

Town of Sunderland

Housing Plan

2016 Update



Effective February 12, 2016 through February 11, 2021

**Prepared by the Sunderland Housing Committee
with assistance from the Franklin Regional Council of Governments**



This plan was funded by a Direct Local Technical Assistance Grant from the Massachusetts Department of Housing and Community Development

2016 SUNDERLAND HOUSING PLAN

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INTRODUCTION

Purpose of a Housing Production Plan

A Housing Production Plan is a planning document that identifies the housing needs of a community and the strategies it will use to facilitate the development of affordable housing. The plan provides information on trends in Sunderland relating to its residents, the existing types of housing, and the current development conditions in town. The collection and analysis of this information, along with public input, were used to develop the housing goals for Sunderland. These goals outline the types of affordable housing desired in the future, where new housing should be targeted, and what this new development should look like. Finally, the plan includes implementation strategies that the town can pursue to make these goals a reality.

On a broader level, this plan seeks to develop a vision that will help shape the future of Sunderland. Will long-time residents have affordable, suitable housing that allows them to stay in town as they age? Will children who grew up in town be able to return to Sunderland to raise a family? Will people who are employed in Sunderland be able to afford to live in town? These are the types of questions this plan has tried to address.

Housing Affordability

In particular, this plan examines the affordability of the town's housing. Housing is generally considered affordable when households spend no more than 30% of their gross income on housing costs. Affordable housing can come in many forms – market rate or affordable, with or without subsidies, and privately or publically owned. Typically, the private market rate housing that is affordable to low income families has problems that keep the rent low, such as poor condition, limited maintenance and management, expensive utilities that are not paid for by the landlords, lead paint or located in an undesirable area. Similar to public subsidized housing, there is also private affordable housing that is reserved for low income families. Typically, the owner of the property receives public or private funding for development and/or operation of affordable housing in exchange for long-term deed restrictions limiting tenant eligibility by income and limiting rent. The type and extent of this funding determines the affordability of the property.

A Housing Production Plan (HPP) is focused on a community's *subsidized* affordable housing. For a housing unit to be defined as affordable and listed on the State's Subsidized Housing Inventory (SHI), it must be affordable to a household earning no more than 80% of the area median income, must have some form of subsidy for development and/or operations, and the housing must have deed restrictions to ensure long-term affordability.

In 1969, Massachusetts enacted the Chapter 40B Program, which sets a goal of increasing the amount of long term affordable housing to 10% of the housing stock in each community. In

municipalities that have not met this goal, developers of affordable housing can take advantage of a streamlined permitting process that provides exceptions to local zoning requirements. The SHI is the official measure of which communities currently meet the state's 10% affordability goal.

Housing Production Plans and Chapter 40B

A Housing Production Plan (HPP) is important because it provides a community with a comprehensive understanding of its housing needs. It is also very valuable in that if a town has an approved HPP *and* meets its annual Chapter 40B affordable housing production goal, it can be certified to be in compliance with the plan for a period of one or two years. If a community is certified compliant, decisions made by the town's Zoning Board of Appeals (ZBA) will be deemed Consistent with Local Needs under the Comprehensive Permit Act (Chapter 40B), and the ZBA's denial or approval with conditions of a comprehensive permit application will be upheld as a matter of law. Essentially, with an HPP and demonstrable progress towards creating affordable housing, a town has control over comprehensive permit applications, also known as 40B developments, during the certification period.

A community will be certified in compliance with an approved HPP if, during a single calendar year, it has increased its number of low- and moderate-income year round housing units, as counted on the Subsidized Housing Inventory (SHI), in an amount equal to or greater than its housing production goal. The housing production goal for each community is based on the year round housing unit count as of the last U.S. Decennial Census. Sunderland's current goal is based on the 2010 U.S. Census total housing unit count of 1,718.

To be certified for a one year period, the number of affordable housing units created within a calendar year must be equal to or greater than 0.5% of a town's year round housing stock. For a two year certification, the number of affordable units created in a calendar year must be equal to or greater than 1% of year-round housing units. In Sunderland, this equates to 9 units for a one-year certification, and 17 units for a two-year certification. Sunderland will strive to meet these goals through the strategies outlined in this Housing Plan.

If a community has achieved certification within 15 days of the opening of the local hearing for the Comprehensive Permit, the ZBA shall provide written notice to the Applicant, with a copy to the Department of Housing and Community Development (DHCD), that it considers that a denial of the permit or the imposition of conditions or requirements would be consistent with local needs, the grounds that it believes has 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 the DHCD, with a copy to the Board, within 15 days of its receipt of the ZBA's notice, including any documentation to support its position. DHCD shall thereupon review the materials

provided by both parties and issue a decision within 30 days of its receipt of all materials. The ZBA shall have the burden of proving satisfaction of the grounds for asserting that a denial or approval with conditions would be consistent 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.

Planning Process

The Town of Sunderland requested assistance from the Franklin Regional Council of Governments (FRCOG) through the Direct Local Technical Assistance program to update the 2007 Sunderland Housing Plan. The Housing Committee held four publicly posted meetings with FRCOG staff from July 2015 through November 2015 to review and revise the plan. A public forum to present the key findings and draft goals and strategies from the plan was held during the November 10, 2015 Sunderland Planning Board meeting. The forum was publicized on the Town website and through the town's reverse call notification system to town residents, and was televised by Frontier Cable Access Television. The draft plan and executive summary were also available on the Town website a week prior to the forum, and public comment was accepted through November 17, 2015. All meeting agendas, sign-in sheets, and publicity is located in the Appendix.

At the December 8, 2015 Planning Board meeting, the Board voted to adopt the plan, and the Sunderland Board of Selectmen voted on December 21, 2015 to adopt the plan. The plan was then submitted to the Massachusetts Department of Housing and Community Development (DHCD) for review and approval, which was received on February 12, 2016. The Sunderland Housing Plan will be effective through February 11, 2021 at which time it will need to be revised and resubmitted to DHCD.

1. HOUSING NEEDS ASSESSMENT

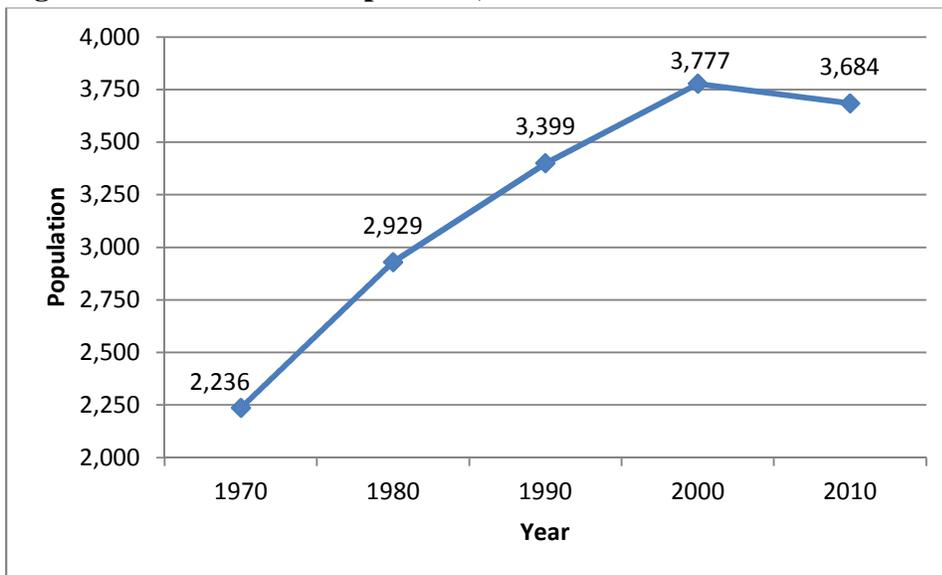
1.1 Community Demographics

This section of the Sunderland Housing Plan examines and reviews the population characteristics that influence housing demand. These characteristics include population size, household size, age distribution, and disabilities and other special needs. This section also discusses potential housing needs, both for Sunderland’s population in general, and for particular population segments, such as households with children, seniors, and people with disabilities.

Total Population

Between 1970 and 2010, Sunderland’s population grew 65%, increasing from 2,236 people to 3,684 (*Figure 1*). During this period, the town’s population grew at a much greater rate than most surrounding towns and Franklin County (21%) and the State (15%). Between 2000 and 2010, however, the town’s population declined by -2.5% (93 people), while many other surrounding towns continued to grow (*Table 1*).

Figure 1: Sunderland’s Population, 1970 - 2010



Source: U.S. Census Bureau, Decennial Census.

Table 1: Sunderland’s Population, 1970 - 2010, Compared to Neighboring Communities, Franklin County, and the State

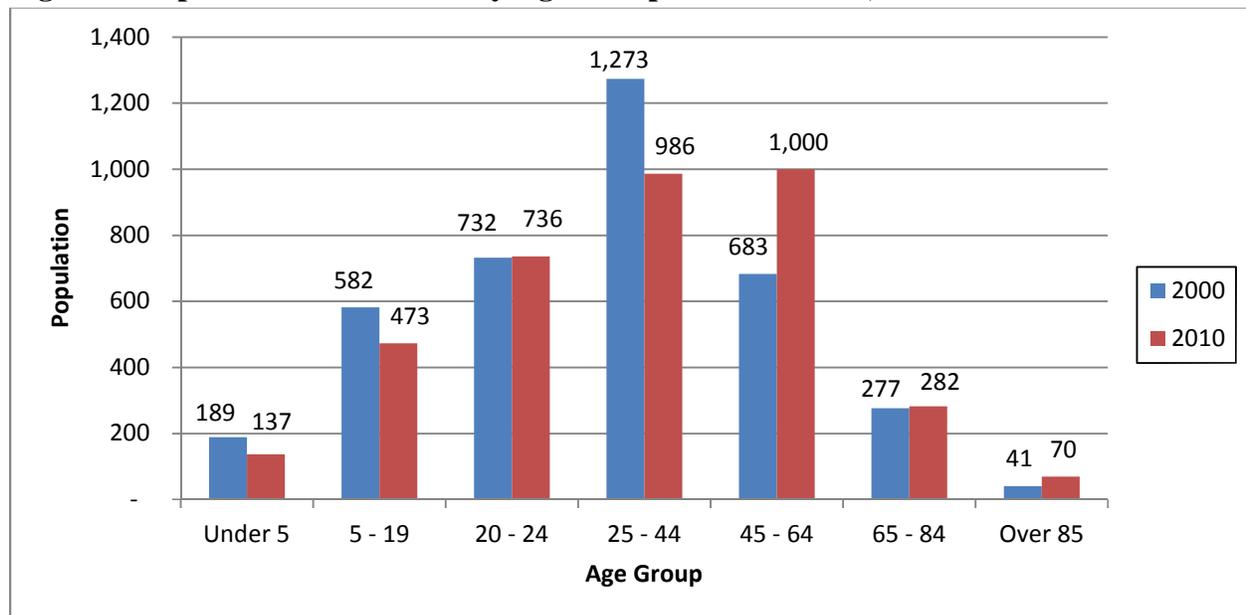
Area	1970	1980	1990	2000	2010	2000-2010 Change		1970-2010 Change	
						Number	%	Number	%
Sunderland	2,236	2,929	3,399	3,777	3,684	-93	-2.5%	1,448	64.8%
Amherst	26,331	33,229	35,228	34,874	37,819	2,945	8.4%	11,488	43.6%
Deerfield	3,873	4,517	5,018	4,750	5,125	375	7.9%	1,252	32.3%
Hadley	3,760	4,125	4,231	4,793	5,250	457	9.5%	1,490	39.6%
Leverett	1,005	1,471	1,785	1,663	1,851	188	11.3%	846	84.2%
Montague	8,451	8,011	8,316	8,489	8,437	-52	-0.6%	-14	-0.2%
Whately	1,145	1,341	1,375	1,573	1,496	-77	-4.9%	351	30.7%
Franklin County	59,233	64,317	70,092	71,535	71,372	-163	-0.2%	12,139	20.5%
Massachusetts	5,689,377	5,737,037	6,016,425	6,349,097	6,547,629	198,532	3.1%	85,8252	15.1%

Source: U.S. Census Bureau, Decennial Census.

Population Distribution by Age Group

One demographic factor that can affect housing demand is the age distribution of the population. Different age groups have different housing needs. The population distribution for Sunderland in 2000 and 2010 is shown in Figure 2. The major changes during this time period were a decrease in the number of children and residents between the ages 25 – 44, and an increase in residents between the ages of 45 – 64.

Figure 2: Population Distribution by Age Group in Sunderland, 2000 and 2010



Source: U.S. Census Bureau, Decennial Census.

Table 2 shows the percentage of the population that falls into each age group for Sunderland, Franklin County, and the State in 2000 and 2010. Sunderland’s population distribution differs from that for Franklin County and the State. The main difference is Sunderland’s high percentage of 20-24 year olds (20% in 2010), because of the large number of college students who live in the town. This results in lower percentages in some of the other age categories. Sunderland in particular has a small percentage of elderly residents aged 65 and over. Only 10% of residents are in this population group compared to 15% in Franklin County and 14% in Massachusetts. Sunderland also has a comparatively small percentage of children. In 2010, 17% of residents in town were age 19 or younger, compared to 22% in Franklin County and 25% in the state.

Table 2: Population Distribution by Age in Sunderland, Franklin County, and Massachusetts, 2000 and 2010

Age Group	2000			2010		
	Sunderland	Franklin County	Massachusetts	Sunderland	Franklin County	Massachusetts
Under 5	5.0%	5.1%	6.2%	3.7%	4.8%	5.6%
5 - 19	15.4%	20.7%	20.1%	12.8%	17.2%	19.2%
20 - 24	19.4%	5.5%	6.4%	20.0%	6.0%	7.3%
25 - 44	33.7%	28.4%	31.4%	26.8%	23.1%	26.5%
45 - 64	18.1%	25.9%	22.3%	27.1%	33.7%	27.7%
65 - 84	7.3%	12.4%	11.7%	7.7%	12.8%	11.6%
Over 85	1.1%	1.9%	1.8%	1.9%	2.4%	2.2%
Total	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%

Source: U.S. Census Bureau, Decennial Census.

Population Projections through 2030

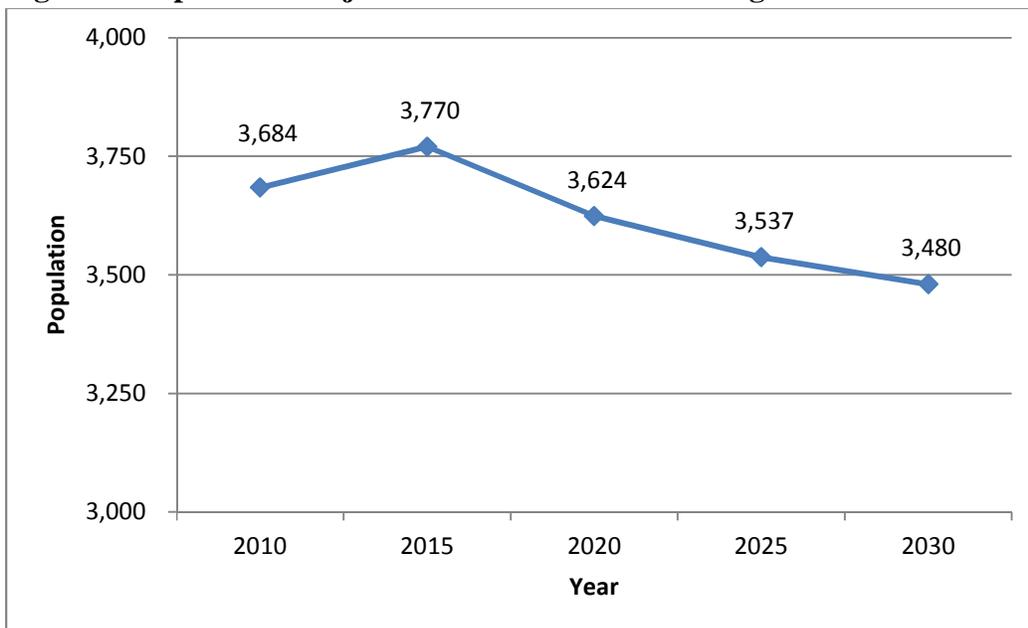
Population projections for Sunderland through 2030 are shown in Figure 3. These projections were developed by the UMass Donahue Institute in 2013. The projections show that Sunderland’s population could increase between 2010 and 2015, and then decline steadily between 2015 and 2030 for a total loss of 204 residents by 2030.

The Franklin Regional Council of Governments (FRCOG) revised these projections based on local conditions that suggest that Sunderland may not decline in population over this time period. FRCOG’s projections show Sunderland increasing slightly in population by approximately 86 people by 2030. Sugarbush Meadows, a Comprehensive Permit project that is under review by the Sunderland Zoning Board of Appeals, would create 150 new apartments in Sunderland once constructed. Sunderland’s estimated average household size for rental units is 2.0 people (2010 U.S. Census). An additional 150 rental units could result in 300 new residents.

The expansion of UMass Amherst over the past five decades has impacted Sunderland’s population, as an increase in students and staff has led to a greater demand for housing in town. In the last ten years, enrollment at UMass Amherst increased by 17%, to 28,885 students in 2014.¹ One growth scenario for the school shows an increase of 3,000 students and an additional 250 new faculty by 2022.² While many factors can influence how this growth will impact Sunderland, such as availability of on-campus housing, it can be assumed that students and staff will continue to find Sunderland a convenient and attractive place to live.

Current data on building permit records for new residential construction indicate that Sunderland is slowly growing in population. From 2010 through 2014, building permits were issued for 17 new single-family homes. Assuming an average household size of 2.21 (the 2010 U.S. Census-reported average household size for single-family homes in Sunderland), these new homes are estimated to house 38 people.

Figure 3: Population Projections for Sunderland through 2030



Source: UMass Donahue Institute Population Projections, December 2013..

The UMass Donahue population projections for Sunderland forecast that the largest population growth will occur among residents ages 65 to 84 (151% growth). Much of this senior population growth will be driven by the aging of the baby boom generation born between 1946 and 1964.

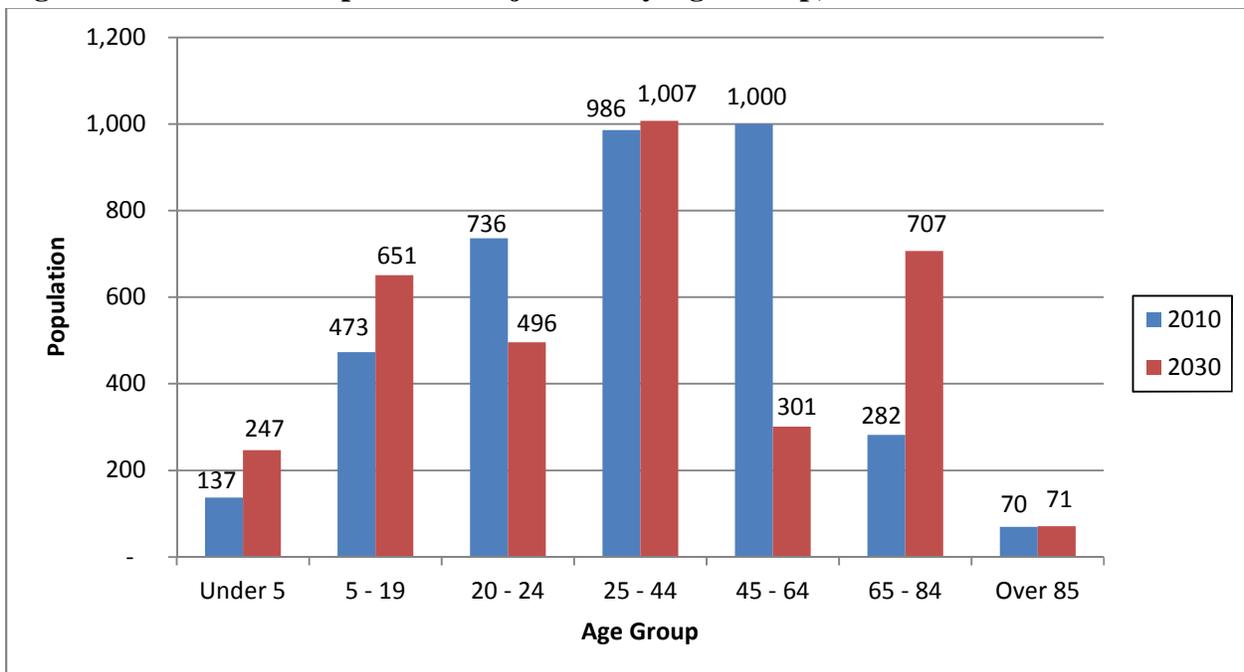
¹ “Enrollment at UMass system surges 30 percent over past decade.” Matt Rocheleau, The Boston Globe, September 3, 2014.

² *UMass Amherst Campus Master Plan*. UMass Campus Planning Division, 2012.

By 2020, many baby boomers will be age 65 or older. As the number of older residents in Sunderland grows, it will be important to have housing that accommodates their needs.

The population of children under the age of 5 and between the ages of 5 to 19 is also expected to grow by 80% and 38%, respectively. Major decreases in population are projected for the 45 – 64 age group (-70%), and the 20 – 24 age group (-33%). Given the large amount of rental housing in Sunderland that caters to college students, it is unlikely that such a decrease in the 20 – 24 age group will occur. On the contrary, given UMass’ potential growth scenario and the possibility for 150 new rental units through the Sugarbush Meadows project, the percentage of residents within the 20 – 24 age group may increase over time.

Figure 4: Sunderland Population Projections by Age Group, 2010 and 2030



Source: UMass Donahue Institute Population Projections. December 2013.

Households

A household is generally defined as an individual or group of people living in one housing unit. In 2010, Sunderland had an estimated 1,648 households (2010 U.S. Census). This is a slight increase of 15 households (1%) since 2000. The increase in the number of households despite a decrease in population over the same time period reflects societal shifts that influence average household size. Nationally, average household size is declining, and this trend is mirrored in Sunderland. The average household size in Sunderland declined an estimated 11% between 1990 and 2010, decreasing from 2.49 to 2.21 persons per household.

Sunderland has a smaller average household size compared to Franklin County and the State, reflecting the large number of renters living in the town. The average household size for homeowner households in Sunderland is 2.45 people. In comparison, the average household size for rental housing is 2.0 people (2010 U.S. Census). The difference in household size is related to the kinds of households who typically rent. Renters are more likely to be young and to have smaller households than owners. For example, an estimated 92% of Sunderland households that are headed by someone under age 35 rent their housing, in contrast, only 22% of households headed by someone 55 or older are renters.

Approximately 29% of the households (478) in Sunderland consist of people living by themselves, representing the largest household type in town (*Table 3*). Almost one quarter of these individuals are age 65 and over. Family households with no children at home, such as empty nesters or married couples with no children, make up 27% (450) of households in town. Twenty-five percent (410) of households consist of unrelated people living together. It is thought that many of the households in this category include college and graduate students attending the University of Massachusetts or other nearby higher education institutions. In Franklin County overall, approximately 9% of households are comprised of unrelated people living together, a much smaller percent. Approximately 19% of households in town are families with children under the age of 18.

Table 3: Sunderland Household Types, 2000 and 2010

Household Type	2000		2010		2000 - 2010 Change	
	Number	Percent	Number	Percent	Number	Percent
Total Households	1,633	100%	1,648	100%	15	0.9%
Households with children	383	23%	328	20%	-55	-14.4%
Households with individuals 65 years and over	203	12%	252	15%	49	24.1%
Family Households, no children at home	398	24%	450	27%	52	13.1%
Family Households with children	368	23%	310	19%	-58	-15.8%
Male householder, no spouse present	28	2%	22	1%	-6	-21.4%
Female householder, no spouse present	66	4%	70	4%	4	6.1%
One-person Household	456	28%	478	29%	22	4.8%
65 years and over	80	5%	105	6%	25	31.3%
Non-family household with more than 1 person	411	25%	410	25%	-1	-0.2%

Source: 2000 and 2010 U.S. Census.

The major changes in household types between 2000 and 2010 were a decrease in the number of families with children (-16%), an increase in households with someone aged 65 and over (24%), an increase in families with no children at home (13%), and an increase in one-person households age 65 and older (31%). This generally mirrors changes in the population by age, and shows an overall aging of the population.

