checked may ultimately degrade the community’s rural charm, scenic resources, wildlife habitats, and air quality. Zoning reforms are required to better guide and promote affordable housing.
- *Infrastructure and Environmental Concerns*
Carver’s wetlands, cranberry bogs, rivers, water resources and open spaces give the town a sense of character. Most residents are aware of the town’s natural treasures and are rightly concerned about conserving them. Since Carver lacks public water and sewer services and is reliant on wells and septic systems, controlling construction has also been a major concern. While regulations to protect the environment (e.g., wetlands, aquifers, septic systems) are important and essential, they present challenges to development by reducing the amount of buildable land, limiting the amount of construction allowed, and increasing the time and costs of developing new housing. It will be important to insure, however, that any new development is sensitive to environmental issues and focused, when possible, in areas that are not environmentally fragile.
- *Transportation*
To accommodate new development, state build-out projections anticipate that another 124 miles of roadway will be created. In view of present traffic and projected increases, it is essential that the Town evaluates and selects appropriate measures to relieve the impact of growth on traffic yet still grow incrementally, a formidable challenge. Coordinating transportation in Carver with regional transportation networks will be important as both the town and the region have experienced significant growth. It is also worth noting that public transportation is limited and residents must rely on the automobile, which presents an additional cost burden for those with limited incomes, particularly those on fixed incomes.

- *School Enrollment*

In recent years, the Town's school system has maintained fairly flat enrollments with some slight decreases in the number of students. School enrollment projections prepared by the New England School Development Council as of the end of 2007, indicated a continued downward shift in all grade levels. For the next six-years, projections suggest an overall loss of 231 students, a decrease of 11.7% in enrollments.

The Town is planning to undertake a feasibility study to determine whether to rehabilitate an existing elementary school that is 50 years old or build a new one. It is estimated that the study will cost approximately \$250,000, some of which will be paid for by the state through a matching grant.

- *Availability of Subsidy Funds*

Financial resources to subsidize affordable housing preservation and production as well as rental assistance have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly difficult to secure necessary funding and must be creative in determining how to finance projects and tenacious in securing these resources. Carver is fortunate to have passed the Community Preservation Act that provides an important local resource for affordable housing in over 100 other communities across the state, but it will have to leverage additional public and private financing to make affordable development feasible.

- *Community Perceptions*

Affordable housing, subsidized housing, low-income housing, projects, Section 8, etc. – these terms can conjure images of potential neglect, plunging property values, increased crime, and even tensions concerning class and race. On the other hand, with increased real estate prices, community perceptions have been tilting towards the realization that affordable housing is needed in the community. More people are recognizing that the new kindergarten teacher, their grown children, or the elderly neighbor may not be able to afford to live or remain in the community. It is this growing awareness, impending 40B developments, and some appreciation that affordable housing can be well designed and integrated into the community, which are spurring communities such as Carver to take a more proactive stance in support of affordable housing initiatives. Also, once residents understand that the Town may be able to reserve up to 70% of the affordable units in any new development for those who have a connection to Carver, referred to as “community preference”, greater local support is typically more forthcoming.³

Additional opportunities to engage the community in discussions on affordable housing and to present information on the issue are needed to continue to dispel myths and help galvanize local support, political and financial, for new affordable housing production. These outreach efforts are mutually beneficial as they provide useful information to

³ Towns are allowed to set-aside up to 70% of the affordable units available in a development for those who meet the criteria included in state Affirmative Fair Housing Marketing Plan guidelines, and the Town will have to justify the preference by demonstrating both local need and how the local preference will be implemented to mitigate a potential discriminatory impact.

community residents and important feedback to local leaders on concerns and suggestions.

C. Summary of Housing Needs Assessment

The Housing Needs Assessment presents an overview of the current housing situation in the town of Carver, providing the context within which a responsive set of strategies can be developed to address housing needs and meet production goals. Table 1-1 summarizes demographic and housing characteristics in Carver and compares this information to that of Plymouth County and the state.

Table I-1 Summary of Key Demographic and Housing Characteristics for Carver, Plymouth County and the State, 2000⁴			
Characteristics	Carver	Plymouth County	Massachusetts
Household Characteristics			
Total Population	11,163/11,072	472,822	6,349,097
% less than 18 years	27.3%	26.8%	23.6%
% 20 to 34 years	16.5%	30.5%	21.0%
% 35 to 44 years	16.3%		
% 45 to 54 years	15.2%	14.7%	13.8%
% 55 to 64 years	7.6%		
% 65 years or more	14.8%	11.8%	13.5%
Median age	37.4 years	36.8 years	36.5 years
% non-family households	24.4%	27.3%	36%
Average household size	2.80 persons	2.74 persons	2.51 persons
Median income/ Adjusted income*	\$53,506/\$70,093*	\$55,615	\$50,502
Individuals in poverty	5.0%	6.6%	9.0%
% earning less than \$25,000	23.7%	20.5%	24.6%
% earning more than \$100,000	11.6%	18.8%	17.7%
Housing Characteristics			
% occupied housing	96.5%	92.7%	93.2%
% owner-occupied	91.5%	75.6%	61.7%
% renter-occupied	8.5%	24.4%	38.3%
% seasonal or occasional use	1.6%	4.7%	3.6%
% in single-family, detached structures	68.1%	71.7%	52.4%
% mobile homes	26.9%		
Median sales price	\$166,200	\$179,000	\$185,700
Source: U.S. Census Bureau, 2000			
* Income adjusted by percentage change in HUD area median income levels from 2000 to 2008.			
** The Warren Group, as of April 20, 2008			

⁴ Updated data is provided where available, but for many demographic and housing characteristics the 2000 census is the only source available.

This data confirms that Carver has been a place that has attracted families who have typically been able to purchase their own homes. This information also shows some sizable differences and similarities from other communities in the region and the state such as:

- *Population and Housing Growth*

From 1980 to 2000, Carver's population increased by 4,175 residents involving a growth rate of 60% over this period that has put substantial pressures on local services and has caused local leaders to reflect on how to better plan for continued growth. Since then through July 21, 2008, the population has decreased somewhat, down to 11,072, however, population projections estimate that by 2020 Carver's population will be up to 13,723, representing a 10.29% rate of growth and that at buildout the population will be above 32,000.

In regard to housing growth, between 1990 and 2000 the number of units increased by 328, an 8.6% rate of growth, and since then about another 300 units have been added to the housing stock. Buildout projections prepared by SRPEDD suggest that at buildout Carver may have about another 7,600 units added to the housing stock based on current zoning.⁵

- *Level of Homeownership*

Out of 4,175 total housing units in 2000, Carver had 3,984 occupied units, of which 3,645 or 91.5% were owner-occupied while the remaining 339 units or 9.5%, were rental units. These figures represent a considerably higher level of owner-occupancy than that for Plymouth County as a whole with 76% and for the Boston region with 57% owner-occupancy.

- *Housing Types*

The 2000 census indicated that 2,812 units or 68.1% of all units were single-family detached homes, lower than the 71.7% level for the County but much higher than the 52.4% level for the state as a whole. Unlike most other communities in Massachusetts, Carver has a very large supply of mobile homes, representing 26.9% of the housing stock in 2000 compared to 2.7% for the County and 0.9% for the state. While mobile homes tend to be quite affordable, averaging about \$100,000 in Carver, they cannot be counted as part of the Subsidized Housing Inventory because they are not considered permanent housing.

- *Age of Population*

In comparison to Plymouth County and state in general, Carver's population tends to on average be a bit older, with a median age of 37.4 years as opposed to 36.8 years for the county and 36.5 years for the state. Nevertheless, the town has a greater proportion of school-age children with 27.3% of the population less than 18 years of age versus 26.8% and 23.6% for the county and state, respectively. However, the town has a considerably

⁵ These build-out projections that were prepared by the state in the end of 1999 and updated by SRPEDD in 2005, identified undeveloped land without wetlands, floodplains and other restrictions, and estimate future growth potential and infrastructure needs based on existing zoning.

smaller number of those aged 20 to 34 who are forming new families and entering the labor market, 16.5% of all households in Carver but 30.5% for the county and 21% for the state. The escalating costs of homeownership are likely creating barriers for this age group, making it increasingly more likely that those who were raised in Carver will be less able to raise their own families locally. Carver also had a somewhat higher percentage of those 45 to 54 years of age who are entering the prime of their earning potential and better able to afford the higher cost of housing, 15.2% as opposed to 14.7% for the county and 13.8% for the state. The town also had a somewhat higher portion of seniors 65 years of age or older at 14.8% versus 11.8% for the county and 13.5% for the state.

- *Types of Households*

Carver also had a lower proportion of non-family households, 24.4% versus 27.3% for the county and 36% for the state. This correlates to the relatively higher number of children in Carver and the somewhat higher median household size of 2.80 persons as opposed to 2.74 persons in Plymouth County and 2.51 persons in the state.

- *Incomes Levels*

Median income levels per the 2000 census were fairly comparable to those of the county or state, \$53,506 in Carver as opposed to \$55,615 and \$50,500 for the county and state, respectively. Additionally, the percentage of those earning less than \$25,000 annually was within the same range in Carver, 23.7%, while it was 20.5% for the county and 24.6% for the state. Carver did have a somewhat lower proportion of residents living in poverty, 5.0%, while the percentage for the county was 6.6% and state was 9.0%. There were also lower proportions of Carver residents earning more than \$100,000, 11.6% as opposed to 18.8% for the county and 17.7% for the state.

- *Housing Market Conditions*

The 2000 median housing prices provides a comparison of the Carver housing market to that of Plymouth County and the state, with relatively lower market values -- \$166,200 for Carver, \$179,200 for the county and \$185,700 for the state. Since that time housing prices have nearly doubled as the median house value as of the end of 2007 was \$306,500. To afford this price a household would have to earn about \$89,500, significantly higher than adjusted median income levels of about \$70,000. Escalating housing prices are also reflected in increased property taxes, which in combination with rising energy bills and insurance costs, cause a serious financial strain on long-term residents, particularly those with fixed incomes.

- *Supply of Workforce Housing*

Recent sales data from the Multiple Listing Service for single-family homes indicated few if any single-family homes listed for under \$200,000 with the exception of mobile homes that would be affordable to low- and moderate-income households. Additionally, the Massachusetts Department of Housing and Community Development's most recent data on the Chapter 40B Subsidized Housing Inventory states that Carver had 4,063 year-round housing units, of which 118 were counted as affordable, representing 2.9% of the year-round housing stock. Assuming future housing growth, the 10% state goal under

Chapter 40B is a moving target and ultimately the required minimum number of year-round units will increase over time.

Based on the Housing Needs Assessment, there are a number of key indicators that suggest there are significant local needs for affordable housing including:

1. *Households with Limited Incomes*

Need: Given the high costs of housing, more subsidized rental housing is necessary to make living in Carver affordable, particularly to residents who have very limited financial means.

Goal: 150 new units over ten years, 75 over five years, averaging about 15 units per year.

2. *Gaps in Affordability and Access to Affordable Housing*

Need: Wider range of affordable housing options including first-time homeownership opportunities, particularly for younger households entering the job market and forming their own families.

Goal: 60 units over ten years and 30 over the next five years, averaging six(6) units per year.

3. *Disabilities and Special Needs*

Need: Some amount of new housing should be built adaptable or accessible to the disabled, including seniors, and supportive services integrated into housing for these populations as well.

Goal: Incorporate handicapped adaptable or accessible units into all new development of at least 5% of all units produced and include supportive services for a disabled or senior population in approximately 5% of affordable units produced.

4. *Housing Conditions*

Need: Programs to support necessary home improvements, including deleading and septic repairs for units occupied by low- and moderate-income households, particularly the elderly living on fixed incomes.

Goal: 50 participants over ten years and 25 over next five years for an average of five participants per year.

There is also a need to produce some housing that is accessible for those earning above 80% of area median income but still shut out of the private housing market. This Needs Assessment suggests promoting such units as part of new housing development, including up to 10% of total units for those earning within median income when financially feasible.

A summary of housing goals is provided in Table I-2.

Type of Units	5-Year Goals	10-Year Goals
Rental Housing	75 units	150 units
Homeownership	30 units	60 units
Handicapped accessible or adaptable units with supportive services (10% of affordable units produced)	10 units	20 units
Promote housing assistance for property improvements	25 participants in property improvement programs	50 participants in property improvement programs
Community housing for those earning up to 100% of AMI (\$240,000) ⁶	Up to 10% of total units in a mixed-income development	Up to 10% of total units in a mixed-income development

This Housing Production Plan suggests a range of options for addressing these challenges, meeting pressing local housing needs and bringing Carver closer to the state’s 10% affordable housing goal, presenting a proactive housing agenda of Town-sponsored initiatives based on documented local needs. Due to the rising costs of homeownership, including escalating costs associated with taxes, insurance and utilities, some residents are finding it increasingly difficult to afford to remain in Carver. Children who grew up in the town are now facing the possibility that they may not be able to return to raise their own families locally. Long-term residents, especially the elderly, are finding themselves less able to maintain their homes and keep up with increased expenses, but are unable to find alternative housing that better meets their current life styles. Families are finding it more difficult to “buy up,” purchasing larger homes as their families grow. Town employees and employees of local businesses are increasingly hard pressed to find housing that is affordable in Carver. Clearly more housing options are required to meet local needs and produce Carver’s fair share of regional needs.

D. Summary of Production Goals

The state administers the Housing Production Program that enables cities and towns to adopt a Housing Production Plan that demonstrates production of .50% over one year or 1.0% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory.⁷ Carver would have to produce at least 20 affordable units annually to meet these production goals through 2010 and to receive what the state calls “certification”.⁸ When the 2010 census figures become available in 2011, this number will be somewhat higher.

If a community has achieved certification within 15 days of the opening of the local hearing for a Comprehensive Permit, the ZBA shall provide written notice to the

⁶ Based on Carver’s adjusted median income for 2008 of \$70,093.

⁷ The state has only recently adopted changes to Chapter 40B, including modifications to production requirements, what had previously been referred to as Planned Production. For example, the annual production goals are now based on one-half of one percent of total housing units as opposed to three-quarters of one percent in the past.

⁸ Certification of compliance refers to DHCD’s determination that the community has produced units that are affordable to low or moderate income households. In order for Carver to achieve certification of its Housing Production Plan, a minimum of 20 units of Subsidized Housing Inventory (SHI) eligible housing units need to be created annually. For these 20 units to be eligible for SHI inclusion means that they must comply with DHCD’s Affirmative Fair Housing Marketing Plan (AFHMP) Guidelines.

Applicant, with a copy to DHCD, that it considers that denial of the permit or the imposition of conditions or requirements would be Consistent with Local Needs, the grounds that it believes have been met, and the factual basis for that position, including any necessary supportive documentation.

If the Applicant wishes to challenge the ZBA's assertion, it must do so by providing written notice to DHCD, with a copy to the ZBA, within 15 days of its receipt of the ZBA's notice, including any documentation to support its position. DHCD shall review the materials provided by both parties and issue a decision within 30 days of its receipt of all materials. The ZBA shall have the burden of proving satisfaction of the grounds for asserting that denial or approval with conditions would be consistent with local needs, provided, however, that any failure of the DHCD to issue a timely decision shall be deemed a determination in favor of the municipality. This procedure shall toll the requirement to terminate the hearing within 180 days.

Using the strategies summarized in Section VII, the Town of Carver has developed a Housing Production Program to project affordable housing production over a five-year period, however, there is likely to be a great deal of fluidity in these estimates from year to year. The goals are based largely on the following criteria:

- To the greatest extent possible, at least 50% of the units that are developed on publicly owned parcels should be affordable to households earning at or below 80% of area median income and at least another 10% affordable to those earning up to 120% of area median income, depending on project feasibility. The rental projects will also target some households earning at or below 50% or 60% of area median income depending upon subsidy program requirements.
- Projections are typically based on a minimum of four (4) units per acre. However, given specific site conditions and financial feasibility it may be appropriate to increase or decrease density as long as projects are in compliance with state Title V and wetlands regulations.
- Because housing strategies include some development on privately owned parcels, production will involve projects sponsored by private developers through the standard regulatory process or "friendly" comprehensive permit process. The Town plans to promote increased affordability in these projects when possible.
- The projections involve a mix of rental and ownership opportunities. The Town will work with developers to promote a diversity of housing types directed to different populations with housing needs including families, seniors and other individuals with special needs to offer a wider range of housing options for residents.

Production goals over the next five years include the creation of 98 affordable units (targeted to those earning at or below 80% of area median income) and 10 workforce units unit (targeted to those earning between 80% and 120% of area median who are still priced out of the private housing market), with 206 total projected number of housing units created. This level of activity would enable the Town to make substantial progress towards the state's 10% affordability threshold, however the Town will still not be able to

surpass 10% during the term of this Plan based on projected activity being still short of about 200 affordable units.

E. Summary of Housing Strategies

The strategies outlined below are based on previous plans, reports, studies, the Housing Needs Assessment, housing goals (see Section I.B above) and the experience of other comparable localities in the region and throughout the Commonwealth. The strategies are grouped according to the type of action proposed – Building Local Capacity, Planning and Regulatory Reforms, Housing Production, and Housing Preservation – and categorized by Priority 1 and Priority 2 actions. Priority 1 actions are those that will begin within the next two years, most of which will involve some immediate action. Those strategies included under the Priority 2 category involve focused attention after the next couple of years, working towards implementation after Year 2 but before the end of Year 5. A summary of these actions is included in Appendix 4.

It should be noted however, that a major goal of this Plan is not only to strive to meet the state’s 10% goal under Chapter 40B, but to also to serve local needs and there are instances where housing initiatives might be promoted to meet these needs that will not necessarily result in the inclusion of units in the Subsidized Housing Inventory (examples include the promotion of accessory apartments or workforce housing for those earning between 80% and 120% of area median income).

Within the context of these compliance issues, local needs, existing resources, affordability requirements and the goals listed in Section II of this Plan, the following housing strategies are offered for consideration. ***It is important to note that these strategies are presented as a package for the Town to consider, prioritize, and process, each through the appropriate regulatory channels.***

1. Capacity Building Strategies

In order to be able to carry out the strategies included in this Housing Plan and meet production goals, it will be important for the Town of Carver to build its capacity to promote affordable housing activities. Obtaining recent funding approval for an Affordable Housing Consultant to coordinate the implementation of this Plan is a big step forward, but this capacity also includes gaining access to greater resources – financial and technical – as well as building local political support, continuing to develop partnerships with public and private developers and lenders, and creating and augmenting local organizations and systems that will support new housing production.

- ***Conduct ongoing educational campaign***
Continue to engage the community in discussions on affordable housing to present information on the issue needed to dispel myths and negative stereotypes and to help galvanize local support, political and financial, for new production.

- *Create a Municipal Affordable Housing Trust*
Establish a Municipal Affordable Housing Trust to create a Housing Trust Fund dedicated to promoting affordable housing and as a permanent municipal entity for overseeing the implementation of the Housing Production Plan.
- *Access housing resources*
Reach out to private, public and nonprofit entities to secure additional housing resources – technical and financial – in support of efforts to produce affordable housing. CPA funds are an important vehicle for leveraging other critical subsidy funds to make development feasible.
- *Encourage training for board and committee members*
Promote opportunities for Town board and committee members to take advantage of ongoing training and educational programs related to affordable housing.
- *Apply for Commonwealth Capital Scoring*
Submit the application for Commonwealth Capital scoring that is used by the state to allocate a wide range of discretionary funding related to the environment, transportation, infrastructure, economic development, and housing. Municipalities are scored in large part related to the progress they have made towards promoting smart growth development.

2. *Planning and Regulatory Strategies*

The Town of Carver should consider the following planning and zoning-related strategies to provide appropriate incentives and guidance to promote the creation of additional affordable units:

- *Adopt inclusionary zoning*
Adopt inclusionary zoning to ensure that any new residential development in Carver provides a percentage of affordable units or cash in lieu of units.
- *Adopt Affordable Housing Guidelines*
Prepare and approve Affordable Housing Guidelines to provide guidance to developers on the types of housing proposals that will be acceptable to the community.
- *Revise existing cluster zoning bylaw*
Amend Carver’s Zoning Bylaw to incorporate additional incentives and affordability requirements for producing affordable units in new developments and better promote cluster zoning as a “smarter” way for developing new sites to protect the environment and the rural character of Carver while offering a broader range of housing options that can promote affordability.

- *Allow a wider range of housing types*
Promote greater housing diversity by allowing a broader mix of dwelling types based on specific conditions and in appropriate locations.
- *Allow starter housing on noncomplying lots*
Explore zoning options for promoting starter homes on lots that do not meet minimum area or dimensional requirements but might still be suitable for the development of starter housing and prepare and adopt a zoning bylaw to enable these lots to be developed under specific criteria.
- *Promote mixed-use development*
Promote mixed residential and commercial development through changes in the Zoning Bylaw, directing such development to places in town that already allow commercial uses and are better suited to higher density development and requiring some amount of affordability.
- *Modify the accessory apartment bylaw*
Revisit the Zoning Bylaw and to make the creation of accessory apartments easier including eliminating the requirement limiting occupancy to someone 55 years of age or older. Accessory apartments are unlikely to be counted as part of the Subsidized Housing Inventory given existing requirements, but still add needed diversity to the existing housing stock.
- *Exempt affordable housing from rate of development and subdivision phasing bylaw*
Amend the existing bylaw to exempt developments with affordable units from the established growth limits.
- *Explore opportunities for streamlining the permitting process*
Create ad hoc task force to review the current permitting process and to identify opportunities for streamlining. Written materials that better clarify the regulatory process should be developed.
- *Establish fee concessions for affordable housing*
Make permit fee waivers for affordable housing an institutionalized part of the Town's housing efforts. The Town will need to determine what types of projects would qualify for this waiver (e.g., non-profit developers, projects that require housing subsidy funds to be feasible, projects meeting Housing Production goals).
- *Offer tax relief for rental units*
Consider adapting Provincetown's tax policy that offers tax concessions for rental housing, determining whether such a measure would effectively promote more rental housing in Carver. If the Board of Selectmen decided to proceed, it would have to secure state legislative approval.

- *Revise existing townhouse development bylaw*
Tweak the existing townhouse development bylaw by raising the affordability requirements to 15% for example and making other improvements.

3. *Housing Production Strategies*

To accomplish the actions included in this Housing Production Plan and meet production goals, it will be essential for the Town of Carver to reach out to the development community and sources of public and private financing to secure the necessary technical and financial resources to create actual affordable units. While some of the units produced may rely on the participation of existing homeowners, most of the production will require joint ventures with developers – for profit and non-profit – to create affordable housing.

- *Make publicly-owned land available for affordable housing*
Continue to convey suitable Town-owned properties to developers for some amount of affordable housing based on identified local terms and conditions.
- *Support private development in line with local guidelines*
Reach out to local developers who have been active in producing affordable housing to discuss the Town’s interest in promoting these units, possible areas and opportunities for new development, local guidelines and priorities for new development, and prospects for working together in the future. This will be particularly useful after the Town has produced Affordable Housing Guidelines and has passed key zoning changes. Investing CPA funding to boost the level of affordability is also something the Town should strongly consider. Moreover, Carver should establish a process for reviewing local development proposals in their early conceptual stages to provide useful feedback to developers on preliminary plans.
- *Convert existing housing to long-term affordability*
Explore various program models for converting existing housing to units that have long-term affordability restrictions and prepare an implementation plan that outlines program procedures and the respective roles and responsibilities of various municipal staff persons and boards and committees.
- *Promote accessory apartments*
After amending zoning to better promote the development of accessory units that can help diversify the town’s housing stock, conduct outreach to property owners to acquaint them with new requirements. Also, explore efforts in other communities to promote affordable accessory apartments, such as Wellfleet’s, and determine how best to move forward locally.

4. *Housing Preservation*

Housing production is critical, but the Town should also make efforts to refer eligible homeowners to existing programs that can address the deferred home maintenance needs of lower income residents, including seniors.

- *Help qualifying homeowners access housing assistance*
Disseminate information and make referrals to local, regional and state programs that provide technical and financial assistance to help qualifying property owners make necessary home improvements including building code violations, septic repairs, handicapped accessibility improvements and lead paint removal.
- *Insure future affordability*
It is important for the Town to insure that all affordable housing units remain a part of the Town's Subsidized Housing Inventory for as long a period as possible and monitor these units accordingly, intervening as necessary if affordability is due to expire.

II. INTRODUCTION

The Town of Carver is situated in southeastern Massachusetts, about 40 miles from Boston, bordered by Middleborough on the west, Plympton on the north, Kingston on the northeast, Plymouth on the east, and Wareham on the South. The town has a rich history as an iron producer, as the discovery of iron ore in the region and abundant waterpower stimulated the development of iron foundries. Carver also has a strong agricultural heritage in the cranberry industry. In the 1940s, Carver was in fact the largest producer of cranberries in the world.

Money from iron led to the building of handsome mansions in town, many of which still exist, while the foundries and cranberry bogs attracted immigrant workers, particularly from the Cape Verde Islands and Finland who are still representative in the town's population. While Carver is now largely a suburban community, where residents commute to their jobs in other nearby employment centers, it is one of the few towns remaining in the Boston area with a significant agricultural component – cranberries remain important in Carver although global market competition has hurt the local industry.

Carver is experiencing substantial growing pains, however, having grown substantially over the past couple of decades and estimates indicate that growth pressures will continue. For example, of Carver's 24,749 acres, approximately 3,900 acres have been developed, mostly for residential purposes, and there are another approximately 1,200 acres of partially developed wetlands. Another 9,385 acres represent protected open space, water and riverfront areas, leaving more than 10,400 acres of developable upland area where development could potentially occur in the future.⁹

A. Purpose of the Project

The Town of Carver is at a point in its history where it can take greater charge of its destiny and properly plan for its growth for the next 20 years. Changes in the cranberry industry and the opening of the new extension of Route 44 have created both challenges and opportunities for the town. Concern about future growth, including both the type and rate of growth and how it will affect the town's character, have coalesced both residents and Town officials into taking action to address their concerns.

In July 2001, the Town completed a new Town Master Plan that addressed many issues related to future growth and development. Since the completion of the Master Plan, the Town has been working diligently on implementing many of the Master Plan's recommendations. The Town has hired a new planning and economic development director, adopted amendments to its zoning by-laws, passed the Community Preservation Act, established several working committees to study specific Master Plan recommendations, and sponsored a regular series of community forums on topics that relate to growth and development challenges, providing an opportunity for residents to discuss them with a panel of experts.

⁹ The 10,400 acres of developable area is based on subtracting already developed area and other areas with restrictions, such as wetlands, from the total acreage available in town.

One of the issues that the Town is now addressing is the relative lack of affordable housing. According to Chapter 40B regulations, if a municipality has less than 10% of its year-round housing set-aside for low- and moderate-income residents, it is not meeting the regional and local need for affordable housing. Not meeting this affordability standard makes the town susceptible to a state override of local zoning if a developer chooses to create affordable housing through the Chapter 40B comprehensive permit process.¹⁰

Based on the Massachusetts Department of Housing and Community Development's most recent data on the Chapter 40B Subsidized Housing Inventory, Carver has 4,063 year-round housing units of which 118 can be counted as affordable, representing 2.9% of the year-round housing stock. Carver is therefore vulnerable to losing control over housing development through Chapter 40B comprehensive permit applications. To meet the 10% standard, at least 406 of the existing units would have to be "affordable" based on the state's definition, requiring at least another 288 housing units to be converted to affordability to meet just the 10% standard. Assuming future housing growth, this 10% figure is a moving target and ultimately the required minimum number of year-round units will increase over time.

The 10% affordability threshold is even more challenging in consideration of housing values. The median price of a single-family home in Carver was \$306,500 as of the end of 2007, requiring a household income of about \$89,500 to purchase based on conventional lending terms. It is clear that the housing being provided in the marketplace does not meet the needs of all segments of Carver's population.

B. Planning Process

In order to address the affordable housing issue, the Town established the Affordable Housing Committee in November 2006. Its membership is made up of representatives of the Board of Selectmen, Planning Board, Housing Authority, Habitat for Humanity, South Shore Housing, A.D. Makepeace Company, and the construction and real estate development industries. The mission of the Committee is to prepare an Affordable Housing Plan that will be presented to and adopted by the Planning Board and Board of Selectman and ultimately submitted to the state's Department of Housing and Community Development (DHCD) for approval under Housing Production requirements.

The Housing Plan is being completed in two phases. The first phase is the *Carver Housing Needs Assessment*, which is an updated and augmented version of a Housing Needs Analysis that was completed in January 2007. The purpose of this document is to identify the housing needs that are not being met through the analysis of housing and socio-economic data. This Needs Assessment has been funded through a couple of

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

sources. The Town contracted with the Southeastern Regional Planning and Economic Development District (SRPEDD) to prepare the Housing Needs Analysis, using a grant from the A.D. Makepeace Company through the *Makepeace Neighborhood Fund*.¹¹ The Town has secured additional funding through the Community Preservation Fund to hire the consultant Karen Sunnarborg Consulting to update the initial Needs Analysis and appropriately augment it to meet all requirements of the state's Housing Production Program.

The second phase of the process will focus on housing production goals and strategies that the Town will employ to meet its housing needs by producing a ***Housing Production Plan*** that will incorporate the Housing Needs Assessment. It will identify regulatory changes that can better guide new development including incentives for promoting the integration of affordable housing; preferable locations for promoting a wider range of housing types; opportunities for building local capacity to create new housing opportunities; and characteristics of housing that will be encouraged. It will also locate specific sites for comprehensive permits and identify Town-owned properties that may be suitable for the development of affordable housing.

C. Housing Goals

In September 2007, the Town of Carver's Affordable Housing Committee prepared a vision statement as well as housing goals for inclusion in the Housing Production Plan. The vision statement is:

To provide greater housing opportunities to a broad income range of the population while retaining Carver's agricultural and rural character.

The Committee also adopted specific housing goals including:

- Provide a full range of housing options, ownership/rental and housing types at all income levels.
- Direct future growth to areas within the town that can accept appropriate densities.
- Balance future growth with protection of the town's rural quality and sensitive natural resources.
- Link the growth of market rate housing with the creation of affordable housing units.
- Maintain and expand the affordable housing stock.

D. Definition of Affordable Housing

There are a number of definitions of affordable housing as federal and state programs offer various criteria. For example, the federal government identifies units as affordable if gross rent (including costs of utilities borne by the tenant) is no more than 30% of a household's net or adjusted income (with a small deduction per dependent, for child care, extraordinary

¹¹ This process included interviews of local leaders, organizational heads, developers, etc. to get input on housing needs, development constraints and key strategies for promoting affordable housing which are summarized in Appendix 1.

medical expenses, etc.) or if the carrying costs of purchasing a home (mortgage, property taxes and insurance) is not more than 30% of gross income. If households are paying more than these thresholds, they are described as experiencing housing affordability problems; and if they are paying 50% or more for housing, they have severe housing affordability problems or cost burdens.

Affordable housing is also defined according to percentages of median income for the area, and most housing subsidy programs are targeted to particular income ranges depending upon programmatic goals. Extremely low-income housing is directed to those earning at or below 30% of area median income as defined by the U.S. Department of Housing and Urban Development (\$23,200 for a family of three for the Boston area)¹² and very low-income is defined as households earning less than 50% of area median income (\$38,600 for a family of three). Low-income generally refers to the range between 51% and 80% of area median income (\$59,550 for a family of three at the 80% level), and moderate-income from 81% to 100%, and sometimes 120% of median income. These income levels are summarized in the table below:

Table II-1. 2008 Targeted Income Levels for Affordable Housing in the Boston Area			
# Persons in Household	30% of Median Income	50% of Median Income	80% of Median Income
1	\$18,050	\$30,050	\$46,300
2	20,600	34,300	52,950
3	23,200	38,600	59,550
4	25,750	42,900	66,150
5	27,800	46,350	71,450
6	29,850	49,750	76,750
7	31,950	53,200	82,050
8+	34,000	56,650	87,350

2008 Median Household Income for the Boston PMSA = \$85,800

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

In general, programs that subsidize rental units are targeted to households earning within 50% or 60% of median income, and first-time homebuyer programs typically apply income limits of up to 80% of area median income. The Community Preservation Act allows Community Preservation funding to be directed to those within a somewhat higher income range – 100% of area median income – now commonly referred to as “community housing”. Additionally, some housing developments incorporate several income tiers. For example, one project could combine units for those earning at or below

¹² The average household size is 2.8 persons in Carver based on the 2000 census, the latest source for this information.

80% of area median income, moderate-income “workforce” units for those earning between 80% and 120% of median income, and even some market rate units to help cross-subsidize the more affordable ones. A rental project might include a couple of tiers below the 80% level in addition to workforce and/or market rate units.

As noted previously, based on the Massachusetts Department of Housing and Community Development’s most recent data on the Chapter 40B Subsidized Housing Inventory, Carver had 4,063 year-round housing units of which 118 can be counted in the Subsidized Housing Inventory, representing 2.9% of the year-round housing stock. For the purposes of Chapter 40B, affordable housing is generally defined as housing units that are:

Figure II-1

- | |
|--|
| <p>CHAPTER 40B: WHAT IS AFFORDABLE HOUSING?</p> <ol style="list-style-type: none">1. Subsidized by an eligible state or federal program.2. Subject to long-term use restriction limiting occupancy to Income-eligible households for a specified period of time (at least 30 years or longer for newly created affordable units and at least 15 years for rehabilitated units.3. Subject to an Affirmative Fair Housing Marketing Plan. |
|--|

III. HOUSING NEEDS ASSESSMENT

A. Demographic Characteristics

1. *Population Growth*

Carver’s total population was 11,163 according to the 2000 US Census, an increase of 573 residents or 5.41 % since the 1990 census population count. Table III-1 presents US Census population data from 1980 through 2005 for Carver and its neighbors. Carver’s estimated population for 2005 was 11,562, 3.57% higher than 2000. Carver ranks 5th in total population in comparison to its neighbors and its population growth rate from 1990 to 2000 was the slowest of the seven communities. Kingston had the highest growth rate for the 1990-2000 period at 30.24%. Carver’s estimated growth rate for 2000 to 2005 was also the lowest of the seven towns. *While these estimates suggested an increase in population, more recent Town census figures indicate, however, that the population actually decreased since 2000, and as of July 21, 2008, the number of residents was 11,072.*

Municipality	1980	1990	2000	2005	% Change		
	<i>Actual</i>	<i>Actual</i>	<i>Actual</i>	<i>Estimate</i>	<u>1980-1990</u>	<u>1990-2000</u>	<u>2000-2005</u>
Carver	6,988	10,590	11,163	11,562	51.55%	5.41%	3.57%
Kingston	7,362	9,045	11,780	12,457	22.86%	30.24%	5.75%
Middleborough	16,404	17,867	19,941	21,198	8.92%	11.61%	6.30%
Plymouth	35,913	45,608	51,701	54,923	27.00%	13.36%	6.23%
Plympton	1,974	2,384	2,637	2,781	20.77%	10.61%	5.46%
Rochester	3,205	3,921	4,581	5,310	22.34%	16.83%	15.91%
Wareham	18,457	19,232	20,335	21,296	4.20%	5.74%	4.73%

Source: US Census, 1990, 2000 & T1. 2005 Population Estimates

Southeastern Regional Planning and Economic District (SRPEDD) and Old Colony Planning Council (OCPC) have prepared population projections for towns in their respective districts. Table III-2 shows population growth estimates for Carver and its seven neighbors for 2000 to 2010 and 2010 to 2020. Carver’s population is estimated to grow 11.47% from 11,163 in 2000 to 12,433 by 2010. Its 2010 population is estimated to grow 10.29% to 13,723 by 2020.

