MAKING ACTON A PLACE TO CALL HOME: HOUSING NEEDS AND CHOICES IN ACTON

ACTON COMMUNITY HOUSING CORPORATION

JULY 24, 2018
Forum Agenda

- Welcome and Introductions
- State and Regional Housing Demand
- Acton’s Housing Story
- What is Acton Doing and What Can Be Done
- Questions and Answers
Speakers

- Chris Kluchman, Director, Massachusetts Housing Choice Program
- Judi Barrett, Barrett Planning Group LLC
- Kelley Cronin, Executive Director, Acton Housing Authority
- Nancy Tavernier, Chairman, Acton Community Housing Corporation
State and Regional Housing Demand

CHRIS KLUCHMAN
Housing Choice Initiative

Town of Acton
July 24, 2018
Chris Kluchman, FAICP, Housing Choice Program Director
Does the state have the housing stock needed to accommodate changing needs?
Different generations have different needs

- **WRITE ME**
  - BABY BOOMERS
    - Boomers: 1946 - 1964

- **CALL ME**
  - Generation - X
    - Generation - X: 1965-1980

- **EMAIL ME**
  - Generation - Y

- **TEXT ME**
  - Generation - Z
Silver Tsunami

Massachusetts population by age cohort by year: 1970 to 2016

Data source: U.S. Census Bureau, Population Estimates Program
MAGIC demographic profile skews older than the rest of the state

Data source: U.S. Census Bureau, American Community Survey 2012-2016
Boomer peaks, millennial valleys

Data source: U.S. Census Bureau, American Community Survey 2012-2016
Older workforce, with increasing retirees

Data source: U.S. Census Bureau, American Community Survey 2012-2016
Businesses are concerned about housing

Business Community support for Governor Baker’s Housing Choice legislation and program, March 2018:
- Boston Medical Center
- Manulife Financial (John Hancock)
- iBoss
- Dell
- Mass Competitive Partnership
- General Dynamics
- McKinsey Consulting
- NAIOP
- Rockland Trust Bank
- South Shore Chamber, and more!

Over 2/3 of employers claim home prices and rental costs have affected their ability to recruit qualified candidates.

“High housing costs and housing availability are a major concern for businesses looking to expand or relocate in Massachusetts.”

“‘The things that keep me up at night about other tech companies considering Boston are transportation and housing [challenges], less so about a fight for talent.’”

Northeastern University survey of businesses in Greater Boston, April 2017

MassEcon report, March 2017

HubSpot chief people officer as quoted in the Boston Globe, 9/21/2017
Losing skilled workers to other U.S. regions

Most of the metros with the largest innovation economies are permitting a lot more housing per capita than we are.

Competitor metros that permitted more than 6 units per thousand residents saw net gains in population from domestic migration.

Net metro-to-metro migration, 2015-2016
Limited rental housing in most of region

<table>
<thead>
<tr>
<th>Location</th>
<th>Renter Households</th>
<th>Homeownership Households</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>38%</td>
<td>62%</td>
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<tr>
<td>MAGIC</td>
<td>21%</td>
<td>79%</td>
</tr>
<tr>
<td>Lincoln</td>
<td>36%</td>
<td>64%</td>
</tr>
<tr>
<td>Bedford</td>
<td>29%</td>
<td>71%</td>
</tr>
<tr>
<td>Maynard</td>
<td>28%</td>
<td>72%</td>
</tr>
<tr>
<td>Boxborough</td>
<td>27%</td>
<td>73%</td>
</tr>
<tr>
<td>Hudson</td>
<td>25%</td>
<td>75%</td>
</tr>
<tr>
<td>Concord</td>
<td>23%</td>
<td>77%</td>
</tr>
<tr>
<td>Acton</td>
<td>23%</td>
<td>77%</td>
</tr>
<tr>
<td>Lexington</td>
<td>19%</td>
<td>81%</td>
</tr>
<tr>
<td>Littleton</td>
<td>16%</td>
<td>84%</td>
</tr>
<tr>
<td>Stow</td>
<td>10%</td>
<td>90%</td>
</tr>
<tr>
<td>Sudbury</td>
<td>9%</td>
<td>91%</td>
</tr>
<tr>
<td>Bolton</td>
<td>6%</td>
<td>94%</td>
</tr>
<tr>
<td>Carlisle</td>
<td>96%</td>
<td></td>
</tr>
</tbody>
</table>
Single-family homes predominate