Household Projections through 2030

The UMass Donahue Institute population projections estimate a decrease of 204 people in Sunderland between 2010 and 2030. Assuming an average household size of 2.21 people per household in 2010, this translates to a loss of 92 households. As already discussed, the Sugarbush Meadows project proposes to develop 150 new rental units in town, which would increase the number of households in town in the near future. FRCOG’s revised population projections for Sunderland show an increase of 86 people in town by 2030, which would translate to approximately 39 additional households.

Race and Ethnicity

Sunderland is more ethnically and racially diverse than Franklin County overall (*Table 4*). An estimated 15% of the population is either Hispanic and/or non-White. Major factors contributing to this relative diversity are the large college and graduate student population residing within the town, and the large renter population, many of whom are students. Overall, town residents are still predominantly White and non-Hispanic, with 85% of all Sunderland residents in this racial and ethnic category.

Table 4: Sunderland Race and Ethnicity, compared to Franklin County

Race and Ethnicity	Sunderland		Franklin County	
	Population	% of Total Population	Population	% of Total Population
White, non-Hispanic/Latino	3,118	84.6%	65,978	92.4%
Black or African American	93	2.5%	703	1.0%
American Indian and Alaska Native	12	0.3%	175	0.2%
Asian	190	5.2%	887	1.2%
Native Hawaiian and Other Pacific Islander	1	0.0%	9	0.0%
Some Other Race	11	0.3%	99	0.1%
Two or More Races	78	2.1%	1,271	1.8%
Hispanic or Latino*	181	4.9%	2,250	3.2%

* Hispanic or Latino persons can be of any race.

Source: 2010 U.S. Census.

Household Incomes

In 2013, the estimated median household income in Sunderland was \$47,000, compared to the estimated median household income of \$53,663 for Franklin County. In the same year, the estimated median family income in Sunderland was \$78,167, compared to an estimated median family income in Franklin County of \$67,785. The difference is how families and households are defined. There are many households that are not considered families, including people living alone and non-related individuals living together. These types of households often have lower incomes than families do. This Housing Plan primarily uses household incomes for its analysis, instead of family incomes, because of the more inclusive nature of the household data, and because of the large number of non-family households in Sunderland.

The determination of which households are very low income, low income, moderate income, and middle income is based upon the Area Median Income (AMI), determine by the U.S. Department of Housing and Urban Development (HUD). Households are considered to be of very low income if they earn less than 50% of the AMI, and of low income if they earn between 50% and 80% of the AMI. Middle income households have incomes more than 80% and less than 120% of the AMI, and upper income households earn above 120% of the AMI. In FY 2015, the Area Median Income for Sunderland is \$67,700. For this analysis, American Community Survey (ACS) income ranges were used to approximate the number of Sunderland households that fall within each income category.

Table 5: Household Income by Age of Householder

Income Category	ACS* Income Range	Sunderland Households		Sunderland Households by Age of Householder			
		Number	Percent	Under 25	25 to 44	45 to 64	65 and Over
Very Low Income (50% AMI)	\$0 - \$34,999	550	36%	217	116	145	72
Low Income (80% AMI)	\$35,000 - \$49,999	250	16%	54	51	58	87
Middle Income (120% AMI)	\$50,000 - \$74,999	222	15%	0	91	91	40
Upper Income (Above 120% AMI)	\$75,000 and above	498	33%	60	149	233	56
Total		1,520	100%	331	407	527	255

*American Community Survey

Source: 2009-2013 American Community Survey five-year estimates.

Approximately one-third (36%) of Sunderland households are estimated to be very low income (*Table 5*). An estimated 39% of the very low income households are headed by someone under age 25. Many of these young very low income households are believed to consist of college or

graduate students. Another 16% of Sunderland's households are low income. The largest percentage of low income households (35%) is headed by someone age 65 and older. Overall, an estimated 53% of Sunderland households fall within the very low or low income categories.

In contrast, middle and upper income status is most prevalent among households headed by people ages 25 to 64, with 82% and 77% of households in these income brackets respectively having householders in this age group. Among elderly households, headed by someone age 65 or over, an estimated 62% of households are considered very low or low income, while 16% are considered middle income, and 22% are upper income.

Residents Living in Poverty

Poverty status is established using federal income thresholds that vary according to family size and composition. Individuals are then determined to have income levels above or below these thresholds. For 2015, the poverty income guidelines set by the U.S. Department of Health and Human Services stands at \$15,930 for a family of two people and \$24,250 for a family of four. According to the 2009-2013 American Community Survey, Sunderland has a significantly higher poverty rate (21%) than Franklin County as a whole (12%).

Poverty in Sunderland is the most prevalent among residents within the age of 18 to 24 (*Table 6*). Almost half of 18 to 24 year-olds are estimated to live below poverty. As mentioned above, it is thought that many of the residents falling within this group are students who are not currently working full-time. It is interesting to note that no residents age 65 and above are estimated to be living below poverty in town, despite estimates that many households headed by someone 65 or older fall within low and very low income categories. Among households, poverty is highest for single parent families, particularly those headed by a woman (37%), and for non-family households (24%), which includes single person households and roommate situations.

Table 6: Population Living in Poverty, by Age and Household Type

Age and Household Type	Income Above Poverty Level	Income Below Poverty Level	% Below Poverty
Population by Age Group			
Under 5 Years	119	13	10%
5 to 17	295	28	9%
18 to 24	565	546	49%
25 to 64	1555	186	11%
65 and Above	334	0	0%
Population by Household Type			
Married-couple family	535	26	5%
Male householder, no wife present	61	15	20%
Female householder, no husband present	47	28	37%
Nonfamily households	618	190	24%
Total Population			
	2,868	773	21%

Source: 2009-2013 American Community Survey five-year estimates.

Low-income residents in Sunderland, especially residents living below the poverty line, often have trouble finding housing that they can reasonably afford, and which costs no more than 30% of their incomes. Households spending more than 30% of their income on housing costs are considered to be cost-burdened by housing. It is estimated that 93% of Sunderland households with incomes below \$35,000 are cost-burdened by their housing expenditures and spend more than 30% of their incomes on housing (2009-2013 American Community Survey five-year estimates). Among Sunderland households with incomes of \$35,000 or more, 22% are cost-burdened. The issue of housing costs relative to household incomes is discussed more in the Section 2 (Housing Characteristics) of this Plan.

Residents with Disabilities

The U.S. Census provides basic data on the prevalence of disabilities. As with most Census data, information on disabilities is self-reported by Census survey respondents. Data on disabilities among Sunderland residents are presented in Table 7. The table excludes people living in institutionalized settings, such as group homes or nursing homes (In 2010, Sunderland had an estimated 36 such residents, most at the Cozy Corner Nursing Home). Overall, an estimated 6% of Sunderland's population has a disability of some type. Among the senior population age 65 and over, 31% are estimated to have a disability.

Table 7: Population with Disabilities

Age Group	Total Civilian Noninstitutionalized Population	Number with Disabilities	Percent with Disabilities
Under 18	468	13	3%
18 to 64	2,852	95	3%
65 and Over	334	104	31%
Total	3,654	212	6%

Source: 2009-2013 American Community Survey five-year estimates.

A number of these residents may need some form of modified or accessible housing, though it is possible that some of this population already resides in housing that has been modified to accommodate them. As the senior population in Sunderland increases, more residents will need such accommodations.

1.2 Current Housing Characteristics

This section summarizes Sunderland’s current housing characteristics, including housing type, housing age, tenancy, and construction trends. The section also compares housing statistics for Sunderland to those of surrounding communities, Franklin County and Massachusetts. The information presented in this section primarily comes from the U.S. Census and the 2009-2013 American Community Survey five-year estimates. This data have been supplemented with information from the Sunderland Building Inspector, Sunderland Assessors, and other sources.

Housing Supply

Sunderland has experienced significant population and housing growth since the 1960s. In 1960, for example, the town had 1,279 residents (U.S. Census). By 2000, its population had grown to 3,777 people, almost tripling the population in 40 years. Similarly the number of housing units in town has close to quadrupled during the 1960-2000 period, increasing from approximately 450 housing units (1960) to 1,668 housing units (2000). From 2000 to 2010, the town’s population declined slightly, but total housing units continued to increase to 1,729.

During the 1960s and early 1970s, Sunderland’s growth was driven by the construction of a number of large apartment complexes in town. Four apartment complexes built in Sunderland during this time contain an estimated 666 housing units. Initially, the apartment complexes primarily served students from the University of Massachusetts at Amherst and other local colleges. The University of Massachusetts is located less than 10 miles from Sunderland Center with excellent bus service connecting the two locations. Today, the apartment complexes house a

mix of students, families, and young working adults. The growth of housing in Sunderland has slowed since 1990. As shown in Table 8, from 1990 to 2000, the number of housing units in town increased by 11% (U.S. Census). This pace of construction was slower than previous periods, but still faster than that of Franklin County and Massachusetts as a whole and many neighboring towns. Between 2000 and 2010, new housing units increased in town by 4%, but at a smaller rate of growth than the County and most surrounding towns.

Table 8: Total Housing Units, 1990 through 2010, Compared to Neighboring Communities, Franklin County, and the State

Area	Total Housing Units			Percent Change		
	1990	2000	2010	1990-2000	2000-2010	1990-2010
Sunderland	1,504	1,668	1,729	11%	4%	15%
Amherst	8,816	9,427	9,711	7%	3%	10%
Deerfield	2,083	2,060	2,181	-1%	6%	5%
Hadley	1,715	1,953	2,230	14%	14%	30%
Leverett	699	648	811	-7%	25%	16%
Montague	3,727	3,844	3,958	3%	3%	6%
Whately	530	652	661	23%	1%	25%
Franklin County	30,394	31,939	33,758	5%	6%	11%
Massachusetts	2,472,711	2,621,989	2,808,254	6%	7%	14%

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

Housing Age

According to the 2009-2013 American Community Survey, the median year of construction for the current housing stock in Sunderland is 1973 (*Table 9*), compared to a median year of construction of 1957 for Franklin County’s housing stock. An estimated 62 percent of the housing units in town have been built since 1970. A peak period of construction was the 1970s when, as mentioned earlier, four large apartment complexes in town were completed.

Table 9: Age of Sunderland’s Housing

Year Built	Number of Housing Units	Percent of All Housing Units
Built 2010 or later	0	0%
Built 2000 to 2009	46	3%
Built 1990 to 1999	153	9%
Built 1980 to 1989	233	14%
Built 1970 to 1979	573	35%
Built 1960 to 1969	186	11%
Built 1950 to 1959	15	1%
Built 1940 to 1949	116	7%
Built 1939 or earlier	299	18%
Total:	1,621	100%
Median Year Built	1973	

Source: 2009-2013 American Community Survey five-year estimates.

New Construction

Table 12 provides a summary of authorized new housing construction in Sunderland for the last 10 years, from 2005 to 2014, based on records maintained by the Sunderland Assessors and the Town Building Inspector. Over this time period, the Sunderland Building Inspector authorized a total of 31 units of new residential construction in Sunderland, all of which were for single-family homes. No multi-unit structures were permitted during this time period.

Table 10: Building Permits Issued for New Housing, 2005 - 2014

Year	New Single Family Homes
2005	6
2006	1
2007	4
2008	2
2009	1
2010	3
2011	4
2012	2
2013	4
2014	4
Total	31

Source: Sunderland Assessors’ Office, June 2015.

Types of Housing

Housing in Sunderland consists of a diverse mix of single-family homes, duplexes, and multi-family dwellings. An estimated 47% of Sunderland’s housing units are single-family residences, 6% are in buildings with 2 to 4 housing units, and 46% are in buildings with 5 or more units.

Table 11: Types of Housing Structures, Sunderland compared to Franklin County and the State

Structure Type	Number of Housing Units	Percent of All Housing Units	Franklin County	Massachusetts
Single Family	769	47%	69%	57%
Two-Family	63	4%	9%	10%
3 to 4 units	40	2%	8%	11%
5 to 9 units	242	15%	5%	6%
10 to 19 units	235	14%	2%	4%
20 or more units	272	17%	3%	10%
Mobile Home	0	0%	3%	1%
Total Housing Units	1,621	100%	100%	100%

Source: 2009-2013 American Community Survey five-year estimates.

Sunderland’s proportion of single-family residences is significantly lower than that for Franklin County or the State as a whole. It is estimated that 69% of housing units countywide and 57% of housing units statewide consist of single-family homes. Sunderland also has significantly more housing in buildings with five or more units (46% of the town’s housing units) compared to the amount of such housing in Franklin County (10%) and Massachusetts (20%) as a whole. Sunderland has a higher percentage of multi-family housing than any other town in Franklin County. Many of the town’s multi-family housing units are contained within the four large apartment complexes near the center of town. Together, these complexes have approximately 666 housing units, equal to roughly 39% of the town’s total housing supply.

Housing Tenancy

Housing tenancy refers to whether a house is occupied by a renter or homeowner. Sunderland has a high percentage of rental housing. Over half of Sunderland’s occupied housing units (52%) are lived in by renters. This rental percentage is the highest of any Franklin County town, and only Holyoke, Amherst, and Springfield have higher percentages of rental housing in the four counties of Western Massachusetts. Approximately 48% of Sunderland’s occupied housing units are owner-occupied.

Table 12: Housing Tenancy

Tenancy	Number of Units	Percent of Occupied Units
Owner-Occupied	730	48%
Renter-Occupied	790	52%
Total Occupied Housing Units	1,520	100%

Source: 2009-2013 American Community Survey five-year estimates.

Table 13 summarizes the key characteristics of Sunderland’s four largest apartment complexes. Of the four, Sugarloaf Estates on Route 47 (232 apartments) and Cliffside Apartments on Route 116 (280 apartments) are the largest.

Table 13: Apartment Complexes in Sunderland

Apartment Complex	Year Built	Total Units	Vacancy Rate
Cliffside Apartments	1971	280	1%
Lantern Court Apartments	1960	52	n/a
Squire Village	1968	102	2%
Sugarloaf Estates	1977	232	0%

Source: LDS Consulting Group, LLC, May 2015.

Housing Vacancies

The Census Bureau characterizes as “vacant” any residence without a full-time occupant, even though the residence may be used as a second home or vacation home. According to the U.S. Census, in 2010 Sunderland had 81 vacant housing units. The vacant housing included 11 units with seasonal or occasional residents, and 4 units for sale.

The Census Bureau calculates vacancy rates for towns based on the number of homes and rental units that could be available for new residents to live in year-round. These vacancy rates exclude residences with seasonal or occasional occupants, as well as homes that are uninhabitable, and homes that have been sold or rented, but which remain unoccupied. In 2013 the homeowner vacancy rate in Sunderland was estimated to be 0.0%, and the rental vacancy rate was estimated to be 5.6%.

A healthy housing market is generally considered to have vacancy rates of 2-3% for owner-occupied homes and 4-5% for rental properties. Sunderland’s very low homeowner vacancy rate indicates a demand for more homeownership housing options in town. The recent recession stalled new housing construction throughout the region and state, creating a pent-up demand for housing. The vacancy rate also suggests that people seeking to move to Sunderland, or to relocate within the town, may have difficulty finding affordable homeownership options. In

addition, as seen in Table 13, rental vacancy rates may be lower than what is estimated, given the very low vacancy rates at the large apartment complexes in town. Overall there appears to be high demand for housing of all types in Sunderland.

Table 14: Homeowner and Rental Vacancy Rate, Sunderland, Franklin County, and Massachusetts

Area	Homeowner Vacancy Rate	Rental Vacancy Rate
Sunderland	0.0%	5.6%
Franklin County	2.0%	3.3%
Massachusetts	1.3%	5.0%

Source: 2009-2013 American Community Survey five-year estimates.

Housing Costs

Housing Cost Data from the 2009-2013 American Community Survey

Housing costs estimated from the U.S. Census American Community Survey (ACS) differ from market-rate home and rental prices. There are a number of explanations for this. Market-rate prices reflect only what is being charged to new homeowners and renters, not the housing costs for households who have lived in the same dwelling for a long time. For example, rents for long-term tenants are often well below the rents charged to new tenants. In addition, a key limitation of the ACS information on housing is that only a portion of the population in town is surveyed each year, so the data comes with a margin of error. When available, other data sources are used to supplement the ACS data for recent rents and housing prices.

Rental Housing Costs

In 2013, the median gross rent in Sunderland was estimated to be \$1,097, which includes rent and utilities (gas, oil, and electricity). Sunderland’s rental housing prices were higher than those for Franklin and Hampshire Counties and Massachusetts overall. These higher rental costs illustrate how the large population of college and graduate students in Sunderland impact rental prices for the town as a whole. A recent housing market study for the Town of Amherst, where many students also live in off-campus rental housing, explains that students pay on a per-bedroom basis, not for an entire apartment, and often receive financial assistance to cover living expenses. Consequently, apartment rents are set at “per bedroom” prices that cumulatively are higher than what a low or moderate income household could pay.³

³ *Amherst Housing Market Study*. Prepared for the Town of Amherst by RKG Associates, Inc. March 2015.

Table 15: Rental Housing Costs, 2013

Area	Median Gross Rent
Sunderland	\$1,097
Franklin County	\$847
Hampshire County	\$934
Massachusetts	\$1,069

Source: 2009-2013 American Community Survey five-year estimates.

Among the four largest apartment complexes in Sunderland, the rent for a two-bedroom unfurnished apartment ranged from \$950 to \$1,420. The different prices reflect the utility costs included in the rent and the amenities at different complexes. As noted in Table 18, at one complex (Lantern Court), no utility costs were included in the contract rent. At another complex (Cliffside Apartments), heat, hot water, and electricity were all included in the rent. In the two remaining complexes (Squire Village and Sugarloaf Estates), some utilities were included in the rent and others are not. Some of the complexes also offer other amenities at no extra charge. For example, Sugarloaf Estates has a pool, a playground, and high speed internet access. These types of amenities are reflected in Sugarloaf Estate’s higher rental prices. Cliffside Apartments also has a pool. All four of the apartment complexes in Sunderland accept Section 8 subsidized housing vouchers.

Table 16: Rental Prices at Apartment Complexes in Sunderland

	Cliffside Apartments	Lantern Court Apartments	Squire Village	Sugarloaf Estates
Average Monthly Rent				
1 bedroom	from \$859	N/A	\$890 - \$915	N/A
2 bedroom	from \$1,099	\$950 - \$975	\$990 - \$1,020	\$1,325 - \$1,420
<i>Townhouses</i>				
2 bedroom	\$1,289	N/A	\$1,130	N/A
3 bedroom	N/A	N/A	\$1,455	N/A
4 bedroom	N/A	N/A	\$1,620	N/A
5 bedroom	N/A	N/A	\$1,765	N/A
Utilities Included in Rent				
Heat	Yes	No	No	Yes
Hot Water	Yes	No	Most units	Yes
Electricity	Yes	No	No	No
Internet	No	Yes	No	Yes

Source: Apartment complex websites, rental listings on Western Mass. Craigslist, <https://westernmass.craigslist.org/>, and the University of Massachusetts Amherst Off Campus Student Services website, <http://www.umocss.org/>.

Housing Values and Homeownership Costs

The American Community Survey (ACS) gathers data on housing values by asking owners what they believe their homes, including land, to be worth in the current real-estate market. It is important to note that what owners believe to be the value of their homes, may or may not be similar to the current market value of those residences. The ACS housing value data include both properties that are currently for sale and those that are not. In 2013, the estimated median housing value for an owner-occupied home in Sunderland was \$288,500, higher than the estimated median values for Franklin and Hampshire Counties.

Table 17: Median Housing Value, 2013

Area	Median Owner-Occupied Housing Value
Sunderland	\$288,500
Franklin County	\$219,500
Hampshire County	\$262,600
Massachusetts	\$330,100

Source: 2009-2013 American Community Survey five-year estimates.

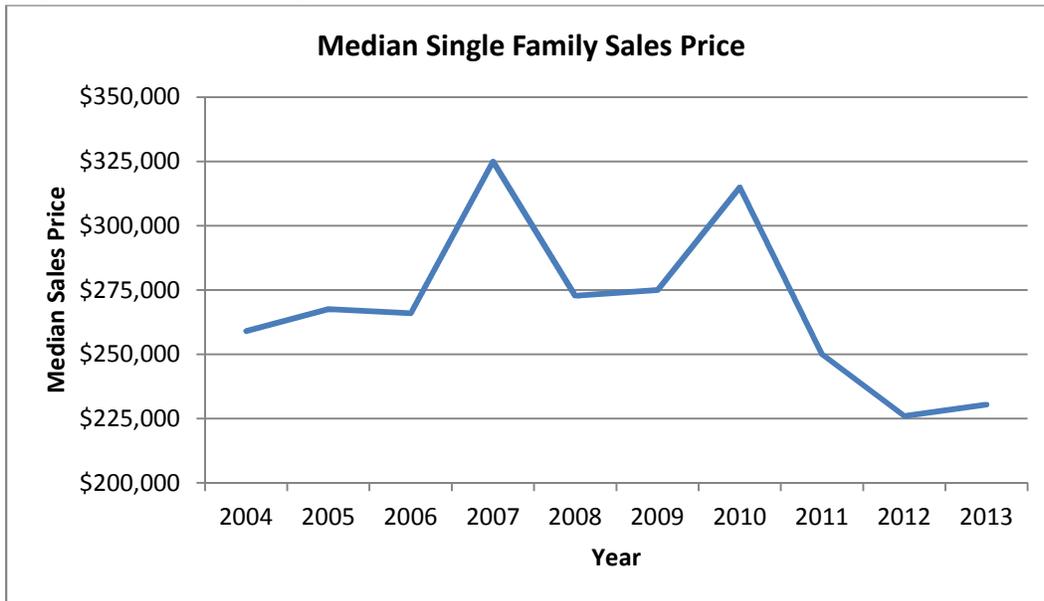
For estimates of current housing values, it is also useful to examine residential home sales data. Residential sales information is available from the Department of Revenue’s Division of Local Services. Table 18 presents the data on single-family, condominium, and two- and three-family home sales in Sunderland from 2004 to 2013. Figure 5 depicts the trend in the median sale price for single-family homes over the same period.

Table 18: Home Sales in Sunderland, 2004-2013

Year	Single Family Homes		Condominiums		Two & Three Family Homes	
	# of Sales	Median Sales Price	# of Sales	Median Sales Price	# of Sales	Median Sales Price
2013	18	\$230,500	5	\$250,000	0	\$0
2012	13	\$226,000	2	\$261,250	0	\$0
2011	13	\$250,000	5	\$280,000	0	\$0
2010	13	\$315,000	3	\$86,000	2	\$250,000
2009	17	\$275,000	2	\$316,850	3	\$257,500
2008	10	\$272,750	1	\$235,000	0	\$0
2007	9	\$325,000	2	\$168,000	2	\$288,250
2006	23	\$266,000	6	\$167,500	3	\$283,000
2005	17	\$267,500	4	\$293,500	6	\$318,500
2004	30	\$259,000	3	\$255,000	5	\$251,300

Source: Massachusetts Department of Revenue, Division of Local Services LA3 parcel search, June 15, 2015.

Figure 5: Median Single-Family Home Sale Price in Sunderland, 2004-2013



Source: Massachusetts Department of Revenue, Division of Local Services LA3 parcel search, June 15, 2015.

The data suggest that Sunderland’s real estate market has fluctuated up and down during this period, in terms of the number of properties sold and the median sales price. The number of sales shows no clear pattern, with a decline in 2007 and 2008 but a rebound in sales in 2009. However, the data shows an overall decline in median sales price over this time period. The median sales price in 2011, 2012, and 2013 was lower than in any of the previous years. In 2013 the median sales price for a single family home in Sunderland was \$230,500. In comparison, Franklin County’s median single-family sale price in 2013 (and in 2014) was \$185,000.⁴

More recent sales between June 2014 and June 2015 show a slight increase in the median sales price in Sunderland. During this time there were 21 sales of single family homes with a median sales price of \$245,000. As of mid-July 2015, there were 14 single-family homes for sale in Sunderland, with prices ranging from \$255,000 to \$674,900 (MLS – Multiple Listing Service).

As Table 19 shows below, monthly housing costs (including mortgage, insurance, and utilities) for home owners can vary considerably depending on whether or not the home is mortgaged. In 2013, the estimated median monthly total housing cost for homes in Sunderland without a mortgage was \$629, and the estimated median monthly cost for homes with mortgages was \$2,050, more than three times as great. Sunderland has higher estimated monthly housing costs than Franklin and Hampshire Counties.

⁴ Realtor’s Association of Pioneer Valley, county sales reports and statistics: <http://rapv.com/media-news/sales-reports-and-statistics>.