Municipality	2000	2010	2020	% Change	
				<u>2000-2010</u>	<u>2010-2020</u>
Carver	11,163	12,443	13,723	11.47%	10.29%
Kingston	11,780	12,522	13,805	6.30%	10.25%
Middleborough	19,941	22,401	24,861	12.34%	10.98%
Plymouth	51,701	60,800	68,395	17.60%	12.49%
Plympton	2,637	3,249	3,724	23.21%	14.62%
Rochester	4,581	5,741	6,901	25.32%	20.21%
Wareham	20,335	22,395	24,455	10.13%	9.20%

SRPEDD has also updated the 2005 Buildout Analysis in January 2007 as presented in Table III-3. The total number of projected additional residential units decreased from 1999 to 2005 from 8,287 additional units to 7,482. The projected population increase went from 23,424 new residents (1999 estimate) to 21,034 (2005 estimate). The projected number of projected new students decreased from 4,400 (1999) to 3,904 (2005). The full results of the updated buildout analysis can be obtained from Town Hall. These figures represent considerable additional growth and policies, programs and regulations will have to be put in place to better plan and direct new development.

**Table III-3. Carver Buildout Analysis, 1999 & 2005
Updated January 2007**

	Additional Units		Population Increase		Additional Students	
	1999	2005	1999	2005	1999	2005
Residence Agricultural District (RA)						
Single-Family	5,309	6,166	15,237	17,698	2,962	3,441
Townhouse	360	433	864	1,039	92	110
Mobile Home Park	230	276	482	580	23	28
Total for District	5,899	6,875	16,583	19,317	3,077	3,579
General Business District						
Single-Family	19	9	55	25	10	5
Townhouse	10	5	25	11	3	1
Total for District	29	14	80	36	13	6
Highway Commercial District						
Townhouse	10	33	24	80	3	9
Village District						
Single-Family	607	44	1,742	126	338	25
Airport District						
Mobile Home Park	8	8	17	16	1	1
PTC						
Single-Family	459	258	1,318	741	257	144
Grandfathered Undersized Lots (SF)	300	250	861	718	167	140
Appd Subdivision Lots Not Constructed (SF)	79	0	227	0	44	0
Makepeace Buildout Potential (SF)	896	0	2,572	0	500	0
Totals						
Single-Family	7,669	6,727	22,012	19,308	4,278	3,755
Townhouse	380	471	913	1,130	98	120
Mobile Home Park	238	284	499	596	24	29
Total Residential Buildout	8,287	7,482	23,424	21,034	4,400	3,904
Source: SRPEDD Buildout Analysis 1999, 2005. Updated January 2007						

2. *Sex and Age Distribution*

Table III-4 shows the sex and age distribution of Carver’s 2000 population. Females were 51% of the population while males made up 49%. Figure III-1 illustrates the age distribution of Carver’s population.

Table III-4					
Population, Sex and Age Characteristics, Town of Carver, 1990 & 2000					
	1990		2000		
Total Population	10,590	100.0%		11,163	100.0%
Sex					
Male	5,193	49.0%		5,455	48.9%
Female	5,397	51.0%		5,708	51.1%
Age					
Under 5 years	869	8.2%		726	6.5%
5 to 17 years	2,339	22.1%	5 to 17 years	2,583	23.1%
18 to 20 years	418	3.9%	18 to 20 years	680	6.1%
21 to 24 years	351	3.3%	21 to 24 years	387	3.5%
25 to 34 years	1,690	16.0%	25 to 34 years	1,816	16.3%
35 to 44 years	1,987	18.8%	35 to 44 years	1,341	12.0%
45 to 54 years	852	8.0%	45 to 54 years	1,701	15.2%
55 to 59 years	316	3.0%	55 to 59 years	479	4.3%
60 to 64 years	372	3.5%	60 to 64 years	364	3.3%
65 to 74 years	927	8.8%	65 to 74 years	823	7.4%
75 to 84 years	429	4.1%	75 to 84 years	676	6.1%
85 years+	40	0.38%	85 years +	151	1.4%
Under 18 years	3,208	30.3%	Under 18 years	3,045	27.3%
65 years and older	1,396	13.2%		1,650	14.8%

Source: US Census, 1990 and 2000, Table DP-1, Profile of General Demographic Characteristics and Table QT-P1A, Age and Sex for the Total Population

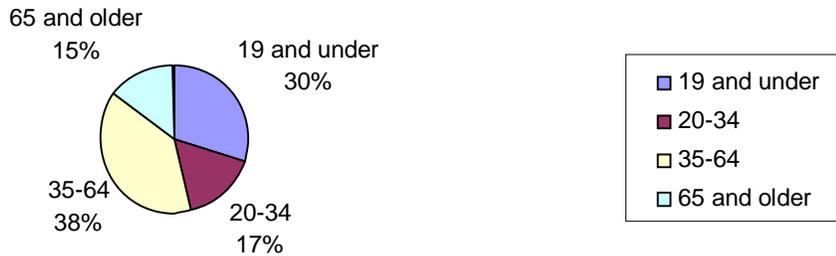
The age distribution information included in Table III-4 provides some insights on recent demographic trends. First, there was a small decrease, about 5%, in the number of children from 3,208 under the age of 18 in 1990 to 3,045 in 2000. Those over 65 increased somewhat as well, from 1,396 in 1990 to 1,650 in 2000, an 18% increase. The frail elderly over 85 years also increased, from 40 to 151 individuals. It is also notable that the population of those younger adults entering the workforce and forming their own families, age 21 to 34 years of age, stayed fairly stable in Carver from 1990 to 2000, comprising about 20% of the population unlike many communities where the high costs of living, housing in particular, is causing this population to decrease.

The Metropolitan Area Planning Council (MAPC) prepared population projections by age group through 2030, which appear in Table III-5. These demonstrate a continued decline of school age children and substantial increase in those over 60. For example, those under the age of 14 are projected to decrease by about 200 individuals despite an

overall population increase of 24% between 2000 and 2030. Those age 15 to 29 drop from 16.7% of the population in 2000 to 15.3% in 2030. There were substantial downward shifts in the young adult population ages 30 to 44 as well, going from 23.4% of the total population to 15.5% during this same period. Most of this projected growth is estimated to occur in the older age cohorts, increasing by 46% for those age 45 to 59 and 108% for those over 60.

Age Range	2000 #/%	2020 #/%	2030 #/%
0-14	2,489/22.3	2,229/16.9	2,288/16.4
15-29	1,862/16.7	2,240/16.9	2,141/15.3
30-44	2,618/23.4	1,941/14.7	2,173/15.5
45-59	2,180/19.5	3,522/26.6	3,186/22.8
Over 60	2,014/18.0	3,289/24.9	4,192/30.0
Total	11,163/100.0	13,221/100.0	13,979/100.0
Source: MAPC, January 31, 2006			

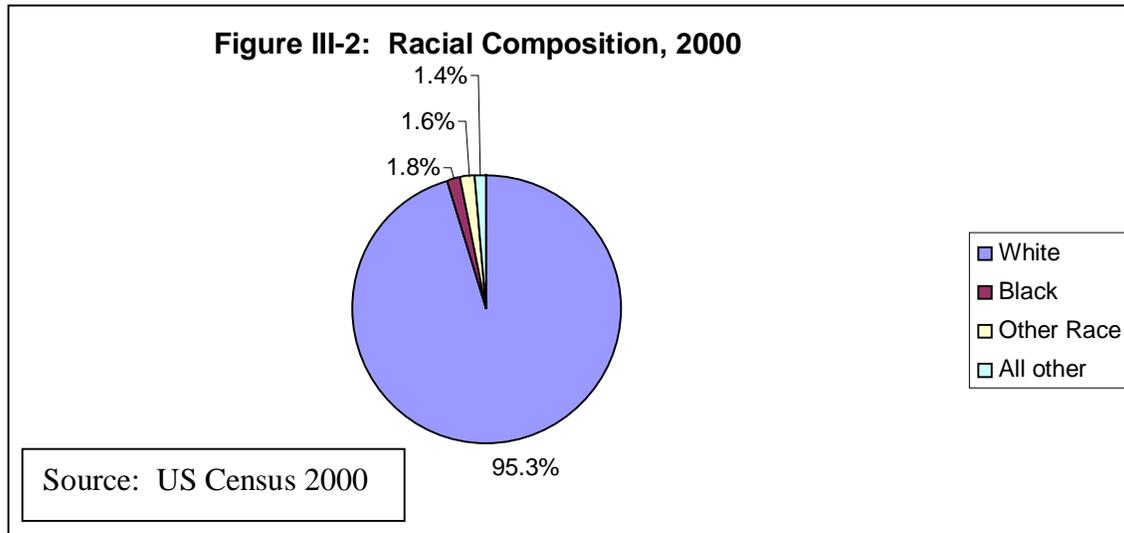
Figure III-1: Age Distribution



Source: US Census 2000

3. Race

Carver is not racially diverse. In 2000 Carver’s racial composition was 95.3% White, 1.8% Black, and 1.6% some other race (see Figure III-2). The numbers of minorities actually decreased from 1990 to 2000, from 401 to 316 individuals.



4. *Household Composition*

Carver had a total of 3,884 households in 2000; about 75% in family households and 25% in non-family households (refer to Table III-6). Average household size was 2.80 persons and average family size was 3.23 persons. Households with children under 18 made up 39.5% of the total households while those households with individuals aged 65 years and older comprised 29.6% of the total households.

	Number	Percent
Total Households	3,884	100.0
Family Households	3,010	75.6
<i>Family Households with own children under 18</i>	1,459	36.6
<i>Married-couple family</i>	2,521	63.3
<i>Married-couple family with own children under 18</i>	1,205	30.2
<i>Female Householder, no husband present</i>	346	8.7
<i>Female Householder, no husband present w/ own child. Under 18</i>	178	4.5
Nonfamily Households	974	24.4
<i>Householder living alone</i>	786	19.7
<i>Householder 65 years and over</i>	466	11.7
Households with individuals under 18 years	1,572	39.5
Households with individuals 65 years and older	1,180	29.6
Average household size	2.80	(X)
Average family size	3.23	(X)

Source: US Census DP-1, Profile of Demographic Characteristics: 2000

As

shown in Table III-7, the number of households in Carver grew over 11% from 1990 to 2000. Kingston's household growth was the highest of the seven neighboring communities at about 32%, followed by Rochester at around 22%. In all communities

the number of persons per household declined from 1990 to 2000 reflecting regional and national trends towards smaller households.

Municipality	Households			% Change	Annual Rate of Growth	Persons per Household	Persons per Household
	1990	2000	Difference			1990	2000
	Carver	3,585	3,984	399	11.13%	1.11%	2.95
Kingston	3,224	4,248	1,024	31.76%	3.18%	2.77	2.71
Middleborough	6,063	6,981	918	15.14%	1.51%	2.87	2.78
Plymouth	15,875	18,423	2,548	16.05%	1.61%	2.78	2.67
Plympton	766	854	88	11.49%	1.15%	3.11	3.09
Rochester	1,288	1,575	287	22.28%	2.23%	3.04	2.91
Wareham	7,370	8,200	830	11.26%	1.13%	2.57	2.44

Source: US Census, DP-1. General Population and Housing Characteristics: 1990 and 2000

5. Income Distribution

The median household income in 1999 was \$53,506, up 38% from the 1989 median income of \$38,678, not adjusted for inflation. *Based on the percentage change in HUD's median income levels from 2000 to 2008 (31%), from \$65,500 to \$85,800, an adjusted income level of \$70,093 can be calculated that perhaps better reflects current economic conditions.*

	1990		2000	
	Number	Percent	Number	Percent
Households	3,551	100.0	4,006	100.0
Less than \$10,000	278	7.8	228	5.7
\$10,000 to \$14,999	185	5.2	296	7.4
\$15,000 to \$24,999	535	15.1	424	10.6
\$25,000 to \$34,999	571	16.1	430	10.7
\$35,000 to \$49,999	812	22.9	469	11.7
\$50,000 to \$74,999	850	23.9	1,046	26.1
\$75,000 to \$99,999	246	6.9	648	16.2
\$100,000 to \$149,999	65	1.8	355	8.9
\$150,000 to \$199,999			69	1.7
\$200,000 or more	9	0.2	41	1.0
Median Household Income	\$38,678		\$53,506	

Source: US Census, Table DP-3, Profile of Selected Economic Characteristics, 1990 and 2000

Between 1990 and 2000, there were decreases in the numbers of households in all of the income ranges except for those earning in the income category of \$10,000 to \$14,999 and

all income categories above \$50,000. Those households earning more than \$50,000 increased from about one-third of the population in 1990 to more than half in 2000, and those earning more than \$100,000 grew from 65 to 355 households during the decade. The income distribution for those households that include children – families – is somewhat higher with a median family income in 1999 of \$61,738 with 413 families or almost 14% of all families earning more than \$100,000, including 41 earning more than \$200,000.

Despite increasing household wealth, there still remains a population living in Carver with very limited financial means. Of the 4,006 total households counted in 1999, 228 or 5.7% had incomes of less than \$10,000 and another 720 or 18% had incomes between \$10,000 and \$24,999, representing extremely low-income levels at or below 30% of area median income. An additional 116 households had incomes within what public agencies would define as very low-income levels, within 50% of area median income based on 2000 levels. *The total number of households within these lower income categories was 1,164 households in 2000 or more than one-quarter of all Carver households, not an insignificant number given the general affluence of the community.* Additionally, based on HUD income information, more than 40% of Carver households (or about 1,623 households) would have likely qualified for housing assistance as their incomes were at or below 80% of area median income defined by the U.S. Department of Housing and Urban Development (HUD) or \$45,200 for a family of three.¹³

6. *Employment*

The 2000 census indicated that 26.1% of Carver's workers were involved in management or professional occupations and most of the rest were employed in more retail and service oriented jobs including construction and maintenance occupations (12.7%), sales and office occupations (31.6%), service occupations (15.5%) and production, transportation and material moving occupations (13.9%). While 82.1% were salaried workers, another 13.2% were government workers and 4.6% were self-employed. It is worth noting that despite Carver's rich agricultural history and continued cranberry growing, only 0.1% of residents were involved in the farming industry.

Additional information on employment patterns indicated that of those Carver residents who were employed over the age of 16, or 5,471 workers, 687 or about 12.6% worked in the community, indicating relatively limited local employment opportunities. The mean travel time to work, however, was 35.7 minutes suggesting that on average workers commuted a fair distance to their jobs, 95% by car.

7. *Poverty Status*

Table III-9 shows 1999 poverty data for Carver.

¹³ While these households' incomes might be at or below 80% of area median income, many households are likely to have assets that are more than the allowable state or federal standards that would disqualify them from housing assistance.

	# Below Poverty Level	% Below Poverty Level
Families	139	4.6
w. related children under 18 yrs	53	3.3
w. related children under 5 yrs	17	3.3
Families with female householder, no husband present		
	28	11.6
w. related children under 18 yrs	22	13.3
w. related children under 5 yrs	9	17.6
Individuals	557	5.0
18 years and over	421	5.2
65 years and older	175	10.8
Related children under 18 years	91	3.1
Related children 5 to 17 years	74	3.3
Unrelated individuals 15 years and over	223	16.3
Source: US Census 2000, Table DP-3. Profile of Selected Economic Characteristics		

Less than 5% of families lived below the poverty level, while female headed households with no husband present had significantly higher rates of poverty at 11.6%, and these households with children under 18 included 13.3% of all such households. Additionally, more than 10% of individuals aged 65 and older lived below the poverty level.

	Percent Below Poverty Level						
	Carver	Kingston	Middleboro	Plymouth	Plympton	Rochester	Wareham
Families	4.6	4.0	3.5	4.4	0.8	2.4	8.1
w. related children under 18 yrs	3.3	5.5	4.8	6.0	1.6	3.8	13.2
w. related children under 5 yrs	3.3	7.0	6.8	7.2	0.0	3.3	20.3
Families with female householder, no husband present							
	11.6	23.3	14.7	16.7	0.0	0.0	24.5
w. related children under 18 yrs	13.3	26.7	17.4	25.4	0.0	0.0	32.4
w. related children under 5 yrs	17.6	37.9	39.5	33.6	0.0	0.0	52.4
Individuals	5.0	5.8	5.5	5.4	2.1	3.1	10.7
18 years and over	5.2	5.4	5.0	4.7	2.2	2.6	8.6
65 years and older	10.8	8.6	5.3	6.9	3.4	4.4	13.5
Related children under 18 years	3.1	6.9	6.4	7.1	1.7	4.4	16.6
Related children 5 to 17 years	3.3	6.2	5.9	7.4	2.2	3.8	15.2
Unrelated individuals 15 years and over	16.3	16.3	17.8	11.8	15.1	7.4	19.1
Source: US Census 2000, Table DP-3. Profile of Selected Economic Characteristics							

Table III-10 above shows poverty status for Carver and its neighboring communities. Of the seven neighboring communities, Wareham had the highest rate of poverty for all categories. Carver ranked second after Wareham for both families (4.6%) and individuals 65 years and older (10.8%) under the poverty level. In most other categories, when compared to the other communities, Carver ranked 5th or 6th.

8. *Disability Status*

Of the 2000 population age 5 to 20 years old, 312 or 11.7% had some disability. Moreover, of the population age 21 to 64, 1,249 or 20.4% claimed a disability, but 67.1% of this group was employed leaving more than 30% who were unemployed, likely due to disability. In regard to the population 65 years of age or older, 726 or 45% claimed some type of disability. These levels of disability were much higher than the Boston region as a whole where 7.9% of those five to 20 years of age claimed a disability, 16.5% of those 21 to 64 claimed a disability (38.2% of whom were not employed), and more than one-third, 37.1%, of those over 65 were disabled.¹⁴

9. *Residency in 1995*

About one-third of the households in Carver, 33.2% or 3,458 persons, moved to a new residence from 1995 to 2000. Of these, 25.1% came from within Plymouth County, 8.1% came from a different county, with 6.4% coming from the same state and 1.7% coming from a different state or elsewhere, representing somewhat less mobility than the county as a whole where 36.5% of all households moved during this same time period.

It is important to note that housing turnover drives up housing prices in an escalating real estate market, and typically the buyers are more affluent than sellers, fueling demographic changes in the community over time. This suggests that it is useful to find ways to reduce housing turnover, to maintain the affordability in the existing housing stock to the greatest extent possible, and to help those who want to remain in town afford to do so.

10. *Educational Attainment*

In 2000, almost all adults, or 85.5% of those 25 years and older, had a high school diploma or higher, and 13.8% had at least a Bachelor's degree. These levels are lower than the 2000 figures for at least college attainment of 27.7% for Plymouth County and 41% for the Boston region. These figures represent some improvement in overall educational attainment from 1990 of 84.9% with at least a high school degree and 12.3% with at least a college degree.

Those enrolled in school (nursery through graduate school) totaled 2,860 or 25.6% of the town's population, and those enrolled in nursery school through high school totaled 2,482, 86.8% of those who were enrolled in school and 22.2% of the total population. These figures represent a decrease in school enrollment from 1990 when there were 2,959 students in local schools, a loss of 99 students.

¹⁴ These figures were based on 2000 census data for the Boston SMSA.

B. Housing Characteristics

Table III-11 shows 1990 and 2000 US Census data for Carver’s housing stock. In 2000, Carver had 4,127 housing units, predominately single-family detached structures (65.9%) and mobile homes (26.2%). During the 1990s, Carver added 328 units to its housing stock but lost 17 rental units. Owner-occupied housing units comprised 91.5% of the occupied housing units and rental units were a relatively small segment at only 8.5% of all occupied units. Less than 4% of Carver’s housing stock was in multi-family dwellings.

Table III-11. Housing Characteristics, Town of Carver 1990-2000

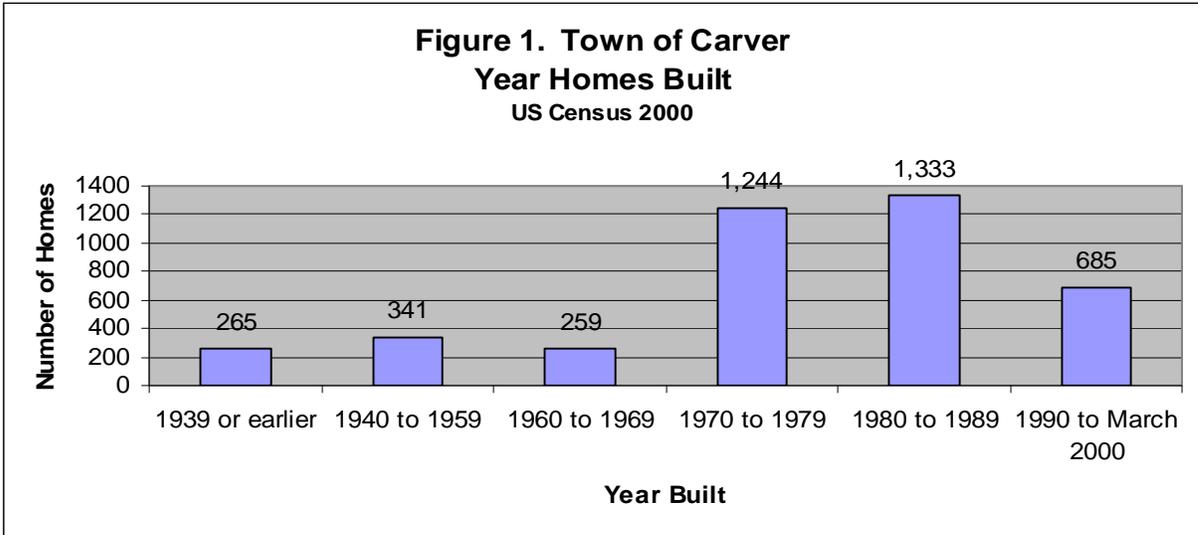
	<u>1990</u>	<u>2000</u>	<u>Difference</u>	<u>% Growth</u>	<u>Annual Growth</u>
Total Housing Units	3,799	4,127	328	8.6%	0.9%
Total Occupied Housing Units	3,585	3,984	399	11.1%	1.1%
Occupied Ownership Units	3,229	3,645	416	12.9%	1.3%
<i>% of Occupied HUs</i>	90.1%	91.5%			
Occupied Rental Units	356	339	-17	-4.8%	-0.5%
<i>% of Occupied HUs</i>	9.9%	8.5%			
Vacancy Rate					
<i>Ownership Units</i>	1.90%	0.8%	-1.10%		
<i>Rental Units</i>	3.0%	4.0%	1.00%		
Units in structure					
<i>1-Unit Detached</i>	2,087	2,719	632	30.3%	
<i>% of All HUs</i>	54.9%	65.9%			
<i>1-Unit Attached</i>	22	23	1	4.5%	
<i>% of All HUs</i>	0.6%	0.6%			
<i>2 to 4 Units</i>	109	134	25	22.9%	
<i>% of All HUs</i>	2.9%	3.2%			
<i>5 to 9 Units</i>	30	25	-5	-16.7%	
<i>% of All HUs</i>	0.8%	0.6%			
<i>10 or more Units</i>	0	0	0	0.0%	
<i>% of All HUs</i>	0.0%	0.0%			
<i>Mobile Home, Trailer or Other</i>	1,045	1,083	38	3.6%	
<i>% of All HUs</i>	27.5%	26.2%			
Vacant Housing Units	214	143	-71	-33.2%	-3.3%
<i>% of All HUs</i>	5.6%	3.5%			
<i>Source: US Census, DP-1 Profile of General Demographic Characteristics: 1990 & 2000. Census 2000 Summary File 4, HCT17, Tenure by Units in Structure.</i>					
<i>Note: There may be some discrepancies in Tenure by Units in Structure data with 2000 data due to reliance on sample data.</i>					

The vacancy rate for ownership units was 0.8%, a decrease from 1.9% in 1990. The vacancy rate for rental units increased from 3% in 1990 to 4% in 2000, however any vacancy level of less than 5% represents tight market conditions.

Table III-12 compares Carver’s housing characteristics to those of neighboring communities.

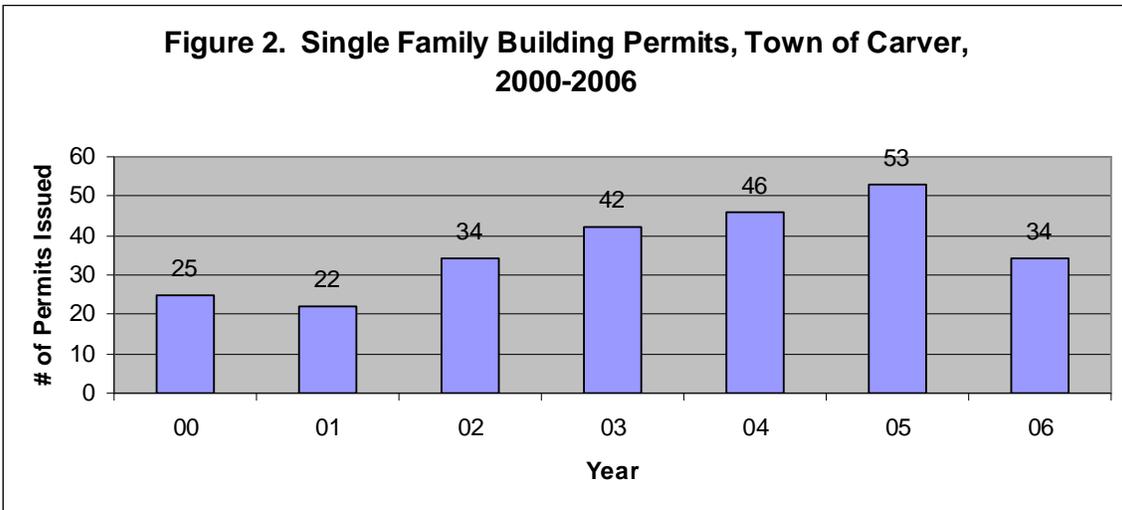
Table III-12. Housing Units, Occupancy and Tenure: Town of Carver and its Neighbors, 1990-2000										
	<u>Carver</u>					<u>Kingston</u>				
	<u>1990</u>		<u>2000</u>		<u>Change</u>	<u>1990</u>		<u>2000</u>		<u>Change</u>
Occupied										
Housing Units	3,585	94.37%	3,984	96.54%	11.13%	3,224	92.22%	4,248	93.88%	31.76%
Owner Occupied	3,229	90.07%	3,645	91.49%	12.88%	2,542	78.85%	3,473	81.76%	36.62%
Renter Occupied	356	9.93%	339	8.51%	-4.78%	682	21.15%	775	18.24%	13.64%
Vacant Housing Units	214	5.63%	143	3.46%	-33.18%	272	7.78%	277	6.12%	1.84%
Seasonal/Rec. Use	70	32.71%	64	44.76%	-8.57%	177	65.07%	155	55.96%	-12.43%
Total Housing Units	3,799	100.00%	4,127	100.00%	8.63%	3,496	100.00%	4,525	100.00%	29.43%
	<u>Plympton</u>					<u>Rochester</u>				
	<u>1990</u>		<u>2000</u>		<u>Change</u>	<u>1990</u>		<u>2000</u>		<u>Change</u>
Occupied										
Housing Units	766	96.47%	854	97.94%	11.49%	1,288	96.05%	1,575	96.39%	22.28%
Owner Occupied	714	93.21%	819	95.90%	14.71%	1,192	92.55%	1,464	92.95%	22.82%
Renter Occupied	52	6.79%	35	4.10%	-32.69%	96	7.45%	111	7.05%	15.63%
Vacant Housing Units	28	3.53%	18	2.06%	-35.71%	53	3.95%	59	3.61%	11.32%
Seasonal/Rec. Use	4	14.29%	7	38.89%	75.00%	37	69.81%	15	25.42%	-59.46%
Total Housing Units	794	100.00%	872	100.00%	9.82%	1,341	100.00%	1,634	100.00%	21.85%
	<u>Middleborough</u>					<u>Plymouth</u>				
	<u>1990</u>		<u>2000</u>		<u>Change</u>	<u>1990</u>		<u>2000</u>		<u>Change</u>
Occupied										
Housing Units	6,063	94.81%	6,981	96.30%	15.14%	15,875	80.76%	18,423	86.70%	16.05%
Owner Occupied	4,275	70.51%	5,170	74.06%	20.94%	11,667	73.49%	14,292	77.58%	22.50%
Renter Occupied	1,788	29.49%	1,811	25.94%	1.29%	4,208	26.51%	4,131	22.42%	-1.83%
Vacant Housing Units	332	5.19%	268	3.70%	-19.28%	3,783	19.24%	2,827	13.30%	-25.27%
Seasonal/Rec. Use	30	9.04%	54	20.15%	80.00%	2,797	73.94%	2,242	79.31%	-19.84%
Total Housing Units	6,395	100.00%	7,249	100.00%	13.35%	19,658	100.00%	21,250	100.00%	8.10%
	<u>Wareham</u>									
	<u>1990</u>		<u>2000</u>		<u>Change</u>					
Occupied										
Housing Units	7,370	64.75%	8,200	76.85%	11.26%					
Owner Occupied	5,529	75.02%	6,201	75.62%	12.15%					
Renter Occupied	1,841	24.98%	1,999	24.38%	8.58%					
Vacant Housing Units	4,013	35.25%	2,470	23.15%	-38.45%					
Seasonal/Rec. Use	3,133	78.07%	2,020	81.78%	-35.53%					
Total Housing Units	11,383	100.00%	10,670	100.00%	-6.26%					

Note: Total Housing Units = # Occupied Housing Units + # Vacant Housing Units
 Source: US Census DP-1. General Population and Housing Characteristics: 1990 and 2000



The figure above shows that the majority of the housing stock in Carver was built in the 1980s (1,333 units or 32.3%) and the 1970s (1,244 units or 30.1%). Over 16% of the housing stock, as of 2000, was built in the 1990s. Carver, with only 6.4% of its housing built before 1939, has a relatively newer housing stock when compared to the statewide average of 55.6% and the national average of 35%. Despite the fact that Carver’s housing is relatively newer, about 60% of Carver’s housing stock is 20 to 30 years old, hitting the age range where many homes need major renovations including new roofs, lead paint removal, updated kitchens, new heating systems, new septic systems and repairs and updates to other major systems.

The figure below shows the number of residential building permits issued for the years from 2000 to 2006.



Carver issued 256 single-family permits for the six-year period and 46 multi-family permits. Carver averaged 37 single-family permits per year and two multi-family permits per year. In the 1990’s Carver averaged 33.8 single-family permits per year (SRPEDD).

Since 2006 building activity has slowed down considerably and during 2007 only four (4) single-family permits were issued and as of mid-May 2008 only two (2) single-family permits had been issued and another two (2) permits for condos.

Table III-13 provides comparative building permit activity for Carver and neighboring communities between 2000 and 2005. In contrast to Carver's 222 permits, Plymouth issued 1,313 single-family permits, Wareham (672), Middleboro (638), Rochester (318), and Plympton (42). This data was compiled by Southeastern Regional Planning and Economic District (SRPEDD) and for the period of 2000 through 2004 by Old Colony Planning Council (OCPC) from building department records for Carver and its neighboring communities. Carver's growth rate of 5.6% was fifth after Kingston (29.43%), Rochester (21.85%), Middleboro (13.35%), and Plympton (9.82%). Plymouth's growth was 8.1% and Wareham actually lost units at -6.28%. In regard to multi-family permits, Wareham led the way with 87 permits, followed by Plymouth with 30 permits (five years), Middleborough with 22, and Carver with ten.

Table III-13.
Building Permits for New Residential Construction, Carver and its Neighbors, 2000-2005

Single-Family Building Permits Issued							Total Permits	Multi-Year Average*
	2000	2001	2002	2003	2004	2005		
Carver	25	22	34	42	46	53	222	37
Kingston	56	43	47	76	78	N/A	300	60
Middleboro	103	115	105	117	87	111	638	106
Plymouth	222	252	289	273	277	N/A	1313	263
Plympton	6	0	12	13	11	N/A	42	8
Rochester	62	39	56	54	52	55	318	53
Wareham	112	101	114	117	116	112	672	112
Multi-Family Building Permits Issued								
Carver	0	0	0	0	10	0	10	2
Kingston	0	0	0	0	1	N/A	1	0
Middleboro	0	2	4	0	0	16	22	4
Plymouth	3	7	3	9	8	N/A	30	6
Plympton	0	0	0	0	4	N/A	4	1
Rochester	0	0	0	0	0	0	0	0
Wareham	0	6	25	18	8	30	87	15

Source: SRPEDD and OCPC N/A = Data not available *5 year average where data is N/A, otherwise 6 year average.

Table III-14 includes updated building permit activity for these communities for 2006 and 2007 and demonstrates the recent slowing down of new residential construction. For example, the average number of single-family permits from 2000 to 2006 for Plymouth and Middleboro was 106 and 263 permits, respectively, significantly higher than the 151 and 71 new permits issued in 2007, respectively.

**Table III-14. Building Permits 2006 and 2007
Carver and Its Neighbors**

Table III-14. Building Permits for Carver and Its Neighbors 2006 and 2007			
Town	Year	Single-family Permits	Multi-family Permits
Carver	2006	29	36
	2007	4	0
Kingston	2006	24	NA
	2007	15	
Middleboro	2006	44	NA
	2007	71	
Wareham	2006	92	2
	2007	70	25
Plymouth	2006	115	18
	2007	151	26
Rochester	2006	22	NA
	2007	13	

Source: SRPEDD

C. Housing Market Conditions

1. Homeownership

Census data also provides information on housing values as of March 2000. The census indicated that the 2000 median house value was \$166,200 up about 17% from the median in 1990 of \$141,800. In 2000, about 800 homes were valued at less than \$150,000 and another 1,118 were valued between \$150,000 and \$199,999, making up the bulk of the more affordable housing stock. Another 444 homes were priced in the \$200,000 to \$300,000 range and 49 additional homes were priced above that. These housing values are summarized in Table III-15.

Table III-15 Carver, 2000 Housing Values		
Value	Number of Units	% Units
Less than \$50,000	14	0.6
\$50,000 to \$99,999	90	3.7
\$100,000 to \$149,999	702	29.0
\$150,000 to \$199,999	1,118	46.3
\$200,000 to \$299,999	444	18.4
\$300,000 to \$499,999	27	1.1
\$500,000 to \$999,999	0	0.0
\$1 million or more	22	0.9
Total	2,417	100.0
Median (dollars)	\$166,200	

Source: 2000 U.S. Census Bureau

More updated market data is tracked by The Warren Group from Multiple Listing Service data based on actual sales. This market information is summarized in Table III-16, showing median sales prices for Carver and its neighbors from 2000 through March 2008. The median price is the midpoint of a range of values for a given time period with half of the homes selling above the median price and half below.