Data source: U.S. Census Bureau, American Community Survey 2012-2016
Low-income households are struggling with affordability

**5,241**
Severely burdened owner households

**2,843**
Severely burdened renter households

Data source: U.S. Census Bureau, American Community Survey
Annual Housing Production in Massachusetts by Decade

- **Multifamily**
- **Single Family**

Data source: U.S. Census Bureau, Building Permit Survey
Low rate of housing production despite increasing population and employment

From 2010 to 2016 Massachusetts added about 246,000 residents and 353,000 new jobs while permitting only 81,000 new housing units permitted per 1,000 residents (2016). Data from U.S. Census Bureau, 2016 Building Permit Survey.
## Low vacancy rates, tight markets

<table>
<thead>
<tr>
<th>County</th>
<th>Rental Vacancy Rate</th>
<th>Homeownership Vacancy Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Suffolk</td>
<td>1.40%</td>
<td>0.45%</td>
</tr>
<tr>
<td>Middlesex</td>
<td>1.56%</td>
<td>0.31%</td>
</tr>
<tr>
<td>Essex</td>
<td>1.61%</td>
<td>0.33%</td>
</tr>
<tr>
<td>Hampshire</td>
<td>1.75%</td>
<td>0.47%</td>
</tr>
<tr>
<td>Norfolk</td>
<td>1.78%</td>
<td>0.27%</td>
</tr>
<tr>
<td>Hampden</td>
<td>1.82%</td>
<td>0.45%</td>
</tr>
<tr>
<td>Franklin</td>
<td>1.95%</td>
<td>0.81%</td>
</tr>
<tr>
<td>Bristol</td>
<td>2.21%</td>
<td>0.51%</td>
</tr>
<tr>
<td>Worcester</td>
<td>2.49%</td>
<td>0.54%</td>
</tr>
<tr>
<td>Plymouth</td>
<td>2.79%</td>
<td>0.41%</td>
</tr>
<tr>
<td>Berkshire</td>
<td>3.20%</td>
<td>0.86%</td>
</tr>
<tr>
<td>Barnstable</td>
<td>3.51%</td>
<td>0.78%</td>
</tr>
</tbody>
</table>

**Healthy rates**  
6.00%  
2.00%

Data source: U.S. Census Bureau, American Community Survey 2012-2016

*Calculations adjust out seasonal, occasional, and off-market units*
Massachusetts’ housing costs are among the highest in the nation

Source: 2016 ACS 1-Year Estimates, U.S. Census Bureau
The projected future need for new housing by 2030 is heavily concentrated in metro Boston.

Projected Net New Households
2015 to 2030

Data from forthcoming report for MHP, DHCD and the Urban Land Institute by the Metropolitan Area Planning Council.
Does the state have the housing stock needed to accommodate changing needs?

No
We cannot solve our problems with the same thinking we used when we created them.

- Albert Einstein
69 Housing Choice Communities in 2018!
The Housing Choice Initiative will track progress towards the Goal of 135,000 new units by 2025 and improve data systems.