Table 19: Homeownership Housing Costs, 2013

Area	Median Monthly Owner Costs	
	Housing Units with a Mortgage	Housing Units without a Mortgage
Sunderland	\$2,050	\$629
Franklin County	\$1,548	\$581
Hampshire County	\$1,740	\$627
Massachusetts	\$2,116	\$698

Source: 2009-2013 American Community Survey five-year estimates.

A major housing expenditure for many homeowners is their property tax. Table 20 gives the annual average property tax for a single-family home in Sunderland for the fiscal years of 2006-2015. During most of that period, Sunderland's average property tax bill increased slightly from year to year, with an overall increase of 19% between 2006 and 2015. Over the same time period, assessed values of homes increased by 12%. As of 2015, Sunderland's average property tax for single-family homes is lower than the State average, ranking 202 out of the 338 municipalities in Massachusetts reporting property tax data to the State.

Table 20: Average Assessed Values and Tax Bills for Single Family Homes, 2006-2015

Fiscal Year	Single Family Average Assessed Value	Residential Tax Rate	Average Single Family Tax Bill	Rank - High to Low*
2006	\$246,233	13.47	\$3,317	160
2007	\$281,981	12.33	\$3,477	156
2008	\$287,909	12.06	\$3,472	168
2009	\$288,068	12.10	\$3,486	177
2010	\$276,988	12.66	\$3,507	187
2011	\$274,967	12.80	\$3,520	198
2012	\$275,302	12.97	\$3,571	212
2013	\$275,789	13.43	\$3,704	205
2014	\$275,372	13.98	\$3,850	202
2015	\$276,089	14.31	\$3,951	

*2015 rankings will not be published until all community tax rates are approved

Source: Massachusetts Department of Revenue, Division of Local Services.

Housing Costs and Affordability

Housing is generally defined to be “affordable” when households spend no more than 30% of their gross income on housing costs. For renters, housing costs include rent and utilities, such as hot water, electricity, and heat. For homeowners, housing costs include mortgage principal, mortgage interest, mortgage insurance, property taxes, and property insurance. Households that spend over 30% of their income on housing are considered to be “cost-burdened.”

This section explores the degree to which housing in Sunderland is affordable to individuals and families of different incomes. The available data on housing costs shows that while housing in Sunderland is affordable for some residents, many residents, especially those with low incomes, may be cost-burdened by their housing expenditures.

Table 21 shows the estimated number of homeowner and rental households that spend more than 30% of their gross monthly income on housing costs. An estimated 24% (177 households) of homeowner households and 68% (541 households) of renter households spend more than 30% of their gross monthly income on housing and are therefore considered to be cost-burdened by housing. Eleven percent (78 households) of homeowner households, and 31% (248 households) of renter households are considered to be severely cost burdened by housing, spending more than 50% of their income on housing. Many of the renter households in Sunderland consist of college and graduate students and/or young families, and many of these households are of low or moderate-income.

Table 21: Homeowner and Renter Households Cost-Burdened by Housing

Percent of Gross Monthly Income Spent on Housing Costs	Number of Households	Percent of Households
Total Owner-Occupied Housing Units	730	100%
30 to 39.9 Percent	65	9%
40 to 49.9 percent	34	5%
50 percent or more	78	11%
Total Cost Burdened Homeowner Households	177	24%
Total Renter-Occupied Housing Units	790	100%
30 to 39.9 Percent	239	30%
40 to 49.9 percent	54	7%
50 percent or more	248	31%
Total Cost Burdened Renter Households	541	68%

Source: 2009-2013 American Community Survey five-year estimates.

Table 22 shows the percentage of income spent on housing costs by householder age.⁵ For renters, 275 households with a householder under the age of 25 are cost-burdened. This represents 87% of renter households within this age group, and accounts for over half of all cost-burdened renter households in town (541 households). There are an estimated 176 renter households with a householder aged 35 to 64 with unaffordable housing costs. Within this age group, 75% of households are cost-burdened by rental costs. Additionally, 90 renter households

⁵ The U.S. Census Bureau defines a householder as the person (or one of the people) in whose name the housing unit is owned or rented (maintained) or, if there is no such person, any adult member, excluding roomers, boarders, or paid employees. If the house is owned or rented jointly by a married couple, the householder may be either the husband or the wife. The person designated as the householder is the "reference person" to whom the relationship of all other household members, if any, is recorded.

with a householder age 25 to 34 are cost-burdened by housing costs. There are only an estimated 13 renter households with a householder aged 65 or older. None of these households are estimated to be cost-burdened by their housing costs.

College students represent the largest group of cost-burdened households (renters under the age of 25). Many of the students only work part-time which contributes to their cost burdens. The housing affordability issues faced by this student population may be best dealt with by the University of Massachusetts. It is challenging for the Town of Sunderland to address the needs of the students and to incorporate these needs into the Town’s future housing planning, especially since student enrollments and need for off-campus housing changes over time, and the Town has little if any influence over these factors. However, other renter households are cost-burdened in Sunderland. As discussed earlier, Sunderland has higher rental prices than Franklin and Hampshire Counties and the State overall, which may make living in Sunderland unaffordable for families and working adults.

Table 22: Percent of Income Spent on Housing, by Householder Age and Tenancy

Tenancy and Householder Age	Households with Cost Data	Housing Costs as a Percentage of Household Income (# of Households)			Percent Households Paying 30% or More
		Less than 20 percent	20 to 29 percent	30 percent or more	
Homeowners					
Under Age 25	15	0	0	15	100%
Age 25 to 34	31	12	9	10	32%
Age 35 to 64	442	248	115	79	18%
Age 65 and Over	242	110	59	73	30%
Total for Homeowners	730	370	183	177	24%
Renters					
Under Age 25	316	41	0	275	87%
Age 25 to 34	226	18	104	90	40%
Age 35 to 64	235	27	32	176	75%
Age 65 and Over	13	13	0	0	0%
Total for Renters	790	99	136	541	68%

Source: 2009-2013 American Community Survey five-year estimates.

Among homeowners, Table 22 shows that the largest level of cost-burdened households occurs in young and old age groups. All 15 households with a householder under the age of 25 were estimated to be cost-burdened by housing. Ten of the 31 households with householders age 25 to 34 are also estimated to be cost-burdened, accounting for 32% of households within this age group. Seventy three households with a householder aged 65 or older were estimated to be cost-burdened, representing 30% of all senior homeowner households.

The vast majority of homeowners in Sunderland (94%) are age 35 or older. The low number of homeowners under the age of 35 suggests that affordable homeownership options in Sunderland may be limited for first-time homebuyers, who often have lower incomes. Sunderland is committed to addressing housing issues among the young families in these age groups and to creating affordable housing options for them.

The issue of housing affordability is predictably correlated with incomes (*Table 23*), with low-income households most likely to spend more than 30% of their incomes on housing costs. Among very low-income households with incomes under \$35,000, all renter households and 63% of homeowner households have unaffordable housing costs. For low-income households earning incomes between \$35,000 to \$49,999, almost half of homeowners (46%) and 75% of renters were cost-burdened by housing.

Table 23: Percent of Income Spent on Housing, by Income and Tenancy

Tenancy and Household Income	Households with Cost Data	Housing Costs as a Percentage of Household Income (# of Households)			Percent Households Paying 30% or More
		Less than 20 percent	20 to 29 percent	30 percent or more	
Homeowners					
Very Low Income (less than \$35,000)	96	0	36	60	63%
Low Income (\$35,000 to \$49,999)	141	65	11	65	46%
Middle Income (\$50,000 to \$74,999)	99	55	26	18	18%
Upper Income (\$75,000 or more)	394	250	110	34	9%
Total for Homeowners	730	370	183	177	24%
Renters					
Very Low Income (less than \$35,000)	440	0	0	440	100%
Low Income (\$35,000 to \$49,999)	109	10	17	82	75%
Middle Income (\$50,000 to \$74,999)	123	18	105	0	0%
Upper Income (\$75,000 or more)	104	71	14	19	18%
Total for Renters	790	99	136	541	68%

Source: 2009-2013 American Community Survey five-year estimates.

Long-Term Subsidized Affordable Housing

When housing affordability is considered in terms of the subsidized housing inventory maintained by the Department of Housing and Community Development (DHCD), Sunderland has just eight housing units that qualify as affordable (*Table 24*). These housing units are group homes subsidized by the Massachusetts Department of Developmental Services and the Massachusetts Department of Mental Health. They represent 0.5% of the town’s total housing stock. Sunderland has more subsidized affordable housing than Leverett and Whately and considerably less than other neighboring towns.

Table 24: Subsidized Affordable Housing in Sunderland and Surrounding Towns

Town	Year Round Housing Units (2010 Census)	Subsidized Affordable Housing Units	% of Year-Round Units that are Subsidized
Sunderland	1,718	8	0.5%
Amherst	9,621	1,034	10.7%
Deerfield	2,154	33	1.5%
Hadley	2,200	285	13.0%
Leverett	792	2	0.3%
Montague	3,926	391	10.0%
Whately	654	2	0.3%

Source: Department of Housing and Community Development, Chapter 40B Subsidized Housing Inventory (SHI) as of December 5, 2014.

In order for housing units to be considered affordable and eligible for listing on the Subsidized Housing Inventory, they must have long-term restrictions that guarantee that the units are sold or rented at prices affordable to households making no more than 80% of the Area Median Income (AMI), adjusted for household size. The AMI for Sunderland in 2015, according to the U.S. Department of Housing and Urban Development (HUD), is \$67,700. Table 25 shows the income limits by household size and what the estimated maximum sales and rental prices for affordable units in Sunderland would be in 2015. HUD uses a complex calculation to determine the income limits adjusted for household size displayed in Table 25. The AMI of \$67,700 is not adjusted for household size and is used for planning purposes only, such as to approximate the number of Sunderland households that fall within different income categories as shown in Table 5 earlier in this section.

Table 25: Estimated Maximum Sales Price and Rents for an Affordable Home, 2015

Household Size	Maximum Income (HUD 2015 80% AMI for Sunderland)	Bedroom Size	Maximum Sales Price*	Maximum Rents (<i>Rents must include heat and utilities or a utility allowance</i>)**
5	\$71,100	4	\$265,000	\$1,555
4	\$65,800	3	\$244,000	\$1,439
3	\$59,250	2	\$218,000	\$1,296
2	\$52,650	1	\$192,000	\$1,152
1	\$46,100	1	\$166,500	\$1,008

* Based on a 30 year mortgage with 10% down at a 4.5% interest rate, using Sunderland's current property tax rate of 14.31. Maximum Sales Price per Bedroom is ultimately determined by DHCD and is adjusted annually to account for updated municipal tax rates, interest rates, and updated Area Median Income limits.

** Affordable unit rents are determined by creating a "window" of affordability based on rents equal to 30% of 70% of median income. Rents must include heat and utilities or a utility allowance. Rents are ultimately determined by DHCD.

Source: U.S. Department of Housing and Urban Development and Massachusetts Department of Housing and Community Development.

Sunderland is committed to increasing its supply of long-term affordable housing, and in working towards the State's goal of having 10% of the year-round housing units in each town have guaranteed long-term affordability for low and moderate-income residents. The Town has laid out a number of strategies for expanding its affordable housing supply over the next 15 years. These strategies are discussed in Section 3 of the Housing Plan.

Housing Developments Currently in Process

The proposed Sugarbush Meadows Comprehensive Permit project would develop 150 rental units, with 25% of these set aside as affordable to households earning less than 80% of the Area Median Income and eligible to be included on the Subsidized Housing Inventory (SHI). When rental developments include at least 25% affordable units, the State allows all units within the development to be included on the SHI. If the project is built as currently proposed, Sunderland would add 150 units to its SHI count, for a total of 158 units. This would bring the Town's percentage of subsidized affordable housing units to 9%. Sunderland would need an additional 14 units (for a total of 172 affordable units) to reach 10% within the next five years.

In 2014, the Town purchased a property at 120 North Main Street for the purpose of creating affordable housing on the site. The 2.8 acre site has an existing single-family home and space for additional units. Results of the 2013 Sunderland Community Needs survey showed public support for new senior housing in town. A Supply and Demand Analysis prepared for the Town in June 2015 recommends senior rental housing for the site, with the majority of the units affordable to senior households earning no more than 60% of the AMI.⁶ Preliminary feasibility studies for the site show 16 to 22 units of housing is possible.

1.3 Regional Housing Characteristics and Needs

Housing is a regional phenomenon as people seek housing in multiple towns depending on a number of factors. New employment opportunities in one town can impact housing demand and needs in surrounding towns. Sunderland is well aware of the regional nature of housing, as students and staff at UMass and colleges outside of its borders live in town. This section reviews regional housing characteristics and needs, as presented in the *Franklin County Regional Housing Study*, completed in 2014 by the Franklin Regional Council of Governments.

⁶ *Supply and Demand Analysis for 120 North Main Street, Sunderland, MA*. Prepared for the Town of Sunderland by Lynne D. Sweet, LDS Consulting Group, LLC, June 30, 2015.

Current Regional Housing Characteristics

There are a total of 33,666 housing units in Franklin County and a total of 30,362 households. This means that there are only 3,304 more housing units than there are households that reside in Franklin County. However, the supply of vacant units available for occupation is likely much smaller than the difference between the number of households and the number of housing units. Some units are second homes occupied by non-residents and other units may not be available for occupation due to code violations. A healthy housing market is generally considered to have vacancy rates between 2% to 3% for owner-occupied homes and 4% to 5% for rental properties. Franklin County currently has vacancy rates of 1.2% for owner-occupied housing units and 2.6% for rental housing units. These low vacancy rates indicate a very tight housing market. As a result, residents may have difficulty finding suitable housing and the price of housing may be inflated due to the lack of supply.

Two-thirds of the 33,666 housing units in Franklin County (20,925) are located in the central region (which includes Bernardston, Conway, Deerfield, Gill, Greenfield, Leyden, Montague, Northfield, Sunderland, and Whately). The majority of housing in Franklin County is single-family housing (69%). The rest of the housing stock is made up of two-unit duplexes (10%), multi-family units (17%), and mobile homes (3%). The west and east regions have more single family and less multi-family housing than the central region. Table 26 shows the breakdown of housing type by sub-region.

Table 26: Type of Housing Stock by Sub-region

	Single Family	Two-Family	Multi-Family
West Sub-region	76%	8%	9%
Central Sub-region	65%	12%	22%
East Sub-region	76%	6%	12%
Franklin County	69%	10%	17%

Source: 2007-2011 American Community Survey Five Year Estimates.

For the region as a whole, 69% of the housing is owner-occupied. The homeownership rates are higher in the west (78%) and east (76%) sub-regions and lower in the central sub-region (65%), where there is more multi-family rental housing stock available.

Forty percent of the housing in Franklin County was built prior to 1939. While older homes provide the region with a rich architectural and historical heritage, it also means that many homes are probably not energy efficient, require high maintenance, and may contain lead paint. The west sub-region contains a higher amount of older homes than the other sub-regions. Forty-five percent of the housing in this sub-region was built before 1939, while 41% of housing in the central sub-region and only 30% of the housing in the east sub-region was constructed prior to 1939.

Because of the age of the housing stock in Franklin County, it must be assumed that older homes may contain lead-based paint. Currently, 75% of the county’s housing was built prior to 1979 when lead-based paint was still allowed. Table 27 shows the age breakdown of the housing in Franklin County by sub-region. It also highlights the percentage of rental housing in the county that was built prior to 1979. Older rental housing units tend to be the most affordable type of housing in the region. This is a particularly important issue for affordable housing as families with Housing Choice Vouchers have reported difficulty in locating units that fall within the required payment standards and are lead paint compliant.

Table 27: Age of Housing Stock by Sub-region

	% of Housing Built Prior to 1939	% of Housing Built Prior to 1979	% of <i>Rental</i> Housing Built Prior to 1979
West Sub-region	45%	75%	86%
Central Sub-region	41%	77%	85%
East Sub-region	30%	68%	79%
Franklin County	39%	75%	84%

Source: 2007-2011 American Community Survey Five Year Estimates.

In addition to lead-based paint hazards, there are also a number of housing units in the county that are substandard for other reasons. The U.S. Census Bureau defines substandard housing as units that are overcrowded (more than 1 occupant per room) or do not have complete plumbing or kitchen facilities. The definition does not include units that are simply in very poor repair due to deferred maintenance. There are currently a total of 638 units of housing in Franklin County that are substandard according to the Census definition. Of these units, 122 are located in the west sub-region, 406 units are in the central sub-region, and 110 are in the east sub-region. Local housing experts believe that the number of homes with health and safety code violations due to structural defects, substandard plumbing or electrical systems, failing septic systems and other health hazards such as mold is substantially higher than the 638 units identified in the data from the U.S. Census Bureau. As previously noted, low income households are much more likely to live in substandard housing because it is typically the cheapest unsubsidized housing available. In addition, they may be less likely to complain about conditions to landlords for fear of losing the only housing they can afford.

Current Regional Housing Needs

The 2013 Franklin County Regional Housing Study identified an estimated housing deficit of 2,656 units for extremely low income households and an estimated deficit of 1,426 units for very low income households in Franklin County, indicating a strong need for more affordable housing options for these income groups across the county. Table 28 shows the same analysis for the central region of Franklin County, including Sunderland. The central sub-region has the lowest

shortage of affordable housing despite the fact that it contains the largest share of the county’s population. The smaller size of the shortage can be attributed to the fact that this region has the largest supply of existing subsidized housing. The presence of this housing has made a beneficial difference for its population.

The biggest need for affordable housing in the central sub-region is again in the Extremely Low Income group, followed by the Very Low Income group. A housing deficit for the Middle Income group was identified for both the county and the central region. There may be a need for housing for households within this income range; however the report points out that households in the middle income category can and often do purchase homes that are less expensive than the maximum they might be able to afford.

Table 28: Affordable Housing Analysis for the Central Sub-Region, 2013

Income Category	Affordable Monthly Housing Costs	Affordable Rented Units Available*	Affordable Owned Units Available**	Total Affordable Units Available	Total Number of Households	Estimated Affordable Supply/(Deficit)
Middle Income	\$1,750	541	2,774	3,315	3,747	(432)
Moderate Income	\$1,250	1,399	1,033	2,432	2,146	286
Low Income	\$1,000	2,773	966	3,739	3,120	619
Very Low Income	\$625	707	157	864	1,725	(861)
Extremely Low Income	\$375	793	16	808	2,556	(1,748)

* Based on Gross Rent (includes monthly owner costs)

** Based on Mortgage Status & Selected Monthly Owner Costs

Source: Franklin County Regional Housing Study, 2014.

1.4 Future Housing Demand

According to the UMass Donahue Institute population projections, Sunderland’s population will decline by approximately 204 people to the year 2030. Assuming the current average household size of 2.21, this would translate to a decrease of roughly 92 households during this time period. As discussed earlier in this plan, the FRCOG produced revised projections for Sunderland based on local conditions that suggest the Town may not decline in population, but instead gain approximately 86 people by 2030. This would translate to an additional 39 households. Regardless of which projection may be more accurate, the make-up of households in town is likely to change significantly during this time period, affecting housing demand and needs in town.

Existing housing stock in town may not be affordable, accessible, or the right size for future households. Table 29 displays the estimated housing needs in Sunderland by 2030, by age and income (based on the UMass Donahue Institute’s population projections, which call for an overall loss of population by 2030). All of the new housing demand by 2030 falls within the senior age category, as this segment of the population is expected to more than double in the next 20 years. Not all senior households will need to move out of their existing homes. However, there will still be a strong need for accessible, affordable senior housing in town as the population ages. A majority of these new senior housing units should be affordable to low and very low income households, which currently account for 62% of senior households in town.

Table 29: Estimated Housing Needs in Sunderland by 2030, by Age and Income Level

Income Brackets as a percent of the Area Median Income (\$67,700)	% of Senior HH within Income Bracket	2030 Senior Housing Units Needed*	% of Working Age HH within Income Bracket	2030 Working Age Housing Units Needed*	2035 Total Housing Units Needed by Income Bracket
Income Less than 30% AMI	28%	54	38%	-158	-104
Income Between 30% and 80% AMI	34%	66	13%	-54	12
Income Between 80% and 120% AMI	16%	31	14%	-58	-27
Totals	78%	150	65%	-270	-120

*Based on 2030 population projections by age and the 2010 average household size (2.21).

Source: 2009-2013 American Community Survey five-year estimates; UMass Donahue Institute Population Projections. December 2013.

Senior housing needs could be met in a variety of ways, including smaller single-family homes, assisted living facilities, condominiums, single-family homes converted into multi-family homes, accessory apartments, and affordable and market rate rentals. Beyond the next 20 years, the senior population will eventually begin to shrink, so any new housing geared towards seniors should also be built with future generations in mind. Housing that may be suitable for seniors now, but that could accommodate a young couple or family in the future, will serve the town for many generations to come.

Population projections are based on demographic models and historic trends, and do not incorporate many of the factors that can influence a town’s future growth. These factors include employment opportunities and the availability of land for new construction. Sunderland has zoned the area surrounding the village center at the intersection of Routes 116 and 47 for a mix of business and residential development. The Zoning Bylaw includes a Planned Unit Development Overlay District within this area that allows for compact, mixed use development

on lots over 80,000 square feet. Development of this nature could increase employment and housing opportunities in the town center.

Enrollment changes and availability of student housing at UMass and the other colleges in the region will continue to impact the town's population and housing demand. As of the writing of this plan, 150 new rental units are proposed through a Comprehensive Permit for the area at the junction of Plum Tree Road and Route 116. A recent housing market study completed for the Town of Amherst indicates that Amherst does not have enough housing to accommodate the projected increase in students at UMass over the next five years.⁷ It is possible that some of this housing demand will be met through new construction in Sunderland.

1.5 Identified Housing Needs

Sunderland has housing that is affordable to some of its current residents based on their incomes. Sunderland's presently affordable housing, however, is not subsidized and does not have long-term deed restrictions to ensure its affordability. As market housing prices in Sunderland and nearby communities rise, it is important for the town to have dedicated, deed-restricted affordable housing units so that residents living here today will be able to afford to live here in the future.

Sunderland has identified housing needs among the following population groups:

- First-time home buyers
- Relatives of current Sunderland residents
- Low and moderate-income families
- Residents with disabilities
- Senior residents

First-Time Home Buyers

Many young people who grew up in Sunderland and who would like to continue to live in town as adults have trouble finding a "starter home" that they can buy within the town. Other young individuals and families who would like to move to and settle in Sunderland are also challenged to find an affordable home. Between 2004 and 2013 median single family home prices have fluctuated, with some of the lowest prices recorded in 2012 and 2013. However more recent sales and current listings suggest that prices are beginning to rise as the economy recovers from the recent recession. The current estimated median monthly housing costs for homeowners in Sunderland is \$2,050, higher than both Franklin and Hampshire Counties, and which would

⁷ *Amherst Housing Market Study*. Prepared for the Town of Amherst by RKG Associates, Inc. March 2015.

require an annual household income of \$82,000 to be considered affordable. Additionally, Sunderland has a very low homeowner vacancy rate, indicating that demand is high for homeownership options in town.

Many young adults and families are effectively priced out of buying a home in Sunderland. It is important that Sunderland work to address this issue. The Town has a Flexible Development Bylaw which allows homes to be built on smaller than typical lots, which can reduce housing costs. There are mortgage programs available for income-eligible first-time homebuyers that require little to no down payment, such as the USDA Rural Development Single Family Housing Guaranteed Loan Program (no down payment required) and the Massachusetts Housing Partnership's One Mortgage Program (requires a 3% minimum down payment). These programs may be good options for low income households with good credit and stable employment. There is also a regional program, through the Franklin County Housing and Redevelopment Authority (HRA) that offers educational seminars to first-time home buyers. The Town could work with HRA to expand resident's access to this assistance, and also to promote the creation of new affordable single-family homes that could serve this population.

Relatives of Current Sunderland Residents

This population category includes the adult children of residents, who wish to find homes in Sunderland, as discussed above. This category also includes parents or other elderly relatives who may wish to move closer to their Sunderland family members, but have difficulty finding appropriate housing. For this latter group, accessory apartments, small condominiums or a senior housing development could potentially fill this need.

Low and Moderate-Income Families

There are approximately 712 families currently living in Sunderland (2009-2013 American Community Survey). Almost half of these families (332, or 47%) have children under the age of 18. The Census Bureau defines a family as including "a householder [head of household] and one or more people living in the same household who are related to the householder by birth, marriage, or adoption." The Census definition of "family" does not include households of unrelated individuals such as a group of students who live together. Of the 712 families in town, 23% are considered very low-income (annual income of less than \$35,000), and 10% are low-income (annual income between \$35,000 and \$49,999). An estimated 69 families (10%) in Sunderland live below the poverty level. Forty-three of the impoverished families are headed by a single parent.