The 2007 median sales price of a single-family home in Carver was \$306,500, an increase of \$140,300 or 84% over the median sales value in 2000. It should be mentioned that sales activity thus far in 2008 is relatively limited and 2008 values represent a very small sample of sales and is likely to climb somewhat as we enter the busier spring sales season despite a sluggish housing market.

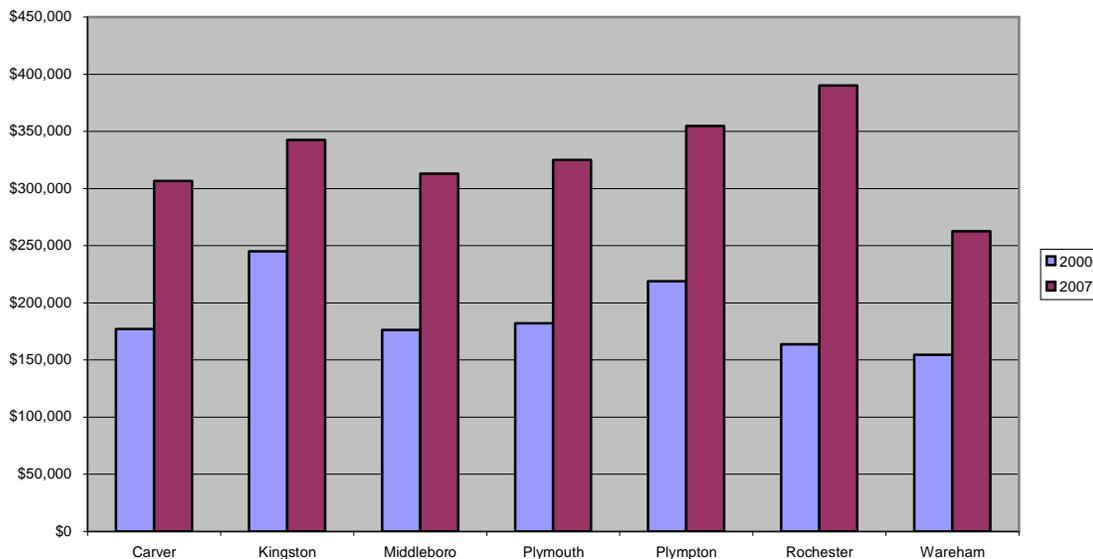
Looking at single-family homes sales as of the end of 2007, Carver ranks fifth in terms of median sales price of the seven neighboring communities. Rochester is the most expensive community with a \$390,000 median sales price and Wareham is the most affordable at \$262,500.

Table III-16. Median Sales Price of Single Family Homes, Carver and its Neighbors, 1/2000-3/2008

	2000	2001	2002	2003	2004	2005	2006*	2007	2008* Jan-Mar
Carver	\$177,000	\$216,000	\$240,000	\$282,500	\$319,900	\$340,000	\$319,000	\$306,500	\$263,950
Kingston	\$245,000	\$270,000	\$281,000	\$330,000	\$366,000	\$383,900	\$379,450	\$342,500	\$325,000
Middleborough	\$176,350	\$224,000	\$242,000	\$277,900	\$315,000	\$339,900	\$325,100	\$313,000	\$279,950
Plymouth	\$182,000	\$219,900	\$259,900	\$302,000	\$334,500	\$350,000	\$340,000	\$325,000	\$330,000
Plympton	\$219,000	\$289,000	\$318,500	\$353,000	\$400,000	\$400,000	\$411,600	\$354,750	\$320,000
Rochester	\$163,750	\$234,900	\$215,000	\$240,500	\$250,000	\$320,000	\$365,000	\$390,000	\$0
Wareham	\$154,450	\$182,950	\$220,000	\$259,900	\$270,000	\$260,000	\$252,000	\$262,500	\$215,000

*Data is for the period from January 2008 through March 2008
 Source: The Warren Group, April 20, 2008
www.thewarrengroup.com

Median Single-family Home Prices



The chart above shows a comparison of 2000 versus 2007 median home prices for Carver and its neighbors. During this period, values climbed considerably, especially for Rochester where prices more than doubled.

Another analysis of housing market data is presented in Table III-17, which includes a breakdown of sales data from the Multiple Listing Service for single-family homes.

Table III-17 Summary of Sales Data for Single-Family Homes* January 2007 Through April 2008				
Price Range	Current Listings #/%	Pending/ Under Agreement #/%	Sold #/%	Total #/%
Less than \$150,000	7/7.3%	0/0.0%	5/4.2%	12/5.2%
\$150,000-199,999	10/10.4%	0/0.0%	4/3.4%	14/6.1%
\$200,000-249,999	9/9.4%	5/31.2%	18/15.1%	32/13.8%
\$250,000-299,999	15/15.6%	3/18.8%	23/19.3%	41/17.8%
\$300,000-349,999	15/15.6%	4/25%	26/21.9%	45/19.5%
\$350,000-399,999	12/12.5%	2/12.5%	19/16.0%	33/14.3%
\$400,000-449,999	9/9.4%	1/6.2%	9/7.6%	19/8.2%
\$450,000-499,999	8/8.3%	0/0.0%	8/6.7%	16/6.9%
\$500,000 and over	11/11.5%	1/6.2%	7/5.9%	19/8.2%
Total	96/100.0%	16/100.0	119/100.0%	231/100.0%
Average Price	\$328,238	\$312,494	\$334,252 (list) \$324,129 (sales)	--
Median Price	\$299,989	\$256,900	\$309,900	--
Average # Days on Market	156 days	120 days	150 days	--
Source: Multiple Listing Service, April 29, 2008				
* Several mobile homes were included in lower-priced single-family home listings.				

This data indicates that there are few homes available in Carver for under \$200,000 that would be affordable to low- and moderate-income households, and almost all of those listed under this price were mobile homes. Almost three-quarters of all sales were priced between \$200,000 and \$400,000. Only 24 homes sold since the beginning of 2007 for more than \$400,000. Average sales prices are somewhat higher than the median, \$324,129 as compared to \$309,900, which is typically the case as the average tends to be skewed by a few higher priced homes in newer subdivisions.

Table III-17 also demonstrates some softening of the housing market since 2007, with median prices of current listings and those under agreement below the median for recent sales showing some downward trends in value.

Table III-18 presents recent market activity for condominiums. While condominiums represent a relatively small segment of Carver's housing stock with only 86 residential condominium units in total, they also are a growing segment of the stock with several new developments built over the past few years including townhouses at Chance Court, Carver Village and Copper Lantern Lane. Values are somewhat lower than those for

single-family homes with sales prices averaging \$270,042 since January 2007 and median prices about the same at \$269,900. With a few exceptions, most of the condominiums are priced within the \$200,000 to \$300,000 price range.

Table III-18 Summary of Sales Data for Condominiums January 2007 Through April 2008				
Price Range	Current Listings #/%	Pending/ Under Agreement #/%	Sold #/%	Total #/%
Less than \$150,000	0/0.0%	0/0.0%	0/0.0%	0/0.0%
\$150,000-199,999	2 (at \$199,900)/9.1%	0/0.0%	0/0.0%	2/4.6%
\$200,000-249,999	3/13.6%	2/66.7%	5/26.3%	10/22.7%
\$250,000-299,999	14/63.6%	0/0.0%	12/63.2%	26/59.1%
\$300,000-349,999	0/0.0%	0/0.0%	1/5.3%	1/2.3%
\$350,000-399,999	0/0.0%	1/33.3%	1/5.3%	2/4.6%
\$400,000-449,999	1/4.6%	0/0.0%	0/0.0%	1/ 2.3%
\$450,000-499,999	0/0.0%	0/0.0%	0/0.0%	0/0.0%
\$500,000 and over	2/9.1%	0/0.0%	0/0.0%	2/4.6%
Total	22/100.0%	3/100.0%	19/100.0%	44/100.0%
Average Price	\$285,545	\$290,567	\$268,742 (list) \$270,042 (sales)	--
Median Price	\$269,900	\$241,900	\$269,900	--
Average # Days on Market	213 days	362 days	250 days	--
Source: Multiple Listing Service, April 29, 2008				
* Several mobile homes were included in lower-priced single-family home listings.				

Mobile homes represent more than one-quarter of Carver's housing stock. Since the beginning of 2007, 17 mobile homes have been sold, ranging in price from \$38,900 at Pipers Way to \$166,700 at South Meadow. The average list price was \$105,165 and the average sales price was \$95,021 with the median at \$80,000. There are 21 mobile homes currently listed for sale from \$54,900 at President's Way to \$199,900 at Jill Marie Drive. The average days on the market for the current listings is 254 days, fairly comparable to the condos but considerably longer than the single-family home market.

These mobile homes are located in a number of parks dispersed throughout Carver with varying types of lease or sales arrangements. For example, some parks lease the land on a monthly basis while others require occupants to enter into a long-term lease that is offered for as much as \$30,000 plus a monthly fee. South Meadow Village has been developed as a cooperative where all occupants own shares and other units are sold. Some parks are age-restricted while others, such as Pine Tree Village, are oriented to families.

2. *Rental Housing*

The 2000 census indicated that there were 339 occupied rental units in Carver, down from 356 in 1990. The 2000 median gross rental was \$750, 34% higher than the 1990 median rent of \$561. Rental units remain a small segment of Carver’s housing market, 8.5%, smaller than that for Plymouth County and the state at 24.4% and 38.3% respectively. Because 107 units of Carver’s Subsidized Housing Inventory are rental units, about one-third of the Town’s existing occupied rental stock is publicly assisted and as such has restricted below market rents, thus skewing gross rental figures considerably. Most of the other rental units are in small multi-family properties, duplexes or single-family homes.

Data on the costs of rental units for 1990 through 2000 is included in Table III-19. Like housing values for homeownership units, rental values tend to be underestimated in the census data and actual market rents are typically much higher. Updated information on rents from the Multiple Listing Service indicates that there are no apartments listed for less than \$1,350 per month although most rental opportunities are passed on by word of mouth and not formally advertised. Examples from recent listings offer a good perspective of the rental market including:

- An attached duplex with four rooms, two bedrooms and 1 ½ baths on a 54,000 square foot lot with 1,728 square feet of living space for \$1,350 per month.
- A single-family homes with five rooms, two bedrooms and 1 ½ baths on about an acre of land and with 1,600 square feet of living space for \$1,600 per month.
- A single-family home on about a half acre of land with seven rooms, four bedrooms and two baths and 2,000 square feet of living space for \$1,750 per month.

A local realtor indicates that when they get rental listings they are currently in the \$1,300 to \$1,800 range for single-family homes and \$1,000 to \$1,300 for two-bedroom duplexes depending upon size, location and condition. There are few apartments located in Carver besides those in subsidized developments.

Gross Rent	1990		2000	
	#	%	#	%
Under \$200	42	12.2	17	5.4
200-299	32	9.3	37	11.8
300-499	58	16.8	43	13.7
500-749	81	23.5	54	17.3
750-999	35	10.1	104	33.2
1,000-1,499	58	16.8	47	15.0
1,500 or more			0	0.0
No cash Rent	39	11.3	11	3.5
Total	345	100.0	313	100.0
Median rent	\$561		\$750	

Source of above table: U.S. Census Bureau, Table DP-4, Profile of Selected Housing Characteristics for 2000 and TableDP-5 Housing Characteristics for 1990
* Figures in 1990 census data are listed as \$1,000 or more and do not break numbers into the \$1,500 or more range.

D. Cost Analysis of Existing Market Conditions

As housing prices escalate, the affordability gap widens, defined as the gap between the cost of housing and the proportion of income that is reasonable to pay for housing, typically defined as 30% of gross income. To afford the median sales price of a single-family home in Carver of \$306,500 (based on The Warren Group information as of the end of 2007), a household would have to earn approximately \$89,500,¹⁵ significantly more than the adjusted median income of \$70,093.

The borrowing power of the average household, based on the adjusted median household income of \$70,093, is about \$240,000, substantially higher than the median house value as reported in the 2000 census of \$166,200 but also significantly less than the \$306,500 median sales prices for single-family homes as of the end of 2007. The affordability gap is then about \$66,500 - the difference between the price of the median priced home and what a median income household can afford. *It is likely that almost 60% of Carver's households have insufficient income to afford the median sales price of \$306,500 based on adjusted income data*¹⁶. Also, only about 15 single-family homes have sold since January of 2007 for less than \$240,000 or what a household earning at the adjusted median income could afford.

The affordability gap increases to \$106,500 if the analysis focuses on those low and moderate-income households earning at or below 80% of area median income, or \$59,550 for a family of three (the average household size is 2.80 persons in Carver), who are unable to afford a house costing more than about \$200,000 based on conventional lending terms. Clearly subsidies are required to provide homeownership opportunities for those with incomes at or below 80% of area median income, a requirement of housing affordability under Chapter 40B.¹⁷

As more homes emerge on the market with sale tags of more than \$300,000, fewer existing longer-term residents will be able to afford them. However, it is important to recognize that those who have owned their homes for some time are likely to have gained significant assets, particularly through the escalating value of their land, despite potentially limited incomes.

¹⁵ Figures based on 95% financing, interest of 6.5%, 30-year term, annual property tax rate of \$11.33 per thousand, insurance costs of \$1.25 per \$1,000 of combined valuation of dwelling value (value x 0.5), personal property (\$100,000 fixed), and personal liability (\$100,000 fixed), and private mortgage insurance estimated at 0.3125 of loan amount, and estimated monthly condo fees of \$300.

¹⁶ Assumes a similar income distribution to the 2000 census with an inflation factor of 31% (based on the increase in the HUD area median income from 2000 to 2008).

¹⁷ The maximum income a three-member household would be eligible to make within the Chapter 40B affordability parameters is \$59,550 in 2008.

In order to determine if homes on the market were attainable for Carver residents based on current home prices and incomes, an analysis of current properties listed for sale on the Multiple Listing Service (MLS-Property Information Network) was conducted. HUD area median incomes for the Boston Metropolitan Area were used for the analysis. Table III-18 shows the estimated home prices that households could afford based on household size and income. Three- and two-person households were used in the analysis because Carver's 2000 Census household size was 2.80 persons per household and average family size was 3.23 persons per household. It should be noted that the estimated house price for a particular income level could be somewhat higher or lower than what is stated in Table III-209 because of the many variables that influence a household's ability to qualify for a mortgage.

Table III-20. TOWN OF CARVER ESTIMATED HOME PURCHASE PRICE BASED ON HOUSEHOLD SIZE AND PERCENTAGE OF 2008 BOSTON AREAWIDE MEDIAN HOUSEHOLD INCOME						
	3 Person Household			2 Person Household		
% of Area Median Income	100%	95%	80%	100%	95%	80%
Area Median Income	\$75,700	\$71,915	\$59,550	\$67,300	\$63,935	\$52,950
House Price	\$260,000	\$245,000	\$200,000	\$230,000	\$220,000	\$180,000

Notes: Area Median Household Incomes are determined by the U.S. Department of Housing and Community Development annually. Average family size is 3.23 persons and Average Household Size in Carver is 2.80 persons per household based on U.S. Census 2000. House price estimates are based on 5% down payment, good credit, debt averaging \$250-\$500 per month, and includes principal and interest, taxes, insurance, and private mortgage insurance. Interest rate is 6.5%.

Of the 103 single-family homes listed on the market as of the end of April 2008, there was only one home listed for less than \$200,000, at \$199,999, besides mobile homes, that would be affordable to those earning at or below 80% of area median income. Only another six (6) single-family homes, besides mobile homes, were priced below \$260,000 affordable to a family of three earning at the median income level. In regard to condominiums, two (2) were listed at \$199,900 and another six (6) were listed for less than \$260,000. However, because condo fees are included in the calculations for determining how much financing one can afford, the fees typically set at approximately \$250 per month in Carver, it is likely that a household would have to earn about \$68,000 (almost the adjusted median income) to afford the lowest priced condominium on the market priced at \$199,900.

Clearly mobile homes represent a very affordable housing alternative in Carver as almost all were within the reach of those earning at or below 80% of area median income. These mobile homes, however, cannot be counted as part of the Subsidized Housing Inventory as they are not considered permanent housing. In fact, mobile homes are considered as personal property and are not financed as other types of housing.

In regard to *rentals*, the gross median rent of \$750, according to the 2000 census, required an income of about \$35,000, also factoring costs of utilities, well within HUD's income limit for three-person households earning at 80% of area median income. Nevertheless, based on 2000 data, about one-third of Carver's households would have been unable to afford to rent at this level based on the standard of spending no more than 30% of one's income on housing. Local real estate listings indicate that market rents are actually higher with nothing on the market for less than \$1,350, requiring an income of about \$54,000 based on a household spending no more than 30% of its income on just the rent. A two-bedroom duplex priced at about \$1,000 per month would require an income of \$40,000 again just based on the rental amount. When considering additional housing-related expenses such as utilities, the required income goes up still further for the unit to meet the 30% of income test.

While current housing market data tells us that approximately 60% of town residents are unlikely to have sufficient incomes to afford the median sales price for a single-family home of \$306,500, and about one-third of households would have been unable to afford the 2000 median rental at \$750 per month, which is almost half of current market rents, it is also useful to identify numbers of residents who are living beyond their means due to the extent of their housing costs. The 2000 census provides data on how much households spent on housing whether for ownership or rental. Such information is helpful in assessing how many households are overspending on housing or encountering housing affordability problems.

Households paying more than 30% of their incomes for housing are defined by HUD as being cost burdened, and when paying more than 50% of their incomes they are said to be severely cost burdened. Table III-21 shows 1990 and 2000 US Census data for housing burdens for Carver. Over 2,100 housing units had mortgages in 2000 and the median mortgage was \$1,282 per month. There were 443 homeowners who were spending at least 35% of their household income on housing expenses. For renters, the gross monthly rent in 2000 was \$750 per month and there were 111 households who were spending at least 35% of their income on housing. It is worth noting that the total number of owners and renters who had cost burdens decreased in 2000 from the 1990 levels.

**Table III-21.
Housing Burdens, Town of Carver, 1990 and 2000**

	1990	2000	Change	% Change
Owned Housing with Mortgage, # Units	1,766	2,166	400	22.7
Monthly Cost of Mortgage (Median)	\$999	\$1,282	283	28.3
Owner Costs as >=35% of Household Income	573	443	-130	-22.7
Renter Gross Monthly Rent	\$561	\$750	189	33.7
Gross Rent as >=35% of Household Income	115	111	-4	-3.5
Source: US Census, 1990 and 2000				

This data suggests that 554 households or about 14% of all Carver households were living in housing that by common definition was unaffordable.

On the other hand, a special report by the U.S. Department of Housing and Urban Development (HUD), referred to as the CHAS report, that identifies cost burdens by household type and whether they are renters or owners, indicated a higher level of cost burdens in Carver at 28%. This data is summarized in Table III-22 and indicated the following:

- There were 236 renter households and 1,387 owner households earning at or below 80% of area median income in 2000 for a total of 1,623 households, representing more than 40% of all households. Consequently, based on this income information, more than 40% of Carver's households would likely have qualified for housing assistance in 2000 as their incomes were at or below 80% of area median income, defined by the U.S. Department of Housing and Urban Development (HUD) as \$50,200 for a family of four.¹⁸
- There were 524 total households who earned at the extremely low-income end of the range of at or below 30% of area median income, another 540 earning between 30% and 50% of area median income, referred to as very-low income by HUD, and another 559 households who earned between 50% and 80% of area median. Of these households, 58% or 942 were experiencing cost burdens.
- Of the 331 renters, 133 or forty percent (40%) were spending more than 30% of their incomes on housing expenses, and 74 or 22% of all renters spent more than 50% of their income on housing.
- Almost 80% of all households earning at or below 30% of area median income had cost burdens, involving 416 households whether they be owners or renters.
- Of the 138 large families earning at or below 80% of area median income and owning their own home, 108 or 78% had cost burdens.
- Almost sixty percent (60%) or 804 of the 1,387 owners earning at or below 80% of area median income were spending too much on housing.
- Half of elderly renters and almost 40% of elderly owners were experiencing housing affordability problems.
- More than 40% or 145 seniors who owned their own homes and were earning at or below 30% of area median income were spending more than 50% of their income on housing.
- Half of the 50 seniors who were renting and earning within 30% of area median were spending more than 50% of their income on housing.

¹⁸ While these households' incomes might be at or below 80% of area median income, many households are likely to have assets that are more than the allowable state or federal standards that would disqualify them from housing assistance.

Table III-22. Type of Households by Income Category and Cost Burdens* 2000					
Type of Household	Households Earning < 30% MFI/# with cost burdens	Households Earning > 30% But < 50% MFI/# with cost burdens	Households Earning > 50% But < 80% MFI/# with cost burdens	Households Earning > 80% MFI/# with cost burdens	Total/# with cost burdens
Elderly Renters	50/40	10/0	10/0	10/0	80/40
Small Family Renters	10/10	20/20	14/10	35/0	79/40
Large Family Renters	4/4	10/0	20/0	20/0	54/4
Other Renters	39/35	4/0	45/10	30/0	118/45
Total Renters	103/89	44/20	89/20	95/0	331/129
Elderly Owners	335/255	309/79	165/35	164/4	973/373
Small Family Owners	68/64	108/104	140/70	1,555/95	1,871/333
Large Family Owners	4/4	34/34	100/70	305/25	443/133
Other Owners	14/4	45/35	65/50	204/50	328/139
Total Owners	421/327	496/252	470/225	2,228/174	3,614/978
Total	524/416	540/272	559/245	2,323/174	3,946/1,107
Source: U. S. Department of Housing and Urban Development (HUD), SOCHS CHAS Data, 2000. MFI indicates median family income. * Cost burdens indicate that households are spending more than 30% of their income on housing. The CHAS data also provides data on those spending more than 50% of earnings on housing.					

Because housing costs have significantly escalated since 2000, it is likely that many of these households, who are not living in assisted housing, are experiencing even greater cost burdens or have been forced to move outside of the community in search of more affordable living conditions.

E. Subsidized Housing Inventory

I. Current Inventory

The Department of Housing and Community Development counts 118 units in Carver that meet affordability requirements under Chapter 40B and are eligible for inclusion in the Subsidized Housing Inventory. Chapter 40B mandates that the town should have 10% of its year-round housing stock as affordable housing which would total 406 units out of its 4,063 year-round housing units (2000 US Census). With a current inventory of 118 (2.9%) affordable housing units, Carver currently has a deficit of 288 affordable units.

Carver is not alone in being challenged by the 10% state threshold as most communities in Massachusetts have not surpassed the 10% level, however, Carver is lagging behind its neighbors as indicated below:

Town	# Year-round units	# Affordable Units	% Affordable Units
Carver	4,063	118	2.9%
Kingston	4,370	208	4.8%
Middleborough	7,195	358	5.0%
Plymouth	19,008	841	4.4%
Plympton	865	43	5.0%
Rochester	1,619	8	0.5%
Wareham	8,650	551	6.4%

Source: Massachusetts Department of Housing and Community Development, October 22, 2007

None of the surrounding towns have produced enough affordable units to meet the state target of 10% of its year round housing stock, but all with the exception of Rochester have made more progress than Carver.

Table III-24 summarizes Carver’s existing Subsidized Housing Inventory.

Property Name & Address	Agency/ Housing Type	Total Units	Afford. Expires	Comprehensive Permit	Subsidizing Agency
6 Fuller Street	Rental	8	Perp.	No	DHCD
Meadowbrook Way-North	Rental Carver Housing Authority	8	Perp.	Yes	DHCD
Meadowbrook Way-North	Rental Carver Housing Authority	20	Perp.	Yes	DHCD
Meadowbrook Way-South	Rental South Shore Housing	40	2023	No	HUD
DMR Group Homes	Rental DMR	23	N/A	No	DMR
Chance Court	Ownership Private	1	2055*	No	DHCD
DMH Group Homes	Rental DMH	8	N/A	No	DMH
Carver Square Blvd.	Ownership Private	1	Perp.	No	DHCD
Davis Road	Ownership	1	2022	No	DHCD

Roosevelt Road	Ownership	1	2017	No	DHCD
S. Meadow Drive	Ownership	1	2017	No	DHCD
Great Meadow Drive	Ownership	1	2019	No	DHCD
Mayflower Road	Ownership	1	2019	No	DHCD
Copper Lantern Lane	Ownership	4	Perp.	No	DHCD
Total Units	Total Year Round 4,063	118	% 2.9		
*Should be in perpetuity. Town should seek new deed rider when property is resold.					
Source: Massachusetts Department of Housing & Community Development, 10/13/06					

The Town's affordable units have been produced through several different entities including the following:

Carver Housing Authority

The Carver Housing Authority owns 28 units of elderly and family housing. Twenty (20) one-bedroom units are set-aside for elderly and handicapped individuals and eight (8) units are set-aside for families. The family units include one (1) four-bedroom unit, six (6) three-bedroom units, and one (1) two-bedroom unit.

The CHA maintains two waiting lists, one for families and one for the elderly and handicapped. Currently there are at least 150 families on the family waiting list and there are 50 names on the elderly/handicapped waiting list.

According to CHA Executive Director Pamela Sequeira, the Town could use additional family and elderly/handicapped rental housing. She said that based on the waiting list alone the town needs 75 three-bedroom family units, 75 two-bedroom family units, and 50 units of one-bedroom elderly/handicapped units.

There are eight (8) units of rental housing that are also managed by the CHA on behalf of the Department of Mental Health.

South Shore Housing Development Corporation

South Shore Housing is the region's non-profit housing organization, based in Kingston. The organization owns and manages a 40-unit elderly and handicap-accessible complex on Meadowbrook Way, adjacent to the CHA property. The complex contains 32 one-bedroom apartments and eight (8) one-bedroom handicap-accessible units. Both the CHA and South Shore Housing properties are located in the Town Center adjacent to the Town Hall, Police and Fire Stations, Public Library, and other amenities.

In order to be eligible to rent a unit, one must be 62 years of age or older or handicapped and must have incomes at or below 30% of area median income. Many of the residents are living on social security benefits and pension incomes.

South Shore Housing maintains a separate waiting list for units its complex. Currently there are 63 people on the waiting list for elderly units, which have average waits of from five to six years.. On average there are three to four people on the waiting list for the handicap-accessible units, but these units have very low turnover.

South Shore Housing administers the Section 8 housing voucher program for the town. According to Nancy Curtin, Program Specialist, there were 14 households using Section 8 vouchers to rent in Carver (as of July 2008). Also, there is a waiting list of over 6,000 households in Massachusetts awaiting Section 8 vouchers. The voucher system works as follows. A householder who is issued a voucher finds a property that meets their needs and a landlord willing to participate in the program. The property must pass an inspection to ensure it meets federal housing quality standards; and if the unit passes, then the householder can complete the arrangements to rent the unit. Rents for Section 8 vouchers are set by the US Department of Housing and Urban Development (HUD). Current rents for the Boston Metropolitan area are \$1,086 for a studio, \$1,153 for a one-bedroom, \$1,353 for a two-bedroom, \$1,618 for a three-bedroom, and \$1,778 for a four-bedroom unit. These are the maximum rents to be charged and must include all utilities, e.g., heat, hot water, and electricity.

State Agencies

The Department of Mental Health (DMH) and the Department of Mental Retardation (DMR) have a total of 31 units that serve their respective clients. DMR group homes include 23 rental units in Carver, while DMH group homes have eight (8) rental units.

The state also provided funding to support five (5) homeownership units through a Community Development Block Grant (CDBG) funded housing rehab program.

Private Developers – Inclusionary Zoning for Townhouse Development

One of the requirements of Carver's Townhouse Development by-law is that 10% of the total units in a townhouse development must be set-aside as affordable units, meeting all requirements under the state's Local Initiative Program (LIP). As a result of this inclusionary housing requirement, there are two single ownership units in two separate townhouse developments that are included in the Subsidized Housing Inventory.

West Light Development (WLD) was the builder of the first townhouse development called the Townhouses at Chance Court that resulted in the construction of ten (10) townhouse condominiums in five (5) duplex units in 2004. These are age-restricted to persons over age 55. The units have two-bedrooms, 1,586 square feet of living space, two full bathrooms, an eat-in kitchen, dining room, a living room with access to an outside deck, and a master bedroom with a walk-in closet. The units also include a two-car garage and full basement. Nine (9) of the units were marketed at \$350,000; the affordable unit was priced at \$145,000.

The second townhouse condominium project is the Village at Carver Square, which was developed by Corporate Realty Associates, Inc. There are six (6) townhouse condominium units with three-bedrooms, 1,385 square feet of living space, 2½ baths, an

eat-in kitchen with adjoining deck, and a living room. The units include a garage and full basement. Five (5) of the units were marketed at \$325,000 and the affordable unit was priced at \$167,000.

Both townhouse units were included in DHCD's Local Initiative Program (LIP); one unit is affordable in perpetuity and the other through 2055. Eligible purchasers had to have incomes at or below 80% of median income for the Boston metropolitan area. South Shore Housing administered the housing lottery for both units.

West Light Development (WLD) also built another condominium development with 44 total units, four (4) of which are affordable and were recently added to the town's Subsidized Housing Inventory. This project is located off of Wareham Street and was also developed through Carver's townhouse bylaw.

2. *Proposed Projects*

There is currently one (1) affordable unit in the pipeline involving a Town-owned lot on Mazzilli Drive that will be conveyed to Habitat for Humanity of Greater Plymouth for a qualifying first-time homebuyer.

F. Gaps Between Existing Housing Needs and Current Supply

As the affordability analysis indicates in Section III.D above, significant gaps remain between what most current residents can afford and the housing that is available. In fact the current homeownership market is becoming increasing outside the means of those earning median income and low- and moderate-income households are virtually shutout.

The Buildout analysis that was recently updated by SRPEDD projected that the town of Carver could support an additional 7,482 housing units based on current zoning. Projections therefore indicate that in order to meet the 10% state standard, the estimated population growth would require at least an additional 750 or so units of affordable housing over and above the 288 units required based on the 2000 year-round housing unit count. These numbers are also based on current zoning and past land use patterns and are therefore subject to substantial change by better planning and land use reforms. Nevertheless, future affordable housing goals will be extremely challenging.

Based on this Housing Needs Assessment, there are a number of key indicators that suggest there are significant local needs for affordable housing including:

1. ***Households with Limited Incomes***

Despite increasing household wealth, there still remains a population living in Carver with very limited financial means.

- Of the 4,006 total households counted in 1999, 228 or 5.7% had incomes of less than \$10,000 and another 720 or 18% had incomes between \$10,000 and \$24,999, representing extremely low-income levels at or below 30% of area median income. An additional 116 households had incomes within what public agencies would define as very low-income levels, within 50% of area median income based on 2000 levels. *The total number of households within these lower income*

categories was 1,164 households in 2000 or more than one-quarter of all Carver households, not an insignificant number given the general affluence of the community.

- Based on HUD income information, more than 40% of Carver households (or about 1,623 households) would have likely qualified for housing assistance as their incomes were at or below 80% of area median income defined by the U.S. Department of Housing and Urban Development (HUD) or \$45,200 for a family of three.¹⁹
- While the numbers of those in poverty remains relatively low, 557 or 5% of all residents in 1999, 139 or 4.6% of all families, and 175 or 10.8% of those 65 years of age or older, they still signal that there is a very vulnerable population living in Carver that is most likely finding it difficult to afford to live in town if they are not in subsidized housing.
- Census data suggests that 554 households or about 14% of all Carver households were living in housing that by common definition was unaffordable, however a special HUD report indicated that 1,107 households experienced cost burdens representing 28% of all households in Carver.
- Of those households who earned at or below 80% of area median income, 58% or 942 were experiencing cost burdens based on the HUD report.
- Of the 331 total renters, 133 or forty percent (40%) were spending more than 30% of their incomes on housing expenses, and 74 or 22% of all renters spent more than 50% of their income on housing.
- Almost 80% of all households earning at or below 30% of area median income had cost burdens, involving 416 households whether they be owners or renters.

Needs: *Given the high costs of housing, more subsidized rental housing is necessary to make living in Carver affordable, particularly to those described above who have very limited financial means.*

Goal: *150 new units over ten years, 75 over five years, averaging about 15 units per year.*

2. *Gaps in Affordability and Access to Affordable Housing*

- There was only one single-family home listed in Carver for under \$200,000 that would be affordable to low- and moderate-income households.
- The lowest priced condo available on the market for \$199,900 would require an income of about \$68,000, not much less than the adjusted median income of \$70,093.
- Approximately 60% of Carver's households could not afford to buy a home at the median sales price for all sales of \$306,500 that requires an income of about \$89,500, significantly more than the adjusted median income of \$70,093.
- The affordability gap is about \$66,500 - the difference between the price of the median priced home and what a median income household can afford. The affordability gap increases to \$106,500 if the analysis focuses on those low- and moderate-income households earning at or below 80% of area median income, or \$59,550 for a family of

¹⁹ While these households' incomes might be at or below 80% of area median income, many households are likely to have assets that are more than the allowable state or federal standards that would disqualify them from housing assistance.

three (the average household size is 2.80 persons in Carver), who are unable to afford a house costing more than \$200,000 based on conventional lending terms.

- Of the 138 large families earning at or below 80% of area median income and owning their own home, 108 or 78% had cost burdens.
- Almost sixty percent (60%) or 804 of the 1,387 owners earning at or below 80% of area median income were spending too much on housing.
- The 2000 census indicated that the median gross rental was \$750 requiring an income of \$35,000 when factoring in utility costs, not affordable to about one-third of Carver's households.
- Current market rentals for an average two-bedroom unit are more than \$1,000 per month requiring an income of at least \$48,000 when factoring in other housing costs such as increasing utility bills.
- There are approximately 150 families on the Housing Authority's wait list for its eight (8) family units, representing substantial demand for affordable rental housing.

Needs: *Wider range of affordable housing options including first-time homeownership opportunities, particularly for younger households entering the job market and forming their own families, as well as affordable condominiums for empty nesters and seniors.*

Goal: *60 units over ten years and 30 over the next five years, averaging six(6) units per year.*

3. *Disabilities and Special Needs*

- Of the 2000 population age 5 to 20 years old, 312 or 11.7% had some disability. Moreover, of the population age 21 to 64, 1,249 or 20.4% claimed a disability, but 67.1% of this group was employed leaving more than 30% who were unemployed, likely due to disability. In regard to the population 65 years of age or older, 726 or 45% claimed some type of disability. These levels of disability were much higher than the Boston region as a whole where 7.9% of those five to 20 years of age claimed a disability, 16.5% of those 21 to 64 claimed a disability (38.2% of whom were not employed), and more than one-third, 37.1%, of those over 65 were disabled.²⁰
- Half of elderly renters and almost 40% of elderly owners were experiencing housing affordability problems.
- More than 40% or 145 seniors who owned their own homes and were earning at or below 30% of area median income were spending more than 50% of their income on housing.
- Half of the 50 seniors who were renting and earning within 30% of area median were spending more than 50% of their income on housing.
- There are at least 50 seniors on the Housing Authority's wait list for its 20 senior units, representing substantial demand for affordable rental housing.
- Most of this projected population growth is estimated to occur in the older age cohorts, increasing by 46% for those age 45 to 59 and 108% for those over 60 through 2030, suggesting some need for assisted living options in the long-term.
- There are presently no assisted living options in Carver.

²⁰ These figures were based on 2000 census data for the Boston SMSA.