- Goal is achievable because production in the last 3 years has been strong, but it needs to be sustained.
- Represents a 26 percent increase in housing production compared to the last eight years.
- Keeps pace with projected increases in housing demand.
- Is closely aligned with the housing production goals required for designation as a Housing Choice community.
Housing Choice Initiative: Major Milestones

December 2017
- Announce Housing Choice Initiative
- Governor filed An Act to Promote Housing Choices legislation (H. 4075)
- $2 million new MassHousing Technical Assistance “Planning for Production” grants
- Contract with regional planning agencies on new DLTA round, which includes support for the Housing Choice Initiative

January to April 2018
- Open applications for Housing Choice Community designation
- Hearing on H. 4075, at Joint Committee on Housing (voted out of committee 12-1 in support and redrafted as H. 4290)

May to July 2018
- Announce Housing Choice Communities
- Incorporate HCC into multiple grant programs and new MassDOT capital plan
- Open Housing Choice Capital Grant Program and Small Town Grant Program applications

Fall 2018
- Announce Housing Choice and Small Town Capital grant recipients
Questions / Comments?

www.mass.gov/housingchoice
Chris Kluchman, FAICP
Housing Choice Program Director
DHCD, 100 Cambridge Street, Suite 300
Boston MA 02114
617-573-1167
chris.kluchman@mass.gov

Other Resources
Planning for Production
www.masshousing.com – Planning & Programs

www.housingtoolbox.org – A great resource!
Housing Demand in Acton

JUDI BARRETT
Housing & Economic Development Implementation Program

Hired by Town Manager in April.

Project funded primarily by grant from Executive Office of Energy & Environmental Affairs, with cash match from Acton Community Housing Corporation and in-kind services match from CHAPA.

Over-arching goal: implement Acton 2020.
Our charge

“The goal is to create a solid housing and economic development implementation program that is based on today’s reality and that streamlines the allocation of municipal resources. Acton would like to shape a unique and attractive environment for new business opportunities, within the Commonwealth, that is uniquely competitive, but compatible with its neighbors. This program should explore previous research on the inextricable links between housing, walkable urbanism, and economic development.”
# Big questions

## HOUSING

1. Under existing conditions, does Acton have the tools it needs to implement the Housing Recommendations of Acton 2020?

2. Unmet housing needs exist throughout Greater Boston. Prior plans identify Acton’s. What can the Town do to address some of those needs?

3. To what extent – if any – does the cost of housing in Acton affect the Town’s ability to attract and keep a variety of industries?

## ECONOMIC DEVELOPMENT

1. What are Acton’s competitive strengths for attracting and keeping prosperous businesses? What are its weaknesses?

2. How does Acton compare with “peer” communities in terms of industry mix, land & building inventories and prices, and regulatory policies?

3. How is Acton organized for economic development?

4. Does the local labor force have a range of options to work locally?

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**What are Acton’s opportunities?**
ACTON’S HOUSING STORY
WHERE DO WE COME FROM AND WHERE ARE WE GOING?

- Acton population has seen significant growth over the last 18 years
- Population is aging
- Most Housing is single-family units
- Housing Cost is prohibitive for many
- Key areas of concern:
  - Attracting young families
  - Helping seniors age in their community
Population Growth in Acton

U.S. Census Bureau, Population Estimates Program
Which age groups are dominant? Has this always been the case?

2012-2016 ACS

U.S. Census Bureau, Decennial Census and American Community Survey
Which age groups are dominant? Has this always been the case?

1990

Proportion of population

- Acton
- Massachusetts

U.S. Census Bureau, Decennial Census and American Community Survey
Which age groups are dominant? Has this always been the case?

2000

Proportion of population

- Acton
- Massachusetts

U.S. Census Bureau, Decennial Census and American Community Survey
Which age groups are dominant? Has this always been the case?

2010

Proportion of population

U.S. Census Bureau, Decennial Census and American Community Survey
Owners dominate the population of our town

U.S. Census Bureau, American Community Survey 2012-2016, 5-year estimates
Are other towns in the same situation? Of course.

MHP analysis of U.S. Census Bureau, American Community Survey 2012-2016, 5-year estimates
MASSACHUSETTS HAS THE 6TH HIGHEST HOUSING WAGE IN THE U.S.