A number of families in Sunderland have trouble finding housing that they can reasonably afford and spend no more than 30% of their incomes on housing costs. These issues are even more

serious for low-income families and families living below the poverty line. Almost half of the cost-burdened renter households in Sunderland have a householder who is over the age of 25. In addition, Sunderland appears to lack affordable rentals for families needing more than two bedrooms. Starting rents at the apartment complexes in town for 3, 4, and 5 bedroom units are unaffordable for low-income households, and the majority of apartments are 1 and 2 bedroom units.

Housing with long-term guaranteed affordability, including both ownership and rental units, may be necessary for many of these residents to decrease their housing cost burden. In particular, affordable housing units with 3 or more bedrooms are needed for families in Sunderland. According to a 2013 analysis conducted by the Massachusetts Department of Housing and Community Development (DHCD), development patterns in Massachusetts have disparately impacted and limited housing options for families with children. In order to address this issue, the State has enacted a policy that at least 10% of the units in affordable housing developments must contain 3 or more bedrooms, unless the development is age-restricted.⁸

Another important affordability strategy, which does not address housing issues directly but instead focuses on incomes, is to strive to create better employment opportunities for low or moderate-income residents who want to work full-time, but are presently under-employed or unemployed, or who currently have low paying jobs.

Residents with Disabilities

Overall, according to the U.S. Census, an estimated 6% of Sunderland's population has a disability of some type. Among the town's senior population age 65 and over, 31% have a disability. It is likely that a percentage of this population already resides in housing that has been modified to accommodate their special needs, but others may not. As the senior population in Sunderland grows in the coming decades, additional residents will need accessible housing. Some of the apartment complexes in town, such as Sugarloaf Estates, have accessible units. The Franklin County Regional Housing and Redevelopment Authority (HRA) administers a Housing Rehabilitation Program for income-eligible homeowners in Sunderland that provides a zero-interest, deferred payment loan for housing repairs, including accessibility modifications. Another potential source of funding for accessibility improvements is the USDA Rural Development Very Low-Income Housing Repair program, which provides loans and grants to very low-income homeowners to repair, improve, or modernize their dwellings or to remove health and safety hazards. STAVROS and the Massachusetts Rehabilitation Commission sometimes also have funds available. It is important that residents with disabilities be provided information on these programs.

⁸ A copy of the policy is located in the Appendices of this plan.

Seniors

In 2010 Sunderland had a smaller senior population than many Franklin County communities. Senior residents age 65 and over account for 10% of Sunderland's total population, compared to 15% of Franklin County population as a whole. One explanation for this smaller senior population percentage is that Sunderland has such a large college-age population that it skews the percentages for other population cohorts. For example, in 2010, residents ages 20-24 accounted for 20% of Sunderland's population, compared to 6% of Franklin County's population and 7% of the State population.

Sunderland's rental housing, especially in the town's four largest apartment complexes, is predominantly occupied by younger residents including college and graduate students, and young families and professionals. According to the 2009-2013 American Community Survey, only 5% of Sunderland households headed by a person age 65 or over live in rental housing. The only dedicated housing for seniors in town is the Cozy Corner Nursing Home, which can accommodate up to 56 residents. Population projections for Sunderland forecast that the town's senior population will more than double between 2010 and 2030, and grow to 22% of the total population. The "baby boomer" population cohort began turning 65 in 2011, driving much of this increase for Sunderland and the region. Projections do not account for whether housing will be available for the projected increase in seniors. If affordable senior housing options are not available in Sunderland in the future, seniors who wish to remain in town may have to look elsewhere.

Currently an estimated 30% of senior home-owners are cost-burdened by housing. Housing costs may become more of an issue for seniors in the future. Property taxes continue to rise, as do other housing-related expenditures, such as heating costs. As a result, senior residents on fixed incomes may find it increasingly challenging to afford their homes. There will be a need for more housing options, including affordable homeowner and rental housing, for Sunderland's seniors as the population grows. There appears to be support among Sunderland residents for new, affordable and accessible senior housing on an appropriate scale for the community. In the 2013 Sunderland Community Needs Assessment, a majority of survey respondents either highly supported or supported the development of new accessible housing for seniors.

2. DEVELOPMENT CONDITIONS AND CONSTRAINTS

This section discusses the current development conditions in Sunderland, as well as possible constraints on development and how the Town may be able to mitigate these constraints.

2.1 Zoning for Housing

Sunderland has five primary zoning districts which are designed to help shape development patterns within the town. There are two primarily residential districts, the Village Residence (VR) district and the Rural Residence (RR) District, two mixed-use districts, Commercial 1 (C-1) and Village Center (VC), and one primarily commercial district, Commercial 2 (C-2). The VR, VC, and C-1 Districts are located along the town’s two primary transportation corridors, Routes 116 and 47. These districts are also in the town center area where there is access to water, sewer, transit, and town services, and where the Town wants to encourage development. The C-2 District is located along Route 63 in the northeastern part of town.

In the Village Residence and Village Center districts, the required minimum lot size for a single-family home is 20,000 square feet (0.46 acres) and the minimum road frontage is 120 feet. In the Rural Residence and Commercial 1 districts, the minimum lot size for a single-family home is 32,000 square feet (0.73 acres) and the minimum frontage is 150 feet in the RR district and 200 feet in the C-1 district. For 2-family and multi-family homes, a greater lot size is required (Table 28). For example, in the Village Residential District, the standard minimum lot size is 20,000 square feet for a single-family dwelling, 30,000 square feet for a two-family dwelling, 40,000 square feet for a three-family dwelling, and 50,000 square feet for a four-family dwelling. The Town is considering relaxing this requirement for accessory apartments and for multi-family dwellings in which one or more units is set-aside for low or moderate-income residents. These changes are included in the proposed strategies in Section 3 for encouraging the creation of affordable housing units.

Table 28: Minimum Lot Sizes by District and Unit Amount

District	Min Lot Area (sq. ft.)			
	Single Family Home	2-Family Home	3-Family Home	4-Family Home
Village Residence (VR)	20,000	30,000	40,000	50,000
Rural Residence (RR)	32,000	48,000	64,000	80,000
Village Center (VC)	20,000	30,000	40,000	50,000
Commercial (C-1)	32,000	48,000	64,000	80,000
Commercial (C-2)	N/A	N/A	N/A	N/A

Source: Sunderland Zoning Bylaws, 10/1/2012.

In 2005, the Town created a Planned Unit Development (PUD) Overlay District to encourage developments which use land efficiently, and to promote coordinated building and site design which both buffers adjacent residential uses and protects scenic and natural features. The boundaries of the PUD Overlay District are coincident with those of the VC and C-1 districts. A Planned Unit Development is defined as a “development of land as a single entity under the direction of a comprehensive site plan, in which a mixture of land uses, a variety of building types and designs, and open space are provided for in a coherent manner” (Section 125-5.1). The PUD does not require affordable housing units within the development.

Sunderland has a Flexible Development provision in its zoning (Section 125-5G) which allows for clustered development in order to preserve natural features, open space areas, and prime farmland soils. Under the Flexible Development provision, development can take place in any zoning district on smaller lots with less frontage than is required for conventional subdivisions or approval-not-required (ANR) plans. Single family and two-family homes are allowed. In addition to other requirements, at least 20% of the lots in the development must contain affordable housing units that meet Chapter 40B requirements for inclusion on the State’s Subsidized Housing Inventory (SHI). Density bonuses (additional units beyond what is allowed in the underlying district) are granted for developments that create senior housing (age 55 and over) with at least 20% affordable units and 50% handicapped accessible units, and developments that provide for affordable units on 30% or more of lots.

Sunderland’s Major Residential Development (Section 125-13) is for developments creating more than four lots, whether a subdivision or not, or construction of more than four dwellings within a ten year period on the same property or contiguous properties under the same ownership. Multi-family (3 or 4 units) homes meeting certain design requirements are allowed, and at least 20% of lots within the development are required to have affordable housing units.

Presently, single-family dwellings are allowed by right in the VR, RR, VC, and C-1 districts. Two-family dwellings are allowed by special permit in these districts. Multi-family dwellings (3 or 4 units) are allowed by Special Permit within these districts if part of a Major Residential Development or a Planned Unit Development, by conversion of existing structures, or as apartments on the upper floors of a new commercial structure or an existing residential structure that has been converted to business use. Currently the Zoning Bylaw does not allow for more than 4 dwelling units in a structure.

Zoning Opportunities for Affordable Housing

While Sunderland's zoning currently supports development of a diversity of housing types in a number of ways, there are additional opportunities to further support affordable housing development within town.

Inclusionary Zoning

Inclusionary zoning is a planning tool used by towns in Massachusetts to increase the affordable housing inventory in a community as new development occurs. Inclusionary zoning helps a town reach its 10% affordable housing goal, as prescribed by M.G.L. Ch. 40B, and remain above 10% as new homes are added to the year-round housing stock. Most towns with this type of zoning require developments of 10 units or more to include at least one affordable unit (or 10% of a project over 10 units), but the percentage could be set by the town as there is no state requirement. Many communities also allow developers to opt out of building the units by donating land or providing a fee-in-lieu to a local affordable housing trust fund equivalent to the units in cash when opting out. Special considerations can also be negotiated with developers.

Affordable units developed through inclusionary zoning can qualify for the Subsidized Housing Inventory as Local Action Units through the Local Initiative Program. This program, administered by the Massachusetts Department of Housing and Community Development (DHCD), recognizes the various ways that affordable units can be created, and provides guidelines to ensure that new affordable units created through zoning meet the requirements of Chapter 40B. Sunderland currently utilizes inclusionary zoning within the Flexible Development and Major Residential Development provisions of the Zoning Bylaw.

Chapter 40R Smart Growth Zoning Overlay District

M.G.L. Chapter 40R is a zoning enabling act that encourages towns and cities in Massachusetts to adopt overlay zoning districts that will facilitate housing development, including affordable housing, in mixed use areas. The following locations are eligible to be a 40R smart growth district:

- Areas near transit stations;
- Areas of concentrated development, including town and city centers, other existing commercial districts in cities and towns, and existing rural village districts; or
- Areas that by virtue of their infrastructure, transportation access, existing underutilized facilities, and/or location make highly suitable places for residential or mixed use smart growth zoning districts.

In order to be eligible, the overlay zoning district must allow densities of 8 units per acre for single family homes, 12 units per acre for 2 and 3 family homes, and 20 units per acre for condominiums and apartments. Residential uses must be allowed by right, but can include a

limited site plan review process and design guidelines to regulate the physical characteristics and design of the development. The district must require that 20% of new housing developed within the district be affordable to households earning less than 80% of the area median income, adjusted for household size.

Before adopting the zoning district, it must be approved by the Massachusetts Department of Housing and Community Development (DHCD). Once approved and adopted by the community, the town can receive anywhere from \$10,000 to \$600,000 as an incentive payment, depending on the number of new housing units permissible under the overlay district as opposed to the underlying district (see Table 29 below). Communities also receive a bonus payment of \$3,000 for each housing unit that is created within the district, payable when the building permit has been issued for the unit. Additionally, through M.G.L. Chapter 40S, towns and cities with smart growth overlay districts are reimbursed any net cost of educating students living in the new housing in a smart growth district. The reimbursement is equal to the cost of educating students living in new housing in a smart growth district minus the percentage of new revenues from the district that would otherwise be devoted to educational costs, and any increase in state educational aid resulting from students living in new housing in the district.

Table 29: Incentive Payments to Towns for Adopting Chapter 40R Zoning, Based on Number of Additional Units Allowed within the Zoning District

Additional Units Allowed under Ch. 40R Zoning	Incentive Payment
Up to 20	\$10,000
21 to 100	\$75,000
101 to 200	\$200,000
201 to 500	\$350,000
501 or more	\$600,000

Source: Chapter 40R Regulation.

In addition to these benefits, towns and cities with smart growth districts are given preference when applying for state discretionary funds such as the MassWorks program, and may be given relief from a Chapter 40B Comprehensive Permit application, since a town or city that adopts a smart growth overlay district is showing a commitment to creating affordable housing.

Compact Neighborhoods

Recognizing that the Chapter 40R smart growth district may not be appropriate for all communities, DHCD recently launched a new zoning incentive program called Compact Neighborhoods. Compact Neighborhoods can be base or overlay zoning districts. The same types of locations identified above for smart growth districts are eligible to be Compact Neighborhoods. The district must allow, as of right, at least one of the following densities: 8

units per acre for multi-family (2-family or more) homes, or at least 4 units per acre for single family homes. The district must have enough developable land to allow for a minimum number of “Future Zoned Units,” which is generally 1% of the year-round housing units in the community. Sunderland currently allows development of this density in the Village Center zoning district through the Flexible Development provision.

Compact Neighborhoods must require that at least 10% of all units constructed within projects of more than 12 units are affordable to households making less than 80% of the area median income, adjusted for household size. Additionally, the district cannot impose restrictions on age or any other form of occupancy restrictions as a whole. However projects within the district can have occupancy restrictions, if in compliance with fair housing laws, such as housing for seniors, persons with disabilities, or assisted living facilities.

Communities that have a Compact Neighborhood zoning district approved by DHCD and adopted by the town will receive preference when applying for state discretionary funding such as the MassWorks Infrastructure Program. In addition, a town may receive relief from a Chapter 40B Comprehensive Permit. Unlike Chapter 40R smart growth districts, adopting a Compact Neighborhood does not provide any incentive or bonus payments. DHCD staff are available to assist towns who are interested in creating a Compact Neighborhood zoning district.

Chapter 40B Comprehensive Permit

Municipalities can work with a developer to create affordable housing that meets the town’s needs and is consistent with community character. This can be accomplished through a Comprehensive Permit, through a “friendly” Chapter 40B process. The Comprehensive Permit allows for development of various housing types in zoning districts that may only be zoned for single family homes or commercial uses, or where minimum dimensional requirements make affordable housing development difficult. Comprehensive Permit projects must contain at least 20-25% affordable units and have long-term affordability restrictions. Housing of various types can be built through the process. It is difficult for communities that are under the 10% threshold of year-round affordable housing to meet affordable housing production goals without utilizing the Comprehensive Permit tool. This is particularly true in communities with slow housing growth, where inclusionary zoning and other techniques discussed in this section may not produce affordable housing at a quick enough pace.

2.2 Natural Resources

Zoning Protections for Natural Resources

Sunderland has established three special resource overlay zoning districts to preserve important natural resources in town. The Critical Resource District limits development primarily in the northern section of town which includes Mount Toby and the wildlife corridor from the mountain to the Connecticut River. Within this district a special permit is required for any buildings, and any excavation, dredging, or filling of land.

The Watershed District provides for the protection of the town's water resources, and covers a large section of the eastern part of town. Within the Watershed District, the minimum lot size and frontage requirements for residential development are increased, and commercial businesses involving hazardous materials or activities which could negatively affect the town's water supply are prohibited. Major residential developments of five or more building lots within the Watershed District are required to obtain a special permit. The Prime Agricultural District is designed to protect Sunderland's prime farmland soils along the Connecticut River. Major residential developments within the Prime Agricultural District are required to obtain a special permit.

Special permit applications for developments within each of these three natural resource overlay districts must report on the anticipated impact of the proposed development on the environment, including surface water, ground water, water quality, soil erosion and stability, natural habitats, and scenic and historic environs (Zoning Bylaws, Section 125-16).

Sunderland works to mitigate the potential limits on development because of these overlay districts through its Transfer of Development Rights (TDR) provision. Section 125-13H allows the transfer of development rights from any parcel within the Prime Agricultural District or Watershed District into an approved receiving district. This provision is designed to benefit the town through the visual, economic, and ecological benefits of preservation of farming activities and watershed lands, and to benefit the owners of these properties. Under the TDR bylaws, the property owner transferring development rights is required to grant a perpetual restriction to the Town prohibiting any development (other than for agricultural or conservation related purposes) on the land from which the development credit is transferred.

Protected Open Space

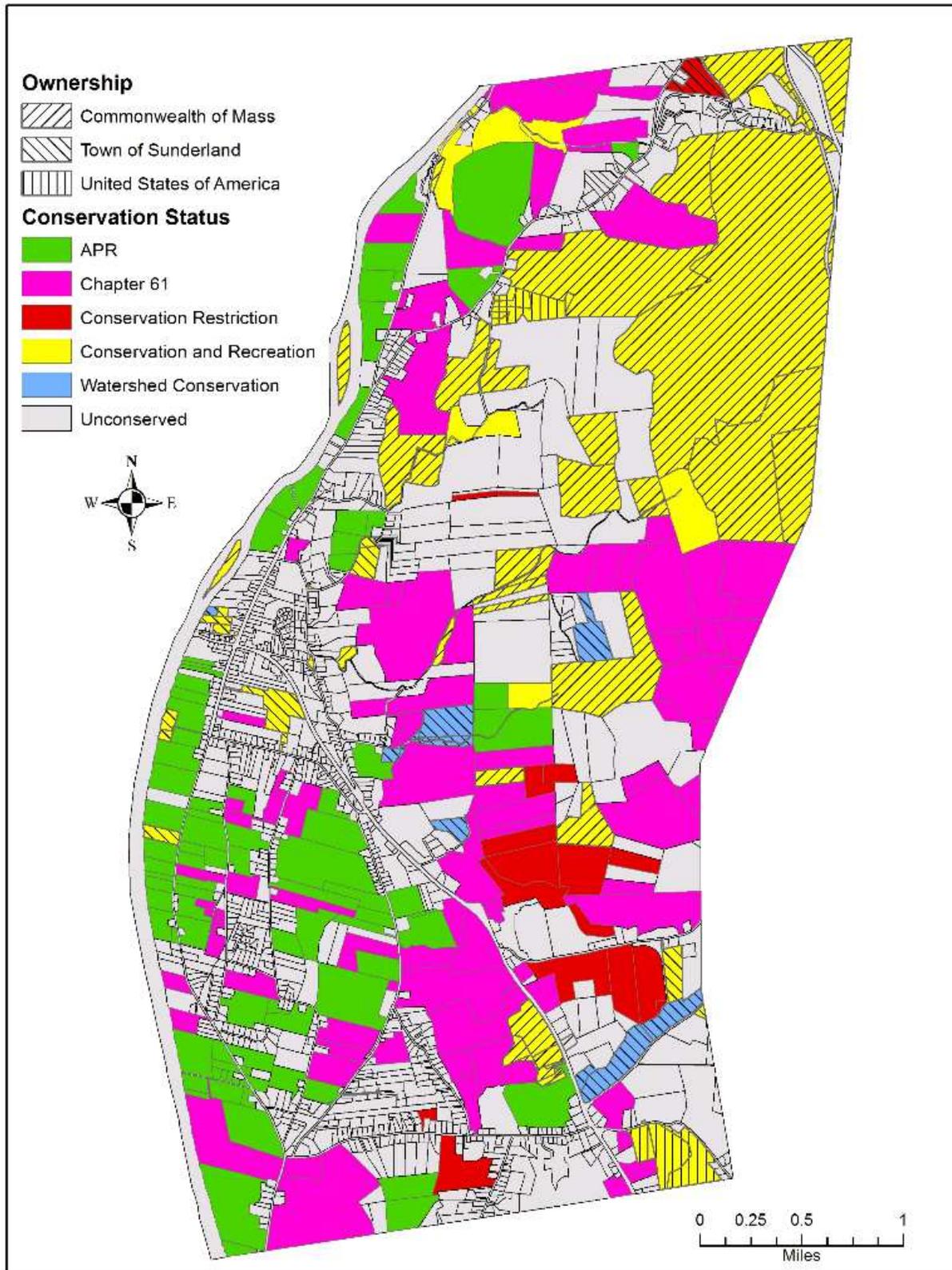
Sunderland has a wealth of important natural resources, including prime agricultural farmlands and large areas of un-fragmented forests. According to the *2014-2020 Sunderland Open Space and Recreation Plan*, roughly 42% of Sunderland, or 3,981 acres, are permanently protected

from development. The Commonwealth of Massachusetts owns approximately 2,184 acres, mostly in the northeastern section of town encompassing the Mount Toby State Forest. Another 1,181 acres of privately-owned farmland is permanently protected through the State's Agricultural Preservation Restriction (APR) Program. Much of this land is located along the Connecticut River and in the southwestern section of town south and west of Route 116. Other permanently protected land include privately-owned forest lands under Conservation Restrictions, watershed lands owned by the water district, Town-owned lands under the control of the Conservation Commission, and lands owned by conservation organizations such as land trusts.

Another 21%, or 2,012 acres, of land in Sunderland is temporarily protected from development through the Chapter 61 Program. The Chapter 61 program values privately-owned land at its current use – forestry, agriculture, or open space and recreation – instead of its development value. The Chapter 61 program does not provide permanent protection for the land, which can be converted to another use if a town chooses not to exercise its right of first refusal and back taxes are paid by the landowner.

Overall, 63% of land in Sunderland is either permanently or temporarily protected from development. The map on the following page shows all land in town with some form of protection, and the areas that are currently not protected.

Figure 7: Land Permanently or Temporarily Protected from Development in Sunderland



Source: 2014-2020 Sunderland Open Space and Recreation Plan.

2.3 Capacity of Municipal Infrastructure

Municipal infrastructure plays a major role in a community's ability to serve its residents and to accommodate anticipated growth. The Town of Sunderland has invested significantly in upgrading and expanding its infrastructure in recent years, and has established a new public safety center, new library, and new elementary school. The Town remains committed to addressing future infrastructure needs and capacity constraints. However, the Town is limited by staff and financial resources in its ability to address all capacity concerns. Key aspects of the Town's capacity to accommodate new growth and housing development are discussed in this section.

Safety Infrastructure

Both the Police Departments and Fire Departments have limited staffing and few full-time employees. Both departments have seen the number of calls they receive increase in recent years, with little staffing change. In 2014, the Fire Department responded to a total of 218 calls, including 136 emergency medical calls and 82 fire-related calls. Also in 2014, Sunderland, Deerfield and Whately pooled capital assets as well as financial and personnel resources to form the State's first regional municipal ambulance service. (Town of Sunderland Annual Report, 2014). In 2014, the Police Department handled 1,524 calls through Shelburne Control dispatch, which does not include the numerous calls handled through the Department without Computer Activated Dispatch. In recent years the Department has had to cut back in many areas due to loss of grant funds from the State.

One safety concern in the town is that the Fire Department's current equipment and vehicles would not be capable of handling fires or other emergencies in any developments that are three full stories in height or higher. The Fire Department does not currently have the funding to acquire such a vehicle, nor does it have any existing municipal building space in which to house such a vehicle. The Zoning Bylaws provide for a maximum building height of 35 feet (2 stories) in all zoning districts. Affordable housing developments for higher buildings can be proposed under Chapter 40B.

Water System Infrastructure

Water service is provided by the Sunderland Water District to approximately 75% (2,800) of Sunderland's residents, as well as businesses, agricultural operations, and Town buildings. Areas that are not served by the Water District rely on private wells. The district's water is supplied by two wells, the Hubbard Well and the Ralicki Well. A redundant well at the Hubbard Well was developed in 2013 to use as a back-up if the mechanical system were to fail. The public water lines are primarily in the southern and southwest sections of Sunderland. The lines are 26 miles long, and run along Route 116 through town, along Route 47 from the Hadley line through the

town center, and through most residential neighborhoods. All four of the major apartment complexes have municipal water service.

Sunderland also has two water storage tanks, one with a capacity of 250,000 gallons, and the other with a capacity of 500,000 gallons. These tanks are important for fire protection. If the Water District's two wells cannot produce enough water for putting out a fire, the tanks can back them up. The storage tanks can also be used for other surges in water demand.

The Sunderland Water District is approved by the Massachusetts Department of Environmental Protection (DEP) to have an average daily withdrawal limit of 240,000 gallons per day. The DEP allows districts to have overruns of up to 99,999 gallons per day before a permit to withdraw additional water must be obtained. Average withdrawal in 2011 was 30,508 gallons over the permitted amount. The Sunderland Water District is actively looking for another water source, and has discussed interconnections with the towns of Deerfield and Amherst about connecting into their water systems.