Needs: *Some amount of new housing should be built adaptable or accessible to the disabled, including seniors, and supportive services should also be considered.*

Goal: *Incorporate handicapped adaptable or accessible units into all new development of at least 5% of all units produced and include supportive services for a disabled or senior population in approximately 5% of affordable units produced.*

4. Housing Conditions

- More than 20% of Carver’s housing stock, or 865 units, was built prior to 1970 and is likely to have traces of lead-based paint, posing safety hazards to children. Some of these units are also likely to have deferred maintenance needs.
- Because Carver lacks sewer services, it is also likely that there are septic systems in town that require repairs to avoid water quality and other environmental problems.

Needs: *Programs to support necessary home improvements, including deleading and septic repairs for units occupied by low- and moderate-income households, particularly the elderly living on fixed incomes.*

Goal: *50 participants over ten years and 25 over next five years for an average of five participants per year.*

There is also a need to produce some housing that is accessible for those earning above 80% of area median income but still shut out of the private housing market. This Needs Assessment suggests promoting such units as part of new housing development, including up to 10% of total units when financially feasible. A summary of housing goals is provided in Table III-25.

Type of Units	5-Year Goals	10-Year Goals
Rental Housing	75 units	150 units
Homeownership	30 units	60 units
Handicapped accessible or adaptable units with supportive services (10% of affordable units produced)	10 units	20 units
Promote housing assistance for property improvements	25 participants in property improvement programs	50 participants in property improvement programs
Community housing for those earning up to 100% of AMI (\$240,000) ²¹	Up to 10% of total units in a mixed-income development	Up to 10% of total units in a mixed-income development

²¹ Based on Carver’s adjusted median income for 2008 of \$70,093.

IV. CONSTRAINTS TO PRODUCING AFFORDABLE HOUSING AND MITIGATION MEASURES

It will be a challenge for the town of Carver to create enough affordable housing units to meet local needs and the 10% state goal, particularly in light of current constraints to new development including the following:

A. Zoning

1. Challenges

Carver's zoning by-law divides the town into seven (7) zoning districts. These are Residential-Agricultural (RA), General Business (GB), Highway Commercial (HC), Village (V), Industrial "A" (IA), Industrial "B" (IB), and Airport (A). There are also four (4) overlay districts including the Water Resource Protection District, Wetland District, Planned Tourism Commercial District (PTCD), and the Wireless Communication Facilities District (WCF). The current zoning by-law does not allow any multi-family uses such as duplexes, three- or four-family buildings, apartment buildings or condominium complexes.

The Residential-Agricultural District is the largest zoning district as it covers the majority of the town's land area. Detached single-family homes on 60,000 square foot lots and certain agricultural, educational, religious, and childcare or day care uses that exempted by law are permitted uses. Uses requiring a special permit include Flexible Development, Conservation Subdivision, Townhouse Development, and Mobile Home Parks. Single-family homes are also permitted in the GB district on 40,000 square foot lots and in the V district on 30,000 square foot lots. Townhouse Development requires a special permit in the HC and GB districts. Single-family dwellings are not permitted in the HC, IA, IB, or AP districts.

Commercial uses are found in the HC, GB, and V districts. The HC district allows the broadest range of commercial uses as-of-right, while the GB district allows a similar range of uses but most requiring special permits. The V district allows a very limited range of commercial uses, all requiring special permits.

Some of the other major provisions of the zoning by-law are summarized below.

- Accessory Apartments

The by-law allows the creation of accessory apartments in single-family homes *only if the unit is occupied by an elderly person aged 55 years or older or by a handicapped person*. One accessory apartment per lot may be allowed in the principle structure if the unit is 800 sq. ft. or less in size, meets Title V requirements, has off-street parking, and is occupied by no more than three (3) persons. The by-law also requires that the property owner reside in the principal or accessory unit and provide a notarized letter to the building commissioner affirming this circumstance. The permit expires at the end of three years and may be renewed. The by-law originally required approval through a special permit but

was amended by town meeting to allow such units under these requirements as-of-right.

- Accessory Units Over Commercial Developments
This provision allows for the development of two accessory dwelling units of up to 1,000 square feet each on the second floor of commercial buildings by obtaining a special permit from the Planning Board. Additional residential units of up to 15 units may be allowed through special permit in the Village and General Business districts.
- Planned Neighborhood Development (PND) Overlay District
This provision is an overlay district over existing zoning to be used in conjunction with the Transfer of Development (TDR) by-law. The PND district is the receiving area for development rights under the TDR by-law that encourages the development of a mix of housing types and limited small office and retail uses. It would also incorporate areas of public open space. Among other requirements, the by-law requires 15% of housing meet the needs of low- and moderate-income households as required under the state's Local Initiative Program (LIP). The bylaw also requires that there must be a minimum of 50 TDR units transferred per PND for the enhanced density, dimensional, and use regulations of the PND to take effect, and each PND must contain at least 60 acres.
- Transfer of Development Rights
The purpose of the bylaw is to allow the development rights from one property (the sending property) to be transferred to another property (the receiving property) with enhanced density, dimensional and use restrictions while blocking future development of the sending property. These respective areas are designated on the TDR Overlay Map. The sending areas are those in more undeveloped and environmentally sensitive parts of town while the receiving areas are commercial village or potential commercial village expansion areas and all land within any Planned Neighborhood Development district.
- Townhouse Development
This by-law allows the creation of multi-family housing by special permit on a minimum of 20 acres in the RA or HC district or a minimum of three (3) acres in the GB or V districts. The number of units to be constructed varies based on the net usable land area (NULA) and the zoning district. The RA and HC district allows 1.25 units per NULA acre, and in the GB and V districts 2.0 units per NULA acre. The number of bedrooms per unit must also vary with the maximum number of bedrooms in a unit limited to three and no more than 15% of the total units should have three bedrooms. The total number of units proposed in a townhouse development, when combined with the total existing and approved townhouse units in town, should not exceed 25% of the total number of housing units in the town as of the date of the Townhouse Development application. Ten percent (10%) of the total units must meet the affordability requirements of the

state's Local Initiative Program (LIP) and be preserved as affordable in perpetuity.

- Mobile Home Parks

Allows the creation of mobile home or trailer parks on a minimum of 100 acres of land by special permit from the Board of Appeals. Density is limited to a maximum of five (5) mobile home lots per acre. The area covered by improvements on each mobile home lot should not exceed 40% lot coverage. Twenty-five (25%) percent or more of the parcel must be preserved as permanently protected open space. The by-law requires that a site plan be prepared and specifies setback requirements, street frontage, and other requirements.

- Rear Lots

Rear lots or "pork chop" lots are allowed in the RA district. Only one rear lot may be created from a parcel and must be a minimum of three (3) acres in size. The minimum lot frontage for a rear lot is 40 feet and the front, side, and rear yards must equal or exceed the minimum required for the district. The width of the lot at the building line must equal or exceed the number of feet required for the frontage for the district, which is 150 feet.

- Rate of Development

The purpose of the by-law is to regulate the rate of growth in the town so that municipal services would not be overburdened; and to provide the Town with the opportunity to address the potential impacts of growth in the Town's Master Plan. The by-law took effect in May 1998 and is set to expire on January 1, 2011. The by-law caps the number of residential building permits issued by the building inspector as allotted monthly in the zoning by-law and adjusted each year. Any extra permits may carry over from month-to-month within the calendar year, but may not carry over into the following calendar year. The exception is that any extra permits from December may carry over into January. Applicants for residential building permits must submit their application to the Building Inspector. The Building Inspector must act on the applications in the order that they were received. Applicants may not submit more than three (3) building permit applications per month. Should there be applications that the Building Inspector has not acted upon at the end of the calendar year; the applicants may request in writing that their application remain in effect for the following calendar year. The by-law exempts commercial and industrial uses, special permits issued under subdivision phasing, accessory apartments, residential over commercial units and rear lots.

- Subdivision Phasing

This by-law places a cap of seven (7) residential building permits in a 12-month period on land subdivided into more than seven (7) lots. The Planning Board may grant a special permit allowing more than seven permits in a 12-month period if a minimum of two of the four planning goals are met. These planning goals are:

reducing the impact of development on schools and other public services by 50% or more than traditional development of a parcel; the proposed subdivision preserves open space, agricultural resources, and/or land with unique natural features; the subdivision proposal is for 55-and-over age-restricted housing; and/or the subdivision significantly enhances the Town's historical, cultural, environmental, agricultural and/or recreational character. Subdivisions of more than 70 lots may receive a special permit from the Planning Board allowing development of 10% of the lots per year. This provision of the by-law also extends the zoning freeze found in the Subdivision Control Act by ten (10) years.

- **Conservation Subdivision Design**

The goal of the conservation subdivision is to preserve open space and the natural features of the land by allowing the clustering of homes on lots that are up to 50% smaller than conventional lots and by providing a minimum of 20% of land in the subdivision as open space. The number of homes constructed should be equal to that of a conventional subdivision. The open space must be preserved in perpetuity. Utilization of the by-law requires a special permit from the Planning Board.

2. *Mitigation Measures*

This Housing Production Plan includes a number of strategies that are directed to reforming local zoning regulations, making them “friendlier” to the production of affordable housing and smart growth development. These include adding inclusionary zoning, modifying accessory apartment provisions, better promoting mixed-use development, encouraging more flexible clustered zoning with stronger affordability requirements and incentives, allowing affordable starter housing on noncomplying lots, exempting affordable housing from its rate of development and subdivision phasing bylaws, allowing a wider range of housing types, and revising the existing townhouse development bylaw (see Section VII.B).

B. Infrastructure

1. Challenges

The Town of Carver does not have a public water or sewer system and as such residents must rely on septic systems and wells. In order to deal with the water supply issue, the 2001 Master Plan calls for the creation of a decentralized water system in North Carver, Center Carver, and South Carver. The Plan proposed tying into the Middleborough water system for North Carver, servicing Center Carver through the Town well, and providing water to South Carver and the Makepeace lands through the Cranberry Village well. In discussions on tying into the Town of Middleborough water system, it was determined that Middleborough's system did not have enough water to supply its own residents.

In regard to the sewage system issue, the Master Plan did not recommend that the Town pursue a Town-wide sewerage system because it would not be financially feasible. Instead the Plan recommended that the Town encourage the use of private treatment systems in areas where denser and more compact development was being promoted.

2. *Mitigation Measures*

Currently the Town is seeking to purchase the Cole property in North Carver to serve as a public water supply well for that area of town. The Town has purchased and fully permitted a water system in North Carver, establishing the North Carver Water District by legislation. The Town is going out to bid within the next several months and expects to be providing municipal water services to portions of North Carver by May 2009.

The Town is also looking into assembling enough property at Crystal Lake to put in a sewer treatment facility and exploring how the Town might some time in the future even manage private treatment plants

It will be important for any new affordable housing development to address these infrastructure constraints, septic issues in particular, and insure that there are sufficient amounts of subsidies incorporated into the project to adequately service new residents and protect the environment. Moreover, zoning strategies that are included in this Plan provide an agenda for better directing development to appropriate locations where higher density development makes sense and where the future development of infrastructure is more likely. The Plan also addresses the need for more flexible cluster zoning to preserve open space in tandem with residential development. Moreover, recommended Affordable Housing Guidelines would outline preferred criteria for new development including those related to infrastructure.

C. Environmental Concerns

1. *Challenges*

Carver has a unique ecosystem of sandy soils, wetlands, bogs, and surface waters that has provided a special environment for the cranberry industry. This ecosystem has also supported a special riverine as well as important forested areas with swamps and uplands that offer valuable recharge areas for groundwater and the maintenance of wildlife habitats. This ecosystem is supported by one of the largest and most productive aquifers in the state that feeds some 39 ponds and reservoirs, three rivers, and numerous brooks and streams. Together this network of natural resources bolsters the economy, natural rural setting, and quality of life in Carver. It is not surprising that local leaders and residents highly value these natural resources and there is a high value placed on protecting them.

2. *Mitigation Measures*

Housing production strategies are largely oriented to actions that will promote smart growth and limit impacts on the environment such as promoting more flexible cluster development, accessory apartments, converting existing housing to long-term affordability, developing infill sites in existing neighborhoods, as well as encouraging mixed-use development in village centers (see Section VII.C for details on these strategies).

D. Transportation

1. *Challenges*

Carver's current roadway system is characterized by a network of rural roads, the absence of a public storm water system, the prevalence of wetlands and ground water, and limited budget for roadway maintenance and improvement. Additionally, some roads have

ongoing congestion problems, particularly Routes 44 and 58. Moreover, several intersections have precipitated repeated accidents and require redesign for safety purposes. The only public transportation system is through Dial-a-ride for travel within Carver and to the surrounding four communities, but this service is restricted to seniors and physically-challenged residents. Pedestrian and bicycle access is limited since few roadways have sidewalks and separate facilities are not available.

The current system of approximately 100 miles of roadway, which was largely developed in response to the needs of an agriculturally based rural community, will not accommodate future growth. With the increased suburbanization of the community, the transportation network will have to be refined while mitigating the impacts upon natural resources. In view of present traffic and projected increases, it is essential that the Town evaluates and selects appropriate measures to relieve the impact of growth on traffic yet still grow incrementally, a formidable challenge. It is also worth noting that because public transportation is so limited, residents must rely on the automobile, which presents an additional cost burden for those with limited incomes, particularly those on fixed incomes. Coordinating transportation in Carver with regional transportation networks will be important as both the town and the region have experienced significant growth.

2. *Mitigation Measures*

The Town will have to pay particular attention to the projected traffic implications of any new development, working with the developer to resolve potential problems. One of the strategies included in this Housing Plan is to explore higher density, mixed-use development in appropriate locations that has the potential for reducing the reliance on the automobile somewhat (see Section VII.B.6 for details). Opportunities to direct development to areas that are most conducive to higher densities, such as Routes 58 and 44, may serve to reduce transportation problems somewhat as development is likely to be along bus routes.

E. Schools

1. *Challenges*

In recent years, the Town’s school system has maintained fairly flat enrollments with some slight decreases in the number of students. School enrollment projections prepared by the New England School Development Council as of the end of 2007, indicated a continued downward shift in all grade levels. For the next six-years, projections suggest an overall loss of 231 students, a decrease of 11.7% in enrollments. Projections of school enrollments through to the 2012-2013 school year are presented in Table III-26.

Year	Total Enrollment	Difference	% Difference
2007-08	1,970	--	--
2008-09	1,926	-44	-2.2%
2009-10	1,857	-69	-3.6%
2010-11	1,810	-47	-2.5%
2011-12	1,773	-37	-2.0%
2012-13	1,739	-34	-1.9%

State build-out projections by the Executive Office of Environmental Affairs (now called the Executive Office of Environment and Energy Affairs) indicated that the school age population should increase by almost another 4,000 children, however there are no reliable projections as to when buildout is likely to occur and these projections, calculated in 2000, were based on existing zoning. Clearly this added population would place a huge future burden on the school system. Nevertheless, in the near future Carver should not experience any significant increase in school enrollments.

2. *Mitigation Measures*

This Housing Production Plan recognizes the need for a wider range of affordable housing options in Carver, including first-time homebuyer opportunities for young families. However, the Plan also suggests exploring options for covering some of the added municipal costs associated with new students, including 40R and 40S (see Section VII.B.6 for more information). Moreover, the Town is planning to undertake a feasibility study to determine whether to rehabilitate an existing elementary school that is 50 years old or build a new one. It is estimated that the study will cost approximately \$250,000, some of which will be paid for by the state through a matching grant.

F. Availability of Subsidy Funds

1. *Challenges*

Financial resources to subsidize affordable housing preservation and production as well as rental assistance have suffered budget cuts over the years making funding more limited and extremely competitive. Communities are finding it increasingly difficult to secure necessary funding and must be creative in determining how to finance projects and tenacious in securing these resources. Carver is fortunate to have passed the Community Preservation Act that provides an important local resource for affordable housing in 140 other communities across the state, but it will have to leverage additional public and private financing to make affordable development feasible.

2. *Mitigation Measures*

This Housing Plan recommends a number of opportunities to invest the Town's Community Preservation funding to help build capacity, support local program initiatives and leverage other public and private financing to make affordable housing feasible. This Plan also provides information on available housing subsidies from regional, state and federal sources, including discretionary sources that require Commonwealth Capital scoring. In fact, the approval of this Housing Plan and implementation of a number of key strategies in the Plan will enhance Carver's ability to access state resources under Commonwealth Capital for not only housing but for economic development, environmental, infrastructure, and transportation purposes. In an effort to better manage and coordinate funding for affordable housing purposes, this Plan recommends that the Town establish a Municipal Affordable Housing Trust (see strategy VII.A.2 for details).

G. Community Perceptions

1. Challenges

Affordable housing, subsidized housing, low-income housing, projects, Section 8, etc. – these terms can conjure images of potential neglect, plunging property values, increased crime, and even tensions concerning class and race. On the other hand, with increased real estate prices, community perceptions have been tilting towards the realization that affordable housing is needed in the community. More people are recognizing that the new kindergarten teacher, their grown children, or the elderly neighbor may not be able to afford to live or remain in the community. It is this growing awareness, impending 40B developments, and some appreciation that affordable housing can be well designed and integrated into the community, which are spurring communities such as Carver to take a more proactive stance in support of affordable housing initiatives. Also, once residents understand that the Town might be able to potentially reserve up to 70% of the affordable units in any new development for those who have a connection to Carver, referred to as “community preference”, greater local support is typically more forthcoming.²²

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

Appendix 1 includes input from an interview process that was conducted by SRPEDD in late 2006 as part of drafting the Affordable Housing Needs Analysis, which this Assessment is updating and augmenting. Interviews were conducted to determine housing needs and identify constraints to providing affordable and lower cost market housing.

2. Mitigation Measures

Carver proposes launching an ongoing educational campaign to better inform local leaders and residents on the issue of affordable housing, to help dispel negative stereotypes, provide up-to-date information on new opportunities and to garner political support (see strategy VII.A.1). It will be important to continue to be sensitive to community concerns and provide opportunities for residents to not only obtain accurate information on housing issues, whether they relate to zoning or new development, but have opportunities for real input.

²² Towns are allowed to set-aside up to 70% of the affordable units available in a development for those who meet the criteria included in state Affirmative Fair Housing Marketing Plan guidelines, and the Town will have to justify the preference by demonstrating both local need and how the local preference will be implemented to mitigate a potential discriminatory impact. Within the parameters of fair housing laws and Section III.C. of the Comprehensive Permit Guidelines, the criteria for these units can be defined by the Town as Carver residents, employees of the Town of Carver (including the School District) or employees of businesses located in town.

V. PROPERTY INVENTORY

The following information represents a work in progress that will be fine-tuned on an ongoing basis in coordination with other Town boards and committees.

A. Public Properties

The Town of Carver does not own much property, and Table V-1 lists a couple of properties that are owned by the Town that may be suitable for some amount of affordable housing.

Table V-1 Publicly-owned Properties with Potential for Affordable Housing Development				
Parcels	Map #/ Parcel	Total Parcel Size	Estimated # Housing Units/Aff. Units	Comments
Mazzilli Drive	101-P- OE	40,946 sq. ft.	1/1	Town has approved conveyance to Habitat for Humanity
Ben Eillis School 247 Tremont St.	8/8	34,848 sq. ft.	8/8	Vacant Town-owned school
Route 44/Spring Street	32/5	.89 acre	8/8	Current state DPW site
Rochester Road	92/7, 26	2.66 acres	30/30	

In addition to currently owned Town parcels, the Town of Carver may decide to acquire privately owned sites in the future for the purposes of protecting open space and developing some amount of housing, including affordable housing, through cluster development on a portion of the sites. Smaller sites may be available as well to build affordable new starter homes on an infill basis. Some limited opportunities may also be available through the taking of tax-foreclosed properties for affordable housing. For example, the Mazzilli Drive parcel included in Table V-1, was a tax-foreclosed property that the Town voted to transfer to Habitat for Humanity of Greater Plymouth for building a single-family, affordable home. Town Meeting also voted to provide \$95,160 in CPA funding to subsidize the development of this new home.

B. Private Properties

It is also likely that developers will continue to pursue comprehensive permit applications or the standard regulatory process for housing development, including affordable housing, and it will be incumbent on the Town to determine the best approach for guiding new development to more appropriately satisfy local needs and requirements. One of the strategies recommended in this Housing Production Plan is to prepare Housing Guidelines (see strategy VII.B.2) that establish general local criteria for new housing development, and another is to reach out to developers to promote development opportunities in line with local priorities (see strategy VII.C.2). Continued development through the Townhouse Development Bylaw and potential opportunities through the PND and TDR bylaws should be encouraged.

Additionally, as mentioned above, the Town should become alert to opportunities for acquiring property that would be suitable for some amount of affordable housing. Possible tax foreclosures may provide options for the Town to develop scattered-site affordable housing.

Ideally such properties would meet a number of smart growth principals depending on size such as:

- The redevelopment of existing structures, including vacant and abandoned houses;
- Infill development in existing neighborhoods;
- Development of housing in underutilized locations with existing infrastructure;
- Large enough to accommodate clustered housing;
- Good carrying capacity for water and septic systems or can accommodate special treatment facilities;
- Buffer between adjacent properties; and
- Located along a major road.

VI. HOUSING PRODUCTION GOALS

The Massachusetts Department of Housing and Community Development (DHCD) administered the Planned Production Program since December 2002, in accordance with regulations that have enabled cities and towns to prepare and adopt a Production Plan that demonstrated the production of an increase of .75% over one year or 1.5% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory.²³ If DHCD certified that the locality had complied with its annual goals or that it had met two-year goals, the Town could, through its Zoning Board of Appeals, deny comprehensive permit applications without opportunity for appeal by developers for one or two-years, respectively.

Recently adopted changes to Chapter 40B have established some new rules.²⁴ For example, Planned Production Plans are now referred to as Housing Production Plans. Moreover, annual goals changed from 0.75% of the community's year-round housing stock, translating into 30 units per year or 61 units over two years for Carver, to 0.50% of its year-round units, meaning that Carver will have to now produce at least 20 affordable units annually to meet production goals through 2010. When the 2010 census figures become available in 2011, this number will be somewhat higher, more likely closer to 22 affordable units given past and projected growth since 2000.

Using the strategies summarized under Section VII, the Town of Carver has developed a Housing Production Program to chart affordable housing activity over the next five (5) years. The Town will be able to update the Plan after or even before these five years elapses. The projected goals are best guesses at this time, and there is likely to be a great deal of fluidity in these estimates from year to year. The goals are based largely on the following criteria:

- To the greatest extent possible, at least fifty percent (50%) of the units that are developed on publicly-owned parcels should be affordable to households earning at or below 80% of area median income – the **affordable units** – and at least another 10% affordable to those earning up to 120% of area median income – **moderate-income “workforce” units** – depending on project feasibility. The rental projects will also target some households earning at or below 60% of area median income and lower depending upon subsidy program requirements.
- Projections are typically based on no fewer than four (4) units per acre. However, given specific site conditions and financial feasibility it may be appropriate to decrease or increase density as long as projects are in compliance with state Title V and wetlands regulations. Clearly the lack of Town water and sewer services constrains higher densities without special facilities.
- Because housing strategies include some development on privately owned parcels, production will involve projects sponsored by private developers through the standard regulatory process or possibly the “friendly” comprehensive permit process. The Town will continue to work with these private developers to fine-tune proposals to maximize their responsiveness to community interests and to increase the numbers of affordable units by potentially investing some CPA funding.

²³ Massachusetts General Law Chapter 40B, 760 CMR 31.07 (1)(i).

²⁴ Massachusetts General Law Chapter 40B, 760 CMR 56.00.

- The projections involve a mix of rental and ownership opportunities. The Town will work with developers to promote a diversity of housing types directed to different populations with housing needs including families, seniors and other individuals with special needs to offer a wider range of housing options for residents per the identified priority housing needs in the Housing Needs Assessment (see Section III).

Table VI-1 Carver Housing Production Program*			
Strategies by Year	Units < 80% AMI	Units 80%-120% AMI	Total # units
Year 1 – 2009			
Town-owned parcel/Mazzilli site – Ownership through Habitat for Humanity	1	0	1
Nothing else pending			
<i>Subtotal</i>	<i>1</i>	<i>0</i>	<i>1</i>
Year 2 – 2010			
Private development – inclusionary zoning (add more CPA\$ to increase # aff. units)	10	5	50
Private development – duplex units (strategy VIII.B.5)	6	0	12
Conversion of existing housing	4	0	4
Town-owned property – tax foreclosure/ Ownership through Habitat for Humanity	1	0	1
<i>Subtotal</i>	<i>21</i>	<i>5</i>	<i>67</i>
Year 3 – 2011			
Ben Ellis School	8	0	8
Conversion of existing housing	4	0	4
Private townhouse development	4	3	30
Private development – group home	6	0	6
<i>Subtotal</i>	<i>22</i>	<i>3</i>	<i>48</i>
Year 4 – 2012			
Private development – “friendly” 40B/ Ownership (30% affordable – add CPA \$)	10	0	30
Conversion of existing housing	4	0	4
Mixed-use development (add CPA \$)	8	2	24
<i>Subtotal</i>	<i>22</i>	<i>2</i>	<i>58</i>
Year 5 – 2013			
Town-owned site – Rochester Rd./rental or other multi-family rental on identified publicly-owned property	30	0	30
Private development – starter housing on nonconforming lots	2	0	2
<i>Subtotal</i>	<i>32</i>	<i>0</i>	<i>32</i>
Total	98	10	206

Total = 98 affordable units (for those earning at or below 80% of area median income), 10 workforce units (for those earning between 80% and 120% of area median), and 98 market units with a total projected number of housing units created of 206 units.

**** Final determination of the use of existing publicly-owned parcels for new affordable housing is subject to a more thorough feasibility analysis of site conditions and Town Meeting approval in the case of Town-owned properties. If any of the preliminarily identified existing Town-owned properties are finally determined infeasible or do not obtain approval from Town Meeting, it is anticipated that the projected numbers of affordable units would be met through the acquisition of privately owned properties or private development.***

It is difficult to project which specific projects will involve ownership vs. rental and these projections are therefore conservative with totals assuming homeownership projects with at least 30% of the units affordable although a mix of rental and ownership is planned to meet local needs. The numbers would be higher in the case of rental projects with all units counting as part of the Subsidized Housing Inventory. Additionally, these estimates do not earmark particular projects as being directed to seniors, families, individuals or special needs populations beyond the first couple of years. However, this Plan projects that all of these needs will be addressed through local development efforts during the next few years.

Meeting these production goals will be extremely challenging. Currently there is a 288-unit gap between existing affordable units (118) and 10% of the Town's year-round housing units (406 units). Moreover, this gap will increase when the new census figures become available in 2010. If the Town were to meet each of its annual production goals, obtaining certification each year, it would still be unlikely to reach the 10% state threshold within the next ten years.

VII. HOUSING STRATEGIES

The strategies outlined below are based on the Housing Needs Assessment, local housing goals and resources, and previous planning and discussions, as well as the experience of other comparable localities in the area and throughout the Commonwealth. They also reflect priorities in the Town's Master Plan that suggested adopting smart growth strategies focusing on higher density development in village centers where services currently exist, or where infrastructure could be established, while promoting more compact lower density development in open space, environmentally sensitive and agricultural areas. The Master Plan established the goal of village-centered development creating compact, walkable, mixed-use areas that encourage a mix of housing types including homes on small lots, townhouses, and apartments. These proposed higher-density areas include North Carver, Center Carver, South Carver, as well as potentially the Makepeace property.

Housing strategies are grouped according to the type of action proposed –Building Local Capacity, Planning and Regulatory Reforms, Housing Production, and Housing Preservation – and categorized by level of priority – as either Priority 1 or 2 actions. Priority 1 actions are those that will begin within the next two years, most of which will involve some immediate actions. Those strategies listed as Priority 2 involve focused attention after the next couple of years, working towards implementation after Year 2 but before Year 5. A summary of these actions is included in Appendix 2.

The strategies also reflect the recent changes to state Housing Production requirements that ask communities to address all of the following major categories of strategies to the greatest extent applicable:²⁵

- *Identification of zoning districts or geographic areas in which the municipality proposes to modify current regulations for the purposes of creating affordable housing developments to meet its housing production goal;*
 - Promote mixed-use development (see strategy VII.B.6)
 - Revise existing townhouse development bylaw (see strategy VII.B.12)
- *Identification of specific sties for which the municipality will encourage the filing of comprehensive permit projects;*
 - Allow starter housing on nonconforming lots (see strategy VII.B.5)
 - Promote mixed-use development (see strategy VII.B.6)
 - Support private development in line with local guidelines (see strategy VII.C.2)
- *Characteristics of proposed residential or mixed-use developments that would be preferred by the municipality;*
 - Adopt inclusionary zoning (see strategy VII.B.1)
 - Adopt Housing Guidelines (see strategy VII.B.2)
 - Revise existing cluster zoning bylaw (VII.B.3)
 - Promote accessory apartments (see strategies VII.B.7 and VII.C.4)

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

- Promote mixed-use development (see strategy VII.B.6)
- Revise existing townhouse development bylaw (see strategy VII.B.12)
- Convert existing housing to affordability (see strategy VII.C.3)
- Support private development in line with local guidelines (see strategy VII.C.2)
- Allow a wider range of housing types (see strategy VII.B.4)
- *Municipally owned parcels for which the municipality commits to issue requests for proposals to develop affordable housing.*
 - Make suitable public land available for affordable housing (see strategy VII.C.1)
- *Participation in regional collaborations addressing housing development*
 - Access new resources such as homebuyer counseling, other homebuyer services, and other regional programs and services (see strategy VII.A.3)

It will be important to also insure that affordable units produced through this Plan get counted, to the greatest extent possible, as part of the Subsidized Housing Inventory (SHI), applied through the Local Initiative Program (LIP) administered by the state’s Department of Housing and Community Development (DHCD) if another state or federal housing subsidy is not used. In addition to being used for “friendly” 40B projects, LIP can be used for counting those affordable units as part of a Town’s Subsidized Housing Inventory that are being developed through some local action including:

- Zoning-based approval, particularly inclusionary zoning provisions and special permits for affordable housing;
- Substantial financial assistance from funds raised, appropriated or administered by the city or town; or
- Provision of land or buildings that are owned or acquired by the city or town and conveyed at a substantial discount from their fair market value.

In order to be counted as part of the Subsidized Housing Inventory the units must meet the following criteria:

- A result of municipal action or approval;
- Sold or rented based on procedures articulated in an affirmative fair marketing and lottery plan approved by DHCD;
- Sales prices and rents must be affordable to households earning at or below 80% of area median income; and
- Long-term affordability is enforced through affordability restrictions, approved by DHCD.

Additionally, a Subsidized Housing Inventory New Units Request Form must be submitted to DHCD to insure that these units get counted.

Some of the important tasks for insuring that the affordable units, now referred to as Local Action Units (LAU’s), meet the requirements of Chapter 40B/LIP include:

- Meet with the developer to discuss requirements for insuring that the unit(s) meets the requirements for inclusion in the Subsidized Housing Inventory through the state's Local Initiatives Program (LIP).
- Determine the purchase price based on LIP Guidelines.
- Contact DHCD to discuss the project.
- Prepare a LIP Local Action Units application submitted by the municipality (chief elected official).
- Identify a marketing agent to conduct outreach and the lottery.
- Execute a regulatory agreement to further insure long-term affordability between the developer, municipality and DHCD.
- Prepare a Fair Housing Marketing Plan.
- Prepare a Purchaser Application and implement the Marketing Plan.
- Hold at least one information session about the lottery.
- Approve applicants for eligibility in the lottery.
- Prepare a letter to those eligible for inclusion in the lottery and another to those who do not qualify.
- Conduct the lottery.²⁶
- Work with winning applicants and lenders to secure mortgage commitments.
- Obtain the deed rider and Resale Price Certificate from DHCD that requires the loan commitment letters, purchase and sale agreements, and contact info for the closing attorneys.
- Work with lenders and the developer to close on the units.
- Submit necessary documentation to DHCD to have the unit counted as part of the Subsidized Housing Inventory.
- Annually recertify the continued eligibility of affordable units.

The Town has recently approved \$31,500 in funding to hire an Affordable Housing Consultant who should be able to coordinate this work. The affordability restrictions for all units produced through the Local Initiative Program will be monitored by DHCD, which has contracted with South Shore Housing to manage any resales. Nevertheless, it is the premise of LIP that the municipality and DHCD work together to create affordable housing and fulfill the obligations of the affordability restrictions, recertifying annually that the units remain eligible for counting as part of the SHI.

It should be noted however, that a major goal of this Plan is not only to strive to meet the state's 10% goal under Chapter 40B, but to also to serve local needs and there are instances where housing initiatives might be promoted to meet these needs that will not necessarily result in the inclusion of units in the Subsidized Housing Inventory (examples include the promotion of accessory apartments or even workforce housing for those earning between 80% and 120% of area median income).

²⁶ Up to 70% of the affordable units in most developments can be reserved for those who have a connection to the community as defined in the state's Affirmative Fair Housing Marketing Plan guidelines, and the Town will need to justify the use of this preference by demonstrating both local need and how the local preference will be implemented to mitigate a potential discriminatory impact.

Within the context of these compliance issues, local needs, existing resources, affordability requirements, the Master Plan and the goals listed in Section II of this Plan, the following housing strategies are offered for consideration. *It is important to note that these strategies are presented as a package for the Town to consider, prioritize, and process, each through the appropriate regulatory channels.*

A. Capacity Building Strategies

In order to carry out the strategies included in this Housing Production Plan and meet production goals, it will be important for the Town of Carver to build its capacity to promote affordable housing activities. This capacity includes gaining access to greater resources – financial and technical – as well as building local political support, developing partnerships with public and private developers and lenders, and creating and augmenting local organizations and systems that will support new housing production.

Town Meeting approved \$31,500 for hiring an affordable housing consultant to provide important professional support for the implementation of this Housing Plan, a big step forward. Nevertheless, it will be a substantial challenge for Carver to meet the prescribed annual affordable housing production goal of 20 units, based on 0.50% of the town’s year-round housing stock,²⁷ that will increase after the next decennial census count becomes available. Housing growth will continue to drive-up the 10% goal.

Specific actions to help build local capacity to meet local housing needs and production goals are detailed below. While these strategies do not directly produce affordable units, they provide the necessary support to implement a proactive housing agenda that ultimately will produce new units.

1. *Conduct Ongoing Educational Campaign*

Current Status: Affordable housing has become a more visible issue in Carver, largely as a result of high housing prices that are having homeowners, especially long-term homeowners, pondering how they might fare in the current housing market if they did not already own a home. Affordable housing, or the increasing lack thereof, is becoming a much-discussed issue throughout the state, and many communities are trying to become more proactive on affordable housing production, including Carver. While residents are increasingly aware of these high housing prices and some are likely encountering difficulties affording housing in Carver, it is likely that many residents hold onto negative stereotypes of what affordable housing is and what it will do to their community.

As indicated in Section II.B, the Town of Carver has implemented a rigorous public outreach process as part of this planning effort beginning in 2007 when a series of meetings and interviews were conducted to obtain input on housing needs and recommended actions to promote affordable housing as summarized in Appendix 1. Another public forum was also held to provide information on the draft Housing Production Plan to not only get feedback on the Plan’s strategies and goals, but also to offer another opportunity to showcase the issue of

²⁷ The number of year-round units is determined by the 2000 census and will increase when the 2010 census figures become available.

affordable housing in a light that demonstrates how the Town can better serve the wide range of local needs and control new development. Additional opportunities to engage the community in discussions on affordable housing and to present information on the issue are needed to dispel myths and help galvanize local support, political and financial, for new affordable housing production, particularly in regard to new housing initiatives. These outreach efforts are mutually beneficial as they provide useful information to community residents and important feedback to local leaders on local concerns and suggestions. They also present an opportunity to improve communication and coordination among various Town boards and committees that have some role related to the implementation of this Housing Plan.

Next Steps: The presentation of this Housing Production Plan offers an opportunity to bring attention to the issue, providing information on housing needs and proposed strategies that can help attract community support for affordable housing initiatives. Other public education opportunities should be pursued such as having representatives from other towns speak in annual public forums on innovative affordable housing strategies, which Truro did last summer that included panel discussions on particular housing-related topics. Yarmouth recently held its second annual affordable housing summit around a spaghetti dinner to draw residents to hear updates on the Town's Housing Plan and future initiatives. Most communities hold public meetings to present new housing initiatives to the community and get important feedback and agreement on how to move towards approval. These forums can help build community interest, improve communication and garner support. It may also be feasible to have local banks support such efforts with financial and/or technical assistance.

Timeframe: Priority 1 and ongoing

Responsible Party: Affordable Housing Committee or proposed Housing Trust (see strategy VII.A.2).

Resources Required: Donated time of the Housing Committee or Housing Trust.

2. Create a Municipal Affordable Housing Trust and Dedicated Housing Trust Fund

Current Status: Discussions with other communities regarding the success of their affordable housing initiatives indicate that it is often critical to have accessible funds available to respond immediately and effectively to housing opportunities as they arise. Also, applications for state subsidy sources are substantially more competitive when there are local contributions either through local funds, donation of Town-owned property, or private donations. In order to receive donations and avoid paying taxes, it is useful for a locality to have a dedicated housing fund that offers communities greater ability to support the development of affordable housing.

On June 7, 2005, the Governor signed new legislation, called the Municipal Affordable Housing Trust Fund Act, which simplified the process of establishing such funds. More than 40 communities have adopted these funds to date and many more have plans to do so during the coming year. Previously, cities could create trusts through their own resolution, but Towns had to get approval from the legislature through a home rule

petition. The law provides guidelines on what trusts can do and allows communities to collect funds for housing, segregate them out of the general budget into an affordable housing trust fund, and use these funds without going back to Town Meeting for approval. It also enables trusts to own and manage real estate, not just receive and disburse funds. The law further requires that local housing trusts be governed by at least a five-member board of trustees, appointed and confirmed by the Board of Selectmen, in the case of towns, and including a member of the Board of Selectmen. While the new trusts must be in compliance with Chapter 30B, the law which governs public procurement as well as public bidding and construction laws, it is likely that most trust will opt to dispose of property through a sale or long-term lease to a developer so as to clearly differentiate any affordable housing development project from a public construction project.

Discussions in the past regarding priority activities for promoting affordable housing in Carver have surfaced the need to establish a Housing Partnership that would serve as the official Town body to advocate for affordable housing strategies and oversee their implementation. This body was also described as creating guidelines for the review of proposed development projects that include affordable housing and being the first point of contact with developers who wish to build affordable units in Carver.

Suggestions from these meetings also raised the issue of adopting a Municipal Affordable Housing Trust Fund. In effect, having two municipal entities – a Trust Fund and a Housing Partnership – would likely be duplicative as one such entity would be sufficient to oversee affordable housing issues in Carver and manage a dedicated Housing Fund. Given the important and wide-ranging powers that these Trusts have been granted by the state legislation cited above, it would be prudent for Carver to simply adopt the Housing Trust as its coordinator of housing-related activities.

Next Steps: Carver’s Board of Selectmen should seek approval at its next Town Meeting for the establishment of a Municipal Affordable Housing Trust Fund and subsequently appoint members of the Board of Trustees. This Housing Trust would serve as the Town’s permanent committee for overseeing housing issues and the implementation of the Housing Production Plan, managing the Affordable Housing Trust Fund, defining policy issues that are in the public interest, serving as the Town’s development review committee, and working in conjunction with the Planning Board on establishing housing guidelines for housing efforts. This entity may effectively assume the responsibilities of the Affordable Housing Committee and current members might be considered for serving on this Housing Trust.

It will also be important to explore a wide range of possible fundraising options to capitalize the Trust Fund. Certainly earmarking CPA funds for deposit in the Fund is a real opportunity. For example, the Town of Grafton’s Community Preservation Committee and Town Meeting have agreed to automatically deposit 10% of the Town’s total allocation into their Municipal Affordable Housing Trust Fund, and the Housing Trust does not have to go back to them for any additional approvals for spending this money. The CPC has also encouraged the Housing Trust to apply for additional funding

for special projects. Scituate's CPC and Town Meeting recently approved the allocation of \$700,000 in CPA funding for deposit in its Housing Trust Fund.

In addition to CPA funding and other public sector resources, the Town should also consider private sector donations. This process of securing private support not only provides financial benefits to support local housing efforts, but it is also a vehicle for raising awareness of the affordable housing issue and generating interest and political support for affordable housing initiatives.

Many communities are reaching out to residents for private donations of land or funds to promote housing affordability. Such contributions and the "bargain sale" of real estate could become a part of the Carver land ethic, but donations need to be promoted, nurtured, and facilitated. Inclusionary zoning, if passed, may also provide cash resources for a wider range of possible developments that can help capitalize the Affordable Housing Trust Fund if the developer decides to pay cash in lieu of constructing actual affordable units. Developers may also contribute to the Housing Fund through negotiations on comprehensive permit projects or other local developments. Developers make additional contributions to these funds if the purchase prices for the market units are higher than the prices that were projected in their comprehensive permit applications and profits are more than the 20% allowed under Chapter 40B.

Faith-based affordable housing initiatives are also widely viewed as effective, as reported by the organization World Vision.²⁸ The Carver Housing Committee/Trust can work with the local churches on some additional activities that focus on affordable housing, including, for example, donations to the Housing Fund, perhaps during Fair Housing month.

Timeframe: Priority 1

This process could be accomplished within the next year, ready for vote by the next Town Meeting.

Responsible Party: Board of Selectmen with support from the Affordable Housing Committee

Resources Required: The process of creating the Affordable Housing Trust Fund is relatively straightforward and can be coordinated by the Affordable Housing Committee in concert with the Board of Selectmen. Once established, it will be incumbent upon the Town to support efforts to capitalize the Fund including CPA funding in support of affordable housing initiatives. Other resources include the donated time of volunteers to coordinate fundraising activities with staff support through the Affordable Housing Consultant and Town Planner.

²⁸ Shabecoff, Alice. Rebuilding Our Communities: How Churches Can Provide, Support, and Finance Quality Housing for Low-Income Families, World Vision: Monrovia, California.

3. Access Housing Resources

Current Status: The affordability of most housing development projects typically involves multiple sources of financing including both private and public loans and grants. Even Chapter 40B comprehensive permit projects rely on what is referred to as “internal” subsidies where the market rate units support the costs of the affordable ones in tandem with increased density. It will be important for the Town to encourage the establishment of partnerships with other interested parties including non-profit organizations, lenders, public agencies, and developers to secure the necessary financial and technical resources to create affordable units.

Communities with Community Preservation funding, such as Carver, find this resource invaluable in paying for upfront predevelopment costs and feasibility analysis, staff and consultants, as well as leveraging additional public subsidies. Carver approved CPA in April 2006, including the maximum allowed surcharge of 3%. This enables Carver to raise about \$445,000 locally, and the state’s match has been about 100% to date for a total of \$890,000. While the state match is likely to go down somewhat given a sluggish real estate market and more communities adopting CPA and sharing the funding, CPA still remains an important local resource to support affordable housing initiatives. This far Carver has approved CPA commitments of \$95,160 to subsidize the development of the Habitat for Humanity home on a tax-foreclosed property as well as \$31,500 towards the hiring of an affordable housing consultant to help implement this Housing Production Plan.

There is a wide range of other regional and state resources that can be tapped to support Carver’s housing efforts, some of which are discussed in strategy VII.A.2 above and summarized in Appendix 4. For example, Habitat for Humanity’s expertise in building affordable new homes for first-time homebuyers should be drawn on for small infill sites in existing neighborhoods.

Next Steps: The Town of Carver should work with developers to reach out to private, public and non-profit entities to secure additional housing resources – technical and financial – in support of its efforts to produce new affordable housing as new opportunities arise. The developer is typically responsible for applying for these funds, but the support of municipal governments is often crucial for securing very competitive funding. There are numerous public programs that can be helpful in financing local housing efforts. A summary of some of these subsidy programs as well as pertinent housing regulations (e.g., Chapter 40B, Local Initiative Program, Commonwealth Capital, Community Preservation Act) is included in Appendix 4.

Moreover, there may be opportunities to work with local or regional lenders or other financial service establishments to make some concessionary financing available in support of local housing efforts, enhancing affordability. Regional resources also include South Shore Housing’s wide range of housing services and programs (e.g., downpayment and closing cost assistance, homebuyer counseling, home improvement financing, rental subsidies, homelessness prevention, and housing development and property management assistance) that are available and should be accessed where appropriate.

Timeframe: Priority 1

Responsible Party: Board of Selectmen and in some cases the Carver Affordable Housing Committee or proposed Housing Trust.

Resources Required: Donated time of members of the Affordable Housing Committee or proposed Housing Trust and some professional oversight from the Affordable Housing Consultant.

4. Encourage Training for Board and Committee Members

Current Status: Local boards such as the Affordable Housing Committee, Zoning Board of Appeals, Planning Board and other interested local leaders should receive training on affordable housing issues including the comprehensive permit process, the new regulations and guidelines in particular. Well advised and prepared board and committee members are likely to conduct Town business in a more effective and efficient manner. New members without significant housing experience would benefit substantially from some training and orientation regarding their responsibilities. Moreover, requirements keep changing and local leaders must remain up-to-date. Funding for the professional development of staff would also help keep key professionals informed on important new developments, best practices and regulations.

The University of Massachusetts Extension’s Citizen Planner Training Collaborative (CPTC) offers classes periodically throughout the year and will even provide customized training sessions to individual communities. Examples of topics covered in their fall 2007 workshops included but was not limited to the following:

- Roles and responsibilities of Planning and Zoning Boards
- How to hold the perfect public hearing
- Chapter 40B
- Inclusionary housing
- Open space residential development
- Sustainability

The Massachusetts Housing Partnership has initiated the Massachusetts Housing Institute, which is “an educational program to support municipalities and local participants to better understand the affordable housing development process and have an effective role in initiating and implementing local solutions to increasing housing choices”.²⁹ This training is held over a two-day period, at least once a year. Topics during the recent Institute included:

- The affordable housing development process
- What you should know about development finance
- Getting housing built in the community
- Designing for affordability – architecture, design and density

Other organizations and agencies, such as DHCD, MHP, CHAPA, and the Community Preservation Coalition also provide conferences and training sessions on a wide variety of

²⁹ Massachusetts Housing Partnership, Massachusetts Housing Institute agenda for June 14-15, 2007 Conference.

housing issues that would be useful for local officials and staff persons to attend. In addition, there are numerous written resources for localities. For example, DHCD has prepared a procedural “how to” booklet for local communities on the development process, MHP has many technical guides for localities, and CHAPA has a wide variety of reports on many issues related to affordable housing as well.

Next Steps: The Town’s Board of Selectmen should encourage members of appropriate committees, the ZBA, Planning Board, Affordable Housing Committee or proposed Housing Trust to attend statewide and regional training sessions on housing-related issues. If fees are involved, this funding should be made available. This training should also be accessed on an ongoing basis as membership of these boards and committees turns over. Specialized training should also be made available to professional staff persons including the Town Planner and Affordable Housing Consultant to keep them up-to-date on new regulations and best practices.

Timeframe: Priority 1

Responsible Party: Board of Selectmen

Resources Required: Information on available training should be tracked by the Affordable Housing Consultant and made available. Attendance fees should be paid when required, the costs potentially ranging from \$2,000 to \$4,000 annually.

5. Apply for a Commonwealth Capital Score to Secure Funding from State Capital Spending Programs

Current Status: The state established Commonwealth Capital as a policy that encourages communities to implement smart growth measures by making municipal land use regulations more consistent with smart growth principles. The state uses these reforms as part of the evaluation of proposals for state funding under a number of state capital spending programs related to economic development, the environment, transportation and infrastructure as well as housing. Municipalities have been scored based on what progress has been made in bringing local regulations, policies and land use-related initiatives into greater compliance with smart growth principals.

While the future of Commonwealth Capital was in doubt during the transition from the Romney to Patrick administrations, particularly when the Office of Commonwealth Development that administered the program was disbanded, the state has maintained the basic principles of Commonwealth Capital. In fact the changes for fiscal year 2008 were quite modest that included an altered list of discretionary state programs to which the policy applies. The state has recently proposed more substantive changes, which are summarized in Appendix 4. It is important to note that the completion of this Housing Plan would result in a number of points as would many of the strategies included in this Plan such as:

- Zoning for mixed-use development
- Modifying the accessory apartment bylaw

- Zoning for cluster development mandated by-right or includes a density bonus for affordable units
- Inclusionary zoning
- Zoning allowing a wider range of housing types including by-right multi-family dwellings
- Attainment of Housing Production certification (meeting annual production goal)
- Production of housing units on municipally owned land or with municipal funding
- Where 66% or more of new units produced is through mixed-use development (including 40R and TOD), cluster development, multi-family housing, single-family development on ¼ acre lots, and/or conversion or redevelopment activities.

Carver has submitted Commonwealth Capital applications in the past, but not this past year.

Next Steps: With staff support from the Affordable Housing Consultant, the Board of Selectmen should prepare and submit the scoring application under Commonwealth Capital prior to applying for any of the state’s capital spending programs or as required.

Timeframe: Priority 1

Responsible Party: Board of Selectmen

Resources Required: Staff time from the Affordable Housing Consultant to prepare the application for scoring under Commonwealth Capital.

B. Planning and Regulatory Strategies

Housing production is contingent not only on actual development projects but on the planning and regulatory tools that enable localities to make well informed decisions to strategically invest limited public and private resources on housing creation. To most effectively and efficiently execute the strategies included in this Plan and meet production goals, greater flexibility will be needed in the Town’s Zoning Bylaw, new tools will be required to capture more affordable units and better guide new development to specific “smarter” locations, and certain permitting reforms should be considered.

Similarly to most communities in Massachusetts, Carver’s Zoning Bylaw includes large lot zoning and other exclusionary provisions. In the case of Carver, the minimum lot requirement is 60,000 square feet throughout most of town and there are frontage, setback and other requirements that are not conducive to affordable housing. This creates the likely need for regulatory relief for any residential development that includes affordable units, possibly through the “friendly” comprehensive permit process that overrides local zoning if not through normal regulatory channels. Additionally, the Zoning Bylaw incorporates a number of provisions that while intended to encourage affordable housing, could be fine-tuned to be more effective.

The Town of Carver should consider the following planning, regulatory and zoning-related strategies to promote the creation of additional affordable units and to more effectively direct new development in appropriate locations. These actions can be considered as tools that the Town will have available to promote new housing opportunities, each applied to particular

circumstances and providing a powerful group of resources when available in combination. These strategies enable new affordable unit creation that is more responsive to local needs and priorities. Estimates of units that might be produced through these planning and regulatory tools are incorporated under Section VII.C – Housing Production strategies.

It should also be noted that recent changes to Chapter 40B regulations expand the items that a subsidizing agency must consider when determining the appropriateness of a site for eligibility through the comprehensive permit process and includes information provided by the municipality or other parties regarding *municipal actions previously taken to meet affordable housing needs, including inclusionary zoning, multi-family districts and 40R overlay districts.*³⁰ⁱ Therefore, a community’s progress in reforming its land use provisions to promote affordable housing and smart growth will likely have a meaningful impact on the determination of project eligibility/site approval for comprehensive permit projects.

1. Adopt Inclusionary Zoning

Current Status: Inclusionary zoning, not currently included in Carver’s Zoning Bylaw³¹, is a zoning provision that requires a developer to include affordable housing as part of a development or potentially contribute to a fund for such housing. This mechanism has been adopted by more than one-third of the communities in the state to insure that any new development project over a certain size includes a set-aside in numbers of affordable units or funding from the developer to support the creation of affordable housing. This bylaw applies to development that typically meets local zoning requirements, but most communities have determined it appropriate to incorporate density bonuses in their inclusionary bylaw. Many of the municipalities that have inclusionary zoning in place are reaping the rewards of these actions through the creation of actual affordable units and/or cash contributions to the locality for investment in affordable housing production. Most of the bylaws include mandated percentages of units that must be affordable, typically 10% to 20% and density bonuses³². Some also allow the development of affordable units off-site and/or cash in lieu of actual units.

The Master Plan also recommended adopting inclusionary or incentive zoning provisions to increase density and encourage the integration of low- and moderate-income housing.

The Affordable Housing Committee has suggested the consideration of inclusionary zoning that requires developers of new economic development projects, involving more than ten (10) workers, provide some amount of housing support. There are municipalities, including Boston, that have effectively operated such zoning or “linkage” policies for a number of years, although they are unlikely to be particularly successful in smaller towns with significantly reduced levels of institutional or commercial development.

Next Steps: There are a variety of inclusionary zoning bylaws that have been adopted in localities throughout the state but requirements vary considerably. The Executive Office of Environment and Energy’s Smart Growth Toolkit includes a model inclusionary zoning bylaw that highlights

³⁰ Massachusetts General Laws, Chapter 40B, Section 56.04.

³¹ An inclusionary provision is only included as part of the existing townhouse development bylaw, but is not extended to all residential developments over a certain size.

³² Density bonuses allow increased densities beyond what is allowed under the Zoning Bylaw.

key local decisions and makes some commentary for consideration throughout (www.mass.gov/envir/smart_growth_toolkit/pages/SG-bylaws.html). The Citizen Planner Training Collaborative's website also has a model bylaw with commentary as well (www.umass.edu/masscpct/examplebylaws.html).

The Carver Planning Board should explore models and prepare an inclusionary zoning amendment that is best suited to supporting affordable housing in Carver. The Planning Board should present the bylaw to Town Meeting for adoption.

Timeframe: Priority 1

This process could be accomplished within the next year, ready for vote by Town Meeting in 2009. (Any potential efforts to explore incentive zoning under the linkage model would fall under Priority 2 activities.)

Responsible Party: Planning Board

Resources Required: One of the benefits of this strategy is that it requires very little local investment to implement. The research and preparation of the bylaw could be performed by the Town Planner and/or a consultant.

It will be important to also insure that all affordable units produced through the bylaw get counted as part of the Subsidized Housing Inventory, applied through the Local Initiative Program (LIP) administered by DHCD if another housing subsidy is not used. The major tasks for insuring that the affordable units, now referred to as Local Action Units (LAUs), meet the requirements of Chapter 40B are summarized at the introduction to this section. Some professional support will be required through the Affordable Housing Consultant to oversee this work, the costs of which could be incorporated into the specific project budget. The monitoring of projects to insure continued affordability based on use restrictions would be the responsibility of a designated monitoring agent, DHCD in the case of LIP units which has contracted with South Shore Housing, however towns also have a significant role to play in the monitoring process, recertifying the continued eligibility of the units annually.

Projected # Affordable Units Produced: Units counted under strategy VII.C.2 – support private development through housing guidelines. Ideally the adoption of this bylaw would lead to the production of actual housing units, but may also deliver payments in lieu of actual units to help capitalize the proposed Housing Trust (see strategy VII.A.2).

2. Adopt Affordable Housing Guidelines – Promoting More Responsive Private Development

Current Status: “Affordable Housing Guidelines” should be considered by the Town of Carver as a helpful tool for promoting greater cooperation with private for profit and non-profit developers on affordable housing production (see strategy VII.C.2). This Housing Plan incorporates production goals that identify development opportunities leading to the production of at least 0.50% of the year-round housing stock per year of at least 20 units. However, given past production, this goal is ambitious and will require the Town to continue to work with developers to boost the level of affordable housing. To this end the Town should consider

affecting the types of housing proposals submitted through the creation of reasonable Affordable Housing Guidelines that provide guidance on projects that will be acceptable to the community, and therefore, more likely to avoid prolonged and litigious battles.

Affordable Housing Guidelines, also referred to as LIP Policies or local 40B guidelines, provide an aid to both non-profit and for profit housing developers to help them plan for residential development that will be in line with what the community seeks in affordable housing related to scale, siting, density, levels of affordability, location, design, etc. Through such Guidelines the developer “wins” because there is greater predictability in what the Town is willing to approve, and the Town “wins” because it gets new affordable units that meet reasonable local development criteria that help it meet local needs and production goals. These Guidelines will contribute to a more open environment where developers who comply with these development criteria can approach the Town with the expectation that they will likely be able to pursue their project through a “friendly” Chapter 40B process, if not normal regulatory channels, working with instead of against the Town on housing creation strategies.

Other towns have established guidelines including the Town of Grafton, which is planning to revisit and revise policies for “friendly” 40B projects, as well as the Town of Chatham that has established local 40B policies, for example.

Next Steps: The Planning Board, Carver Housing Authority, Affordable Housing Committee or proposed Housing Trust, and Zoning Board of Appeals should explore models of Affordable Housing Guidelines (also referred to as LIP Policies, Chapter 40B Policies or Procedures), make necessary changes and share them with the Board of Selectmen, Conservation Commission, Board of Health, and other interested boards and committees for their review and comment. The Guidelines can then be finalized and made public.

Timeframe: Priority 1

Responsible Party: Zoning Board of Appeals with support from the Affordable Housing Committee or proposed Housing Trust and Planning Board.

Resources Required: The donated time of local officials and various Town boards and committees as well as staff time from the Town Planner and Affordable Housing Consultant.

Projected # Affordable Units Produced: These units are counted under strategy VII.C.2.

3. *Revise the Existing Cluster (Conservation Subdivision Design) Zoning Bylaw*

Current Status: Carver’s Zoning Bylaw includes conservation subdivision provisions that allow cluster development, a “smarter” way for developing new sites. Cluster development better protects the environment and the rural character of Carver while potentially offering a broader range of housing options that can promote affordability. While the bylaw states that it is meant to promote the development of housing that is affordable to low- and moderate-income households, there are no specific provisions to make affordable housing feasible, such as density bonuses, and not surprisingly no affordable units have been approved to date through this bylaw.

The Master Plan also recommended adopting greater incentives in its cluster zoning bylaw to encourage the following:

- Density bonus provisions for the creation of more housing units in return for the landowner providing recreational fields, public water supply, or other municipal amenities;
- Density bonus provisions for cluster development with more open space; and
- Density bonus provisions for low- and moderate-income housing;

Next Steps: The Planning Board should review model bylaws with respect to more flexible zoning provisions and tweak the existing bylaw. Model bylaws have been produced by the Metropolitan Area Planning Council, Massachusetts Audubon, and others in the Green Neighborhood Alliance, and adopted by a number of Massachusetts communities. Several examples are offered on the Citizen Planner Training Collaborative website (www.umass.edu/masscptc/examplebylaws.html) and the state's Smart Growth Toolkit (www.mass.gov/envir/smart_growth_toolkit/pages/SG-bylaws.html).

More incentivized density bonuses and affordability requirements should be integrated into the bylaw to encourage this kind of development and to support project feasibility. Consideration should also be given to allowing smaller multi-family dwellings. Associated design guidelines and inclusionary requirements can insure that goals are met in ways appropriate and beneficial to the Town.

Timeframe: Priority 2

Responsible Party: Planning Board

Resources Required: The Planning Board should work with other appropriate local officials in drafting the zoning amendment, coordinating the necessary approvals towards implementation. This strategy is likely to require some professional support from the Town Planner and Affordable Housing Consultant.

Projected # Affordable Units Produced: Units created under this strategy become part of the private development estimates (see strategy VII.C.2 for estimates).

4. Allow a Wider Range of Housing Types

Current Status: Similar to most other local zoning bylaws, Carver's zoning is directed to single-family housing development. The bylaw allows multi-family development under very limited circumstances. For example, townhouse development is allowed under special permit on a minimum of 20 acres in the RA or HC districts or a minimum of three (3) acres in the GB of V districts. Accessory apartments are only permitted if they are occupied by someone 55 years of age or older or with a disability.

It is not surprising, therefore, that almost all of Carver's housing stock is comprised of single-family detached homes on at least one acre lots, and even the provisions allowing small multi-family units and accessory apartments have not provided sufficient incentives

for developers or property owners to create many of these types of housing opportunities. At this time there are few affordable housing options available for families and seniors, rental or ownership, with relatively few subsidized housing opportunities available in town for the disabled. There are no congregate housing units, special needs group homes, nor assisted living options. This Housing Plan recommends amending the Zoning Bylaw to encourage a broader range of housing types to better reflect the range of existing housing needs, including the integration of affordable housing.

The Master Plan in fact emphasizes this need for greater housing diversity. For example, it suggests that a mix of housing includes types not currently found in Carver be allowed in the higher-density areas of town. These would include zero lot line (homes built at the lot line with no side yards), patio homes for empty-nesters, and single-family condo units built at densities of two (2) to four (4) units per acre. The Master Plan recommends a variety of multi-family types of housing including apartments (up to three stories), garden apartments (two stories) at a density of 12 units per acre, stacked condominiums, townhouses (at four to eight units per structure), duplexes, and apartments above stores. The Master Plan assumes that water, septic, and resource protection issues would be addressed as part of the process of implementing the recommendations. It further suggests adopting zoning provisions authorizing live and work units, mixed commercial/residential uses, congregate care facilities, and assisted living facilities.

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

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

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

The bylaw also provides for the development of affordable rental housing by special permit of the Planning Board in both residential and commercial zones that are accessory to an existing residential or commercial use, not divided from the principal structure, and enforced by an affordability restriction. The bylaw also includes minimum sizes of the apartments ranging from 250 square feet for a studio apartment to 1,400 square feet for

³³ Town of Dennis Zoning Bylaw, Section 4.9.2.4.

four-bedroom units. For these units, the Planning Board continues to have broad discretion.

Next Steps: While the bylaw described above is far from ideal, the Affordable Housing Committee or proposed Housing Trust might explore adapting Dennis’ bylaw to Carver and work with the Town Planner and Planning Board to propose a zoning amendment for Town Meeting approval. Another alternative is to allow two-family duplex housing as-of-right under certain conditions, and allowing denser housing types under special permit in particular zoning districts.

Responsible Party: Planning Board in cooperation with the Affordable Housing Committee/Housing Trust

Timeframe: Priority 2

Resources Required: The Affordable Housing Committee or proposed Housing Trust should coordinate this effort with the Planning Board and other appropriate local officials, determine the feasibility of implementing various approaches in Carver, drafting the zoning amendment and coordinating the necessary approvals towards implementation. This strategy will require staff time from the Town Planner and the Affordable Housing Consultant.

5. Allow “Starter Home” Development on Nonconforming Lots³⁴

Current Status: There are parcels of vacant land that at this time cannot be developed because they do not meet the dimensional requirements of the Zoning Bylaw such as minimum lot size as well as front, rear and side yard provisions. It is likely that some, if not many, of these parcels could in fact be suitably developed as housing. Smaller lots will encourage the construction of smaller homes under appropriate guidelines to provide some housing options that are not currently being created by the private market as starter housing, which is a priority housing need in Carver as identified in the Housing Needs Assessment.

Next Steps: The Planning Board should explore what other communities are doing with respect to these undersized lots and should prepare a zoning amendment to enable these lots to be developed based on specific criteria. One potential model is to adapt a bylaw that has been approved in Dennis to allow “affordable lots” that enables nonconforming lots to be built on by special permit if they meet the following conditions:

- Contains at least 10,000 square feet and satisfies other Board of Health requirements.
- Has safe and adequate access to a public or private way.
- Is similar in size and shape to surrounding lots.
- The dwelling cannot have more than three bedrooms with a minimum of 500 square feet per bedroom.

³⁴ Also commonly referred to as “noncomplying lots”.

- The applicable front, rear and side yard requirements are determined by establishing an average setback based on the homes adjacent to and across the street from the lot in question.
- Where two lots are in common ownership, one of the two lots must be deed restricted to insure permanent affordability and where more than two lots are held in common ownership, the second, third and fifty percent of the remaining lots to be built upon shall be deed restricted as permanently affordable (the fourth lot may be market rate, fifth affordable, sixth market rate, etc.).

Another consideration might be to decrease the minimum lot requirement to 15,000 or even 10,000 square feet for two-family homes where one of the units is affordable and eligible for counting as part of the Subsidized Housing Inventory as long as the development is in line with Title V requirements. The development of these lots could also be promoted through the “friendly” 40B process of the state’s Local Initiative Program (LIP).

Timeframe: Priority 2

Responsible Party: Zoning Board of Appeals in coordination with the Planning Board

Resources Required: The Planning Board should coordinate this effort with other appropriate local officials in determining the feasibility of implementing this strategy in Carver, drafting the zoning amendment and coordinating the necessary approvals towards implementation. In addition to the Town Planner, this strategy may also require some professional support from the Affordable Housing Consultant. It will also be incumbent upon the Town to insure that any affordable units created under this strategy meet all state requirements and be included on the Subsidized Housing Inventory as well as annually monitored, once again with help from the Affordable Housing Consultant.

Projected # Affordable Units Produced: Counted under strategy VII.C.2.

6. Promote Mixed-Use Development

Current Status: Carver’s Zoning Bylaw allows mixed-use development on a very limited basis. For example, it allows the development of two accessory dwelling units of up to 1,000 square feet each on the second floor of commercial buildings by obtaining a special permit from the Planning Board. Additional residential units of up to 15 units may be allowed through special permit in the Village and General Business districts. Mixed-use development is also encouraged in the Town’s Planned Neighborhood Development (PND) and Transfer of Development Rights (TDR) bylaws, that were approved to more appropriately focus development in village areas or potential village areas, away from undeveloped and more environmentally sensitive areas. PND’s, however, must have at least 60 acres, significantly limiting their applicability in town. Nevertheless, these zoning changes recognize that it is appropriate to look towards promoting mixed-uses, particularly mixed commercial and residential uses, in areas that already allow commercial development and where somewhat higher density makes sense such as town or village centers or other commercial areas.

The Town might want to consider, however, how it might better promote mixed-use development on smaller sites, also integrating some amount of affordable housing. There are bylaws that have been adopted in many other communities that offer models on how to incorporate housing, including affordable housing, in town or village centers and other commercial areas. These bylaws encourage the development of housing on top of first-floor retail space, for example. The Town of Yarmouth recently passed a Village Center Bylaw as did the Town of Dennis. The Metropolitan Area Planning Council (MAPC) has prepared a report entitled, “Mixed Use Zoning: A Planner’s Guide” that can be referenced. Additionally, the Citizen Planner Training Collaborative offers several models. The establishment of Smart Growth Zoning Overlay District under the state’s 40R and 40S provisions may also be helpful in promoting the feasibility of mixed-use development (40R/40S are described in Appendix 4).

Another option would be to develop policy and design guidelines on mixed-use development and process acceptable mixed-use development projects through the “friendly” 40B process as established under the state’s Local Initiative Program (LIP). These policies could be incorporated into the Affordable Housing Guidelines proposed under strategy VII.B.2.

Next Steps: The Planning Board should explore bylaws for promoting mixed-use development and prepare a zoning amendment that best meets Carver’s needs, which would be submitted to Town Meeting for approval. It should also review the existing bylaw that permits apartments over commercial space, insuring that some of the units can be counted as affordable under the state’s Local Initiative Program (LIP).

Timeframe: Priority 2

Responsible Party: Planning Board

Resources Required: This strategy would require staff time from the Town Planner and possibly the Affordable Housing Consultant.

Projected # Affordable Units Produced: Counted under strategy VII.C.2.

7. *Modify Accessory Apartment Bylaw*

Current Status: The Zoning Bylaw allows accessory apartments under special permit but only if they are occupied by someone 55 years of age or older or disabled. To date 16 accessory apartment units have been permitted in Carver, offering small rental units that help diversify the housing stock. It is generally recognized that there are illegal accessory apartments in town as well that may in fact possibly pose health and safety hazards.

Accessory units are helpful in meeting a number of public policy objectives including the following:

- Enables homeowners to capture additional income, which is particularly important for elderly homeowners or single parents where such income may be critical to remaining in their homes. Also, some young families or moderate-income households might be able to afford homeownership if they could count on income from an accessory apartment.
- Provides appropriately sized units for growing numbers of smaller households.

- Are inexpensive ways of increasing the rental housing stock at lower cost than new construction and without loss of open space, without significant impact on the surrounding neighborhood, and without additional Town services such as streets or utilities. There are, however, issues regarding the adequacy of the existing septic system when a new bedroom is added.
- Tenants in accessory apartments can also provide companionship, security and services for the homeowner, from shoveling the sidewalk for an elderly owner to babysitting for a single parent.
- As recognized by the current bylaw and often referred to as “in-law” apartments, they have offered good opportunities for keeping extended families in closer contact.
- New accessory units typically generate tax revenue in a locality because accessory units add value to existing homes.

Recent changes to state requirements for counting accessory apartments as part of the Subsidized Housing Inventory (SHI) have dampened the enthusiasm of many localities in adding an affordable accessory apartment component in their local bylaws. The major change affected the tenant selection process, requiring owners of such units to fill their units from a pre-qualified list established by the municipality in conformance with state requirements including Fair Housing laws. Additionally, deed restrictions are required but can be revoked if the owner decides to transfer the property or not to comply with the requirements after a specified number of years after renting to an eligible tenant (the municipality determines the minimum number of years) in which case the accessory unit can no longer be counted as part of the Subsidized Housing Inventory and DHCD must be notified. Tenants also must be given at least 60 days notice.

Some communities, such as the Town of Carlisle, are pursuing an affordable accessory apartment program in conformance with these requirements. Other communities have determined to put their efforts on hold, while others have decided to promote affordability outside of state requirements acknowledging that their accessory apartments, while affordable, will not be eligible for counting in the SHI.

For example, Wellfleet has an affordable accessory apartment bylaw that promotes the development of accessory units where tenants meet income requirements but owners are not required to enter into deed restrictions nor pick tenants from a Ready Renters List. The Town also has just recently initiated a new pilot initiative, the Affordable Accessory Dwelling Unit (AADU) Loan Program, to provide qualifying local property owners with assistance in creating affordable accessory rental units. The Wellfleet Town Meeting approved \$20,000 in Community Preservation funding to provide no interest loans which will be due as a balloon payment in 30 years or when the unit is no longer used as an affordable accessory unit, whichever comes first. The funding is meant to cover two to four loans to address outstanding health and/or safety repairs in order to obtain special permit approval from the Zoning Board of Appeals for the accessory unit, however it is probable that the costs of improvements will be more than what is projected under the loan program.