Sewer System Infrastructure

Sunderland's Wastewater Treatment Center and sewer lines serve a limited portion of town, primarily the town center and the four major apartment complexes. The sewer lines run along Route 116, North Main Street (Route 47), South Main Street (Route 47), School Street, Old Amherst Road, Silver Lane, North Silver Lane, Reservoir Road, Garage Road, and a short portion of Hadley Road. The sewer system currently serves a population of approximately 2,300. The major users of the system are the apartment complexes and the elementary school. The sewer system has a capacity of 500,000 gallons of wastewater per day. On average the system currently receives approximately 165,000 gallons per day. Since the system is on average operating at 33% of capacity, the system could handle additional growth. In 2013 the Town explored the possible expansion of the collection system down Russell Street, River Road, and Hadley Road, but found the expansion to be too cost prohibitive to pursue at this time.

Development in parts of Sunderland without sewer infrastructure will require the use of septic systems or other private wastewater treatment options. Some of these areas however, have onsite characteristics, such as wetlands, high water tables, hydric soils, and/or sensitive environmental habitats, which make them unsuitable for having a septic system. The areas may not be developable without municipal sewer service.

Transportation Infrastructure⁹

Transportation plays a critical role in the ability of residents to access jobs, services, and recreation. Siting new housing in close proximity to employment, schools, shopping, and outdoor recreation reduces the amount of driving for residents, and increases the potential for using alternative forms of transportation to access these destinations. Having the choice to safely and conveniently walk, bike, or ride transit, helps households save money, increases physical health, reduces traffic congestion and air pollution, and generally increases the quality of life in a community.

Commuting Trends

The majority of Sunderland residents work outside the county (72%), but within the state of Massachusetts (98%). Most residents travel a half hour or less to get to work, with very few residents travelling more than 45 minutes for work.¹⁰ The most common form of transportation to work is people driving alone which accounts for 66% of the commuting workforce residing in Sunderland.¹¹ This is the lowest percent of drive-alone commuters among Franklin County towns and well below the County average of 78%. Public transit is the next most popular mode of travel, accounting for 19% of all commuter travel. This is a much higher percentage than other towns and the County as a whole, where only 2% of workers commute by transit. It is also a much higher percentage than the neighboring town of Amherst, where 9% of the workforce commutes by transit. A smaller proportion of Sunderland commuters carpool (9%) and telecommute (4%). Only 2% of commuters walk or bicycle to work.¹²

Roads

Sunderland is well connected to the region via Routes 47 and 116, which provide access to employment, services, and shopping in Amherst and Hadley. Interstate 91 and Routes 5/10 are easily accessible via Route 116 to the west, with access to Greenfield and Northampton. While Sunderland has many assets, elements of its transportation system negatively impact the town's livability. In 2014, the Town, with assistance from the Franklin Regional Council of Governments, completed a Transportation and Circulation Chapter for its Master Plan. A main focus of the chapter is Route 116, and how the development of this state route through the Town center in the 1960s has made the town feel like a "pass through," rather than a destination. Another focus of the chapter is the lack of safe walking and biking connections between the Town's many resources, and the desire to foster community through an improved multi-modal transportation network.

⁹ The majority of information in this section is excerpted from the *2014 Transportation and Circulation Chapter* of the Sunderland Master Plan.

¹⁰ U.S. Census, American Community Survey, 2008-2012 Five-Year Estimates.

¹¹ Workforce travel mode data includes all people who worked for pay during the week prior to filling out the American Community Survey. Students who did not work at a job for pay would not be included in this data.

¹² U.S. Census, American Community Survey, 2008-2012 Five-Year Estimates.

The expansion of UMass Amherst over the past five decades has contributed to increases in traffic along Route 116 in Sunderland. Approximately 19,900 vehicles per day (2015 data) travel on Route 116 at the Deerfield Town Line, west of the intersection with Route 47. Traffic on Route 116 can experience long delays and queues at the intersection with Route 47 in the Village Center during peak a.m. and p.m. commute times, especially when UMass Amherst is in session.

Route 116 is significant to Sunderland not just as a major connecting route, but because it travels through the village center. The section of Route 116 travelling south-east from Route 47 has been described as a “no-man’s land,” where pedestrians and bicyclists do not feel safe or comfortable. The speed limit is 50 mph within roughly 0.3 miles of the village’s central intersection. The speed limit at the Route 47 intersection is 30 mph, though it is common for vehicles to travel over the speed limit through the intersection.

In order to promote more business development in town, in 2012 the Town zoned the area surrounding the Route 116 and 47 intersection as part of the Village Center District (VC), and extended a Commercial District (C-1) south along Route 116. As new development occurs in these areas, the Town is interested in creating a pedestrian-friendly village atmosphere with a mix of business, residential, and civic uses. While new development and redevelopment will help improve the village center environment over time, there is a need and desire among residents to begin making changes now to slow traffic and better accommodate pedestrians and bicyclists in the village center. Some desired changes may only be possible if the Town were to take over jurisdiction of Route 116, including financial responsibility for maintenance and future improvements.

Bus Transit

The Pioneer Valley Transit Authority (PVTA) operates two regular fixed route bus services in Sunderland: Route 31 and Route 46. In 2014 the PVTA completed a Comprehensive Service Analysis of all of its bus routes, including those serving Sunderland. Much of the information in this section is from the individual route analyses for Route 31 and Route 46.¹³

PVTA Route 31 travels between Sunderland Center and Amherst Center, with service to UMass Amherst and Amherst College. In Sunderland, the bus travels along Amherst Road (Route 116), South Main Street (Route 47), and Old Amherst Road, with stops including Cliffside and Squire Village Apartments, Sugarloaf Estates, and Sunderland Center. In Amherst, connections are available to Northampton, Belchertown, South Amherst, and Mount Holyoke College. Route 31 operates seven days a week. During weekdays, buses run every 15 minutes during the day, and every 35 minutes in the evening. Saturday and Sunday service is provided every 70 minutes. When UMass is not in service, buses run at lower frequencies. Route 31 has one of the highest

¹³ The final PVTA Comprehensive Service Analysis can be found online at <http://www.pvta.com/csa.php>.

ridership counts in the PVTA system. In Sunderland, the stops with significant ridership are at Sugarloaf Estates and 7-Eleven.

PVTA Route 46 provides service from UMass Amherst north along the Route 116 corridor to South Deerfield. Much of Route 46 overlaps with Route 31. There are six trips per day. Northbound service operates express from UMass to South Deerfield, only stopping to pick up passengers along the way. Route 46 serves as a commuter route, with most passengers boarding in South Deerfield or at the Squire Village/ Cliffside Apartments stop in Sunderland, and riding to UMass. The highest ridership occurs at peak morning and evening commute times.

On September 2, 2014, Route 46 began serving the Whately Park and Ride Lot, located off of Routes 5/10 at the Route 116 intersection in Whately. The Park and Ride was constructed in part to alleviate traffic travelling on Route 116 to and from Amherst from the west side of the Connecticut River. Ideally, providing bus service from the Park and Ride to UMass will increase ridership and lessen the amount of traffic travelling through Sunderland during peak commute times.

While Sunderland residents have excellent transit connections to Amherst and points south, there are very few connections to Greenfield, Montague, or points north. The Franklin Regional Transit Authority (FRTA) operates six fixed route bus services originating from the John W. Olver Transit Center in downtown Greenfield. None of the fixed routes serve the Town of Sunderland, which is not a member of the FRTA. Route 23 Amherst/Greenfield travels through the northeast corner of Sunderland along Route 63, however no stops are located within town. PVTA Route 46 provides the only transit connection in South Deerfield and at the Whately Park and Ride lot to FRTA Route 31 service to Greenfield and Northampton. However, the connection times are limited.

A Comprehensive Service Analysis of FRTA routes was completed in June 2015, and provides recommendations for improving the fixed route bus system, including better connections between PVTA and FRTA buses in South Deerfield and at the Park and Ride, and rerouting the Route 23 Amherst/Greenfield route to travel along Route 47 from Montague Center and terminate in Sunderland Center where riders can connect to PVTA service to Amherst. If implemented, these improvements would create more transit options for Sunderland residents to access Greenfield, Montague, and Northampton.

Passenger Rail

The closest passenger rail stations for Sunderland residents are located in Greenfield and Northampton, which is served by Amtrak's Vermonter. The Vermonter travels once a day in each direction between St. Albans, Vermont and Washington D.C., with stops including Springfield, Hartford, New Haven, New York, and Philadelphia. In December 2014, the Vermonter was rerouted to its current alignment. Previously, the Vermonter served Amherst,

providing Sunderland residents a more direct transit connection to the train. With the realignment, residents wishing to take the bus to a train station must transfer either in Amherst or in South Deerfield to get to the Northampton or Greenfield stations. As discussed above, a direct connection between the JWO Transit Center in Greenfield (where the Amtrak stops) and Sunderland center is being proposed by the Franklin Regional Transit Authority. If implemented, Sunderland residents would again have a direct bus transit connection to passenger rail service.

Sidewalks and Walking

Most of the sidewalks in Sunderland are located in and around the Village Center on Route 116, Route 47, School Street, Old Amherst Road, Swampfield Drive, and Garage Road. Sidewalks are also located adjacent to and within the apartment complexes on Route 116 and Route 47. The Sunderland Transportation and Circulation Chapter identified areas where sidewalks are in need of repair, most notably along South Main Street (Route 47), where the asphalt sidewalks are narrow, cracked and uneven. The Chapter also identifies a desire among residents to extend sidewalks on Route 116 in order to access the Frostie ice cream stand and the elementary school from the Village Center.

The Sunderland Community Pathways Group is a group of Sunderland residents working “to support public health and enhance recreational enjoyment of Sunderland’s natural assets by implementing a cohesive system of pedestrian and bike pathways.” The need for the Pathways project arises from Sunderland’s strengths as well as its challenges. Resources such as the Connecticut River, Mount Toby, farms, hiking trails, and a Historic Village Common add to the Town’s quality of life and scenic beauty. However, these resources have limited pedestrian or bicycle connections between them. Another key challenge that the Pathways Group hopes to address is creating a sense of place at the town center, where Route 116 currently creates an intimidating environment for pedestrians and bicyclists, detracting from a village-like atmosphere. In 2014, the Pathways Group was awarded Community Preservation Act funds to hire a consultant to develop a conceptual design and plan for the Sunderland Community Pathways System, which is expected to be completed in 2015.

All new roads in Sunderland are required to have either a sidewalk or pathway providing off-street pedestrian accommodations, according to the Sunderland Subdivision Regulations. Many of Sunderland’s existing roads do not have sidewalks, but have low traffic volumes, and are narrow and tree-lined, which can slow traffic. These roads, however, lack any indication to drivers that they must share the road with pedestrians and bicyclists. The Town is interested in developing a “share the road” strategy for roads where no pedestrian facilities exist. This could include signage to alert drivers along roadways where walking and biking are popular.

Bicycling

Sunderland is part of two regional bikeway networks – the Franklin County Bikeway and the Connecticut River Bikeway - and is a popular destination for cyclists. Bicycle signage is included along the Franklin County Bikeway routes. Some of the bike routes in town have marked shoulders; however none of the routes have pavement markings such as bike lanes or sharrows to remind motorists to share the road with bicycles. Sunderland also does not have any off-road bicycle paths. There is support in town to improve existing bicycle routes and create new off-road shared-use paths. The 2014 Sunderland Open Space and Recreation Plan includes recommendations to improve bicycling in town for recreational cyclists, commuters, and families with children.

Park and Rides

Park and rides offer people the opportunity to carpool or combine driving and transit to reach jobs, school, or shopping and services. As mentioned previously, a park and ride was recently developed at the intersection of Routes 5/10 and 116 in Whately, roughly two miles from Sunderland Center. This park and ride has easy access to I-91, and is currently served by the PVRTA Route 46 bus to UMass, and the FRTA Route 31 bus between Greenfield and Northampton. A small park and ride lot is located in Sunderland Center on Route 47, at the corner of School Street. The lot includes ten parking spaces, and is approximately a quarter mile from the PVRTA bus stop on South Main Street. A 2014 Road Safety Audit of the Route 116 and 47 intersection in Sunderland included a recommendation to explore establishing a park and ride lot on Route 116 south of the town center, that could be served directly by the bus service to Amherst.

Transportation and Affordability

In a rural region such as Franklin County, transportation costs should be taken into consideration when determining the true affordability of a region. However, this expense is often not calculated even though it is the second largest cost for families after housing. The Center for Neighborhood Technology (CNT) has created an index that combines both housing and transportation costs as a tool to assess the true affordability of locations. The index is based on the premise that households should spend no more than 45% of their income on housing and transportation combined.

According to the CNT, when transportation costs are added to housing costs, all areas of Sunderland are unaffordable. According to the index, households to the north of Route 116 on average spend 61% of their income on housing and transportation combined. Households south of Route 116 spend on average 58% of their income on housing and transportation combined.¹⁴ The results for Sunderland are skewed by the presence of so many students with low incomes. In

¹⁴ “Housing and Transportation Affordability Index,” Center for Neighborhood Technology. <http://htaindex.cnt.org/> June 2015.

reality, many households in Sunderland have access to frequent, free transit service and carpooling options, which can make Sunderland a more affordable place to live despite higher housing costs than some surrounding communities.

Utilities

Utilities can be a huge expense for households. Today, it is not uncommon for a household to pay \$3,000 - \$5,000 each year for heat and electricity.¹⁵ Lower income populations are more likely to have high utility bills because they often live in older buildings that are less energy efficient. While utility costs are high today, the cost of fossil fuels are likely to go up as demand increases for these finite resources.

A large percentage of occupied homes in Sunderland, approximately 40%, are heated with electricity, an expensive form of heating. Another 39% of homes in Sunderland are heated with fuel oil, also an expensive form of heat. Roughly 8% of homes are heated with wood, 8% with natural gas, and 3% with bottled or tank gas. Natural gas is currently the most affordable heating option; however, with recent increases in natural gas prices this may not continue. Natural gas is only available to a small portion of the region, and there is currently a moratorium on new service. Wood is fairly inexpensive, but it can cause air quality problems when old, inefficient wood burning appliances are used.

To help control energy costs for homeowners and renters, new construction should be energy efficient, and incorporate when possible passive heating and cooling strategies and renewable energy sources such as solar photovoltaic systems and high-efficiency wood heating systems. Additionally, replacing aging heating equipment in existing homes with energy efficient models, as well as making homes more energy efficient, will help reduce utility costs over time. Sunderland, as a designated Green Community by the state, has adopted the Stretch Energy Code, an appendix to the Building Code which requires greater energy efficiency in new home construction.

Sunderland is fortunate to be part of the Massachusetts Broadband Institute's MassBroadband 123 fiber telecom network. This network of fiber optic cables travels through Sunderland Center along Route 116 from Deerfield, to Bull Hill Road, as well as along Route 47 south to the Public Safety Complex. Community Anchor Institutions will be directly connected to the network by fiber optic cable, and include the library, town hall, elementary school, and public safety complex.¹⁶

¹⁵ *Massachusetts Clean Energy and Climate Plan for 2020*, (2010)

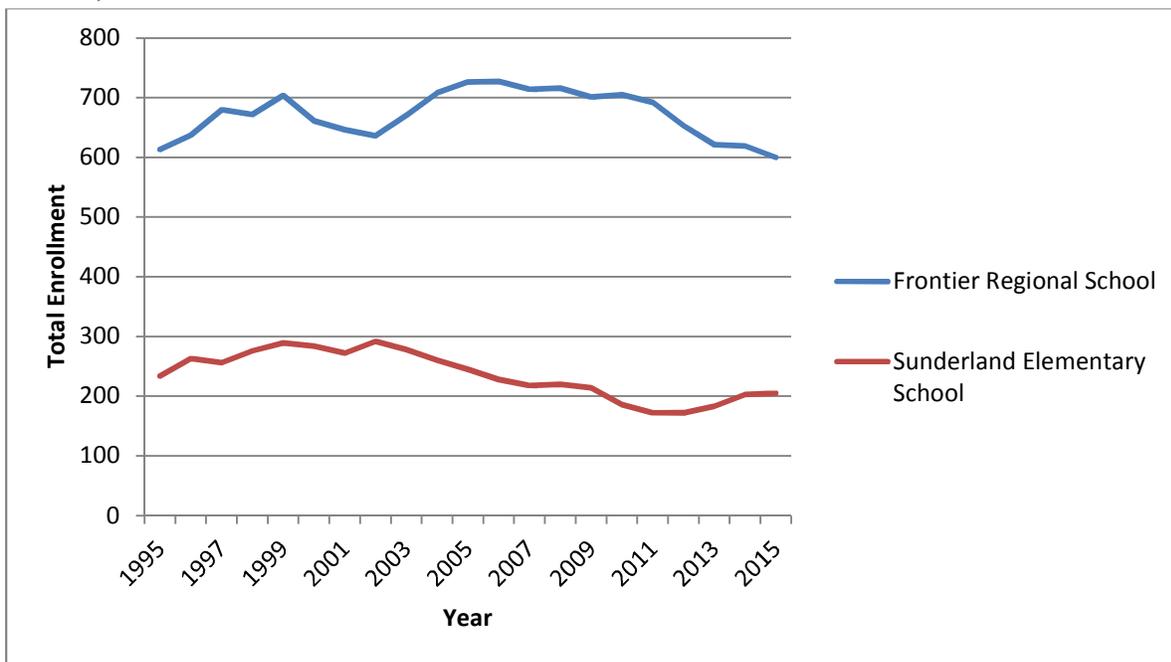
¹⁶ MassBroadband Institute website, Sunderland community map, dated January 22, 2014.
<http://broadband.masstech.org/sites/mbi/files/documents/map-gallery/community-network-maps/massbroadband123-network-Sunderland.pdf>

Public Schools

Sunderland is part of two regional school districts, the Union 38 District and the Frontier Regional District. The Union 38 School District includes the elementary schools of Sunderland, Deerfield, Conway, and Whately, and serves students in pre-kindergarten through 6th Grade. The Frontier Regional School District contains the regional school for the same four towns for grades 7-12. According to the districts' web site,¹⁷ the district has an estimated 1,550 students, 180 certified personnel and a support staff of 140.

For the 2014-2015 school year, the Sunderland Elementary School had a total of 205 students, and the Frontier Regional School had 600 students. Enrollment has fluctuated at both schools in recent years, with a general decline since the early to mid-2000s. The Sunderland Elementary School saw its lowest enrollment in 2011 and 2012 at 172 students. Frontier Regional is currently at its lowest enrollment in the last 20 years (*Figure 8*). Enrollment decline generally mirrors demographic trends over the same time period. Between 2000 and 2010, the number of residents in Sunderland aged 19 and under decreased by 161 according to the U.S. Census.

Figure 8: Student Enrollment at Sunderland Elementary School and Frontier Regional School, 1995 - 2015



Source: Massachusetts Department of Education, School and District Profiles.

The Frontier School District has been a receiver of school choice students from towns outside of the district. Currently school choice students make up approximately 20% of enrollment at the

¹⁷ <http://www.frsu38.org/Content/82>

Frontier Region School, and 19% at the Sunderland Elementary School. Over the last five years when enrollment has declined, the number of school choice students has remained the same or increased, while the number of resident students has declined. According to an April 2013 *Recorder* article about enrollment at the Frontier Regional School, Sunderland has had the biggest decline in resident students attending the school. Between 2008 and 2012, Frontier lost 50 students from Sunderland.¹⁸

The maximum capacity of the Sunderland Elementary School is 280 students, and the maximum capacity of the Frontier Regional School is 1,000 students, however according to the district Superintendent, a better number to use would be 800 students. The district monitors enrollment and population changes within its communities. In terms of capacity, the school district is currently more concerned with declining enrollments, particularly if the school choice population were to decrease, than with enrollment being too high. In the past, communities have worked to manage developments that would increase school children and local costs. The region may be in the current position, however, of needing residential growth of families with children in order to stabilize the school system.

2.4 Local Capacity for Affordable Housing Development

Municipal Staffing

Sunderland is a small town, with a Board of Selectmen-Town Meeting form of government. The three-person Board of Selectmen serves as the Town's Chief Executive Officer. Key town staff including the Town Administrator, Building Commissioner, Treasurer, Fire Chief, Police Chief and other police officers are appointed and hired by the Selectmen. Town residents elect the Selectmen, the Town Clerk, and members of the Planning Board, Board of Health, Assessors, and Regional and Elementary School Committees. Remaining major boards including the Conservation Commission, Community Preservation Committee, Finance Committee, Zoning Board of Appeals, and Historic Commission are staffed through appointments by the Selectmen. Most Board members are either volunteers or, as is the case with the Board of Selectmen, receive a small stipend.

Sunderland has under 30 full-time and part-time Town employees, excluding school personnel. The Town has a number of highly dedicated volunteers who perform many different functions in Town. The Town's dependence on volunteers and part-time employees for many municipal functions limits Sunderland's ability to proactively promote desirable development patterns, and plan for needed infrastructure upgrades and expansions.

¹⁸ "Frontier numbers dip: Student enrollment decreased by 101 students in five years," Kathleen McKiernan, *The Recorder*. Monday, April 22, 2013.

The Town's limited staff resources for planning for future development can be supplemented through collaborations with regional agencies and organizations such as the Franklin Regional Council of Governments and the Franklin County Housing and Redevelopment Authority. These agencies offer technical skills related to planning and development, and can help the Town access funding resources for its planning and development initiatives.

Additionally, to expand the Town's capacity to play a more active role in the creation of affordable housing and to address housing needs within the community, the Town has established a Sunderland Housing Committee. The Housing Committee is currently composed of representatives of the Town Zoning Board of Appeals, Select Board and interested residents. The Committee has been working with HRA, RDI, and other regional organizations on the behalf of the Town on affordable housing issues.

One issue for the Town to consider as it pursues the creation of affordable housing is the monitoring and resale of affordable units, which would require some level of municipal resources (either funding and/or staff time). Sunderland could use its municipal staff for this work or hire a regional organization or other entity. When deed-restricted affordable housing is created, a municipality has several responsibilities to ensure the long term affordability of the units. These responsibilities include annual monitoring and certification to DHCD that:

- a. Tenants in affordable rental units meet income limits and the project has been maintained in a safe and sanitary condition consistent with state Guidelines and the recorded Regulatory Agreement; or
- b. For homeownership units, that the units continue to serve as owners' principal residences; and that any units that have been resold during the prior two years have been resold in compliance with state requirements.

For affordable homeownership units, the Town should have a Resale Plan in place. The Town should also create and maintain a list of income-eligible potential buyers through a process that has been pre-approved by DHCD.

Municipal Budgets

Sunderland, like many small towns in Massachusetts and elsewhere, struggles to contain municipal costs and maintain a balanced town budget. State Proposition 2 1/2, which restricts increases in the amount of property tax revenue that towns can collect each year to no more than 2.5% annually, excluding new development, has created a challenging situation for many towns, since many municipal costs are increasing more than 2.5% per year. Town voters must approve an override for towns to increase spending over this level. Since other costs for residents are

growing as well, including for basic needs such as housing, home heating, health insurance, food, and transportation, towns can be hesitant to bring an override proposal to the voters, and voters can be hesitant to approve an override. With limited town funding and small budgetary increases, towns can be forced to cut services and put off infrastructure repairs and upgrades.



120 North Main Street. Sunderland purchased this property in 2014 and is studying affordable housing options for the site.

The Town of Sunderland adopted the Community Preservation Act (CPA) in 2010, allowing funds to be raised through a 3% surcharge on property taxes and a state match for eligible activities in the categories of open space, historic preservation, outdoor recreation, and community housing. Low income residents and the first \$100,000 of residential property value are exempt from the surcharge. For the years 2012, 2013, and 2014, a total of \$278,241 was raised through the local surcharge. The State matched this by 100% each year, for a total CPA revenue of \$556,482. Each year 10% of CPA revenues must go towards community housing initiatives, or be set aside to use in the future for an eligible project. In 2012, \$9,000 of CPA funds was awarded to the Housing Committee for planning, site feasibility studies and other preliminary steps towards meeting town and state goals for affordable housing units.

At a September 19, 2014 Special Town Meeting the town voted to authorize the Board of Selectmen to use Community Preservation Funds of \$265,000 for the purchase of a property at 120 North Main Street to be used for CPA purposes. The 2.82 acre property contains a house and additional land that could be developed for housing. Shortly after the purchase, the Board of Selectmen appointed a committee made up of town residents to include property abutters, who were charged to review the property and utilize experts to devise a plan for the site that addresses the Town's housing needs. The Town worked with the Franklin County Regional Housing and Redevelopment Authority to develop a preliminary site feasibility and housing market analysis for the site. The results of the analysis indicate that the site would be best used for senior rental housing that is affordable for households earning no more than 60% of the Area Median Income (AMI).