This loan program was developed by the Wellfleet Housing Authority (WHA) in conjunction with the Lower Cape Cod Community Development Corporation (Lower Cape Cod CDC) and is meant to support Wellfleet’s existing effort to promote year-round rental units, providing another incentive for property owners to convert part of their residential or commercial properties to an

affordable residential accessory unit. Wellfleet has also passed special legislation to offer tax exemptions on the portion of the property rented affordably.

Next Steps: In order to promote new accessory units the Town should consider amending its Zoning Bylaw as follows:

- Eliminate requirement that limits occupancy to someone age 55 or older or disabled;
- Extend use to detached structures or separate additions;
- Consider allowing by-right;
- Determine whether the bylaw should include an affordability component that would have the units count as part of the Subsidized Housing Inventory;
- Add an amnesty provision to bring currently illegal accessory apartments into compliance with the new bylaw; and
- Extend availability to investor-owned properties.

As mentioned above, there are many variations of accessory apartment bylaws that have been adopted in other communities. Carver's Planning Board, working in conjunction with the Affordable Housing Committee or proposed Housing Trust, should explore other bylaws and work on an amendment that will best meet the needs of the community. Promoting accessory apartments, whether eligible for counting in the SHI or not, provides another housing choice for Carver's elder residents and young people who cannot yet afford to buy a home or who could benefit greatly from some rental income.

Timeframe: Priority 2

Responsible Party: Planning Board in cooperation with the Affordable Housing Committee or proposed Housing Trust

Resources Required: The donated time of members of the Planning Board as well as staff time from the Town Planner and perhaps a consultant.

Projected # Affordable Units Produced: This strategy is likely to promote units occupied by tenants earning at or below 80% of area median income and serve an important local need for more affordable rental units. However, these units may not count as part of the Subsidized Housing Inventory unless the Town establishes an affordability component of the bylaw and owners choose to take tenants from the Ready Renters List and enter into a deed restriction.

8. Exempt Affordable Housing from the Rate of Development Bylaw and Subdivision Phasing Bylaws

Current Status: The Zoning Bylaw includes a provision for limiting the rate of development so that municipal services are not overburdened by new development and so that the Town can better address the potential impacts of growth. It also has a bylaw that places a cap of seven (7) residential building permits in a 12-month period on land that is subdivided into more than seven (7) lots. For both of these bylaws, there are a number of stated exemptions but these do not directly specify affordable housing.

Next Steps: Amend both bylaw to exempt developments with affordable units from established growth limits or subdivision phasing limits.

Timeframe: Priority 2

Responsible Party: Planning Board

Resources Required: The donated time of members of the Planning Board with support from the Town Planner.

Projected # Affordable Units Produced: These units are also counted under strategy VII.C.2.

9. Explore Opportunities for Streamlining the Permit Approval Process for Affordable Housing

Current Status: It is essential that every municipality have a local regulatory process that protects the city or town from development that is not in the best interest of its citizenry. However, the time and costs associated with this regulatory process have been considered by some to be unduly burdensome, and therefore some municipalities have attempted to make the regulatory permit process easier to navigate, providing greater guidance to applicants on requirements and more predictability in the process.

The Town's Master Plan suggested that the Town entertain provisions for expediting the permitting of applications to build affordable housing, especially for projects that require special permits. Given the Town's interest in promoting affordable housing – particularly in updating its Zoning Bylaw (see Section VII.B), working cooperatively with developers (see strategies VII.B.2 and VII.C.2), and meeting production goals – it would be helpful for the Town to insure that its regulatory system works efficiently and effectively.

A number of towns have prepared model guidebooks on local permitting requirements that have been helpful to those interested in developing projects. For example, the towns of Canton, Ipswich, Bellingham, and Medway as well as the cities of Chicopee and Salem have Development Handbooks or Permitting Guidebooks that can be reviewed and adapted to Carver. The state's Office of Housing and Economic Development has dedicated a part of its website on Best Practices Model for Streamlined Local Permitting that can be accessed through www.mass.gov.

Next Steps: The Board of Selectmen should appoint representatives of various boards and committees to an ad hoc task force to review the current permitting process and to identify opportunities for streamlining. Guidelines that articulate the Town's priorities, and other written materials that better clarify the regulatory process should be developed. The task force should work closely with the Town Planner and/or Affordable Housing Consultant to review the current process, explore what other towns are requiring as part of the permitting process, make recommendations on possible reforms to the system if and where appropriate. Updated informational materials and development criteria that

will more clearly articulate the requirements involved in obtaining permit approvals should be written and available to interested potential developers.

Timeframe: Priority 2

Responsible Party: Board of Selectmen

Resources Required: Donated time of appointed representatives on existing Town boards and committees to participate in a special task force to make recommendations and oversee their implementation. The time of the Town Planner and/or the Affordable Housing Consultant for staff support to the task force and prepare appropriate written materials.

10. Establish Fee Concessions for Affordable Housing

Current Status: Many communities are waiving or substantially reducing application/permit fees for affordable housing developments, either for certain types of projects or on a case-by-case basis. All regulatory fees become part of a development budget that affects the affordability of the housing produced. The waiver of regulatory fees is an area where the Town can support project costs and affordability and was recommended for adoption in Carver's Master Plan.

Next Steps: The Town of Carver should consider making fee waivers an institutionalized part of the Town's housing efforts. The Affordable Housing Committee or proposed Housing Trust should work with the Planning Board, Board of Selectmen, Building Department and other appropriate Town boards and committees to determine what types of projects would qualify for this waiver (e.g., non-profit developers, projects that require housing subsidy funds to be feasible, projects meeting Housing Production goals) and the projected amount of foregone revenue that would result.

Timeframe: Priority 2

Responsible Party: Board of Selectmen in conjunction with the Affordable Housing Committee or proposed Housing Trust

Resources Required: Some potential foregone revenue received from the amount of fees waived in support of new affordable unit development. Donated time of representatives of various Town boards and committees as well as staff time from the Town Planner and/or Affordable Housing Consultant, Building Inspector and Tax Collector.

11. Offer Tax Relief for Rental Units

Current Status: On May 6, 2003, at the Annual Town Election, Provincetown voters approved Chapter 408 of the Acts of 2002 to provide property tax exemptions for affordable year-round rental units. The exemption involves a number of key components including:

- The portion of the property that qualifies under the Program as affordable rental housing is exempt from the property tax. "The amount of the exemption is equal to the tax

otherwise due multiplied by the square footage of the units set aside for affordable housing purposes divided by the total square footage of the structure.”³⁵

- The exemption is available only to owners of year-round rental property.
- No deed restrictions are required.
- Property owners must apply for the exemption on an annual basis, applying to the Board of Assessors.
- The Town’s Principal Assessor determines eligibility under the Program by reviewing the lease as well as tenants’ income information verified by the previous year’s tax return or a copy of one monthly bank statement showing the electronic transfer of Social Security payments.
- Property owners must have a lease in place for the entire fiscal year, and the lease must conform to income limits for low-income households earning at or below 60% of area median, adjusted for household size and determined annually by HUD. Owners may not charge rents, including utilities, which exceed allowable rent levels for qualifying tenants based on the tenants paying no more than 30% of their income for rent/utilities. If the owner does not pay utilities, then an allowed utility allowance must be subtracted from the allowed rent.

The process for approving a special tax exemption is a lengthy and complicated one, and Provincetown’s success in this instance is a testament to the community’s recognition of the importance of not only holding onto its affordable rental housing given soaring real estate prices, but also providing incentives to promote additional year-round, affordable rental units. The eventual approval of the tax exemption involved the following process:

- Provincetown voters approved a measure (Article 9) to submit a home rule petition for special state legislation at its April 1, 2002 Special Town Meeting to allow the Town to implement the exemption.
- This Town Meeting article was introduced to the State Legislature as Senate Bill Number 2325 and was subsequently approved by both the House and Senate.
- The Governor signed the bill into law on December 19, 2002.
- On May 6, 2003, Provincetown voters approved the acceptance of the bill at a Town election.
- The Program was implemented on July 1, 2003.

In FY 2007 there were 30 properties participating in the Program, involving 60 rental units. The Program is funded through the Assessor’s “Overlay Fund” (used for exemptions, abatements), which is absorbed by all taxpayers in town. In FY 2007 the amount included \$57,168.

The Housing Needs Assessment (see Section III) provides a compelling argument for bolstering rental units in Carver and this strategy might be one means of doing so.

Next Steps: The Town might consider adapting Provincetown’s tax policy, determining whether such a measure would effectively promote more rental housing. If the Board of Selectmen

³⁵ Town of Provincetown, FY2007 Affordable Housing Property Tax Exemption for Owners of Affordable Year-round Rental Housing, website www.provincetowngov.org.

decided to proceed, it would have to go through the process summarized above, including state legislative approval.

Timeframe: Priority 2

Responsible Party: Board of Selectmen in conjunction with the Affordable Housing Committee or proposed Housing Trust

Resources Required: Some foregone revenue received from the amount of taxes that are exempted in support of promoting rental unit development. Also, the donated time of representatives of various Town boards and committees and staff time from the Town Planner and/or Affordable Housing Consultant, Town Administrator and Town Counsel.

12. *Revise the Existing Townhouse Bylaw*

Current Status: Carver's Zoning Bylaw allows the limited creation of townhouses by special permit on a minimum of 20 acres in the RA or HC district or a minimum of three (3) acres in the GB or V districts (see Section III.G.2 for more details). Ten percent (10%) of the total units must meet the affordability requirements of the state's Local Initiative Program (LIP) and be preserved as affordable in perpetuity.

Next Steps: The Planning Board and Affordable Housing Committee have had discussions about the possibility of raising the affordability requirements to 15% for example and tweaking the bylaw in other ways as well. Further discussions should be held, and the Planning Board, with input from the Affordable Housing Committee or proposed Housing Trust, should make any agreed upon changes and process the necessary approvals.

Timeframe: Priority 2

Responsible Party: Planning Board

Resources Required: The donated time of members of the Planning Board as well as staff time from the Town Planner.

C. Housing Production Strategies

While some of the affordable units produced may rely on the participation of existing homeowners, most of the production will require joint ventures with developers – for profit and non-profit – to create affordable units. For profit developers continue to express interest in developing housing in Carver, and there are also numbers of effective non-profit organizations that have successfully completed affordable housing developments in the Southeastern Massachusetts.

In addition to the active participation of the development community, it will be important for Carver to seek support from state and federal agencies. In addition to the state's Department of Housing and Community Development (DHCD), other state and quasi-public agencies that have resources to support affordable and special needs housing include MassHousing,

MassDevelopment, Department of Mental Retardation, Department of Mental Health, Community Economic Development Assistance Corp. (CEDAC), Massachusetts Housing Partnership Fund, and Massachusetts Housing Investment Corporation (MHIC). Regional resources should be considered as well including South Shore Housing Development Corporation (SSHDC) and Habitat for Humanity of Greater Plymouth. Because affordable housing is rarely developed without private financing, project developers will need to reach out to private lenders as well. (See Appendix 4 for more details on program assistance offered through these agencies and organizations.)

The following strategies provide the basic components for the Town to meet its housing production goals:

1. Make Suitable Public Land Available for Affordable Housing

Current Status: The contribution or “bargain sale” of land owned by the Town but not essential for public purposes is a component of production goals, and the Town has identified a short list of potential publicly-owned parcels that might possibly be developed as affordable housing (see Section V.A. of this Plan for the list of properties under preliminary consideration). Town Meeting approval was secured in June 2008 for the conveyance of one parcel to Habitat for Humanity of Greater Plymouth, and such approval will be necessary for other Town-owned properties as well.

In addition to currently owned Town parcels, the Town of Carver may decide that it will acquire privately owned sites at some point in the future for the purposes of protecting open space and developing some amount of housing, including affordable housing, through cluster development on a portion of the sites. Smaller infill sites might be acquired as well to build affordable starter homes. Acquisitions could occur through the private housing market, through special negotiations with existing owners who are interested in selling their properties for a discounted price in exchange for tax advantages, or through the tax foreclosure process as was done for the Habitat project on Mazzilli Drive.

Next Steps: The Town should investigate the suitability of various Town-owned sites (see Section V.A) for development based on the knowledge of expertise of various Town staff persons and support the costs of preliminary feasibility analyses where appropriate. Such analyses could be funded through Community Preservation funds or potentially some state funding for predevelopment work. For Town-owned properties, approval will be required from the Board of Selectmen and Town Meeting to acquire and/or designate these parcels for housing development that includes affordable housing and perhaps other uses as well. Moreover, the Town should review the inventory of all of its property to determine the suitability of various sites for housing including the inclusion of affordable housing.

Because this strategy involves the use of publicly-owned property, it would be appropriate to maximize the public benefits by setting aside at least 50% of the units as affordable. This is likely to require multiple sources of public subsidies and the Town should select a developer that has substantial experience and expertise in this type of development.

Following the necessary approvals for the conveyance of Town-owned properties, the Town's Chief Procurement Officer, working with the Affordable Housing Consultant, should prepare a Request for Proposals (RFP) to solicit interest from developers based on the Town's specific project requirements and select a developer based also on identified criteria included in the RFP. Projects are likely to require densities or other regulatory relief beyond what is allowed under the existing Zoning Bylaw, and this might be obtained through normal regulatory channels, if community support is assured, or through the use of the "friendly" comprehensive permit process through DHCD's Local Initiative Program (LIP) or other subsidizing agency. Additionally, the Town will need to be involved in working with the selected developer to secure the necessary financial, technical and political support. Evidence of municipal support is often critical when seeking financial or technical assistance from regional, state or federal agencies, and municipalities are required to take the lead in applying for eligibility on the state's Local Initiative Program (LIP), also referred to as the "friendly" 40B process.

Timeframe: Priority 1

Responsible Party: Board of Selectmen with support from the Affordable Housing Committee or proposed Housing Trust

Resources Required: Working with the Town's Chief Procurement Officer, the Affordable Housing Consultant should take the lead in preparing a Request for Proposals and staff the developer selection process. Moreover, if the selected developer did not have the necessary capacity to undertake the marketing and lottery for the affordable units, some experienced consultant, agency or organization should be identified to perform these functions, with funding from the project budget to cover these costs. It is worth noting that South Shore Housing has been performing these functions for projects throughout Bristol and Plymouth Counties, and there is also a local consultant doing this work.

Resources will also be required to help subsidize the development. Comprehensive permits typically do not involve external public subsidies but use internal subsidies by which the market units in fact subsidize the affordable ones. Many communities have used the "friendly" comprehensive permit process to take advantage of these internal subsidies, to create the necessary densities to make development feasible, and to make it easier to navigate the existing regulatory system. Other communities are finding that they require public subsidies to cover the costs of affordable or mixed-income residential development and need to access a range of programs through the state and federal government and other financial institutions to accomplish these objectives. Because the costs of development are typically significantly higher than the rents or purchase prices that low- and moderate-income households can afford, multiple layers of subsidies are often required to fill the gaps. Sometimes even Chapter 40B developments are finding it useful to apply for external subsidies to increase the numbers of affordable units, to target units to lower income or special needs populations, or to fill gaps that market rates cannot fully cover.

It is likely that a number of financial and technical resources will be required to produce affordable units in Carver. Appendix 4 includes summaries of many of these programs but some are highlighted below.

- Predevelopment funding from state programs such as the Priority Development Fund, Smart Growth Technical Assistance Program, CEDAC, MHIC, Life Initiative, etc.
- Federal HOME Program financing of up to \$65,000 per unit administered through DHCD for a range of housing activities. These are competitive funding sources, and DHCD typically accepts proposals through two funding rounds per year.
- Possible federal financing through Low Income Housing Tax Credits to developers of affordable housing that provide significant equity into a development. The allocating agency is DHCD and there are typically two funding rounds per year. These funds are directed to rental properties solely and are extremely competitive.
- Section 202 federal financing to non-profit organizations for the development of rental housing targeted to very low-income seniors or those with disabilities.
- Affordable Housing Program grant funding from the Federal Home Loan Bank Board, applied through participating banks.
- Rental subsidies through the Project Based Section 8 Program or individual Section 8 vouchers (this program is administered through the state, Housing Authorities and regional non-profit organizations).
- Section 8 to Homeownership Program, enabling Section 8 subsidy recipients to access homeownership.
- Additional resources that are directed solely to first-time homebuyer projects to make homeownership more affordable including the Soft Second Loan Program, American Dream Downpayment Assistance Program and MassHousing First-Time Homebuyer financing.
- Financing from CEDAC to support innovative forms of affordable housing including SRO's, congregate living options, transitional housing, limited equity cooperatives, etc. and to preserve existing affordable housing developments.
- OneSource Loan Program is a streamlined financing program offered jointly by MHIC and Massachusetts Housing Partnership Fund offering construction and permanent financing in a single package.
- Other state funding programs such as the Affordable Housing Trust Fund, Housing Stabilization Fund, etc.

Projected # Affordable Units Produced: 40 units

2. Support Private Development in Line with Local Guidelines

Current Status: With incentives created in the Zoning Bylaw to promote affordable housing (see Section VII.B), and with local policies that provide guidance to developers on what the Town would like to see with respect to new development (see strategy VII.B.2), the Town is in a good position to work cooperatively with developers, both for profit and non-profit, to guide new development that incorporates affordable units. This Housing Production Plan suggests that new provisions should be made to encourage the following types of housing:

- Mixed-use development in appropriate locations,
- Smaller infill housing on nonconforming lots,
- Small multi-family housing,
- Cluster development that is more in keeping with smart growth principles, and

- Small scattered sites, like those developed by Habitat for Humanity, when developed as affordable housing.

Support for such development could be processed through normal regulatory channels when the projects are in basic compliance with existing zoning or could be handled through the “friendly” 40B process offered through the state’s Local Initiative Program (LIP) or 40R. Comprehensive permits have proven to be a useful tool in many communities for projects that require significant waivers of local zoning but meet local needs and priorities. Some of these projects have also incorporated more affordable units than those required under Chapter 40B. Key to the success of these new developments has been the partnership between the Town and the developer to build affordable housing, the infusion of Community Preservation funding to support the enhanced affordability of these developments and leverage other sources of financing, as well as the expertise of the developer in building affordable housing.

Next Steps: The Town should *reach out* to local developers who have been active in producing affordable housing to discuss the Town’s interest in promoting these units, possible areas and opportunities for new development, local guidelines and priorities for new development (see strategy VII.B.2), and the prospects for working together in the future. This will be particularly useful after the Town has produced Affordable Housing Guidelines and has passed key zoning changes summarized in Section VII.B. *The Town should also consider investing CPA funding to boost the number of affordable units in planned developments.*

To effectively guide development, the Town should also establish a *process for reviewing* local development proposals in their early conceptual stages to provide useful feedback to developers on preliminary plans. The Town should therefore identify a particular municipal entity, such as the Affordable Housing Committee or proposed Housing Trust, to oversee this review and designate a municipal employee, such as the Affordable Housing Consultant, to bring in professional expertise to staff the review process and work with the developer throughout the project planning and the regulatory processes.

Timeframe: Priority 1

Responsible Party: Affordable Housing Committee or proposed Housing Trust

Resources Required: Representatives of the Affordable Housing Committee or proposed Housing Trust should take the lead in reaching out to affordable housing developers and the local proposal review process, working with developers on the “friendly” 40B process where appropriate. The support of the Affordable Housing Consultant will be extremely useful in implementing this strategy.

Projected # Affordable Units Produced: 46 affordable units

3. *Convert Existing Housing Units to Affordability*

Current Status: Carver should not overlook the potential of working on strategies to not only preserve the affordability of the existing housing stock but to, when possible, convert existing

market units to state-defined “affordable” ones, thus insuring the long-term affordability of existing units.

There are a variety of program strategies that provide affordability by focusing on existing dwelling units rather than new ones. Examples include:

- Homebuyer Assistance Programs: Provision of subsidies to qualified first-time homebuyers to fill the gap between the market purchase price and the affordable price that is allowed under the state’s Local Initiative Program (LIP). Several towns have adopted such assistance programs. For example, the Town of Chatham has introduced the First Time Homebuyers Assistance Program that uses up to \$60,000 in CPA funds per household to fill the gap between the market price of a home and the affordable purchase price as allowed under the state’s Local Initiative Program (LIP). Purchasers are pre-qualified through the Program before they are able to search in the private housing market for a qualifying home and deed restrictions are required. Purchasers are also required to attend first-time homebuyer classes and encouraged to explore more affordable mortgage financing such as loans through the state’s Soft Second Loan Program. The Chatham Housing Authority administers the Program. Comparable programs are also available in Marshfield, Acton, Cambridge, Newton, and Bourne, largely subsidized through Community Preservation funding. Most of these efforts have been recently implemented.
- Buy-down Programs: Purchase of two-family structures or other housing types, renting or reselling one (or possibly both/several) of the units subject to a deed restriction that assures permanent affordability. Buy-down programs have proven to be viable strategies in a number of communities including the Sandwich Home Ownership Program (SHOP) implemented several years ago that produced seven (7) affordable housing units under the coordination of the Housing Assistance Corporation (HAC), the Cape’s regional non-profit housing organization. This work is usually coordinated by a non-profit housing organization and has also been implemented in Cambridge, Newton, Bedford and Arlington, for example.
- Equity Conversion Homeownership Programs (ECHO – also known as Affordable Deed Restriction Programs): Purchase of a restriction on housing occupied by an income-eligible senior or other lower income household, providing public assurance (deed restriction) that the house when resold will remain affordable and offering residents cash for rehab plus an annuity or lump-sum subsidy. While ECHO initiatives have been popular in communities, including Bedford, Marion, and Westport, for example, which provided set-asides of funding; there have not been any affordable units created through this strategy to date. The Town of Stow indicates that it has interested participants but its program design has been under review by DHCD for months.

Next Steps: The Town should review these models and determine which makes the most sense in Carver. It should then prepare an implementation plan that outlines program procedures and the respective roles and responsibilities of various municipal staff persons and boards and committees. The focus of such an initiative should be those housing units that are most

affordable in Carver's private housing market to minimize the amount of subsidy required to fill the gap between the purchase price and any costs of improvements and the affordable rents or purchase prices. Smaller homes are reasonable targets, or the more limited but affordable condo market. Community Preservation funding could be used to subsidize the Program, and a funding request would have to be submitted to the Community Preservation Committee at some point.

Timeframe: Priority 2

Responsible Party: Affordable Housing Committee or proposed Housing Trust

Resources Required: Some professional time from the Affordable Housing Consultant to prepare an implementation strategy and coordinate program operations.

Projected # Affordable Units Produced: 12 units

4. Promote Accessory Apartments

Current Status: If the Town determines that it wants to better promote accessory apartments and amend its existing bylaw, it would be helpful to coordinate an effort to encourage its use and oversee any new requirements.

Next Steps: Following the approval of a revised zoning bylaw related to accessory apartments, the Affordable Housing Committee or proposed Housing Trust should insure that existing property owners have information on new requirements and provide necessary support to insure compliance with these changes.

Timeframe: Priority 2

Responsible Party: Affordable Housing Committee or proposed Housing Trust.

Resources Required: Some donated time of local leaders to determine local policies with respect to accessory apartments and professional staff time from the Affordable Housing Consultant to prepare an implementation strategy and oversee the program.

Projected # Affordable Units Produced: This strategy will likely promote units occupied by tenants earning at or below 80% of area median income and serve an important local need for more affordable rental units. However, these units may not count as part of the Subsidized Housing Inventory unless the Town requires compliance with new state guidelines with respect to affordable accessory apartments as part of its new bylaw (see strategy VII.B.7).

D. Housing Preservation

Housing production is critical, but the Town also needs to be concerned that it provides resources to support the deferred home maintenance needs of lower income property owners including seniors.

1. Help Qualifying Homeowners Access Housing Assistance

Current Status: Some town residents, including seniors living on fixed incomes, are finding it increasingly difficult to afford the costs associated with rising taxes, energy costs, insurance and home improvements. Additionally, some seniors and those with special needs require handicapped adaptations and repairs to help them remain in their homes. Carver residents might also benefit from technical and financial support in the case of septic failures and Title V compliance issues. Increasingly, homeowners are confronting the risk of foreclosure, particularly those who financed their homes through subprime predatory lenders, and are looking for ways to hold onto their homes.

There are existing programs administered by Self Help, Inc., the area's community action program based in Brockton, that are available to help property owners with these needs such as:

- *Fuel Assistance Program*
Assists eligible households in paying their heating bills during the winter season or until all benefits are exhausted through federal funding. Eligibility is based on federal criteria related to annual gross income, family size and annual heat consumption.
- *Weatherization Assistance Program*
A federally-funded program to help qualifying property owners make energy-efficient home improvements. Most households that receive fuel assistance also qualify for this program.
- *Heating Assistance Program (Heart WAP)*
An emergency repair program for households receiving fuel assistance that require the repair or replacement of their heating system.

There are also a range of programs available in Carver that are offered by MassHousing and other organizations, applied through either a participating agency or lender including:

- *Home Improvement Loan Program*
Provides a 5%, 5 to 15-year term loan to qualifying homeowners, the amounts ranging from \$5,000 to \$50,000. Loans are available through participating lenders, the most proximate being Lafayette Federal Savings Bank (Fall River), South Shore Cooperative Bank (Weymouth), South Shore Savings Bank (S. Weymouth), Sovereign Bank (E. Providence), and St. Anne's Credit Union (Fall River). Income limits are \$92,000 for one and two-person households and \$104,000 for larger households. One to four-family dwellings and condominiums are eligible for these loans.
- *Get the Lead Out*
With funding from MassHousing, this Program provides low-cost financing to owners of 1-4 family properties to remove lead and reduce the possibility of lead poisoning in children. The closest participating agency is Self Help, Inc, based in Brockton. Interest rates range from 0% to 3% for owner-occupants, 0% for non-profit organizations, and 5% for investor-owners.

- *Septic System Repair Program*
Provides 0% to 5% interest loans ranging from \$1,000 to \$25,000 to improve failing septic systems. Loan terms vary from 3 to 20 years. These loans are accessed through participating lenders including the Bank of Fall River, Bridgewater Savings Bank, Citizens Union Savings Bank, Foxboro Federal Savings, Lafayette Federal Savings Bank, South Shore Savings Bank, St. Anne's Credit Union, and Taunton Federal Credit Union.
- *Home Saver Foreclosure Prevention Program*
This program offers assistance to those who are at risk of losing their home through foreclosure. Participants must initially contact the Homeownership Preservation Foundation to talk to a counselor and may be referred to a local counseling agency as well as a participating lender to obtain a loan. There are a number of participating lenders including Bridgewater Savings Bank, Rockland Trust Company, Eastern Bank and Harbor One Credit Union.

South Shore Housing Development Corporation, the region's non-profit housing organization, also administers programs for prospective homebuyers including downpayment and closing cost assistance as well as counseling services. It also offers the *Home Modification Loan Program* that provides financial assistance to persons seeking to make home modifications to improve accessibility for the physically disabled. Interest rates range from 0% (families at or below median income) to 3% (families earning between 100% and 200% of area median) and loan amounts from \$1,000 to \$25,000.

Summaries of these programs are included in Appendix 4.

Next Steps: Through the community educational campaign recommended in Section VII.A.1, important information on housing improvement resources could be disseminated to real estate professionals, local organizations and community residents. The Town, through its Council on Aging and Housing Authority should provide the necessary education and referrals to programs sponsored by South Shore Housing, Self Help, Inc. and MassHousing for example, which provide low-cost financing for repair needs including de-leading, septic systems, weatherization and other home improvements.

Timeframe: Priority 1

Responsible Party: Carver Housing Authority and Council on Aging

Resources Required: Donated time of volunteers or some limited staff time from appropriate Town employees.

Projected # Affordable Units Produced: The available home repair programs provide needed assistance, helping seniors and others with special needs remain independent in their homes, however, these programs do not include the necessary requirements to enable properties to be included in the SHI.

2. *Insure Continued Future Affordability*

Current Status: Based on how housing was financed, how long the affordability requirements were established, and other stipulations in affordability agreements, the affordable status of housing units may be in jeopardy in many communities in the future. Carver's existing Subsidized Housing Inventory includes 118 units in a number of developments, most of which have housing restrictions in effect in perpetuity. However, two developments have affordability restrictions that are due to expire including Meadowbrook Way where affordability is due to expire in 2023 on 40 units and Chance Court where the affordability on a single unit is due to expire in 2055, both well into the future.

There are another five (5) homeownership units are included in the SHI that will be eliminated from the SHI because they involved a Community Development Block Grant (CDBG) funded housing rehab program with deed restrictions of only 15 years with lower levels of subsidies to existing homeowners. These units will fall off the SHI between years 2017 and 2022 without opportunity to extend.

Next Steps: It is important for the Affordable Housing Committee or proposed Housing Trust to insure that all new affordable housing units that are produced remain a part of the Town's Subsidized Housing Inventory for as long a period as possible. South Shore Housing is dedicated to maintaining affordability for all of the units it owns and manages and will need the Town's help at some point to refinance its project to insure continued affordability. The Town should seek a new deed rider, based on the standard LIP document, when the Chance Court townhouse is resold to correct this problem.

Timeframe: Priority 2

Responsible Party: Affordable Housing Committee or proposed Housing Trust

Resources Required: Donated time of members of the Affordable Housing Committee or proposed Housing Trust and the time of the Affordable Housing Consultant to monitor.

APPENDIX 1

Constraints to Development:

Interviews with Affordable Housing Providers, Local Officials, and Local Builders and Developers

The Southeastern Regional Planning and Economic Development District, the region's planning agency, conducted a series of interviews as part of its work in preparing a Housing Needs Analysis, which this Housing Needs Assessment is updating and expanding. Interviews with local officials, affordable housing providers, and local builders and developers were conducted to determine housing needs and identify constraints to providing affordable and lower cost market housing. The following people were interviewed as part of this process:

- Pamela Sequira, Executive Director, Carver Housing Authority;
- Steve Dubuque, Executive Director, South Shore Housing Development Corporation;
- Bill Slater, Manager, Habitat for Humanity for the Greater Plymouth Area;
- Donna Fernandes, Member, Board of Directors, Carver Housing Authority and Member, Habitat for Humanity for Greater Plymouth;
- Jack Williams, Millpond Builders;
- Tony Baldwin, Corporate Realty Associates;
- Robin Carver, W.D. Makepeace Company;
- Bryan Lauzon, Pride and Quality Construction and Chairman, Carver Planning Board;
- Jack Hunter, Town of Carver Director of Planning and Economic Development;
- Buz Artiano, West Light Development Company; and
- John Della Piscoli, First Colony Development.

A summary of the results of these interviews is summarized below.

Zoning/Density/Land Costs

- Town zoning does not permit multi-family properties, such as, 2-, 3-, or 4-families, or apartment buildings.
- Most areas in town are zoned for single-family homes at a density of 1 home per 60,000 square feet or about 1.5 acres.
- Land acquisition costs range from \$80,000 to \$100,000 prior to permitting. Building lots are currently selling in the range of \$150,000 to \$175,000.
- A common rule of thumb among builders is that a new construction home needs to be priced at 3 times the cost of a building lot in order to make a profit. If a developer bought a buildable lot for \$150,000 then (s)he would expect to price the home at \$450,000 or more.
- The pricing of new housing is a function of the number of houses that can be built on a piece of land. In order to build less costly housing, the number of housing units per acre needs to be increased. Buildable land is becoming scarce and its

cost is not decreasing. It was recommended that the Town consider a density of 4 to 5 units per acre in the areas designated for more intensive development.

- In an effort to create more affordable housing or less costly market rate housing, the goal is to get the land cost per unit of housing down to \$20,000 to \$25,000 per unit.
- The town should have a plan, which designates areas where higher density housing and other development should go, preferably near transportation and existing services, and areas that should be preserved as agriculture and open space. In areas designated for development, the town should have streamlined permitting processes.
- In terms of the inclusionary housing by-law, the developers said that they would support increasing the percentage of affordable units, so long as the town provided incentives such as density bonuses. Under the current inclusionary by-law, developers said that they are breaking even on the affordable unit given the amount of effort required to comply with the regulations on marketing the affordable units to the public and attract a pool of buyers qualified to purchase the affordable units.

Lack of Infrastructure

- The town lacks a public water and sewer system, which in turn limits the density or number of housing units that can be built on an acre of land.
- With on-site wells, a home needs about 10,000 square feet of land per bedroom in order to comply with Title V, the septic system regulations.
- If a development's wastewater generation exceeds 10,000 gallons per day (or about 90 bedrooms), then a developer needs to obtain a groundwater discharge permit from the state. It is a 1 ½ to 2-year process to obtain a permit. If a development generates less than 10,000 gallons per day then a permit from the town's Board of Health is necessary.
- A community water system that would serve a number of housing units from one well requires a permit from the state, usually a 1½-year process.

Affordable Housing Providers

- Carver Housing Authority owns and manages 28 units on Meadowbrook Way next to the town library. There are 150 families on the waiting list for family housing and 50 households on the waiting list for elderly/handicap-accessible units. The town needs additional housing units based on the waiting list-75 3-bedroom family units, 75 2-bedroom family units, and 50 1-bedroom elderly/handicap accessible units.
- Habitat for Humanity of Greater Plymouth serves Carver, Plymouth and surrounding towns. Habitat's goal is to provide decent, affordable housing for families who would have had no hope of ever owning their own home. Homes are designed so that they can be easily built by volunteer crews and for long-term affordable maintenance. Target families are typically very low-income, may be single-parent households or households where one or more members may be on disability and receiving only social security income. Many of their target families

are currently living in substandard housing and/or poor neighborhoods. Habitat's goal is to get their families into better quality housing and a better living environment in order to improve their quality of life.

Habitat has been approached by developers seeking Habitat's participation in the affordable housing component of a Chapter 40B project. Habitat does not like to participate in these types of projects because their clients do not fit in culturally or economically with other residents. Habitat would much rather receive a donation of land to build a home in a neighborhood that is more compatible with a Habitat family. Habitat is currently able to assist 2 families per year and would like to help more families by finding a property on which they could build a multi-family building up to 16 units. Habitat needs are land donated by the town or another organization; relaxed town regulations or an affordable housing by-law that makes it easier for an affordable housing developer to build housing; or a better cooperative model in which to work with developers of 40B projects.

- South Shore Housing Development Corporation is located in Kingston, MA and serves Plymouth and Bristol Counties in southeastern Massachusetts. South Shore Housing develops affordable housing, manages properties, and administers affordable housing programs. South Shore Housing owns and manages 40 units of elderly housing on Meadowbrook Way adjacent to the Carver Housing Authority development. Zoning, affordable housing financing, organizational capacity, and misuse of Chapter 40B were identified as constraints to developing affordable housing.

In terms of zoning, most towns do not allow multi-family housing, whether 2 to 4 unit housing or apartment buildings. Density is needed to reduce the per unit costs of land, water systems, septic systems, and roads and drainage systems.

Financing of affordable housing projects is difficult and complex. Most projects rely on a tax credit based funding programs. There are only 2 times per year that affordable housing developers can apply for tax credits, typically in February and December. Providers often need to obtain multiple sources of short-term and permanent financing, each with its own funding criteria. Financing is complex because each of the financing source's requirements must be woven together in order to create a viable project. Transaction costs can be very high because every party to the transaction, the state, the funding source and the affordable housing developer each require its own attorney.

The capacity of the organization to develop affordable housing is limited by the number of employees who are devoted to affordable housing development (currently 2 employees) and the capital available to invest in a project. The amount of energy and resources put into the development of a small project of 20 to 30 units is the same as that required for a large project of 60 or more units. It can take from 3 to 4 years from concept to completion to get a project built.

Therefore, due to economies of scale it is more efficient to develop a large project than a small one.

Many communities perceive Chapter 40B as a weapon that is used by some conventional developers as a means to get what they want in a standard subdivision. This perception hurts affordable housing developers whose purpose is to develop housing that meets the needs of the community, but wants to do so in a manner of cooperation or partnership with the community.

- Town Planning Director The Town should partner with an affordable housing developer or private developer to develop 20 to 40 units of affordable housing. That would provide an immediate increase in the number of units in the Town's affordable housing inventory. The Town should use its Community Preservation Act funds towards the purchase of land for the project. The immediate increase or "bump" in the number of units would be supplemented by the inclusionary provision of the townhouse by-law. The Town may consider increasing the percentage from ten to fifteen percent in order to maintain the percentage of affordable units over time. In exchange for increasing the percentage requirement in the by-law, the Town would have to consider increasing the density in order for the by-law to work. The Town should also establish an affordable housing partnership that would establish affordable housing strategies for the Town and act as an advocate for the implementation of those strategies.

Summary of Housing Needs Identified in Interviews

- 1st time home buyers
- 55+ Housing Market Rate Housing
- Housing for kids who grew up in Carver and want to return and start and raise families here
- Family compound in which parents can split off a larger piece of land to give to children on which to build a house or houses
- Multi-families including 2-, 3-, and 4-families; apartment buildings
- Maximization of existing larger, older homes, such as New England colonials with extended additions that can be converted to apartments
- Neighborhoods with a mix of housing types, elderly, families with children, etc.
- Affordable rental housing for families earning 60% to 70% of the area median income. (These are working families that earn too much for subsidized housing and not enough to purchase market rate housing). Priority: 2 bedrooms, 3 bedrooms, 1 bedroom
- Elderly rental housing
- Subsidized family rental housing (Carver Housing Authority), 75 3-bedrooms, 75 2-bedrooms
- Subsidized elderly housing (Carver Housing Authority), 50 1-bedroom units
- Low cost market rate housing
- Residential apartments over commercial housing
- Accessory apartments (not age restricted)

- Accessory apartments as-of-right in each subdivision (not age restricted)
- Density bonuses for the provision of affordable housing units
- 20 to 40 units of affordable housing on town owned land (purchase with CPA funds and partner with developer and/or non-profit housing developer)

APPENDIX 2
Summary of Housing Strategies

Actions	Priority for Implementation		# Affordable Units	Responsible Party**
	Priority 1	Priority 2		
Capacity Building Strategies				
1. Conduct ongoing educational campaign	X		*	AHC/HP
2. Create Municipal Affordable Housing Trust	X		*	BOS/AHC
3. Access housing resources	X		*	BOS/AHC/HT
4. Encourage training for board and committee members	X		*	BOS
5. Apply for Commonwealth Capital	X		*	BOS
Planning and Regulatory Strategies				
1. Adopt inclusionary zoning	X		*	PB
2. Adopt Housing Guidelines	X		*	ZBA/PB/AHC/HP
3. Revise existing cluster zoning bylaw		X	*	PB
4. Allow a wider range of housing types		X	*	PB
5. Allow starter housing on nonconforming lots		X	*	ZBA/PB
6. Promote mixed-use development		X	*	PB
7. Modify accessory apartment bylaw		X	*	PB/AHC/HT
8. Exempt affordable housing from rate of development and subdivision phasing bylaws		X	*	PB
9. Explore opportunities for streamlining the permitting process		X	*	ZBA/PB
10. Establish fee concessions for affordable housing		X	*	BOS/AHC/HT
11. Offer tax relief for rental units		X	*	BOS/AHC/HT
12. Revise existing townhouse development bylaw		X	*	PB/AHC/HT
Housing Production Strategies				
1. Make suitable public land available for affordable housing	X		40	BOS/AHC/HT
2. Support private development	X		46	AHC/HT

in line with local guidelines				
3. Convert existing housing to affordability		X	12	AHC/HT
4. Promote accessory apartments (likely not to be included in SHI)		X	0	AHC/HT
Housing Preservation Strategies				
1. Help qualifying homeowners access housing assistance	X		*	HA/COA
2. Insure future affordability		X	*	AHC/HT

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

****Abbreviations**

Board of Selectmen = BOS

Planning Board = PB

Affordable Housing Committee = AHC

Proposed Housing Trust = HT

Housing Authority = HA

Council on Aging = COA

Zoning Board of Appeals = ZBA

APPENDIX 3

Glossary of Housing Terms³⁶

Affordable Housing

A subjective term, but as used in this Plan, refers to housing available to a household earning no more than 80% of area median income at a cost that is no more than 30% of total household income.

Area Median Income (AMI)

The estimated median income, adjusted for family size, by metropolitan area (or county in nonmetropolitan areas) that is adjusted by HUD annually and used as the basis of eligibility for most housing assistance programs. Sometimes referred to as “MFI” or median family income.

Chapter 40B

The state’s comprehensive permit law, enacted in 1969, established an affordable housing goal of 10% for every community. In communities below the 10% goal, developers of low- and moderate-income housing can seek an expedited local review under the comprehensive permit process and can request a limited waiver of local zoning and other restrictions, which hamper construction of affordable housing. Developers can appeal to the state if their application is denied or approved with conditions that render it uneconomic, and the state can overturn the local decision if it finds it unreasonable in light of the need for affordable housing.

Chapter 44B

The Community Preservation Act Enabling Legislation that allows communities, at local option, to establish a Community Preservation Fund to preserve open space, historic resources and community housing, by imposing a surcharge of up to 3% on local property taxes. The state provides matching funds from its own Community Preservation Trust Fund, generated from an increase in certain Registry of Deeds’ fees.

Comprehensive Permit

Expedited permitting process for developers building affordable housing under Chapter 40B “anti-snob zoning” law. A comprehensive permit, rather than multiple individual permits from various local boards, is issued by the local zoning boards of appeals to qualifying developers.

Department of Housing and Community Development (DHCD)

DHCD is the state’s lead agency for housing and community development programs and policy. It oversees state-funded public housing, administers rental assistance programs, provides funds for municipal assistance, and funds a variety of programs to stimulate the development of affordable housing.

³⁶ Heudorfer, Bonnie, “Taking the Initiative: A Guidebook on Creating Local Affordable Housing Strategies”, Citizens Housing and Planning Association with funding from the Massachusetts Housing Partnership Fund, November 2002.

Fair Housing Act

Federal legislation, first enacted in 1968, that provides the Secretary of HUD with investigation and enforcement responsibilities for fair housing practices. It prohibits discrimination in housing and lending based on race, color, religion, sex, national origin, handicap, or familial status. There is also a Massachusetts Fair Housing Act, which extends the prohibition against discrimination to sexual orientation, marital status, ancestry, veteran status, children, and age. The state law also prohibits discrimination against families receiving public assistance or rental subsidies, or because of any requirement of these programs.

Inclusionary Zoning

A zoning ordinance or bylaw that requires a developer to include affordable housing as part of a development or contribute to a fund for such housing.

Infill Development

The practice of building on vacant or undeveloped parcels in dense areas, especially urban and inner suburban neighborhoods. Promotes compact development, which in turn allows undeveloped land to remain open and green.

Local Initiative Program (LIP)

A state program under which communities may use local resources and DHCD technical assistance to develop affordable housing that is eligible for inclusion on the state Subsidized Housing Inventory (SHI). LIP is not a financing program, but the DHCD technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. At least 25% of the units must be set-aside as affordable to households earning less than 80% of area median income.

MassHousing (formerly the Massachusetts Housing Finance Agency, MHFA)

A quasi-public agency created in 1966 to help finance affordable housing programs. MassHousing sells both tax-exempt and taxable bonds to finance its many single-family and multi-family programs.

Metropolitan Statistical Area (MSA)

The term is also used for CMSAs (consolidated metropolitan statistical areas) and PMSAs (primary metropolitan statistical areas) that are geographic units used for defining urban areas that are based largely on commuting patterns. The federal Office of Management and Budget defines these areas for statistical purposes only, but many federal agencies use them for programmatic purposes, including allocating federal funds and determining program eligibility. HUD uses MSAs as its basis for setting income guidelines and fair market rents.

Mixed-Income Housing Development

Development that includes housing for various income levels.

Mixed-Use Development

Projects that combine different types of development such as residential, commercial, office, industrial and institutional into one project.

Overlay Zoning

A zoning district, applied over one or more other districts that contains additional provisions for special features or conditions, such as historic buildings, affordable housing, or wetlands.

Public Housing Agency (PHA)

A public entity that operates housing programs: includes state housing agencies (including DHCD), housing finance agencies and local housing authorities. This is a HUD definition that is used to describe the entities that are permitted to receive funds or administer a wide range of HUD programs including public housing and Section 8 rental assistance.

Regional Non-Profit Housing Organizations

Regional non-profit organizations include nine private, non-profit housing agencies, which administer the Section 8 Program on a statewide basis, under contract with DHCD. Each agency serves a wide geographic region. Collectively, they cover the entire state and administer over 15,000 Section 8 vouchers. In addition to administering Section 8 subsidies, they administer state-funded rental assistance (MRVP) in communities without participating local housing authorities. They also develop affordable housing and run housing rehabilitation and weatherization programs, operate homeless shelters, run homeless prevention and first-time homebuyer programs, and offer technical assistance and training programs for communities. South Shore Housing Development Corporation serves as Carver's regional non-profit organization.

Regional Planning Agencies (RPAs)

These are public agencies that coordinate planning in each of thirteen regions of the state. They are empowered to undertake studies of resources, problems, and needs of their districts. They provide professional expertise to communities in areas such as master planning, affordable housing and open space planning, and traffic impact studies. With the exception of the Cape Cod and Nantucket Commissions, however, which are land use regulatory agencies as well as planning agencies, the RPAs serve in an advisory capacity only. The Southeastern Regional Planning and Economic Development District (SRPEDD) serves as Carver's regional planning agency.

Request for Proposals (RFP)

A process for soliciting applications for funding when funds are awarded competitively or soliciting proposals from developers as an alternative to lowest-bidder competitive bidding.

Section 8

Refers to the major federal (HUD) program – actually a collection of programs – providing rental assistance to low-income households to help them pay for housing. Participating tenants pay 30% of their income (some pay more) for housing (rent and basic utilities) and the federal subsidy pays the balance of the rent. The Program is now officially called the Housing Choice Voucher Program.

Smart Growth

The term used to refer to a rapidly growing and widespread movement that calls for a more coordinated, environmentally sensitive approach to planning and development. A response to the problems associated with unplanned, unlimited suburban development – or sprawl – smart growth principles call for more efficient land use, compact development patterns, less dependence on the automobile, a range of housing opportunities and choices, and improved jobs/housing balance.

Subsidy

Typically refers to financial assistance that fills the gap between the costs of any affordable housing development and what the occupants can afford based on program eligibility requirements. Many times multiple subsidies from various funding sources are required, often referred to as the “layering” of subsidies, in order to make a project feasible. In the state’s Local Initiative Program (LIP), DHCD’s technical assistance qualifies as a subsidy and enables locally supported developments that do not require other financial subsidies to use the comprehensive permit process. Also, “internal subsidies” refers to those developments that do not have an external source(s) of funding for affordable housing, but use the value of the market units to “cross subsidize” the affordable ones.

Subsidized Housing Inventory (SHI)

This is the official list of units, by municipality, that count toward a community’s 10% goal as prescribed by Chapter 40B comprehensive permit law.

U.S. Department of Housing and Urban Development (HUD)

The primary federal agency for regulating housing, including fair housing and housing finance. It is also the major federal funding source for affordable housing programs.

APPENDIX 4

Summary of Housing Regulations and Resources

I. SUMMARY OF HOUSING REGULATIONS³⁷

A. Chapter 40B Comprehensive Permit Law

The Massachusetts Comprehensive Permit Law, Chapter 40B Sections 20-23 of the General Laws, was enacted as Chapter 774 of the Acts of 1969 to encourage the construction of affordable housing throughout the state, particularly outside of cities. Often referred to as the Anti-Snob Zoning Act, it requires all communities to use a streamlined review process through the local Zoning Board of Appeals for “comprehensive permits” submitted by developers for projects proposing zoning and other regulatory waivers and incorporating affordable housing for at least 25% of the units. Only one application is submitted to the ZBA instead of separate permit applications that are typically required by a number of local departments as part of the normal development process. Here the ZBA takes the lead and consults with the other relevant departments (e.g., building department, planning department, highway department, fire department, sanitation department, etc.) on a single application. The Conservation Commission retains jurisdiction under the Wetlands Protection Act and Department of Environmental Protection, the Building Inspector applies the state building code, and the Board of Health enforces Title V.

For a development to qualify under Chapter 40B, it must meet all of the following requirements:

- Must be part of a “subsidized” development built by a public agency, non-profit organization, or limited dividend corporation.
- At least 25% of the units in the development must be income restricted to households with incomes at or below 80% of area median income and have rents or sales prices restricted to affordable levels income levels defined each year by the U.S. Department of Housing and Urban Development.
- Affordability restrictions must be in effect in perpetuity unless there is a justification for a shorter term that must be approved by DHCD.
- Development must be subject to a regulatory agreement and monitored by a public agency or non-profit organization.
- Project sponsors must meet affirmative marketing requirements.

According to Chapter 40B regulations, the ZBA decision to deny or place conditions on a comprehensive permit project cannot be appealed by the developer if any of the following conditions are met³⁸:

- The community has met the “statutory minima” by having at least 10% of its year-round housing stock affordable as defined by Chapter 40B, at least 1.5% of the community’s

³⁷ It should be noted that the summaries in this appendix are meant to highlight key elements of the regulations but do not include all requirements.

³⁸ Section 56.03 of the new Chapter 40B regulations.

land area includes affordable housing as defined again by 40B, or annual affordable housing construction is on at least 0.3% of the community's land area.

- The community has made “recent progress” adding SHI eligible housing units during the prior 12 months equal at least to 2% of its year-round housing.
- The community has a one- or two-year exemption under Planned Production.
- The application is for a “large project” that equals at least 6% of all housing units in a community with less than 2,500 housing units.
- A “related application” for the site was filed, pending or withdrawn within 12 months of the application.

If a municipality does not meet any of the above thresholds, it is susceptible to appeals by comprehensive permit applicants of the ZBA's decision to the state's Housing Appeals Committee (HAC). This makes the Town susceptible to a state override of local zoning if a developer chooses to create affordable housing through the Chapter 40B comprehensive permit process.³⁹ Recently approved regulations add a new requirement that ZBA's provide early written notice (within 15 days of the opening of the local hearing) to the applicant and to DHCD if they intend to deny or condition the permit based on the grounds listed above that make the application appeal proof, providing documentation for its position. Under these circumstances, municipalities can count projects with approved comprehensive permits that are under legal approval, but not by the ZBA, at the time.

If the applicant appeals the use of these “appeals proof” grounds, DHCD will review materials from the ZBA and applicant and issue a decision within 30 days of receipt of the appeal (failure to issue a decision is a construction approval of the ZBA's position). Either the ZBA or applicant can appeal DHCD's decision by filing an interlocutory appeal with the Housing Appeals Committee (HAC) within 20 days of receiving DHCD's decision. If a ZBA fails to follow this procedure, it waives its right to deny a permit on these “appeal-proof” grounds.

Recent changes to Chapter 40B also address when a community can count a unit as eligible for inclusion in the SHI including:

- *40R*
Units receiving Plan Approval under 40R now count when the permit or approval is filed with the municipal clerk provided that no appeals are filed by the board or when the last such appeal is fully resolved.

³⁹ Chapter 774 of the Acts of 1969 established the Massachusetts Comprehensive Permit Law (Massachusetts General Laws Chapter 40B) to facilitate the development of affordable housing for low- and moderate-income households (defined as any housing subsidized by the federal or state government under any program to assist in the construction of low- or moderate-income housing for those earning less than 80% of median income) by permitting the state to override local zoning and other restrictions in communities where less than 10% of the year-round housing is subsidized for low- and moderate-income households.

- *Certificate of Occupancy*
Units added to the SHI on the basis of receiving building permits become temporarily ineligible if the C of O is not issued within 18 months.
- *Large Phased Projects*
If the comprehensive permit approval or zoning approval allows a project to be built in phases and each phase includes at least 150 units and average time between the start of each phase is 15 months or less, then the entire project remains eligible for the SHI as long as the phasing schedule set forth in the permit approval continues to be met.
- *Projects with Expired Use Restrictions*
Units become ineligible for inclusion in the SHI upon expiration or termination of the initial use restriction unless a subsequent use restriction is imposed.
- *Biennial Municipal Reporting*
Municipalities are responsible for providing the information on units that should be included in the SHI through a statement certified by the chief executive officer.

Towns are allowed to set-aside up to 70% of the affordable units available in a 40B development for those who meet the criteria included in state Affirmative Fair Housing Marketing Plan guidelines, and the Town will have to justify the preference by demonstrating both local need and how the local preference will be implemented to mitigate a potential discriminatory impact.

While there are ongoing discussions regarding how the state should count the affordable units for the purpose of determining whether a community has met the 10% goal, in a rental project if the subsidy applies to the entire project, all units are counted towards the state standard. For homeownership projects, only the units made affordable to those households earning within 80% of median income can be attributed to the affordable housing inventory.

There are up to three stages in the 40B process – the project eligibility stage, the application stage, and at times the appeals stage. First, the applicant must apply for eligibility of a proposed 40B project/site from a subsidizing agency. Under Chapter 40B, subsidized housing is not limited exclusively to housing receiving direct public subsidies but also applies to privately-financed projects receiving technical assistance from the State through its Local Initiative Program (LIP) or through MassHousing (Housing Starts Program), Federal Home Loan Bank Board (New England Fund), MassDevelopment, and Massachusetts Housing Partnership Fund. The subsidizing agency then forwards the application to the local Board of Selectmen for a 30-day comment period. The Board of Selectmen solicits comments from Town officials and other boards and based on their review the subsidizing agency typically issues a project eligibility letter. Alternatively, a developer may approach the Board of Selectmen for their endorsement of the project, and the Selectmen can submit an application to DHCD for certification under the Local Initiative Program (for more information see description in Section I.E below).

Recent changes to 40B regulations expands the items a subsidizing agency must consider when determining site eligibility including:

- *Information provided by the municipality or other parties regarding municipal actions previously taken to meet affordable housing needs, including inclusionary zoning, multi-family districts and 40R overlay zones.*
- Whether the conceptual design is appropriate for the site including building massing, topography, environmental resources, and integration into existing development patterns.
- That the land valuation, as included in the pro forma, is consistent with DHCD guidelines regarding cost examination and limitations on profits and distribution.
- Requires that LIP site approval applications be submitted by the municipality's chief executive officer.
- Specifies that members of local boards can attend the site visit conducted during DHCD's 30-day review period.
- Requires that the subsidizing agency provide a copy of its determination of eligibility to DHCD, the chief executive officer of the municipality, the ZBA and the applicant.

If there are substantial changes to a project before the ZBA issues its decision, the subsidizing agency can defer the re-determination of site/project eligibility until the ZBA issues its decision unless the chief executive officer of the municipality or applicant requests otherwise. New 40B regulations provide greater detail on this re-determination process. Additionally, challenges to project eligibility determinations can only be made on the grounds that there has been a substantial change to the project that affects project eligibility requirements and leaves resolution of the challenge to the subsidizing agency.

The next stage in the comprehensive permit process is the application phase including pre-hearing activities such as adopting rules before the application is submitted, setting a reasonable filing fee, providing for technical "peer review" fees, establishing a process for selecting technical consultants, and setting forth minimum application submission requirements. Failure to open a public hearing within 30 days of filing an application can result in constructive approval. The public hearing is the most critical part of the whole application process. Here is the chance for the Zoning Board of Appeals' consultants to analyze existing site conditions, advise the ZBA on the capacity of the site to handle the proposed type of development, and to recommend alternative development designs. Here is where the ZBA gets the advice of experts on unfamiliar matters – called peer review. Consistency of the project with local needs is the central principal in the review process.

Another important component of the public hearing process is the project economic analysis that determines whether conditions imposed and waivers denied would render the project "uneconomic". The burden of proof is on the applicant, who must prove that it is impossible to proceed and still realize a reasonable return, which cannot be more than 20%. Another part of the public hearing process is the engineering review. The ZBA directs its consultants to analyze the consistency of the project with local bylaws and regulations and to examine the feasibility of alternative designs.

New Chapter 40B regulations now add a number of requirements related to the hearing process that include:

- The hearing be terminated within 180 days of the filing of a complete application unless the applicant consents to extend.
- Allows communities already considering three (3) or more comprehensive permit applications to stay a hearing on additional applications if the total units under consideration meet the definition of a large project (larger of 300 units or 2% of housing in communities with 7,500 housing units as of the latest Census, 250 units in communities with 5,001 to 7,499 total units, 200 units in communities with 2,500 to 5,000 units, and 150 units or 10% of housing in communities with less than 2,500 units).
- Local boards can adopt local rules for the conduct of their hearings, but they must obtain an opinion from DHCD that their rules are consistent with Chapter 40B.
- Local boards cannot impose “unreasonable or unnecessary” time or cost burdens on an applicant and cannot require an applicant to pay legal fees for general representation of the ZBA or other boards. The new requirements go into the basis of the fees in more detail, but as a general rule the ZBA may not assess any fee greater than the amount that might be appropriated from town or city funds to review a project of a similar type and scale.
- An applicant can appeal the selection of a consultant within 20 days of the selection on the grounds that the consultant has a conflict of interest or lacks minimum required qualifications.
- Specifies and limits the circumstances under which ZBA’s can review pro formas.
- Zoning waivers are only required under “as of right” requirements, not from special permit requirements.
- Forbids ZBA’s from imposing conditions that deviate from the project eligibility requirements or that would require the project to provide more affordable units than the minimum threshold required by DHCD guidelines.
- States that ZBA’s cannot delay or deny an application because a state or federal approval has not been obtained.
- Adds new language regarding what constitutes an uneconomic condition including requiring applicants to pay for off-site public infrastructure or improvements if they involve pre-existing conditions, are not usually imposed on unsubsidized housing or are disproportionate to the impacts of the proposed development or require a reduction in the number of units other than on a basis of legitimate local concerns (health, safety, environment, design, etc.). Also states that a condition shall not be considered uneconomic if it would remove or modify a proposed nonresidential element of a project that is not allowed by right.

After the public hearing is closed, the ZBA must set-aside at least two sessions for deliberations within 40 days of the close of the hearing. These deliberations can result in either approval, approval with conditions, or denial.

Subsidizing agencies are required to issue final project eligibility approvals following approval of the comprehensive permit reconfirming project eligibility, including financial feasibility, and approving the proposed use restriction and finding that the applicant has committed to complying with cost examination requirements. New Chapter 40B regulations set forth the basic parameters for insuring that profit limitations are enforced, while leaving the definition of “reasonable return” to the subsidizing agency in accordance with DHCD guidelines. The applicant or

subsequent developer must submit a detailed financial statement, prepared by a certified public accountant, to the subsidizing agency in a form and upon a schedule determined by the DHCD guidelines.

If the process heads into the third stage – the appeals process – the burden is on the ZBA to demonstrate that the denial is consistent with local needs, meaning the public health and safety and environmental concerns outweigh the regional need for housing. If a local ZBA denies the permit, a state Housing Appeals Committee (HAC) can overrule the local decision if less than 10% of the locality’s year round housing stock has been subsidized for households earning less than 80% of median income, if the locality cannot demonstrate health and safety reasons for the denial that cannot be mitigated, or if the community has not met housing production goals based on an approved plan or other statutory minima listed above. The HAC has upheld the developer in the vast majority of the cases, but in most instances promotes negotiation and compromise between the developer and locality. In its 30-year history, only a handful of denials have been upheld on appeal. The HAC cannot issue a permit, but may only order the ZBA to issue one. Also, any aggrieved person, except the applicant, may appeal to the Superior Court or Land Court, but even for abutters, establishing “standing” in court is an uphill battle. Appeals from approvals are often filed to force a delay in commencing a project, but the appeal must demonstrate “legal error” in the decision of the ZBA or HAC.

B. Housing Production Regulations

As part of the Chapter 40B comprehensive permit regulations, the Massachusetts Department of Housing and Community Development (DHCD) is administering the Housing Production Program in accordance with regulations that enable cities and towns to do the following:

- Prepare and adopt an Housing Production Plan that demonstrates production of an increase of .05% over one year or 1.0% over two-years of its year-round housing stock eligible for inclusion in the Subsidized Housing Inventory (20 units and 41 units, respectively, for Carver until the new census figures are available in 2011) for *approval* by DHCD.⁴⁰
- Request *certification* of compliance with the plan by demonstrating production of at least the number of units indicated above.
- Through local ZBA action, deny a comprehensive permit application during the period of certified compliance, which is 12 months following submission of the production documentation to DHCD, or 24 months if the 1.0% threshold is met.

For the plan to be acceptable to DHCD it must meet the following requirements:

- Include a comprehensive housing needs assessment to establish the context for municipal action based on the most recent census data. The assessment must include a discussion of municipal infrastructure based on future planned improvements.
- Address a mix of housing consistent with identified needs and market conditions.
- Address the following strategies including -

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

- Identification of geographic areas in which land use regulations will be modified to accomplish affordable housing production goals.
- Identification of specific sites on which comprehensive permit applications will be encouraged.
- Preferable characteristics of residential development such as infill housing, clustered areas, and compact development.
- Municipally owned parcels for which development proposals will be sought.
- Participation in regional collaborations addressing housing development.

Plans must be adopted by the Board of Selectmen and Planning Board, and the term of an approved plan is five (5) years.

C. Chapter 40R/40S

In 2004, the State Legislature approved a new zoning tool for communities in recognition that escalating housing prices, now beyond the reach of increasing numbers of state residents, are causing graduates from area institutions of higher learning to relocate to other areas of the country in search of greater affordability. The Commonwealth Housing Task Force, in concert with other organizations and institutions, developed a series of recommendations, most of which were enacted by the State Legislature as Chapter 40R of the Massachusetts General Laws. The key components of these regulations are that “the state provide financial and other incentives to local communities that pass Smart Growth Overlay Zoning Districts that allow the building of single-family homes on smaller lots and the construction of apartments for families at all income levels, and the state increase its commitment to fund affordable housing for families of low and moderate income”.⁴¹

The statute defines 40R as “a principle of land development that emphasizes mixing land uses, increases the availability of affordable housing by creating a range of housing opportunities in neighborhoods, takes advantage of compact design, fosters distinctive and attractive communities, preserves opens space, farmland, natural beauty and critical environmental areas, strengthens existing communities, provides a variety of transportation choices, makes development decisions predictable, fair and cost effective and encourages community and stakeholder collaboration in development decisions.”⁴² The key components of 40R include:

- Allows local option to adopt Overlay Districts near transit, areas of concentrated development, commercial districts, rural village districts, and other suitable locations;
- Allows “as-of-right” residential development of minimum allowable densities;
- Provides that 20% of the units be affordable;
- Promotes mixed-use and infill development;
- Provides two types of payments to municipalities; and
- Encourages open space and protects historic districts.

⁴¹ Edward Carman, Barry Bluestone, and Eleanor White for The Commonwealth Housing Task Force, “A Housing Strategy for Smart Growth and Economic Development: Executive Summary”, October 30, 2003, p. 3.

⁴² Massachusetts General Law, Chapter 40R, Section 11.

The incentives prescribed by the Task Force and passed by the Legislature include an incentive payment upon the passage of the Overlay District based on the number of projected housing units as follows:

Incentive Payments	
<i>Incentive Units</i>	Payments
Up to 20	\$10,000
21-100	\$75,000
101-200	\$200,000
210-500	\$350,000
501 or more	\$600,000

There are also density bonus payments of \$3,000 for each residential unit issued a building permit. To be eligible for these incentives the Overlay Districts need to allow mixed-use development and densities of 20 units per acre for apartment buildings, 12 units per acre for two and three-family homes, and at least eight units per acre for single-family homes. Communities with populations of less than 10,000 residents are eligible for a waiver of these density requirements, however significant hardship must be demonstrated. The Zoning Districts would also encourage housing development on vacant infill lots and in underutilized nonresidential buildings. The Task Force emphasizes that Planning Boards, which would enact the Zoning Districts, would be “able to ensure that what is built in the District is compatible with and reflects the character of the immediate neighborhood.”⁴³

The principal benefits of 40R include:

- Expands a community’s planning efforts;
- Allows communities to address housing needs;
- Allows communities to direct growth;
- Can help communities meet planned production goals and 10% threshold under Chapter 40B;
- Can help identify preferred locations for 40B developments; and
- State incentive payments.

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

- The Town holds a public hearing as to whether to adopt an Overlay District per the requirements of 40R;
- The Town applies to DHCD prior to adopting the new zoning;
- DHCD reviews the application and issues a Letter of Eligibility if the new zoning satisfies the requirements of 40R;
- The Town adopts the new zoning through a two-thirds vote of Town Meeting subject to any modifications required by DHCD;

⁴³ “A Housing Strategy for Smart Growth and Economic Development: Executive Summary,” p. 4.

- The Town submits evidence of approval to DHCD upon the adoption of the new zoning; and
- DHCD issues a letter of approval, which indicates the number of incentive units and the amount of payment.

The state recently enacted Chapter 40S under the Massachusetts General Law that provides additional benefits through insurance to towns that build affordable housing under 40R that they would not be saddled with the extra school costs caused by school-aged children who might move into this new housing. This funding was initially included as part of 40R but was eliminated during the final stages of approval. In effect, 40S is a complimentary insurance plan for communities concerned about the impacts of a possible net increase in school costs due to new housing development.

D. Local Initiative Program (LIP) Guidelines

The Local Initiative Program (LIP) is a technical assistance subsidy program to facilitate Chapter 40B developments and locally produced affordable units. The general requirements of LIP include insuring that projects are consistent with sustainable or smart growth development principles as well as local housing needs. LIP recognizes that there is a critical need for all types of housing but encourages family and special needs housing in particular. Age-restricted housing (over 55) is allowed but the locality must demonstrate actual need and marketability. DHCD has the discretion to withhold approval of age-restricted housing if other such housing units within the community remain unbuilt or unsold or if the age-restricted units are unresponsive to the need for family housing within the context of other recent local housing efforts.

There are two types of LIP projects, those using the comprehensive permit process, the so-called “friendly” 40B’s, and Local Action Units, units where affordability is a result of some local action such as inclusionary zoning, Community Preservation funding, other regulatory requirements, etc.

Specific LIP requirements include the following by category:

Income and Assets

- Must be affordable to those earning at or below 80% of area median income adjusted by family size and annually by HUD. Applicants for affordable units must meet the program income limits in effect at the time they apply for the unit and must continue to meet income limits in effect when they actually purchase a unit.
- For homeownership units, the household may not have owned a home within the past three years except for age-restricted “over 55” housing.
- For homeownership projects, assets may not be greater than \$75,000 except for age-restricted housing where the net equity from the ownership of a previous house cannot be more than \$200,000.
- Income and asset limits determine eligibility for lottery participation.

Allowable Sales Prices and Rents⁴⁴

- Rents are calculated at what is affordable to a household earning 80% of area median income adjusted for family size, assuming they pay no more than 30% of their income on housing. Housing costs include rent and payments for heat, hot water, cooking fuel, and electric. If there is no municipal trash collection a trash removal allowance should be included. If utilities are separately metered and paid by the tenant, the LIP rent is reduced based on the area's utility allowance. Indicate on the DHCD application whether the proposed rent has been determined with the use of utility allowances for some or all utilities.
- Sales prices of LIP units are set so a household earning 70% of area median income would have to pay no more than 30% of their income for housing. Housing costs include mortgage principal and interest on a 30-year fixed term mortgage at 95% of purchase price, property taxes, condo fees⁴⁵, private mortgage insurance (if putting less than 20% of purchase price down), and hazard insurance.
- The initial maximum sales price or rent is calculated as affordable to a household with a number of household members equal to the number of bedrooms plus one (for example a two-bedroom unit would be priced based on what a three-person household could afford).

Allowable Financing and Costs

- Allowable development costs include the “as is” value of the property based on existing zoning at the time of application for a project eligibility letter (initial application to DHCD). Carrying costs (i.e., property taxes, property insurance, interest payments on acquisitions financing, etc.) can be no more than 20% of the “as is” market value unless the carrying period exceeds 24 months. Reasonable carrying costs must be verified by the submission of documentation not within the exclusive control of the applicant.
- Appraisals are required except for small projects of 20 units or less at the request of the Board of Selectmen where the applicant for the LIP comprehensive permit submits satisfactory evidence of value.
- Profits are limited to no more than 20% of total allowable development costs in homeownership projects.
- In regard to rental developments, payment of fees and profits are limited to no more than 10% of total development costs net of profits and fees and any working capital or reserves intended for property operations. Beginning upon initial occupancy and then proceeding on an annual basis, annual dividend distributions will be limited to no more than 10% of the owner's equity in the project. Owner's

⁴⁴ DHCD has an electronic mechanism for calculating maximum sales prices on its website at www.mass.gov/dhcd.

⁴⁵ DHCD will review condo fee estimates and approve a maximum condo fee as part of the calculation of maximum sales price. The percentage interests assigned to the condo must conform to the approved condo fees and require a lower percentage interest assigned to the affordable units as opposed to the market rate ones. DHCD must review the Schedule of Beneficial Interests in the Master Deed to confirm that LIP units have been assigned percentage interests that correspond to the condo fees.

equity is the difference between the appraised as-built value and the sum of any public equity and secured debt on the property.

- For LIP comprehensive permit projects, DHCD requires all developers to post a bond (or a letter of credit) with the municipality to guarantee the developer's obligations to provide a satisfactory cost certification upon completion of construction and to have any excess profits, beyond what is allowed, revert back to the municipality. The bond is discharged after DHCD has determined that the developer has appropriately complied with the profit limitations.
- No third party mortgages are allowed for homeownership units.

Marketing and Outreach

- Marketing and outreach, including lottery administration in adherence with all Fair Housing laws.
- LIP requires that the lottery draw and rank households by size.
- If there are proportionately less minority applicants in the community preference pool than the proportion in the region, a preliminary lottery must be held to boost, if possible, the proportion of minority applicants to this regional level.
- A maximum of 70% of the units may be local preference units as defined by state criteria in the Affirmative Fair Housing Marketing Plan guidelines and a justification for using these criteria based on local need and how any discriminatory impacts can be mitigated.
- The Marketing Plan must affirmatively provide outreach to area minority communities to notify them about availability of the unit(s).
- Marketing materials must be available/application process open for a period of at least 60 days.
- Marketing should begin about six (6) months before occupancy.
- Lottery must be held unless there are no more qualified applicants than units available.