Town's Limited Ability to Plan for and Address Housing Needs of UMass Students

Many of the housing issues and needs identified in Sunderland are tied to the large college student population living in town. The University of Massachusetts (UMass) where most of these students are enrolled, is better suited than the Town of Sunderland to address the housing needs and affordability issues for this student population. The University recently completed a new dormitory on campus, adding 1,000 beds. One growth scenario for the school, however, projects an increase of 3,000 students and an additional 250 new faculty by 2022.¹⁹ The University sets current and future student enrollment levels. These levels which can vary significantly over time, greatly affect the demand for on and off-campus housing.

Further, one reason that so many UMass students have chosen to live in Sunderland, is that parts of town with the most rental housing, such as the four apartment complexes, have regular transit service. This transit service, which operates seven days a week and provides frequent service to Amherst and the UMass campus, is subsidized by the University. The Town of Sunderland does not contribute financially to its operations and is not involved in deciding any route or service changes.

While students have housing needs and there is demand for more off-campus student housing, the presence of a large number of students living in Sunderland impacts the affordability and housing needs in town for the non-student population. Students generally have low incomes, but also receive assistance to pay for housing, and pay on a per-bedroom basis, rather than for a whole housing unit. This high demand and ability of students to pay has caused rents in Sunderland to be higher than what many typical non-student households can afford. As seen in Section 1, many renter householders over the age of 25 are cost-burdened by housing in Sunderland.

Limited Developer Interest in Creating Affordable Housing in Sunderland

To date, there has been only limited developer interest in creating new long-term subsidized affordable housing in Sunderland and in most other parts of Franklin County. The main developers of affordable housing in Franklin County have been the Franklin County Housing and Redevelopment Authority (HRA) and its affiliate organization, Rural Development Inc. (RDI). HRA has taken the lead in creating new low and moderate-income housing throughout the region and works cooperatively with Franklin County communities to site, develop, own and operate affordable housing complexes for seniors, families, and special needs populations. RDI has worked on numerous projects to rehab existing housing structures for new affordable housing, and to build new single-family homes for low and moderate-income residents. Pioneer Valley

¹⁹ *UMass Amherst Campus Master Plan*. UMass Campus Planning.

Habitat for Humanity has also developed several homes in Franklin County in the last 15 years, though no homes have been built in Sunderland.

Past Efforts

The Town is open to working collaboratively with private developers who propose affordable housing projects in Sunderland and encourages developers to create housing that will address housing needs in the community. The Town has also been working with HRA, RDI, and the Massachusetts Housing Partnership (MHP) to investigate affordable housing options and funding sources and to tap into their skill and expertise on these topics. For example, in 2012 the Town requested technical assistance from MHP to investigate the feasibility of converting one of the apartment complexes into long term affordable housing. The study found that while there may be some options for creating affordable housing out of the existing apartment developments, there are complex regulatory and financial requirements that come with this approach. In addition, the apartment complexes are over 40 years old and would need significant rehabilitation and investment. The overall conclusion is that this strategy would be too complex and costly for the Town to undertake.

Housing Developments Currently in Process

More recently, in 2014 the Town purchased a property on North Main Street for the purpose of creating affordable housing on the site. The Town is working with HRA on pre-development planning and feasibility.

In 2006, the Sunderland Zoning Board of Appeals (ZBA) received an application for a Comprehensive Permit project for 56.5 acres of land off of Route 116 and Plumtree Road. The application was for 150 rental units in five buildings. The project, known as Sugarbush Meadows, proposed that 25% of the units would be affordable and eligible for inclusion on the State's Subsidized Housing Inventory (SHI).

In January 2008, the ZBA denied the application. The ZBA asserted that the Town already had a large amount of affordable rental units, even though these units do not count on the SHI because they lack long-term affordability restrictions and are not subsidized. The ZBA also cited safety concerns related to the height of the buildings and the inability of the Town's fire trucks to reach the top floor. The increase in residents resulting from the development would also place a financial strain on the Town, according to the ZBA, with a potential of over 50 new school children and the need for additional police officers and fire fighters.

The developer appealed the decision to the Housing Appeals Committee (HAC), which, in June 2010, overturned the ZBA's decision and authorized the issuance of a Comprehensive Permit subject to certain conditions. The ZBA appealed to the Superior Court, which upheld the HAC's decision, and then to the Supreme Judicial Court, which upheld the decision of the Superior

Court. Most recently in 2015, the developers submitted changes to the original proposed project to the ZBA, resulting in additional public hearings and a decision by the Zoning Board of Appeals in May 2015 to issue a Modified Comprehensive Permit for the project subject to a number of conditions, including final approval for the project from MassHousing, and a more detailed engineering review.

The developer has appealed some of the conditions, and as of the writing of this plan, mediation is underway between the Town and the developer. If the project moves forward, all 150 units will be eligible for inclusion on the Subsidized Housing Inventory, bringing Sunderland's total affordable housing count to 158, or 9% of the year-round housing stock (currently 0.5% of Sunderland's year-round housing stock is considered affordable).

3. AFFORDABLE HOUSING GOALS AND STRATEGIES

3.1 Housing Goals

Overreaching Housing Goals

These goals for Sunderland’s housing are based on community priorities and the demographic and housing data collected and analyzed for this plan.

- To increase the amount of affordable housing in Sunderland in a way that maintains the community character and that does not strain the town’s municipal infrastructure and financial resources.
- To balance residential development with the protection of the town’s natural, scenic, and historic resources.
- To engage Sunderland residents early in affordable housing efforts in order to get input and gain consensus.

Affordable Housing Production Goal to Increase Sunderland’s Percentage of Housing Units on the Subsidized Housing Inventory (SHI)

A community will be certified in compliance with a State-approved housing plan if, during a single calendar year, it has increased its number of low- and moderate-income year round housing units, as counted on the Subsidized Housing Inventory (SHI), in an amount equal to or greater than its housing production goal. A community has control over comprehensive permit applications, also known as 40B developments, during the certification period.²⁰

Sunderland’s housing production goal is 9 units for a one-year certification, and 17 units for a two-year certification. Sunderland will strive to meet these goals through the strategies outlined in this Housing Plan.

3.2 Mix of Housing Desired

Sunderland supports having a mix of housing that can serve all of its residents, especially those population groups that have been identified as having housing needs: first-time homebuyers;

²⁰ More information on certification and Chapter 40B is located in the Introduction.

relatives of current Sunderland residents; low and moderate-income families; residents with disabilities; and senior residents.

Sunderland has a diverse housing supply. As noted previously, Sunderland has a high percentage of rental housing (52%). This percentage is the highest of any Franklin County town. Much of Sunderland's rental housing is contained within four large apartment complexes in the central part of town. Together these complexes have approximately 666 housing units, equal to 39% of the town's total housing supply. Largely because of these apartment complexes, Sunderland has a lower than average percentage (47%) of single-family homes, and a higher than average percentage (46%) of housing in multi-family structures with five or more housing units.

Given the town's high percentage of multi-family housing and its existing apartment complexes, Sunderland is most interested in having new housing development which is smaller scale in nature and which is the most compatible with the town's goal of preserving its rural character and important natural, scenic, and historic resources.

The types of housing that Sunderland considers most desirable and appropriate given its housing needs, current housing mix and natural, scenic, and historic resources include the following:

- Infill housing in the Village Residential and Village Center zoning districts and other already developed areas of town;
- Accessory apartments and the creation of additional dwelling units within existing structures; and
- Open space flexible development which allows for the grouping of homes on part of a development site in order to preserve natural features, prime farmland soils, and open spaces on the rest of the site.

Table 30 identifies each zoning district in town and the housing types and characteristics desired for each area.

Table 30: Preferred Housing Types and Development Characteristics for Housing Target Areas in Sunderland

Zoning District	Housing Types Desired	Preferred Development Characteristics	Housing Target Area?
Village Center	single-family; 2-family; small scale multi-family; accessory apartment	consistent with historic character; mixed use; infill; Planned Unit Development	Yes
Village Residential	single-family; 2-family; small scale multi-family; accessory apartment	consistent with rural character; infill; Flexible Development	Yes
Commercial I	2-family; small scale multi-family	Planned Unit Development; mixed use; housing above commercial	Yes
Rural Residential	Single-family; 2- family; accessory apartment	consistent with rural character; Flexible Development; Transfer of Development Rights	No
Commercial II	Single-family	consistent with rural character	No

3.3 Enabling Strategies to Support Affordable Housing Development

Sunderland has made much progress towards implementing strategies identified in the 2007 Sunderland Housing Plan, including creating a housing committee, adopting the Community Preservation Act, enacting zoning changes, and working with the Franklin County Regional Housing and Redevelopment Authority to establish a housing rehabilitation program in town. The following strategies build upon this momentum and are an integral part of Sunderland’s Housing Plan. These strategies help provide a general framework for establishing more affordable housing and addressing other community housing needs.

Revise Sunderland’s Zoning Bylaws to Explicitly Allow Accessory Apartments

The creation of accessory apartments is currently allowed in Sunderland as a “two-family dwelling by conversion of existing structures” (Zoning Bylaws, Section 125-4E). Such conversions are allowed in the Village Center, Village Residential, Rural Residential, and C-1 Commercial Districts by Special Permit from the Zoning Board of Appeals. The proposed revisions would create a new use of “accessory apartment” in the Zoning Bylaw’s Use Regulations. Accessory Apartments could be allowed in owner-occupied single-family homes by right, and within accessory structures, such as a detached garage, by Special Permit in the same zoning districts. However, unlike conversions of existing structures, the accessory units would be

clearly secondary to the primary residence. To construct an accessory unit, the owner would no longer need to meet larger minimum lot size requirements for other “conversions of existing structures” to two-family or multi-family homes. Accessory apartments offer a low cost rental housing option for young workers or seniors, while also providing a source of revenue for homeowners. Accessory apartments can also offer a good way to create new housing units within current housing structures, limiting the visual impact to the neighborhood.

Revise the Zoning Bylaw to Allow Two-Family Homes By-Right

Currently only single-family homes are allowed by-right within the zoning bylaws. While Sunderland has a large percentage of multi-family housing in structures containing more than five units, it has a much smaller percentage of two-family homes (4%). Two-family homes can be similar in size and style to a single family home, and provide an affordable option for first-time homebuyers or seniors, who can occupy one unit and rent out the second unit as a source of income.

Revise the Zoning Bylaw to Allow More than Four Units in a Structure in the Commercial I and Village Center Zoning Districts

Currently, multifamily housing in Sunderland is limited to not more than four dwelling units in a structure. Increasing the number of units allowed in a structure within the Commercial I and Village Center zoning districts would increase the housing stock and provide affordable options for a range of households, including those with identified housing needs such as seniors and residents with disabilities. For example, an assisted living facility would likely need to include more than four units within a structure to be financially viable, however that is not currently possible under the existing regulations. Requiring a special permit with site plan review for these multifamily structures can help ensure that they blend in with the surrounding neighborhood.

Continue to Work with the Franklin County Regional Housing and Redevelopment Authority (HRA) to Obtain Funding for Housing Rehabilitation Projects

The Franklin County Housing and Redevelopment Authority (HRA) coordinates and administers a housing rehabilitation loan program for Sunderland and other communities in the region. The housing rehabilitation loans are funded primarily through Community Development Block Grant (CDBG) awards. The loans are available to low and moderate-income households, and can be used for home repairs, home improvements, fixing of building code violations, Title 5 upgrades, or accessibility projects. The loans, which are generally offered to homeowners at 0% interest, do not have to be repaid until the home changes ownership. Income generated through repayment of housing rehab loans is channeled back into the program so that additional residents can be assisted. HRA submits regional CDBG applications on behalf of area towns requesting

funding for the housing rehabilitation loan program. Seven homeowners in Sunderland have used the program since 2000. One homeowner is currently on the waiting list. There are no funds in place at the writing of this plan for housing rehabilitation projects in Sunderland.

Consider Establishing an Affordable Housing Trust

The Municipal Affordable Housing Trust Fund Law (MGL c.44 s.55C), passed in 2005, simplifies the process of establishing a trust fund, and sets guidelines on what local housing trusts can do, who can serve on the board, and what powers a community can grant to the board. Trusts can act as a funding entity, providing grants and loans to subsidize affordable housing development or for housing programs such as first-time homebuyer and home rehabilitation. Trusts can also be more directly involved in affordable housing development through property acquisition, development and conveyance. Sunderland would be able to determine the role and powers of the trust.

Trusts can be funded through CPA funds, and may be given the authority to use the funds in the trust for local affordable housing initiatives without having to get approval through Town Meeting. This allows the trust to act more quickly on opportunities. Additionally, Sunderland could revise its zoning bylaw to allow developers who are required to produce affordable units to pay into the housing trust fund as an option in lieu of producing affordable units.

Affordable housing trusts must be adopted by a majority vote at Town Meeting. The Massachusetts Housing Partnership provides a guide for communities on how to establish a municipal affordable housing trust. The guide can be found at http://www.mhp.net/community_initiatives/resources.php?page_function=list&resource_category_id=74

Collaborate with the South County Senior Center to Provide Information to Seniors on Housing Programs

The Housing Committee could work with the South County Senior Center on providing senior residents with information on housing programs that may help seniors remain in their home, and provide assistance with accessing these programs. Examples of programs that seniors may qualify for are the USDA Rural Development Very Low-Income Housing Repair program, the Housing Rehabilitation Loan Program through the Franklin County Regional Housing and Redevelopment Authority, the STAVROS Home Sweet Home program, and reverse mortgage products that can help seniors on fixed incomes remain in their homes.

3.4 Strategies Specifically to Increase the Subsidized Affordable Housing Supply

These strategies focus explicitly on increasing Sunderland’s subsidized affordable housing supply and moving the town’s percentage of year-round housing units on DHCD’s Subsidized Affordable Housing Inventory from the current 0.5% towards the State goal of 10%.

Pursue the Development of Affordable Housing at 120 North Main Street

In 2014, the Town purchased 120 North Main Street, a 2.8 acre property with an existing single family home in the village center, for the purpose of developing affordable housing. Recent public surveys and two well-attended public forums on the proposed acquisition showed support for new senior housing within town. The stated goals of the property acquisition are:

- To use the property to provide affordable housing units for qualified residents, with a focus on seniors;
- To create a use and site design that respects the Sunderland Center Historic District; and
- To have all of the units created accounted for on the State Affordable Housing Inventory.

The Select Board appointed an Advisory Committee to conduct feasibility of the use of the property. In 2015, a supply and demand analysis recommended senior rental units affordable to households earning from 30% to 80% of the Area Median Income (AMI) for the site. The study recommends that the majority of the units be affordable to senior households earning up to 60% of the AMI. The Town plans to seek a developer to build potentially 16 to 22 units of housing on the site. Initial feasibility studies are complete and a public forum was held in October 2015 to present the preliminary plans to the public. Next steps include approval of a Request for Qualifications (RFQ) for architectural design services.

Consider Adopting a Chapter 40R Smart Growth Overlay District for the 120 North Main Street Property

The level of density proposed for the 120 North Main Street project (see above) is currently not allowed under the existing zoning for the Village Center. The project could move forward as a “friendly” Chapter 40B Comprehensive Permit. Alternatively, the Town can consider adopting a Chapter 40R Smart Growth Overlay District for the property. A Ch. 40R district must allow multi-family housing by-right with limited plan review similar to site plan review. Allowable densities must be at least 8 units per acre for single family homes, 12 units per acre for 2-3 family homes, and 20 units per acre for buildings with 4 or more units. Not all uses or densities are required – for example, a district could allow only 2-3 family homes by-right at the required density.

Projects with 13 or more units are required to provide at least 20% affordable units, and the district as a whole must have at least 20% affordable units. In return for passing this zoning, the State will pay the town an incentive payment, based on the number of new units that could potentially be built in the district by-right, compared to the underlying zoning. In addition, as units are built within the district, the Town will receive \$3,000 per unit from the State. Sunderland should contact DHCD for a site visit and pre-application meeting to explore this possibility further.

Work Cooperatively with the Developers of Sugarbush Meadows to Reach an Outcome that will Benefit the Town

In May 2015 the Sunderland Zoning Board of Appeals issued a Modified Comprehensive Permit with conditions for the Sugarbush Meadows Chapter 40B project. The developers propose 150 rental units at the junction of Plumtree Road and Route 116, 25% of which will be affordable. All 150 units will be eligible for inclusion on the Subsidized Housing Inventory, bringing Sunderland's total affordable housing count to 158, or 9% of the year-round housing stock (compared to 0.5% currently). The Town has the opportunity to work with the applicant to ensure the development furthers Town goals.

Consider Adopting a Compact Neighborhood Overlay District for the Village Center and/or Village Residential Districts

Compact Neighborhood zoning districts must allow, as of right, at least one of the following densities: 8 units per acre for multi-family (2-family or more) homes, or at least 4 units per acre for single family homes. The district must have enough developable land to allow for a minimum number of "Future Zoned Units," which is generally 1% of the year-round housing units in the community. In Sunderland this equals 17 housing units. Sunderland currently allows development of this density in the Village Center zoning district through the Flexible Development provision.

Compact Neighborhoods must require that at least 10% of all units constructed within projects of more than 12 units are affordable to households making less than 80% of the area median income, adjusted for household size. Communities that have a Compact Neighborhood zoning district approved by DHCD and adopted by the town will receive preference when applying for state discretionary funding such as the MassWorks Infrastructure Program. In addition, a town may receive relief from a Chapter 40B Comprehensive Permit. Unlike Chapter 40R smart growth districts, adopting a Compact Neighborhood does not provide any incentive or bonus payments. DHCD staff are available to assist towns who are interested in creating a Compact Neighborhood zoning district.

Revise the Zoning Bylaws to Offer Density Bonuses for Dwellings which Include Deed-Restricted Affordable Housing Units

Sunderland currently allows dwellings with more than one housing unit by Special Permit in the Village Center, Village Residential, Rural Residential and C-1 Commercial Districts. The minimum lot area needed for a multi-family dwelling increases with each unit over the first unit. For example, in the Village Residential District, the standard minimum lot size is 20,000 square feet for a single-family dwelling, 30,000 square feet for a two-family dwelling, 40,000 square feet for a three-family dwelling, and 50,000 square feet for a four-family dwelling. Under the proposed bylaw revisions, an additional housing unit would be allowed within a dwelling structure with no greater lot size required, if the additional unit is limited to occupancy by a low or moderate income individual or household and has a deed restriction to guarantee its affordability.

In the Village Residential (VR) District, for example, a two-family dwelling would be allowed by Special Permit on a 20,000 square foot lot if one of the dwelling units is for low or moderate income residents and restricted as such. Similarly, within the same zoning district (VR) a three-family dwelling with a restricted unit for low or moderate-income households, would be allowed by Special Permit on a 30,000 square foot lot, and a four-family dwelling with a restricted unit would be allowed by Special Permit on a 40,000 square foot lot. For any dwelling structures constructed under this policy, the standard parking requirements would still need to be met. The Town would seek to have any such deed-restricted units counted as Local Initiative Units on the DHCD Subsidized Housing Inventory. The Sunderland Housing Committee would assist with this and will help monitor the compliance with the affordability deed restriction once the units are established.

Revise the Zoning Bylaws to Require or Incentivize Affordable Housing Units in Planned Unit Developments

Sunderland's zoning bylaw currently requires 20% affordable units within a Flexible Development or a Major Residential Development, essentially requiring affordable units in all subdivisions over four units. The Planned Unit Development (PUD) Overlay District, encompassing the Village Center and Commercial I districts, allows for a mix of uses, including residential, on parcels over 80,000 square feet. However affordable units are not required in the overlay district. Following the model of the Flexible Development and Major Residential Development, the PUD could require 20% of any residential units created in the development to be affordable and eligible for listing on the State's Subsidized Housing Inventory. Alternatively, affordable units could be incentivized by allowing a density bonus of additional units.

Work with the Franklin County Regional Housing and Redevelopment Authority (HRA), its partner Rural Development Inc. (RDI), and Pioneer Valley Habitat for Humanity, to promote the Development of New Affordable Single-Family Homes in Sunderland

RDI is the primary developer of affordable single-family homes for low and moderate-income families in the Franklin County region, and generally builds 10 to 12 new houses each year. RDI focuses on constructing homes in locations that have been identified by individual towns as suitable and available for development. Pioneer Valley Habitat for Humanity (PVHH) is a non-profit, ecumenical Christian housing ministry whose goal is to make home ownership possible for low-income families in Hampshire and Franklin counties. Through the donation of money, land, expertise and labor, PVHH builds safe, decent, affordable homes in partnership with families in need. Each year the PVHH Board of Directors decides on the building schedule for the upcoming year. This decision is based upon land availability, access to volunteer builders, and the fundraising capacity that can support it.

The Town, through the Housing Committee, needs first to identify potential sites for new affordable single-family homes and then bring those possibilities to HRA/RDI and PVHH for consideration. Potential Town-owned and privately-owned sites for affordable housing development are identified in Section 3.5, below. The Town will work with HRA/RDI or PVHH to ensure that any new affordable homes that are created are eligible for inclusion on the DHCD Subsidized Housing Inventory.

Establish a Homeownership Buy-Down Program

A buy-down program provides a subsidy for qualified buyers to fill the gap between a market rate price and an affordable price when buying a home. A deed restriction preserves the long term affordability of the home by limiting the future sale price. CPA funds can be used to fund the subsidy, and units can be eligible for the Subsidized Housing Inventory if proper fair marketing procedures are followed and buyers meet income eligibility guidelines. The Town of Leverett recently established a buy-down program using CPA and Leverett Housing Trust funds. The program is administered by the Franklin County Regional Housing and Redevelopment Authority. More information on Leverett's program can be found here: <http://www.fchra.org/index.php/for-homeowners/leverett-homeownership-assistance-program>.

A buy-down program would support first-time homeownership options in Sunderland, and would create affordable homes out of the existing housing stock.

Work with Private Developers who propose Comprehensive Permit Housing Projects

The Town of Sunderland will work with private developers who propose Chapter 40B (comprehensive permit) developments, and encourage the developers to pursue housing projects that can meet community housing needs, have adequate water and sewer access, and can be created in a manner consistent with the town’s goals of maintaining community character and balancing residential construction with the preservation of Sunderland’s natural, historic, and scenic resources.

Explore new housing opportunities on Town-owned land or privately-owned property in or near the village center.

The Town will continue to explore new opportunities for affordable housing development on Town-owned land or privately-owned sites in or near the village center. The following section lists potential sites for affordable housing as of the writing of this plan.

3.5 Identification of Sites for Affordable Housing Development

The following sites were identified during the development of this plan and are potential locations that could be developed for affordable housing or a mix of affordable and market rate units, and are shown on the Potential Affordable Housing Locations for Sunderland map on page 74. For sites under private ownership, the choice is solely up to the property owner; however the Town can conduct outreach to owners and provide them with information on resources available for developing affordable housing.

Town-Owned Sites

The following Town-owned sites have been studied by the Housing Committee and were found to be potentially feasible for affordable housing development.