Regulatory Requirements

- The affordable units design, type, size, etc. must be the same as the market units and dispersed throughout the development.
- Units developed through LIP as affordable must be undistinguishable from market units as viewed from the exterior (unless the project has a DHCD-approved alternative development plan that is only granted under exceptional circumstances) and contain complete living facilities.
- For over 55 projects, only one household member must be 55 or older.
- Household size relationship to unit size is based on "households" = number of bedrooms plus one – i.e., a four-person household in a three-bedroom unit (important also for calculating purchase prices of the affordable units for which LIP has a formula as noted above).
- Must have deed restrictions in effect in perpetuity unless the applicant or municipality can justify a shorter term to DHCD.
- for at least 15 years for housing rehabilitation and 30 years for new construction.

- All affordable units for families must have at least two or more bedrooms and meet state sanitary codes and these minimum requirements –

1 bedroom – 700 square feet/1 bath
 2 bedrooms – 900 square feet/1 bath
 3 bedrooms – 1,200 square feet/ 1 ½ baths
 4 bedrooms – 1,400 square feet/2 baths

- Appraisals may take into account the probability of obtaining a variance, special permit or other zoning relief but must exclude any value relating to the possible issuance of a comprehensive permit.

The process that is required for using LIP for 40B developments – “friendly” comprehensive permit projects – is largely developer driven. It is based on the understanding that the developer and Town are working together on a project that meets community needs. Minimum requirements include:

1. Written support of the municipality’s chief elected official, the Board of Selectmen in the case of towns, and the local housing partnership, trust or other designated local housing entity. The chief executive officer is in fact required to submit the application to DHCD.
2. At least 25% of the units must be affordable and occupied by households earning at or below 80% of area median income or at least 20% of units restricted to households at or below 50% of area median income.
3. Affordability restrictions must be in effect in perpetuity, to be monitored by DHCD through a recorded regulatory agreement.
4. Project sponsors must prepare and execute an affirmative fair marketing plan that must be approved by DHCD.
5. Developer’s profits are restricted per Chapter 40B requirements.

The process that is required for using LIP for 40B developments – “friendly” comprehensive permit projects – is as follows:

1. Application process
 - Developer meets with Town
 - Developer and Town agree to proposal
 - Town chief elected officer submits application to DHCD with developer’s input
2. DHCD review involves the consideration of:
 - Sustainable development criteria (redevelop first, concentrate development, be fair, restore and enhance the environment, conserve natural resources, expand housing opportunities, provide transportation choice, increase job opportunities, foster sustainable businesses, and plan regionally),
 - Number and type of units,
 - Pricing of units to be affordable to households earning no more than 70% of area median income,

- Affirmative marketing plan,
 - Financing, and
 - Site visit.
3. DHCD issues site eligibility letter that enables the developer to bring the proposal to the ZBA for processing the comprehensive permit.
 4. Zoning Board of Appeals holds hearing
 - Developer and Town sign regulatory agreement to guarantee production of affordable units that includes the price of units and deed restriction in the case of homeownership and limits on rent increases if a rental project. The deed restriction limits the profit upon resale and requires that the units be sold to another buyer meeting affordability criteria.
 - Developer forms a limited dividend corporation that limits profits.
 - The developer and Town sign a regulatory agreement.
 5. Marketing
 - Marketing plan must provide outreach to area minority communities to notify them about availability of the unit(s).
 - Local preference is limited to those who live/work in the community with a maximum of 70% of the affordable units.
 - Marketing materials must be available/application process open for a period of at least 60 days.
 - Lottery must be held.
 6. DHCD approval must include
 - Marketing plan, lottery application, and lottery explanatory materials
 - Regulatory agreement (DHCD is a signatory)
 - Deed rider (Use standard LIP document)
 - Purchase arrangements for each buyer including signed mortgage commitment, signed purchase and sale agreement and contact information of purchaser's closing attorney.

As mentioned above, in addition to being used for “friendly” 40B projects, LIP can be used for counting those affordable units as part of a Town’s Subsidized Housing Inventory that are created as a result of some local action. Following occupancy of the units, a Local Action Units application must be submitted to DHCD for the units to be counted as affordable. This application is on DHCD’s web site.

The contact person at DHCD is Janice Lesniak of the LIP staff (phone: 617-573-1309; fax: 617-573-1330; email: janice.lesniak@state.ma.us). For legal questions contact Elsa Campbell, Housing Specialist (phone: 617-573-1321; fax: 617-573-1330; email: elsa.Campbell@state.ma.us).

E. Commonwealth Capital⁴⁶

The state established Commonwealth Capital as a policy that encourages communities to implement smart growth by utilizing the smart growth consistency of municipal land use regulations as part of the evaluation of proposals for state funding under a number of state capital spending programs. Those municipalities with higher scores, will be in a more competitive position for receiving state discretionary funding, not just for housing, but for other purposes including infrastructure, transportation, environment, economic development, etc. The state's goal is to invest in projects that are consistent with Sustainable Development Principles that include:

1. Redevelop first;
2. Concentrate development;
3. Be fair;
4. Restore and enhance the environment;
5. Conserve natural resources;
6. Expand housing opportunities;
7. Provide transportation choice;
8. Increase job opportunities;
9. Foster sustainable businesses; and
10. Plan regionally.

Applications can be submitted at any time and will be valid for the programs listed above throughout the current fiscal year. Communities should submit applications prior to the deadline for any Commonwealth Capital program to which they are applying to ensure that their score will count. Applications should be submitted electronically, and each community is assigned its own login and password.

Programs which are affected by Commonwealth Capital include the following that are operated by the Executive Office of Administration and Finance (EOAF), Executive Office of Energy and Environmental Affairs (EOEEA), Executive Office of Housing and Economic Development (EOHED), Executive Office of Transportation and Public Works (EOTPW), Coastal Zone Management (CZM), Massachusetts Office of Business Development (MOBD), Massachusetts Office of Relocation and Expansion (MORE), and the Department of Housing and Community Development (DHCD):

- Public Works Economic Development Program (EOTPW)
- Bike and Pedestrian Program (EOTPW)*
- Transit Oriented Development Bond Program (EOTPW)
- Community Development Action Grant Program (EOHED and DHCD)
- State Revolving Fund (EOEEA and DEP)
- Urban Brownfields Assessment Program (EOEEA)*
- Urban Self-Help Program (EOEEA and DCS)
- Drinking Water Supply Protection Grant Program (EOEEA)

⁴⁶ This program was created by the Romney administration and coordinated by the Office of Commonwealth Development. While OCD has been disbanded, applications are still being accepted

- Urban River Visions Program (EOEEA)*
- Coastal Pollutant Remediation Grant Program (EOEEA and CZM)
- Coastal Nonpoint Source Pollution Grant Program (EOEEA and CZM)
- Off-Street Parking Program (EOAF)
- Smart Growth Technical Assistance Program (for this program EOEEA will use inverse Commonwealth Capital scores. Unlike the other 13 programs, a primary goal of this program is to help communities with low scores improve.)

* Indicates programs that are eliminated in proposed program changes.

Draft changes to Commonwealth Capital add the following programs:

- Small Town Road Assistance Program (EOTPW)
- MA Opportunity Relocation and Expansion (MORE)
- Jobs Capital Program (MOBD)
- Water Transportation Capital Funding Program (EOTPW)
- Alternative Energy Property Program (EOEEA-DOER)

The application involves a maximum score of 140 points, including bonus points. The Commonwealth Capital score will account for 30% of the possible application points for any of the Commonwealth Capital programs. The other 70% points are related to the purpose of the particular program and the merits of the proposed project. Communities receive points for zoning, planning, housing, environmental, energy, transportation, and other measures that already exist as well as measures they commit to implement by the end of 2009 (for this year's application). Additionally, communities can receive bonus points for successfully implementing commitments made in their 2008 applications.

The major components of the proposed Commonwealth Capital application and corresponding total point allocations are provided below:

- Plan for and promote livable communities and plan regionally (19)
- Zone for and permit concentrated development and mixed use (26)
- Expand housing opportunities (21)
- Make efficient decisions and increase job and business opportunities (12)
- Protect land and ecosystems (21)
- Use natural resources wisely (7)
- Promote clean energy (9)
- Provide transportation choice (9)
- Advance equity (6)
- Promote sustainable development via other actions (10)
- Bonus points for every prior fiscal year commitment implemented

A greater number of points are granted for actions that are already in place but points are also issued for commitments that have not yet been implemented.

II. SUMMARY OF HOUSING RESOURCES

Those programs that may be most appropriate to development activity in Carver are described below.⁴⁷

A. Technical Assistance

I. *Priority Development Fund*⁴⁸

A relatively new state-funded initiative, the Priority Development Fund, provides planning assistance to municipalities for housing production. In June 2004, DHCD began making \$3 million available through this Fund on a first-come, first-served basis to encourage the new production of housing, especially mixed-income rental housing. PDF assistance supports a broad range of activities to help communities produce housing. Applications must demonstrate the community's serious long-term commitment and willingness to increase its housing supply in ways that are consistent with the Commonwealth's principles of sustainable development.

Eligible activities include community initiated activities and implementation activities associated with the production of housing on specific sites. Community initiated activities include but are not limited to:

Zoning activities that support the program objectives include:

- Incentive zoning provisions to increase underlying housing density;
- Smart Growth Zoning Overlay Districts;
- Inter- and intra-municipal Transferable Development Rights proposals;
- Zoning that promotes compact housing and development such as by right multi-family housing, accessory apartment units, clustered development, and inclusionary zoning;
- Zoning provisions authorizing live-and-work units, housing units for seasonal employees, mixed assisted living facilities and the conversion of large single-family structures, vacant mills, industrial buildings, commercial space, a school or other similar facilities, into multi-family developments; and
- Other innovative zoning approaches developed by and for an individual community.

Education and outreach efforts that support the program objectives include:

- Establishment of a local or regional affordable housing trust;
- Development of a plan of action for housing activities that will be undertaken with Community Preservation Act funds; and
- Efforts to build local support (grass-root education) necessary to achieve consensus or approval of local zoning initiatives.

Implementation activities associated with the production of housing in site-specific areas include but are not limited to:

⁴⁷ Program information was gathered through agency brochures, agency program guidelines and application materials as well as the following resources: Verrilli, Ann. Housing Guidebook for Massachusetts. Produced by the Citizen's Housing and Planning Association, June 1999.

⁴⁸ Description taken from the state's program description.

- Identification of properties, site evaluation, land assembly and financial feasibility analysis; and
- Development of a Request for Proposal (RFP) for the disposition of land.

The PDF assistance is not available to serve as a substitute for pre-development assessment of alternative development scenarios for parcels already controlled by an identified private developer or to supplant municipal funds to pay staff salaries.

Eligible applicants consist of cities and towns within the Commonwealth. Municipalities may enter into third party agreements with consultants approved by DHCD, however only a municipality will be allowed to enter into a contract with MassHousing regarding the distribution of funds. Municipalities will be responsible for attesting that all funds have been expended for their intended purposes.

Joint applications involving two or more communities within a region or with similar housing challenges are strongly encouraged as a way to leverage limited resources, however, one municipality will be required to serve as the lead.

MassHousing and DHCD reserve the right to screen applications and to coordinate requests from communities seeking similar services. For example, rural communities may be more effectively served by an application for a shared consultant who can work with numerous towns to address zoning challenges that enhance housing production. Likewise, it may be more effective to support an application for a consultant to review model zoning bylaws or overlay districts with a number of interested communities with follow-up at the community level to support grassroots education, than it is to support the separate development of numerous zoning bylaws. Communities submitting multiple applications must prioritize their applications.

In exchange for the assistance, municipalities must agree to share the end product of the funded activities with DHCD and MassHousing and with other communities in the Commonwealth through reports, meetings, workshops, and to highlight these activities in print, on the web or other media outlets.

The agencies will focus the evaluation of applications to determine overall consistency with program goals and the principles of sustainable development. Applications will be evaluated based on:

- Eligibility of activity;
- Public support;
- Demonstrated need for funds;
- Likelihood activity will result in production of housing;
- Reasonableness of the timeline;
- Readiness to proceed with proposed project;
- Capacity to undertake activity;
- Cost estimates and understanding of the proposed project cost;
- Proposed activity having clearly defined benefits that will result in the production of housing; and

- Benefits being realized within a 2-3 year-timeframe.

Applications for funding will be accepted and evaluated on a rolling review basis. In order to deploy this assistance as effectively and efficiently as possible, or in the event the planning funds are oversubscribed, communities that have relatively greater planning capacity and/or resources may be requested to provide some matching funds. Additional consideration and flexibility for the assistance will be made for communities with little or no planning staff capacity or resources.

Communities may apply to DHCD for assistance of up to \$50,000. The amount of funds awarded will be a reflection of the anticipated impact on housing production. DHCD and MassHousing reserve the right to designate proposals as “Initiatives of Exceptional Merit,” in order to increase the amount of assistance and scope of services for certain projects.

2. *Peer to Peer Technical Assistance*

This state program utilizes the expertise and experience of local officials from one community to provide assistance to officials in another comparable community to share skills and knowledge on short-term problem solving or technical assistance projects related to community development and capacity building. Funding is provided through the Community Development Block Grant Program and is limited to grants of no more than \$1,000, providing up to 30 hours of technical assistance.

Applications are accepted on a continuous basis, but funding is limited. To apply, a municipality must provide DHCD with a brief written description of the problem or issue, the technical assistance needed and documentation of a vote of the Board of Selectmen supporting the request for a peer. Communities may propose a local official from another community to serve as the peer or ask DHCD for a referral. If DHCD approves the request and once the peer is recruited, DHCD will enter into a contract for services with the municipality. When the work is completed to the municipality’s satisfaction, the Town must prepare a final report, submit it to DHCD, and request reimbursement for the peer.

3. *MHP Intensive Community Support Team*

The Massachusetts Housing Partnership Fund is a quasi-public agency that offers a wide range of technical and financial resources to support affordable housing. The Intensive Community Support Team provides sustained, in-depth assistance to support the development of affordable housing. Focusing on housing production, the Team helps local advocates move a project from the conceptual phase through construction, bringing expertise and shared lessons from other parts of the state. The team can also provide guidance on project finance. Those communities, which are interested in this initiative, should contact the MHP Fund directly for more information.

4. *MHP Chapter 40B Technical Assistance Program*

Working with DHCD, MHP launched this program in 1999 to provide technical assistance to those communities needing assistance in reviewing comprehensive permit applications. The Program offers up to \$10,000 in third-party technical assistance to enable communities to hire consultants to help them review Chapter 40B applications. Those communities that are interested in this initiative should contact the MHP Fund directly for more information.

MHP recently announced new guidelines to help cities and towns review housing development proposals under Chapter 40B including:

- State housing agencies will now appraise and establish the land value of 40B sites before issuing project eligibility letters.
- State will put standards in place for determining when permit conditions make a 40B development “uneconomic”.
- There will be set guidelines on determining related-party transactions, i.e., when a developer may also have a role as contractor or realtor.
- Advice on how to identify the most important issues early and communicate them to the developer, how informal work sessions can be effective, and how to make decisions that are unlikely to be overturned in court.

5. *Smart Growth Technical Assistance Grants*

The state recently announced the availability of *Smart Growth Technical Assistance Grants* from the Executive Office of Environmental Affairs that provides up to \$30,000 per community to implement smart growth zoning changes and other activities that will improve sustainable development practices and increase scores on the Commonwealth Capital application. Eligible activities include:

- Zoning changes that implement planning recommendations;
- Development of mixed-use zoning districts;
- Completion of Brownfields inventory or site planning;
- Implementation of stormwater BMPs;
- Completion of Open Space Residential Design bylaws/ordinances;
- Implementation of Low Impact Development (LID) bylaws/ordinances; and
- Development of a Right-to-Farm bylaw/ordinance or zoning protections for agricultural preservation.

The state requires that localities provide a match of 15% of this special technical assistance fund and encourages communities that are interested in the same issues to apply jointly. Preference will be given to applications that improve sustainable development practices, realize a commitment from a community’s Commonwealth Capital application, and implement a specific Community Development or Master Plan action. Additional preference will be offered those communities with lower Commonwealth Capital scores to support towns that have the greatest need for improved land use practices. For FY 2006, applications were due in mid-August for projects that must be completed by June 30, 2006, but no applications were required in FY 2006 if one had been submitted previously. Nevertheless, communities are able to submit supplemental information that will likely help boost their scores and competitiveness for state discretionary resources.

B. Housing Development

While comprehensive permits typically do not involve external public subsidies but use internal subsidies by which the market units in fact subsidize the affordable ones, communities are finding that they also require public subsidies to cover the costs of affordable or mixed-income

residential development and need to access a range of programs through the state and federal government and other financial institutions to accomplish their objectives and meet affordable housing goals. Because the costs of development are typically significantly higher than the rents or purchase prices that low- and moderate-income tenants can afford, multiple layers of subsidies are often required to fill the gaps. Sometimes even Chapter 40B developments are finding it useful to apply for external subsidies to increase the numbers of affordable units, to target units to lower income or special needs populations, or to fill gaps that market rates cannot fully cover.

The state requires applicants to submit a One Stop Application for most of its housing subsidy programs in an effort to standardize the application process across agencies and programs. A Notice of Funding Availability (NOFA) is issued by the state usually twice annually for its rental programs and homeownership initiatives. Using the One Stop Application, applicants can apply to several programs simultaneously to support the funding needs of a particular project.

1. HOME Program

HUD created the HOME Program in 1990 to provide grants to states, larger cities and consortia of smaller cities and towns to do the following:

- Produce rental housing;
- Provide rehabilitation loans and grants, including lead paint removal and accessibility modifications, for rental and owner-occupied properties;
- Offer tenant-based rental assistance (two-year subsidies); and/or
- Assist first-time homeowners.

The HOME Program funding is targeted to homebuyers or homeowners earning no more than 80% of median income and to rental units where at least 90% of the units must be affordable and occupied by households earning no more than 60% of median income, the balance to those earning within 80% of median. Moreover, for those rental projects with five or more units, at least 20% of the units must be reserved for households earning less than 50% of median income. In addition to income guidelines, the HOME Program specifies the need for deed restrictions, resale requirements, and maximum sales prices or rentals.

The HOME Rental Program is targeted to the acquisition and rehabilitation of multi-family distressed properties or new construction of multi-family rental housing from five to fifty units. Once again, the maximum subsidy per project is \$750,000 and the maximum subsidy per unit in localities that receive HOME or CDBG funds directly from HUD is \$50,000 (these communities should also include a commitment of local funds in the project). Those communities that do not receive HOME or CDBG funds directly from HUD, like Carver, can apply for up to \$65,000 per unit. Subsidies are in the form of deferred loans at 0% interest for 30 years. State HOME funding cannot be combined with another state subsidy program with several exceptions including the Low Income Housing Tax Credits, HIF and the Soft Second Program.

2. Community Development Block Grant Program (CDBG)

In addition to funding for the Peer-to-Peer Program mentioned in the above section, there are other housing resources supported by federal CDBG funds that are distributed by formula to Massachusetts.

The **Massachusetts Small Cities Program** that has a set-aside of Community Development Block Grant (CDBG) funds to support a range of eligible activities including housing development. However, at least 70% of the money must provide benefits to households earning within 80% of median income. This money is for those nonentitlement localities that do not receive CDBG funds directly from HUD. Funds are awarded on a competitive basis through Notices of Funding Availability with specific due dates or through applications reviewed on a rolling basis throughout the year, depending on the specific program. This funding supports a variety of specific programs.

The program that potentially has the greatest applicability in Carver is the **Housing Development Support Program (HDSP)** that provides gap financing for small affordable housing projects with fewer than eight units, including both new construction and rehabilitation. Eligible activities include development, rehabilitation, homeownership, acquisition, site preparation and infrastructure work. There is a maximum of \$500,000 plus administrative costs but the program can go up to \$750,000 per project for somewhat larger developments of up to ten units that involve mixed-use or adaptive reuse projects. A majority of the units must be affordable. All state and federal grants cannot exceed 75% of total project costs with the exception of special needs projects where such grants can amount to 100% of total costs. Funding involves a two-step process: 1) a notice of intent that provides basic information on the project, and 2) the municipality may be invited to submit a full application. HDSP Program funding is extremely competitive, and projects that receive funding through the state HOME or Housing Stabilization Fund Programs are excluded from applying to HDSP.

There are other programs funded through the Community Development Block Grant Small Cities Program for both homeownership and rental projects. A number of the special initiatives are directed to communities with high “statistical community-wide needs”, however, the **Community Development Fund II** is targeted to communities with lower needs scores that have not received CDBG funds in recent years. This may be the best source of CDBG funding for Carver besides HDSP described above. Funding is also awarded competitively through an annual Notice of Funding Availability. DHCD also has a **Reserve Fund** for CDBG-eligible projects that did not receive funding from other CDBG funded programs or for innovative projects.

3. *Housing Stabilization Fund (HSF)*

The state’s Housing Stabilization Fund (HSF) was established in 1993 through a Housing Bond bill to support housing rehabilitation through a variety of housing activities including homeownership (most of this funding has been allocated for the MHP Soft Second Program) and rental project development. The state subsequently issued additional bond bills to provide more funding. The HSF Rehabilitation Initiative is targeted to households with incomes within 80% of median income, with resale or subsequent tenancy for households within 100% of median income. The funds can be used for grants or loans through state and local agencies, housing authorities and community development corporations with the ability to subcontract to other entities. The funds have been used to match local HOME program funding, to fund demolition, and to support the acquisition and rehabilitation of affordable housing. In addition to a program directed to the rehabilitation of abandoned, distressed or foreclosed properties, the HSF provides

funds to municipalities for local revitalization programs directed to the creation or preservation of rental projects. As with HOME, the maximum amount available per project is \$750,000 and the maximum per unit is \$65,000 for communities that do not receive HOME or CDBG funds directly from HUD, and \$50,000 for those that do. Communities can apply for HSF funding biannually through the One Stop Application.

4. *Low Income Housing Tax Credit Program*

The Low Income Housing Tax Credit Program was created in 1986 by the Federal Government to offer tax credits to investors in housing development projects that include some low-income units. The tax credit program is often the centerpiece program in any affordable rental project because it brings in valuable equity funds. Tax credits are either for 4% or 9% of the development or rehab costs for each affordable unit for a ten-year period. The 4% credits have a present value of 30% of the development costs, except for the costs of land, and the 9% credit have a present value equal to 70% of the costs of developing the affordable units, with the exception of land. Both the 4% and 9% credits can be sold to investors for close to their present values.

The Federal Government limits the 9% credits and consequently there is some competition for them, nevertheless, most tax credit projects in Massachusetts are financed through the 9% credit. Private investors, such as banks or corporations, purchase the tax credits for about 80 cents on the dollar, and their money serves as equity in a project, reducing the amount of the debt service and consequently the rents. The program mandates that at least 20% of the units must be made affordable to households earning within 50% of median income or 40% of the units must be affordable to households earning up to 60% of median income. Those projects that receive the 9% tax credits must produce much higher percentages of affordable units.

The Massachusetts Legislature has enacted a comparable state tax credit program, modeled after the federal tax credit program. The One Stop Application is also used to apply for this source of funding.

5. *Affordable Housing Trust Fund*

The Affordable Housing Trust Fund (AHTF) was established by an act of the State Legislature and is codified under Chapter 121-D of the Massachusetts General Laws. The AHTF operates out of DHCD and is administered by MassHousing with guidance provided by an Advisory Committee of housing advocates. The purpose of the fund is to support the creation/preservation of housing that is affordable to people with incomes that do not exceed 110% of the area median income. The AHTF can be used to support the acquisition, development and/or preservation of affordable housing units. AHTF assistance can include:

- Deferred payment loans, low/no-interest amortizing loans.
- Down payment and closing cost assistance for first-time homebuyers.
- Credit enhancements and mortgage insurance guarantees.
- Matching funds for municipalities that sponsor affordable housing projects.
- Matching funds for employer-based housing and capital grants for public housing.

Funds can be used to build or renovate new affordable housing, preserve the affordability of subsidized expiring use housing, and renovate public housing. While the fund has the flexibility of serving households with incomes up to 110%, preferences for funding will be directed to projects involving the production of new affordable units for families earning below 80% of median income. The program also includes a set-aside for projects that serve homeless households or those earning below 30% of median income. Once again, the One Stop Application is used to apply for funding, typically through the availability of two funding rounds per year.

6. *Housing Innovations Fund (HIF)*

The state also administers the Housing Innovations Fund (HIF) that was created by a 1987 bond bill and expanded under two subsequent bond bills to provide a 5% deferred loan to non-profit organizations for no more than \$500,000 per project or up to 30% of the costs associated with developing alternative forms of housing including limited equity coops, mutual housing, single-room occupancy housing, special needs housing, transitional housing, domestic violence shelters and congregate housing. At least 25% of the units must be reserved for households earning less than 80% of median income and another 25% for those earning within 50% of area median income. HIF can also be used with other state subsidy programs including HOME, HSF and Low Income Housing Tax Credits. The Community Economic Development Assistance Corporation (CEDAC) administers this program. Applicants are required to complete the One-Stop Application.

7. *Federal Home Loan Bank Board's Affordable Housing Program (AHP)*

Another potential source of funding for both homeownership and rental projects is the Federal Home Loan Bank Board's Affordable Housing Program (AHP) that provides subsidies to projects targeted to households earning between 50% and 80% of median income, with up to \$300,000 available per project. This funding is directed to filling existing financial gaps in low- and moderate-income affordable housing projects. There are typically two competitive funding rounds per year for this program.

8. *MHP Permanent Rental Financing Program*

The state also provides several financing programs for rental projects through the Massachusetts Housing Partnership Fund. The Permanent Rental Financing Program provides long-term, fixed-rate permanent financing for rental projects of five or more units from \$100,000 loans to amounts of \$2 million. At least 20% of the units must be affordable to households earning less than 50% of median income or at least 40% of the units must be affordable to households earning less than 60% of median income or at least 50% of the units must be affordable to households earning less than 80% of median income. MHP also administers the Permanent Plus Program targeted to multi-family housing or SRO properties with five or more units where at least 20% of the units are affordable to households earning less than 50% of median income. The program combines MHP's permanent financing with a 0% deferred loan of up to \$40,000 per affordable unit up to a maximum of \$500,000 per project. No other subsidy funds are allowed in this program. The Bridge Financing Program offers bridge loans of up to eight years ranging from \$250,000 to \$5 million to projects involving Low Income Housing Tax Credits. Applicants should contact MHP directly to obtain additional information on the program and how to apply.

9. *OneSource Program*

The Massachusetts Housing Investment Corporation (MHIC) is a private, non-profit corporation that since 1991 has provided financing for affordable housing developments and equity for projects that involve the federal Low Income Housing Tax Credit Program. MHIC raises money from area banks to fund its loan pool and invest in the tax credits. In order to qualify for MHIC's OneSource financing, the project must include a significant number of affordable units, such that 20% to 25% of the units are affordable to households earning within 80% of median income. Interest rates are typically one point over prime and there is a 1% commitment fee. MHIC loans range from \$250,000 to several million, with a minimum project size of six units. Financing can be used for both rental and homeownership projects, for rehab and new construction, also covering acquisition costs with quick turn-around times for applications of less than a month (an appraisal is required). The MHIC and MHP work closely together to coordinate MHIC's construction financing with MHP's permanent take-out through the OneSource Program, making their forms compatible and utilizing the same attorneys to expedite and reduce costs associated with producing affordable housing.

10. *Section 8 Rental Assistance*

An important low-income housing resource is the Section 8 Program that provides rental assistance to help low- and moderate-income households pay their rent. In addition to the federal Section 8 Program, the state also provides rental subsidies through the Massachusetts Rental Voucher Program as well as three smaller programs directed to those with special needs. These rental subsidy programs are administered by the state or through local housing authorities and regional non-profit housing organizations. Rent subsidies take two basic forms – either granted directly to tenants or committed to specific projects through special Project-based rental assistance. Most programs require households to pay a minimum percentage of their adjusted income (typically 30%) for housing (rent and utilities) with the government paying the difference between the household's contribution and the actual rent.

11. *Massachusetts Preservation Projects Fund*

The Massachusetts Preservation Projects Fund (MPPF) is a state-funded 50% reimbursable matching grant program that supports the preservation of properties, landscapes, and sites (cultural resources) listed in the State Register of Historic Places. Applicants must be municipality or non-profit organization. Funds can be available for pre-development including feasibility studies, historic structure reports and certain archaeological investigations of up to \$30,000. Funding can also be used for construction activities including stabilization, protection, rehabilitation, and restoration or the acquisition of a state-registered property that are imminently threatened with inappropriate alteration or destruction. Funding for development and acquisition projects range from \$7,500 to \$100,000. Work completed prior to the grant award, routine maintenance items, mechanical system upgrades, renovation of non-historic spaces, moving an historic building, construction of additions or architectural/engineering fees are not eligible for funding or use as the matching share. A unique feature of the program allows applicants to request up to 75% of construction costs if there is a commitment to establish a historic property maintenance fund by setting aside an additional 25% over their matching share in a restricted

endowment fund. A round of funding was recently held, but future rounds are not authorized at this time.

12. *District Improvement Financing Program (DIF)*

The District Improvement Financing Program (DIF) is administered by the state's Office of Business Development to enable municipalities to finance public works and infrastructure by pledging future incremental taxes resulting from growth within a designated area to service financing obligations. This Program, in combination with others, can be helpful in developing or redeveloping target areas of a community, including the promotion of mixed-uses and smart growth. Municipalities submit a standard application and follow a prescribed application process directed by the Office of Business Development in coordination with the Economic Assistance Coordinating Council.

13. *Urban Center Housing Tax Increment Financing Zone (UCH-TIF)*

The Urban Center Housing Tax Increment Financing Zone Program (UCH-TIF) is a relatively new state initiative designed to give cities and towns the ability to promote residential and commercial development in commercial centers through tax increment financing that provides a real estate tax exemption on all or part of the increased value (the "increment") of the improved real estate. The development must be primarily residential and this program can be combined with grants and loans from other local, state and federal development programs. An important purpose of the program is to increase the amount of affordable housing for households earning at or below 80% of area median income and requires that 25% of new housing to be built in the zone be affordable, although the Department of Housing and Community Development may approve a lesser percentage where necessary to insure financial feasibility. In order to take advantage of the program, a municipality needs to adopt a detailed UCH-TIF Plan and submit it to DHCD for approval.

14. *Community Based Housing Program*

The Community Based Housing Program provides loans to nonprofit agencies for the development or redevelopment of integrated housing for people with disabilities in institutions or nursing facilities or at risk of institutionalization. The Program provides permanent, deferred payment loans for a term of 30 years, and CBH funds may cover up to 50% of a CHA unit's Total Development Costs up to a maximum of \$750,000 per project.

C. Homebuyer Financing and Counseling

1. *Soft Second Loan Program*

The Massachusetts Housing Partnership Fund, in coordination with the state's Department of Housing and Community Development, administers the Soft Second Loan Program to help first-time homebuyers purchase a home. The Program began in 1991 to help families earning up to 80% of median income qualify for a mortgage through a graduated-payment second mortgage and down payment assistance. Just recently the state announced that it had lent \$1 billion in these affordable mortgages. Participating lenders originate the mortgages which are actually split in two with a conventional first mortgage based on 77% of the purchase price, the soft second mortgage for typically about 20% of the purchase price (or \$20,000 if greater) and a requirement from the buyer of at least a 3% down payment. Borrowers do not need to purchase private mortgage insurance that would typically be required with such a low down payment, thus

saving the buyer significant sums on a monthly basis. Program participants pay interest only on the soft second mortgage for the first ten years and some eligible buyers may qualify for an interest subsidy on the second mortgage as well. Additionally, some participating lenders and communities offer grants to support closing costs and down payments and slightly reduced interest rates on the first mortgage. Carver is already a participating community in the Program.

2. *American Dream Downpayment Assistance Program*

The American Dream Downpayment Assistance Program is also awarded to municipalities or non-profit organizations on a competitive basis to help first-time homebuyers with down payments and closing costs. While the income requirements are the same as for the Soft Second Program, the purchase price levels are higher based on the FHA mortgage limits. Deferred loans for the down payment and closing costs of up to 5% of the purchase price to a maximum of \$10,000 can be made at no interest and with a five-year term, to be forgiven after five years. Another loan can be made through the program to cover deleading in addition to the down payment and closing costs, but with a ten-year term instead, with at least 2.5% of the purchase price covering the down payment.

3. *Homebuyer Counseling*

There are a number of programs, including the Soft Second Loan Program and MassHousing's Home Improvement Loan Program, as well as Chapter 40B homeownership projects, that require purchasers to attend homebuyer workshops sponsored by organizations that are approved by the state, Citizens Housing and Planning Association (CHAPA) and/or HUD as a condition of occupancy. These sessions provide first-time homebuyers with a wide range of important information on homeownership finance and requirements. The organization that offers these workshops in closest proximity to Carver is South Shore Housing Development Corporation that provides these workshops throughout Plymouth and Bristol Counties.

4. *Homeownership Assistance*

South Shore Housing Development also provides down payment and closing cost assistance to first-time homebuyers to help make homeownership more affordable as well as special mortgage financing at very advantageous terms and rates.

5. *Self Help Housing*

Self-Help programs involve sweat-equity by the homebuyer and volunteer labor of others to reduce construction costs. Some communities have donated building lots to Habitat for Humanity to construct affordable single housing units. Under the Habitat for Humanity program, homebuyers contribute between 300 and 500 hours of sweat equity while working with volunteers from the community to construct the home. The homeowner finances the home with a 20-year loan at 0% interest. As funds are paid back to Habitat for Humanity, they are used to fund future projects.

D. Home Improvement Financing

1. *MassHousing Home Improvement Loan Program (HILP)*

The MHFA Home Improvement Loan Program (HILP) is targeted to one- to four-unit, owner-occupied Properties, including condominiums, with a minimum loan amount of \$10,000 up to a maximum of \$50,000. Loan terms range from five to 20 years based on the amount of the loan

and the borrower's income and debt. MassHousing services the loans. Income limits are \$92,000 for households of one or two persons and \$104,000 for families of three or more persons. To apply for a loan, applicants must contact a participating lender.

2. *Get the Lead Out Program*

MassHousing's Get the Lead Out Program, operated by Self Help, Inc., based in Brockton, offers 100% financing for lead paint removal on excellent terms that are based on ownership status and type of property. An owner-occupied, single-family home may be eligible to receive a 0% deferred payment loan up to \$20,000 that is due when the house is sold, transferred or refinanced. An owner-occupant of a two-family house could receive up to \$25,000 to conduct the de-leading work. Maximum income limits for owner-occupants are \$74,400 for one and two-person households and \$85,500 for three or more persons. Investor-owners can also participate in the program but receive a 5% fully amortizing loan to cover costs. Non-profit organizations that rent properties to income-eligible residents are also eligible for 0% fully amortizing loans that run from five to 20 years. Applicants must contact a local rehabilitation agency to apply for the loan.

3. *Septic Repair Program*

Through a partnership with the Massachusetts Department of Environmental Protection and Revenue, MassHousing offers loans to repair or replace failed or inadequate septic systems for qualifying applicants. The interest rates vary according to the borrower's income with 0% loans available to one and two-person households earning up to \$23,000 and three or more person households earning up to \$26,000 annually. There are 3% loans available for those one or two person households earning up to \$46,000 and three or more persons earning up to \$52,000. Additionally, one to four-family dwellings and condominiums are eligible for loan amounts of up to \$25,000 and can be repaid in as little as three years or over a longer period of up to 20 years. Loans are available through participating banks.