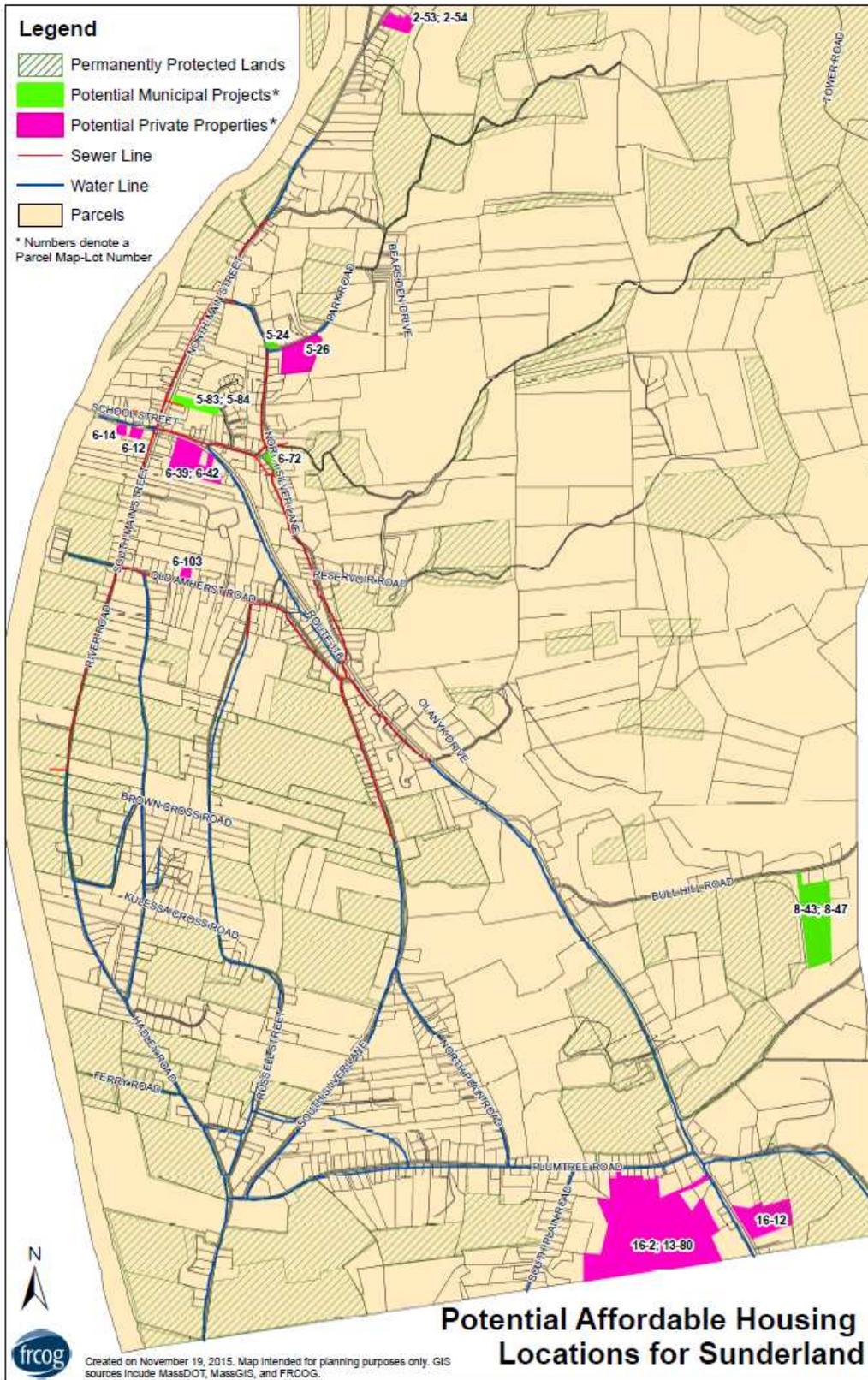
Site Address	Map-Lot	Acreage	Potential Use
120 North Main Street	5-83; 5-84	2.8	Affordable senior rental units. In pre-development planning stage.
North Silver Lane	5-24	0.2	Affordable single-family home.
North Silver Lane/Garage Rd.	6-72	1.1	Affordable single-family or duplex.
Bull Hill Road	8-43, 8-47	14.4	Possible land swap for parcel closer to village center.

Privately Owned Sites

At the writing of this plan, the following privately-owned sites were found to have potential for affordable housing development. The Housing Committee will periodically review and update this list to reflect new opportunities or to remove properties that are no longer available.

Site Address	Map-Lot	Acreage	Notes / Potential Use
Amherst Road/ Plumtree Road (Sugarbush Meadows)	16-2; 13-80	55.6	Pending Comprehensive Permit for 150 rental units, 25% affordable.
41 Amherst Road	6-39; 6-42	7.6	Current site of Sugarloaf Nursery. Potential for PUD with mix of commercial and residential uses.
46 Old Amherst Road	6-103	0.8	For sale. Multi-family, 4 units with 3-4 bedrooms each. Convert to affordable family rental units.
Park Road	5-26	6.3	Lot for sale. Affordable single family or duplexes.
23 Bridge Street	6-14	0.5	Single family home for sale.
11 Bridge Street	6-12	0.6	Commercial property for sale.
North Main Street	2-53; 2-54	3.0	Owned by Franklin County Regional Housing & Redevelopment Authority. Potential land swap.
Amherst Road	16-12	9.6	Land for sale. Near Amherst border.

Figure 9: Potential Affordable Housing Locations for Sunderland



3.6 Strategies to Promote Further Regional Collaborations

The Town of Sunderland has recent experience with regional collaborations among neighboring towns, including the establishment of a regional ambulance service with Whately, Deerfield, and Sunderland, and the use of CPA funds from multiple communities to build tennis courts at the Frontier Regional School. Sunderland seeks to build upon these successes to explore collaborations that can further Town and regional housing goals.

Take Advantage of Regional Workshops and Trainings

Town staff and members of the Housing Committee can participate in housing workshops and trainings offered by the Department of Housing and Community Development (DHCD), the Massachusetts Housing Partnership (MHP), Citizen's Housing and Planning Association (CHAPA), and other organizations. In particular, once a year the Massachusetts Housing Institute is held over the course of two days in Devens, MA, and is geared towards municipal officials and volunteers working on creating affordable housing in their towns.

Continue to Utilize the Resources of the Franklin Regional Council of Governments (FRCOG) and the Franklin County Regional Housing and Redevelopment Authority (HRA)

Both regional agencies can provide technical assistance and help with grant writing to pursue funding to implement many of the strategies in this plan.

Collaborate with Neighboring Towns on Affordable Housing Initiatives

Conway, Deerfield, Leverett, and Whately have all adopted the Community Preservation Act, and therefore have funds for affordable and community housing initiatives. Pooling the funds of two or more towns may result in more opportunities for implementing affordable housing strategies in each town. One possibility could be to jointly fund a housing coordinator position who would work with each town on affordable housing activities. A housing coordinator can be hired as staff, or as a consultant based on an agreed upon scope of services and fee schedule. The coordinator will work with the Housing Committee, Community Preservation Committee, and the regional housing authority to implement the goals and strategies set out in this plan. The housing coordinator can also make sure that affordable units being created in town are added to the Subsidized Housing Inventory, and can assist property owners with affirmative fair marketing of affordable units. In addition, the coordinator could help develop and administer multi-town programs, such as a first-time homebuyer assistance program. Sunderland has a good working relationship with these towns and just recently collaborated on building a community tennis court using regional Community Preservation Act funds.

Participate in a Franklin County Affordable Housing Task Force

The 2014 Franklin County Regional Housing Study recommends the creation of a Franklin County Affordable Housing Task Force to increase the stock of affordable housing throughout the region. The Town of Sunderland should be an active participant in the Task Force if created.

Advocate for the State to Better Recognize the Regional Housing Needs of Rural Communities and to Facilitate Regional Housing Collaborations in State Housing Programs

In December 2014, the Massachusetts Housing Partnership (MHP) published findings and recommendations from its Rural Initiative, which looked at housing issues in Massachusetts rural communities. The report confirmed that due to a lack of infrastructure and resources in many rural areas, it can be difficult to develop and preserve affordable housing. Among the recommendations are for the State to encourage, facilitate and support regional collaborations to increase housing affordability, and to modify current funding programs to better serve rural communities and facilitate additional regional efforts. The Town of Sunderland supports greater emphasis on regionalization in State housing programs, including the ability for towns to work together to create affordable housing that can count towards their subsidized housing inventory, even when the units are built outside of a community.

Establish a Relationship with the Town/Gown Steering Committee and/or the Housing and Sheltering Committee in Amherst

The Town of Sunderland has little control over the housing needs of students and the resulting impacts to housing in town. In 2013, UMass Amherst and the Town of Amherst established a Town/Gown Committee to address housing and economic development issues. A final plan was presented in 2014, which called for an ongoing relationship between the Town of Amherst and the University to forward shared housing and economic development goals. While this Committee appears to be inactive, Sunderland could reach out to members to find out how Sunderland could have a voice in future collaborations.

The Town of Amherst also has an active Housing and Sheltering Committee that works on addressing housing needs in town. Sunderland could reach out to this Committee to discuss possible regional collaborations to address housing needs across town borders.

3.7 Strategies to Mitigate Development Constraints in Housing Target Areas

The Town of Sunderland has invested significantly in upgrading and expanding its infrastructure in recent years and has established a new public safety center, new library, and new elementary school. The Town remains committed to addressing future infrastructure needs and capacity constraints. This section addresses specific ways the Town can accommodate new affordable housing within the identified Housing Target Areas.

Safety Infrastructure

As of the writing of this plan, a study is being conducted for the Towns of Sunderland, Whately, and Deerfield to explore regionalization of police services in these communities to help share costs and improve service. Additionally, in 2013, the Franklin Regional Council of Governments completed a study of fire services in Franklin County, which identified challenges and gaps in service and provides recommendations for improvements.²¹ Among the recommendations are to develop shared procurement agreements to purchase equipment and maintenance services, and to further study the feasibility of regional fire prevention, building upon the strong history of collaboration within the region already.

Water System Infrastructure

Work with the Sunderland Water District on finding another source of drinking water for the Town. Consider working with the Massachusetts Rural Water Association, based in Northfield, on solutions to the water capacity issue in town. Develop a water conservation campaign for residents and businesses to encourage more efficient use of the town's public water supply.

High Utility Costs

Support energy-efficient new construction. Sunderland, as a Green Community, already has adopted the Stretch Energy Code, which requires new residential construction to be more energy efficient than what the base energy building code requires. The Town could further support energy efficiency in new construction by offering incentives through zoning, such as a density bonus, when new housing units will meet Energy Star or LEED certification.

Encourage new homes to be oriented to take advantage of passive heating and cooling and natural light. Historically homes were designed and sited to allow the greatest amount of sun to heat the home in the winter and to provide natural light. To shade the home in the summer, porches, awnings, and plantings were used. Zoning and subdivision regulations can encourage

²¹ *Franklin County Fire Services Study: A Baseline Assessment of Fire Services in Franklin County, MA and Suggestions for Improvement through Collaboration.* Franklin Regional Council of Governments, December 2013.

new homes to be sited to take maximum advantage of the winter sun for heating, by positioning a building's longest plane no more than 30 degrees off the east/west axis to the greatest extent possible. This also provides the homeowner with the option of utilizing a solar photovoltaic and/or solar hot water heating systems on the roof of the home.

Encourage weatherization and energy efficiency improvements in existing homes. Provide information to homeowners and homebuyers about programs and opportunities for weatherizing and making energy efficiency improvements, including Mass Save and the housing rehabilitation loan program administered by the Franklin County Regional Housing and Redevelopment Authority.

Encourage renewable energy systems in new and existing homes. Provide residents and businesses with information on rebates, incentives, and financing options for renewable energy systems. In particular new affordable housing units constructed in Sunderland should incorporate renewable energy whenever feasible, to reduce the long term utility costs for residents. The Town could also consider participating in the Solarize Mass program. The program seeks to increase the adoption of small-scale solar electricity in participating communities through a competitive tiered pricing structure that increases the savings for everyone as more home and business owners sign contracts for solar installations on their properties. Considering Sunderland's high percentage of homes with electric heat, such a program could bring significant savings to homeowners who participate.

Transportation and Livability

Work to implement the recommendations from the 2014 Sunderland Transportation and Circulation Chapter. Two major goals of the strategies outlined in the Chapter are to improve walking and bicycling conditions in town, and to transform the area within the Village Center and Commercial I zoning districts in the center of town into a pedestrian-oriented village atmosphere. Many of the strategies would address safety issues at the intersection of Routes 116 and 47, and create safer walking and bicycling connections between key destinations, such as a walking and bicycling connection from Route 116 to the elementary school. These improvements will make it possible for residents to choose to walk or bike more often, which helps save money on gas and car maintenance, increases physical activity, and promotes social interaction and overall community health.

Access to public transit helps make Sunderland more affordable for residents. Sunderland currently includes a link on the Town website to the PVTa website, where schedules and maps can be found. If the FRTA implements recommendations to reroute its Route 23 to Sunderland Center, providing direct service between Sunderland and Greenfield, the Town should include a link to FRTA's website and work with the FRTA on publicizing this new service to town

residents. Transit funding is now linked to ridership, and the higher the ridership on a route, the more funding it may receive in the future, ensuring continued and improved service.

3.8 Housing Strategies – Priorities and Summary Table

This section provides a summary of the housing strategies which are outlined in more detail in the following sections. Priority strategies – those which the Housing Committee and other Town boards and committees will strive to work on over the next five years – are also identified.

Housing Strategy Priorities

The Housing Committee has identified the following strategies as priorities to work on over the next five years. These strategies are also shown in Table 31, below, with a check-mark in the “High Priority” column.

- **Pursue the Development of Affordable Housing at 120 North Main Street**
- **Work Cooperatively with the Developers of Sugarbush Meadows to Reach an Outcome that will Benefit the Town**
- **Explore new housing opportunities on Town-owned land or privately-owned property in or near the village center. (See Section 3.5 for a list of potential sites)**
- **Collaborate with Neighboring Towns on Affordable Housing Initiatives**

Housing Strategy Summary Table

The following table lists the strategies presented in the following sections, and identifies the groups in town responsible for implementing them. The table also identifies high priority strategies that the Housing Committee and other groups will strive to accomplish within the next five years.

Table 31: Sunderland Housing Strategies

STRATEGY	RESPONSIBLE GROUPS	HIGH PRIORITY
Enabling Strategies to Support Affordable Housing Development		
Revise Sunderland’s Zoning Bylaws to Explicitly Allow Accessory Apartments	Planning Board	
Revise the Zoning Bylaw to Allow Two-Family Homes By-Right	Planning Board	
Revise the Zoning Bylaw to Allow More than Four Units in a Structure in the Commercial I and Village Center Zoning Districts	Planning Board	
Continue to Work with the Franklin County Regional Housing and Redevelopment Authority (HRA) to Obtain Funding for Housing Rehabilitation Projects	Select Board, Housing Committee	
Consider Establishing an Affordable Housing Trust	Select Board, Housing Committee, CPC	
Collaborate with the South County Senior Center to Provide Information to Seniors on Housing Programs	Housing Committee, South County Senior Center	
Strategies Specifically to Increase the Subsidized Affordable Housing Supply		
Pursue the Development of Affordable Housing at 120 North Main Street	Advisory Committee, Select Board, Housing Committee, CPC	✓
Consider Adopting a Chapter 40R Smart Growth Overlay District for the 120 North Main Street Property	Planning Board	
Work Cooperatively with the Developers of Sugarbush Meadows to Reach an Outcome that will Benefit the Town	Select Board, ZBA	✓
Consider Adopting a Compact Neighborhood Overlay District for the Village Center and/or Village Residential Districts	Planning Board	
Revise the Zoning Bylaws to Offer Density Bonuses for Dwellings which Include Deed-Restricted Affordable Housing Units	Planning Board	
Revise the Zoning Bylaws to Require or Incentivize Affordable Housing Units in Planned Unit Developments	Planning Board	
Work with the Franklin County Regional Housing and Redevelopment Authority (HRA), its partner Rural Development Inc. (RDI), and Pioneer Valley Habitat for Humanity, to promote the Development of New Affordable Single-Family Homes in Sunderland	Housing Committee, Select Board	
Establish a Homeownership Buy-Down Program	Housing Committee, Select Board, CPC	

Sunderland Housing Plan

Work with Private Developers who propose Comprehensive Permit Housing Projects	ZBA, Select Board, Housing Committee	
Explore new housing opportunities on Town-owned land or privately-owned property in or near the village center.	Housing Committee, Select Board, CPC	✓
Strategies to Promote Further Regional Collaborations		
Take Advantage of Regional Workshops and Trainings	Housing Committee, CPC, Select Board	
Continue to Utilize the Resources of the Franklin Regional Council of Governments (FRCOG) and the Franklin County Regional Housing and Redevelopment Authority (HRA)	Housing Committee, Planning Board, Select Board	
Collaborate with Neighboring Towns on Affordable Housing Initiatives	Housing Committee, Select Board, CPC	✓
Participate in a Franklin County Affordable Housing Task Force	Housing Committee, Select Board	
Advocate for the State to Better Recognize the Regional Housing Needs of Rural Communities and to Facilitate Regional Housing Collaborations in State Housing Programs	Housing Committee, Select Board	
Establish a Relationship with the Town/Gown Steering Committee and/or the Housing and Sheltering Committee in Amherst	Select Board, Housing Committee	
Strategies to Mitigate Development Constraints in Housing Target Areas		
Consider regionalization of Police and Fire services	Police Department, Fire Department, Select Board	
Work with the Sunderland Water District on finding another source of drinking water for the Town; Develop a water conservation campaign for residents and businesses	Sunderland Water District, Select Board	
Support energy-efficient new construction	Planning Board, Housing Committee, Energy Committee	
Encourage new homes to be oriented to take advantage of passive heating and cooling and natural light	Planning Board, Housing Committee, Energy Committee	
Encourage weatherization and energy efficiency improvements in existing homes	Housing Committee, Energy Committee	
Encourage renewable energy systems in new and existing homes	Planning Board, Housing Committee, Energy Committee	
Work to implement the recommendations from the 2014 Sunderland Transportation and Circulation Chapter	Highway Department, Select Board, Pathways Committee	
Publicize the new FRTA route to Sunderland if implemented	Select Board, Energy Committee	

4. POTENTIAL FUNDING SOURCES AND AVAILABLE RESOURCES FOR AFFORDABLE HOUSING

Implementation of the strategies proposed to create housing depends on the availability of public funding through HRA, RDI or other sources to support them. If public funds are not available, Sunderland's ability to address community housing issues will be limited, though there are some local options such as the Community Preservation Act, or providing density bonuses to developers as an internal subsidy. It is also important to note that the Town of Sunderland has limited capacity to develop housing. It primarily relies on non-profit organizations, such as Rural Development Inc., and on private developers for creation of both subsidized and market-rate housing. Therefore, the Town's ability to meet housing creation targets depends on the availability of technical assistance for affordable housing development, the interest and capacity of private developers to implement projects in Sunderland, and the availability of sites appropriate for creation of housing.

4.1 Potential Funding Sources and Programs for Affordable Housing Development

Community Development Block Grant (CDBG) Program

The CDBG program provides assistance for housing, community, and economic development projects that assist low and moderate-income residents in eligible communities. Municipalities with populations under 50,000 must apply to the competitive state program. Within the CDBG Program is the Economic Development Fund. The purpose of this Fund is to provide financing for projects that create and/or retain jobs, improve the tax base, or otherwise enhance the quality of life in the community. For example, public infrastructure or rehabilitation costs funding can support the re-use of a downtown commercial or mixed commercial/residential building. The Franklin County Regional Housing & Redevelopment Authority (HRA) has a community development program that works with municipalities interested in pursuing CDBG program grants. HRA administers deferred payment housing rehabilitation loans, funded through the CDBG program, on behalf of many of Sunderland and many other Franklin County towns. These loans provide an affordable means for homeowners to bring their homes into compliance with building codes, perform needed repairs including accessibility modifications, and weatherize their homes. These loans are also available for investor-owned rental properties and owner-occupied buildings with rental units.

Community Preservation Act

The Community Preservation Act (CPA) was signed into law in Massachusetts in 2000, and allows communities to create a local Community Preservation Fund through a real estate tax surcharge of no more than 3% that can be used for open space protection, historic preservation, affordable housing, and outdoor recreation. The funds earned by a community are matched each year by a state trust fund. The percentage of the match varies year to year, but can be up to 100% of what the local community raises.

As mentioned, the Town of Sunderland adopted the Community Preservation Act (CPA) in 2010, allowing funds to be raised through a 3% surcharge on property taxes and a state match for eligible activities in the categories of open space, historic preservation, outdoor recreation, and community housing. Low income residents and the first \$100,000 of residential property value are exempt from the surcharge. For the years 2012, 2013, and 2014, a total of \$278,241 was raised through the local surcharge. The State matched this by 100% each year, for a total CPA revenue of \$556,482. Each year 10% of CPA revenues must go towards community housing initiatives, or be set aside to use in the future for an eligible project. In 2012, \$9,000 of CPA funds was awarded to the Housing Committee for planning, site feasibility studies and other preliminary steps towards meeting town and state goals for affordable housing units. In 2014, \$265,000 of CPA funding was approved by Town Meeting for the purchase of 120 North Main Street for the development of community housing.

Possible future community housing projects identified in 2015 by the Sunderland Community Preservation Committee (CPC) are as follows:

- Community housing on 120 North Main Street
- Community housing via property owner agreements
- Community housing on other TBD properties

The Massachusetts Affordable Housing Trust Fund (AHTF)

The AHTF provides resources to create or preserve affordable housing throughout the state for households whose incomes are not more than 110% of median income. Funds are available for rental, home ownership and mixed-use projects as well as housing for the disabled and homeless, but may be applied only to the affordable units. AHTF funds are used primarily to support private housing projects that provide for the acquisition, construction or preservation of affordable housing. MassHousing and DHCD jointly administer AHTF. Eligible applicants include governmental subdivisions, community development corporations, local housing authorities, community action agencies, community-based or neighborhood-based non-profit housing organizations, other non-profit organizations, for-profit entities, and private employers.

CEDAC Seed Funding and Technical Assistance

The Community Economic Development Assistance Corporation (CEDAC) is a quasi-public state agency created to provide technical assistance and pre-development funding for nonprofit, community-based development organizations, limited equity cooperatives, and public agencies. It can help communities working with qualified nonprofits. CEDAC also offers help with expiring use projects—privately owned, subsidized rental units at risk of losing affordability status due to expiring use restrictions. CEDAC maintains a list of affordable housing developments by date of expiration of the subsidy and can assist in developing a preservation strategy.

CEDAC also offers the state-funded Home Modification Loan Program, which provides loans to make access and safety modifications to the primary, permanent residence of elders, adults with disabilities, and families with children with disabilities. Such modifications allow people to remain in their homes and live more independently in their communities. Any homeowner who is a frail elder or has a disability, has a household member who has a disability, or rents to an individual with a disability (in a building with fewer than 10 units) may apply for this loan.²²

USDA Rural Development

The U.S. Department of Agriculture Rural Development housing programs offer a variety of resources for single family and multi-family affordable housing. Programs include loans and grants to develop, rehabilitate, and preserve affordable home-ownership and rental properties in rural areas.

MassWorks Infrastructure Program

The MassWorks Infrastructure Program coordinates the administration of six infrastructure programs: Public Works Economic Development (PWED), Community Development Action Grant (CDAG), Growth District Initiative (GDI) Grants, Massachusetts Opportunity Relocation and Expansion (MORE) Grants, Small Town Rural Assistance Program (STRAP), and Transit Oriented Development (TOD) Grants. These programs fund a range of publicly owned infrastructure projects. The CDAG Program provides funding to local governments for projects that “build local economies, eliminate blight, create jobs and produce workforce and affordable housing that would not occur by private enterprise alone.” The Program requires that projects do not benefit any single individual or business, and that the project must be publicly owned/managed for a minimum of 30 years.

²² See <http://www.mass.gov/eohhs/consumer/disability-services/housing-disability/home-mod-loan/> for more information.

MassHousing

MassHousing is an independent public authority that provides financing for the construction and preservation of affordable rental housing, and for affordable first and second mortgages for homebuyers and homeowners. MassHousing is a self-supporting not-for-profit public agency that sells bonds to fund its programs, and has provided more than \$17 billion in financing for homebuyers and homeowners and developers of affordable housing.

Federal Low-Income Housing Tax Credit (LIHTC)

The LIHTC Program was enacted by Congress in 1986 to provide the private market with an incentive to invest in affordable rental housing. Federal housing tax credits are awarded to developers of qualified projects. Developers then sell these credits to investors to raise capital (or equity) for their projects, which reduces the debt that the developer would otherwise have to borrow. Because the debt is lower, a tax credit property can in turn offer lower, more affordable rents.

The law gives states an annual tax credit allocation based on population. States allocate housing tax credits through a competitive process. Federal law requires that states give priority to projects that (a) serve the lowest income families; and (b) are structured to remain affordable for the longest period of time. Federal law also requires that 10% of each state's annual housing tax credit allocation be set aside for projects owned by nonprofit organizations. To be eligible, the low-income project must comply with a number of requirements regarding tenant income, maximum rent levels, and the percentage of low-income occupancy. Due to soft costs involved in LIHTC projects, the minimum project size is at least 25 units.

Chapter 40R Smart Growth Overlay Districts and Chapter 40S

M.G.L. Chapter 40R is a zoning enabling act that encourages towns and cities in Massachusetts to adopt overlay zoning districts that will facilitate housing development, including affordable housing, in mixed use areas. The zoning allows a certain minimum density of housing by-right, and require that 20 percent of new housing developed within the district be affordable to households earning less than 80 percent of the area median income, adjusted for household size. Before adopting the zoning district, it must be approved by the Massachusetts Department of Housing and Community Development (DHCD). Once approved and adopted by the community, the town can receive anywhere from \$10,000 to \$600,000 as an incentive payment, depending on the number of new housing units permissible under the overlay district as opposed to the underlying district. Communities also receive a bonus payment of \$3,000 for each housing unit that is created within the district, payable when the building permit has been issued for the unit.

Additionally, through M.G.L. Chapter 40S, towns and cities with smart growth overlay districts are reimbursed any net cost of educating students living in new housing in a smart growth district. The reimbursement is equal to the cost of educating students living in new housing in a smart growth district minus the percentage of new revenues from the district that would otherwise be devoted to educational costs, and any increase in state educational aid resulting from students living in new housing in the district. In addition to these benefits, towns and cities with smart growth districts are given preference when applying for state discretionary funds such as through the MassWorks program, and may be given relief from a Chapter 40B Comprehensive Permit application.

Compact Neighborhoods

DHCD recently launched a new zoning incentive program called Compact Neighborhoods. Compact Neighborhoods can be base or overlay zoning districts. The same types of locations identified above for smart growth districts are eligible to be Compact Neighborhoods. The district must allow, as of right, a certain minimum density of housing, and must have enough developable land to allow for a minimum number of “Future Zoned Units,” which is generally one percent of the year-round housing units in the community.

Compact Neighborhoods must require that at least 10 percent of all units constructed within projects of more than 12 units are affordable to households making less than 80 percent of the area median income, adjusted for household size. Communities that have a Compact Neighborhood zoning district approved by DHCD and adopted by the town will receive preference when applying for state discretionary funding such as the MassWorks Infrastructure Program. In addition, a town may receive relief from a Chapter 40B Comprehensive Permit.

4.2 Available Resources for Affordable Housing Development

Franklin County Regional Housing and Redevelopment Authority and Rural Development Inc.

The Town of Sunderland works closely with the Franklin County Regional Housing and Redevelopment Authority (HRA) to address local housing needs. HRA was created in 1973 by the Massachusetts Legislature as the Commonwealth’s first regional public housing authority and its only regional redevelopment authority. At that time, the State recognized that the 26 towns of Franklin County, as small communities in the State’s most rural county, did not have sufficient access to housing and community development resources, and were unlikely to develop and sustain adequate housing and community development capacity independently.

HRA was established to help address housing and development issues and to assist with development projects, both for the region as a whole and for local communities.

HRA works with Sunderland and other communities in the region on a variety of housing concerns. HRA provides counseling for first-time homebuyers, tenants and landlords, and offers assistance and funding for the rehabilitation of single-family and multi-family structures, compliance with state septic system (Title 5) requirements and municipal infrastructure improvements. HRA's funding primarily comes from state and federal sources.

HRA works closely with Rural Development Inc. (RDI), an independent, private, nonprofit offshoot of the agency that builds affordable homes and rental housing for seniors, families and people with special needs. Since its creation in 1991, RDI has developed over \$8.4 million in single and multi-family housing in the region, consisting of over 80 units. The resources that RDI uses for its projects come from a variety of sources, including the Massachusetts Department of Community Development (DHCD) HOME Program, U.S. Department of Agriculture Rural Development Program, and Self-Help Opportunity Program of the Housing Assistance Council.

Pioneer Valley Habitat for Humanity

Pioneer Valley Habitat for Humanity (PVHH) is a non-profit, ecumenical Christian housing ministry whose goal is to make home ownership possible for low-income families in Hampshire and Franklin counties. Through the donation of money, land, expertise and labor, PVHH builds safe, decent, affordable homes in partnership with families in need. Since its inception, Pioneer Valley Habitat has provided permanent housing for 35 families, including single family and duplex homes in nearby Montague and Greenfield. Each year the PVHH Board of Directors decides on the building schedule for the upcoming year. This decision is based upon land availability, access to volunteer builders, and the fundraising capacity that can support it.

Massachusetts Housing Partnership

The Massachusetts Housing Partnership (MHP) is a statewide public non-profit affordable housing organization that works in concert with the Governor and the state Department of Housing and Community Development (DHCD) to help increase the supply of affordable housing in Massachusetts.

MHP was established in 1985 to increase the state's overall rate of housing production and find creative new solutions to address the need for affordable housing. MHP offers an array of resources and services, including financing for affordable rental developments, workshops and

trainings for local officials and non-profit organizations, and documents, reports, and technical assistance that support community efforts to create affordable housing.

Citizen’s Housing and Planning Association (CHAPA)

Citizens’ Housing and Planning Association (CHAPA) is a non-profit umbrella organization for affordable housing and community development activities in Massachusetts. Established in 1967, CHAPA’s mission is to encourage the production and preservation of housing that is affordable to low and moderate income families and individuals and to foster diverse and sustainable communities through planning and community development. CHAPA conducts and publishes research on affordable housing, and hosts workshops and trainings for communities throughout the year.

Welcome Home Massachusetts Affordable Housing Toolbox

Recently CHAPA partnered with MHP to create an online affordable housing toolbox called Welcome Home Massachusetts, which brings together various resources to one website.

Resources are grouped into six categories:

- Creating a Housing Needs Assessment
- Building Local Support for Affordable Housing
- Effective Zoning and Land Use Strategies
- Preserving or Creating Affordability in Existing Properties
- Finance Basics and Funding Strategies
- Basics of Homeownership²³

The toolbox is meant for local governments and community groups and organizations interested in supporting affordable housing in their town or city.

Local Initiative Program

The Local Initiative Program (LIP) is a state housing program that was established to give cities and towns more flexibility in their efforts to provide low and moderate-income housing. It is administered by the Department of Housing and Community Development (DHCD). The program provides a subsidy through extensive technical assistance and other services from DHCD to towns and cities in the development, operation, and management of housing supported by local government that will serve households below 80% of the area median income. Housing units can be developed either through a “friendly” 40B Comprehensive Permit process whereby

²³ Go to http://www.housingpolicy.org/toolbox/index_MA.html to access the Welcome Home Massachusetts toolbox.

a town works collaboratively with a developer on the project, or units can be created as Local Action Units (LAU).

Local Action Units must result from city or town action or approval and typically involve new construction, building conversion, adaptive re-use or substantial rehabilitation. The following types of actions will generally be sufficient to satisfy the Local Action requirement provided that the municipal actions or approvals are conditioned, as a matter of record, upon the provision of low- or moderate-income housing:

- a. Zoning-based approval, particularly inclusionary zoning provisions and special permits for affordable housing;
- b. Substantial financial assistance from funds raised, appropriated or administered by the city or town (such as CPA funds); or
- c. 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.

Many of the strategies outlined in this plan could create affordable housing units through the Local Initiative Program.

Massachusetts Department of Housing and Community Development (DHCD)

In addition to the Local Initiative Program, DHCD provides technical assistance to communities, and administers a number of funding programs for the development and maintenance of affordable housing, including Community Development Block Grants and the Affordable Housing Trust Fund. Programs are available for rental and homeownership housing units, and for municipal as well as non-profit and private developers.²⁴

²⁴ See DHCD's website for more information: <http://www.mass.gov/hed/economic/eohed/dhcd/>.

APPENDIX: MEETING MATERIALS AND PUBLICITY



**Sunderland Housing Plan Update
Sunderland Housing Committee Meeting
Wednesday, July 29, 2015, 5:00 – 7:00 p.m.
Sunderland Town Hall, 12 School Street**

1. Introductions (5:00 p.m.)
2. Overview of a Housing Production Plan and the Update Process (5:05 – 5:15 p.m.)
3. Review of Draft Housing Needs Assessment (5:15 – 6:00 p.m.)
4. Review of Draft Development Conditions and Constraints (6:00 – 6:45 p.m.)
5. Discussion of Next Steps (6:45 – 6:55 p.m.)
6. Adjourn Meeting (7:00 p.m.)



**Sunderland Housing Plan Update
Sunderland Housing Committee Meeting
Wednesday, July 29, 2015, 5:00 – 7:00 p.m.
Sunderland Town Hall, 12 School Street**

Name	Affiliation	Contact
Richard Lopatka	Housing Committee	lopatkar@comcast.net
Scott A Bergeron	Housing Committee	Bergeron.Scott@TownofSunderland.us
Megan Rhodes	FRCOG	mrhodes@frco.org
Alyssa Larose	FRCOG	alarose@frco.org
Stuart Beckley	Housing Committee	sbeckley@townofwaver.com



Sunderland Housing Plan Update
Sunderland Housing Committee Meeting
Tuesday, September 29, 2015, 6:00 – 7:00 p.m.
Sunderland Town Hall, 12 School Street

1. Introductions (6:00 p.m.)
2. Review of Changes to the Draft Housing Needs Assessment and Development Conditions and Constraints (6:05 – 6:25 p.m.)
3. Review of Draft Housing Goals and Strategies and map (6:25 – 6:50 p.m.)
4. Discussion of Public Forum date and next steps (6:50 – 7:00 p.m.)
5. Adjourn Meeting (7:00 p.m.)



Sunderland Housing Plan Update
Sunderland Housing Committee Meeting
Tuesday, September 29, 2015, 6:00 – 7:00 p.m.
Sunderland Town Hall, 12 School Street

Name	Affiliation	Contact
Megan Rhodes	FRCOG	mrhodes@frcog.org
Richard Lopatka	Sunderland Housing	
Stuart Beckley	"	sbeckley@townofware.com stuart@townofware.com
Scott Bergeson	Town of Sunderland	Bergeson@Town of Sunderland
Alyssa Larose	FRCOG	alarose@frcog.org



Sunderland Housing Plan Update
Sunderland Housing Committee Meeting
Tuesday, October 27, 2015, 6:00 – 7:00 p.m.
Sunderland Town Hall, 12 School Street

1. Introductions (6:00 p.m.)
2. Review of Changes to the Draft Housing Goals and Strategies and map (6:05 – 6:40 p.m.)
3. Planning for the November 10, 2015 Public Forum (6:40 – 7:00 p.m.)
4. Adjourn Meeting (7:00 p.m.)



Sunderland Housing Plan Update
Sunderland Housing Committee Meeting
Tuesday, October 27, 2015, 6:00 – 7:00 p.m.
Sunderland Town Hall, 12 School Street

Name	Affiliation	Contact
Scott Bergeron	Board of Selectmen	BergeronS@Town of Sunderland
Richard Lopatka	CPA	Lopatka@comcast.NET
Stuart Beckley	Housing Comm	SSidke@comcast.net stuart@beckley.com
Alison Larose	FRCOG	alarose@frcog.org



**Sunderland Housing Plan Update
Sunderland Housing Committee Meeting
Monday, December 7, 2015, 6:00 – 7:00 p.m.
Sunderland Town Hall, 12 School Street**

1. Introductions (6:00 p.m.)
2. Review and approval of changes to Final Draft Housing Plan, Final Draft Executive Summary, and map (6:05 – 6:40 p.m.)
3. Review of final steps for plan adoption and submittal to DHCD (6:40 – 7:00 p.m.)
4. Adjourn Meeting (7:00 p.m.)

Sunderland Housing Plan

From: Lopatka <lopatka@comcast.net>
Sent: Wednesday, December 09, 2015 8:58 AM
To: Alyssa Larose
Cc: bergerons@townofsunderland.us
Subject: Re: Email confirmation for last night's meeting attendance

I confirm that I attended our Monday housing committee meeting.
Richard

Sent from my iPad

On Dec 8, 2015, at 10:23 AM, Alyssa Larose <ALarose@frcog.org> wrote:

Hi Scott and Richard,

I forgot to pass around the sign-in sheet at last night's meeting. Can you both please send me an email confirming that you attended? I like to include this information in the appendix for good measure.

Thanks,
Alyssa

Alyssa Larose
Land Use Planner
Franklin Regional Council of Governments
12 Olive Street, Suite 2
Greenfield, MA 01301
413-774-3167 x127
www.frcog.org
alarose@frcog.org

Connect with us on Facebook here:
And on Twitter here: <https://twitter.com/FranklinCOG>

Alyssa Larose

From: bergerons@TownOfSunderland.us
Sent: Thursday, December 10, 2015 5:04 PM
To: Lopatka; Alyssa Larose
Subject: RE: Email confirmation for last night's meeting attendance

I enjoyed the meeting on Monday with the housing committee.
Scott

10.22.15	[TOBACCO REGULATION PUBLIC HEARING-NOV 16 6:00PM click here for info](#)
11.3.15	[SMOKE TESTING FOR SEWERS TO BE CONDUCTED NOV. 10TH- CLICK HERE FOR DETAILS](#)
11.3.15	[NORTH MAIN ST RECONSTRUCTION-Community Forum Nov. 9, 7PM-click here for info](#)
11.4.15	[HOUSING PRODUCTION PLAN FORUM-Nov 10 click here for details](#)
11.3.15	[ASSESSORS OFFICE WILL BE DOING PROPERTY INSPECTIONS- click here for info](#)
11.3.15	[120 N Main St Public Forum-Nov16 7pm-click here for details](#)

 A 'Calendar' link with 'MORE ...' is on the right. A 'MORE' button with a blue arrow is at the bottom of the news section.

| [Sunderland Housing Plan_PublicForumDRAFT_11-10-2015_web.pdf](#) | Size: 1.5M Last Updated: 2015/11/4 |
| [Sunderland Housing Plan_ExecutiveSummary_DRAFT.pdf](#) | Size: 153K Last Updated: 2015/11/4 |

 A paragraph of text follows: 'The Planning Board will be holding a public forum to review the Housing Plan draft on Tues. Nov 10th at 7PM in the 2nd Floor Conference Room of the Town Office Building.. The Community is encouraged to attend.. See attached Executive Summary Draft and Housing Plan Draft for reference.'



0F8513

Town of Sunderland, MA - H...

Welcome to the
Town of
Sunderland

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FAQ

- Annual Reports
- Volunteer in Your Community
- Register to Vote
- How Do I?
- Job Opportunities
- Bylaws
- Town Meeting
- Employment Contracts
- Contact Us

HOUSING PRODUCTION PLAN- click here for details
[Printer-Friendly Version](#)

Attachments:

Sunderland Housing Plan_PublicForumDRAFT_11-10-2015_web.pdf	Size: 1.5M Last Updated: 2015/11/4
Sunderland Housing Plan_ExecutiveSummary_DRAFT.pdf	Size: 153K Last Updated: 2015/11/4

The Planning Board held a public forum to review the Housing Plan draft on Tues. Nov 10th at 7PM in the Town Office Building... See attached Executive Summary Draft and Housing Plan Draft for reference.

“Comments on the plan will be accepted through November 17, 2015. Contact Alyssa Larose, Land Use Planner at the Franklin Regional Council of Governments, at 413-774-3167 x127 or alarose@frcog.org.”

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Sunderland updating affordable housing plan

By TOM RELIHAN Recorder Staff

SUNDERLAND — Amid a yearslong struggle to increase housing options in town, meet the state's affordable housing quota and regain some control over big housing projects proposed in town, Sunderland is updating its Housing Production Plan.

The plan, developed by the town Housing Committee with the Franklin Regional Council of Governments, seeks to help the town develop more affordable housing and meet a 10-percent affordable housing quota set forth in Chapter 40B, a state law designed to increase affordable housing by making the local permitting process easier for developments that offer low-income housing in towns under the quota.

Sunderland last updated its housing plan in 2007, said Alyssa Larose, a COG planning specialist. Larose helped develop the new plan and presented a draft of it at a recent Planning Board meeting.

Larose said the town could improve its affordable housing development options by passing zoning bylaws to allow accessory apartments and two-family homes by right and to allow more than four units in buildings in the Commercial I and Village Center districts, among other modifications. It could also establish an affordable housing trust to acquire potential properties and work on housing rehabilitation projects.

She also recommended working with neighboring towns and planning organizations on regional housing projects.

The plan must be adopted by both the Board of Selectmen and the Planning Board and approved by the state Department of Housing and Community Development. It would be valid for five years.

Adhering to the plan could help the town become eligible for relief from the provisions of 40B. If a town doesn't have at least 10 percent affordable housing and doesn't make progress toward that goal, the town loses much of its control over how and where housing can be constructed, and prospective developers are essentially fast-tracked through the entire permitting process. One such development planned for Plumtree Road, Sugarbush Meadows, LLC, became the subject of substantial controversy and a lengthy court battle between the developer and the town starting in 2008.

Sunderland argued at that time, among other defenses, that much of its housing was already available at affordable rents, even if they weren't being subsidized by the state or federal governments, but Sugarbush was eventually given the green light by the state Supreme Judicial Court.

Making regular progress toward building affordable homes can give towns one to two years of exemption from the law's provisions, even if they don't make it all the way up to 10 percent. During the meeting, Planning Board Chairman Dana Roscoe said **See HOUSING Page B2**

From Page B1

the town had not met the goals outlined in the 2007 update.

In 2008, Sunderland had an affordable housing rate of only 0.4 percent. By 2014, it had only risen 0.1 percent, according to the state Subsidized Housing Inventory. The town is currently in the process of developing an affordable senior housing complex on a town-owned property at 120 North Main St.

Elsewhere in southern Franklin County, Deerfield has an affordable housing rate of 1.5 percent, while Whately is at just 0.3 percent and Conway has none whatsoever, according to the state inventory. Just north of Deerfield, Greenfield has the seventh highest rate in the state at 13.7 percent and Montague sits squarely on the 10 percent mark.

Under the plan, adding 9 affordable units would give the town a year's worth of zoning relief, while adding 17 would give it two years, Larose said.

Larose said the Sugarbush project stands to add 150 dwellings to the town's rolls, bringing its rate up to 9 percent. It would only need 14 more after that to cross the 10 percent threshold, at least until the next census. A jump that big is typically very difficult to attain, she said.

Sunderland currently has about 53 percent of its population eligible for subsidized housing, Larose said.

Selectman David Pierce said the town would prefer to see housing added as affordable owner-occupied homes, but noted that would be a difficult goal to achieve due to the current high costs of building houses.

"It makes it untenable for a builder to even make a profit out of it," he said. "We live in one of the most expensive housing regions in the country." Larose recommended working with the developers of such projects to seek positive outcomes that fall within the town's vision and goals.

Among those who are most in need of housing are firsttime homebuyers, relatives of current Sunderland residents, low-to-moderate-income residents, disabled residents and senior citizens. Over half of the town's occupied dwellings are lived in by renters, she said, and there's a high demand for housing. There's no vacancy for homes and about 5.6 percent for apartments, suggesting high demand, she said.

Larose said about 62 percent of households headed by a senior resident are low or very low income.

"If affordable senior housing options are not available in Sunderland in the future, seniors who wish to remain in town may need to look elsewhere," she said. Though the town has some obstacles to making more affordable housing available, including zoning regulations, public water access, and limited staff time for developing housing options, Larose said it has made some progress since the last update by passing the Community Preservation Act, establishing a housing committee and acquiring the 120 North Main St. property.

Sunderland Housing Plan

“Despite being a very small town, you have very dedicated volunteers and you’ve done quite a bit,” Larose said.

Pierce said the region’s heavy focus on protecting farmland also makes it difficult to increase affordable housing. More than half the town’s land is protected in some form or another, Larose noted.

“We all know that once that’s been built on, it will never return to farmland,” he said.

The full report can be viewed at: [tinyurl. com/nglcxhx](https://tinyurl.com/nglcxhx) You can reach Tom Relihan at: trelihan@recorder.com or 413-772-0261, ext. 264

BOARD OF SELECTMEN



TOWN OF SUNDERLAND

Town Offices: 12 School Street Sunderland, MA 01375

PHONE: 413- 665-1441 FAX: 413-665-1446

Email: selectmen@townofsunderland.us

December 21, 2015

Chrystal Konegay, Undersecretary
Attn: Phillip DeMartino
Department of Housing and Community Development
100 Cambridge Street, Suite 300
Boston, MA 02114

Re: Sunderland Housing Production Plan Update

Dear Ms. Konegay:

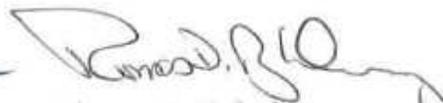
The enclosed Town of Sunderland Housing Plan is being submitted to the Massachusetts Department of Housing and Community Development in accordance with the Guidelines for the Planned Production Regulation under MGL Chapter 40B. The planning process included a public forum, which was held on November 10, 2015. Subsequently, the update was approved by the Planning Board at their meeting on December 8, 2015 and by the Board of Selectmen at their meeting on Monday, December 21, 2015.

We certify that this submission constitutes the Town of Sunderland's affordable housing plan update. We respectfully request your approval.

Should you have any questions or require additional information, please contact Sherry Patch, Town Administrator at (413) 665-1441 or by email at townadmin@townofsunderland.us.

Sincerely,


Scott A. Bergeron


Thomas D. Fydenkevez


David F. Pierce

CC: Planning Board
Alyssa Larose, Franklin Regional Council of Government

INTERAGENCY AGREEMENT

Regarding Housing Opportunities for Families with Children

This Interagency Agreement (this "Agreement") is entered into as of the 17th day of January, 2014 by and between the Commonwealth of Massachusetts, acting by and through its Department of Housing and Community Development ("DHCD"), the Massachusetts Housing Partnership Fund Board ("MHP"), the Massachusetts Housing Finance Agency (in its own right and in its capacity as Project Administrator designated by DHCD under the Guidelines for Housing Programs in Which Funding is Provided By Other Than a State Agency, "MassHousing"), the Massachusetts Development Finance Agency ("MassDevelopment") and the Community Economic Development Assistance Corporation ("CEDAC"). DHCD, MHP, MassHousing, MassDevelopment and CEDAC are each referred to herein as a "State Housing Agency" and collectively as the "State Housing Agencies".

Background

A. DHCD's 2013 Analysis of Impediments to Fair Housing Choice ("AI") includes action steps to improve housing opportunities for families, including families with children, the latter being a protected class pursuant to fair housing laws, including the federal Fair Housing Act, as amended (42 U.S.C. §§ 3601 *et seq.*) and Massachusetts General Laws Chapter 151B. In order to respond to development patterns in the Commonwealth that disparately impact and limit housing options for families with children, such steps include requiring a diversity of bedroom sizes in Affordable Production Developments that are not age-restricted and that are funded, assisted or approved by the State Housing Agencies to ensure that families with children are adequately served.

B. The State Housing Agencies have agreed to conduct their activities in accordance with the action steps set forth in the AI.

C. This Agreement sets forth certain agreements and commitments among the State Housing Agencies with respect to this effort.

Definitions

- 1) "Affordable" - For the purposes of this Agreement, the term "Affordable" shall mean that the development will have units that meet the eligibility requirements for inclusion on the Subsidized Housing Inventory ("SHI").
- 2) "Production Development" - For purposes of this Agreement "Production Development" is defined as new construction or adaptive reuse of a non-residential building and shall include rehabilitation projects if the property has been vacant for two (2) or more years or if the property has been condemned or made uninhabitable by fire or other casualty.



Agreements

NOW, THEREFORE, DHCD, MHP, MassHousing, MassDevelopment and CEDAC agree as follows:

Bedroom Mix Policy

1) Consistent with the AI, it is the intention of the State Housing Agencies that at least ten percent (10%) of the units in Affordable Production Developments funded, assisted or approved by a State Housing Agency shall have three (3) or more bedrooms except as provided herein. To the extent practicable, the three bedroom or larger units shall be distributed proportionately among affordable and market rate units.

2) The Bedroom Mix Policy shall be applied by the State Housing Agency that imposes the affordability restriction that complies with the requirements of the SHI.

3) The Bedroom Mix Policy shall not apply to Affordable Production Developments for age-restricted housing, assisted living, supportive housing for individuals, single room occupancy or other developments in which the policy is not appropriate for the intended residents. In addition, the Bedroom Mix Policy shall not apply to a Production Development where such units:

- (i) are in a location where there is insufficient market demand for such units, as determined in the reasonable discretion of the applicable State Housing Agency; or
- (ii) will render a development infeasible, as determined in the reasonable discretion of the applicable State Housing Agency.

4) Additionally, a State Housing Agency shall have the discretion to waive this policy (a) for small projects that have less than ten (10) units and (b) in limited instances when, in the applicable State Housing Agency's judgment, specific factors applicable to a project and considered in view of the regional need for family housing, make a waiver reasonable.

5) The Bedroom Mix Policy shall be applicable to all Production Developments provided a Subsidy as defined under 760 CMR 56.02 or otherwise subsidized, financed and/or overseen by a State Housing Agency under the M.G.L. Chapter 40B comprehensive permit rules for which a Chapter 40B Project Eligibility letter is issued on or after March 1, 2014. The policy shall be applicable to all other Affordable Production Developments funded, assisted, or approved by a State Housing Agency on or after May 1, 2014.