In Massachusetts, the Fair Market Rent (FMR) for a two-bedroom apartment is $1,489. In order to afford this level of rent and utilities — without paying more than 30% of income on housing — a household must earn $4,964 monthly or $59,571 annually. Assuming a 40-hour work week, 52 weeks per year, this level of income translates into an hourly Housing Wage of:

$28.64
PER HOUR
STATE HOUSING WAGE

Source: NLIHC Out Of Reach 2018 Report http://nlihc.org/oor
Working at minimum wage

$11.00/hr

Each week you have to work

84 HOURS!

To afford a modest 1 bedroom rental home at Fair Market Rent.

Source: NLIHC Out Of Reach 2018 Report http://nlihc.org/oor
TO AFFORD A TWO-BEDROOM APARTMENT IN ACTON, YOU WOULD NEED TO EARN $30.00 PER HOUR

Source: NLIHC Out Of Reach 2018 Report http://nlihc.org/oor
THE YOUNG ACTON HOME BUYER

YESTERDAY

$50,979*
18 – 34 year olds median income in Acton (1980)

$349,956*
Acton Median Home Price (1987)

43%
National % of Students Graduate with Debt

$13,863*
Average debt per student

TODAY

$55,279*
18 – 34 year olds median income in Acton (2013)

$520,000
Acton Median Home Price (2018)

60%
National % of Students Graduate with Debt

$29,268*
Average debt per student

Sources:
U.S. Census Bureau – “Young Adults Then and Now”
The Warren Group – TownStats
LendEDU – Current student debt stats
American Council on Education, Report on College Debts of Recent Graduates, 1987

*Adjusted to 2018 dollars using Bureau of Labor Statistics Inflation calculator
What do these facts mean for our future?

• As Acton’s population grows, housing needs change.

• Currently long-time residents do not find suitable options within the community.
• Moderate cost housing is not available, therefore younger people can’t or don’t want to move in.

• By not addressing the issue of housing affordability, long-term residents and seniors become the primary tax base. This is not sustainable.

• The town must pursue housing strategies that provide the kind of housing that both young people and down-sizing adults both want. For example, higher density in town centers, walkable locations, near transit, and others.
Acton Housing Authority

KELLEY CRONIN
ACTON HOUSING AUTHORITY OWNS AND MANAGES 160 UNITS

State Public Housing Inventory - 140 Units

68 Windsor Avenue - 68 units of senior housing
1-2 Sachem Way - 23 units of senior housing
3-14 Sachem Way - 12 units of family housing
Scattered Site Condominiums - 25 units of family housing
Group Home - 12 units of supported housing for people with disabilities
ACTON HOUSING AUTHORITY OWNS AND MANAGES 160 UNITS

Local Initiative and Mixed Finance- 20 Units

Scattered Site Condominiums- 8 family units
15-26 Sachem Way- 12 family units

These 20 units were partially funded with Community Preservation Funds
Rental Subsidies

155 Federal Housing Choice Vouchers
20 State Alternate Housing Vouchers

The vouchers are used to subsidize the rent households pay to landlords in the private rental market.

Households pay between 30% of their income towards rent and utilities and the Housing Authority pays the rest.

Prior to subsidizing a unit, the unit is inspected to ensure it meets Housing Quality Standards and meets the fair market rent for the Town.
All seniors housed were Acton residents

50% of all new seniors had a Veterans preference

25% of all new seniors previous housing could not accommodate their disability

All of our Federal Vouchers went to households who live or work in Acton

66% of all families were Acton residents

WHO DID WE SERVE OVER THE PAST TWO YEARS
### ACTON HOUSING AUTHORITY WAITING LIST

<table>
<thead>
<tr>
<th>UNIT TYPE</th>
<th>TOTAL APPLICANTS ON LIST</th>
<th>TOTAL LOCAL APPLICANTS</th>
<th>APPLICATION DATE FOR LOCAL TOP OF LIST</th>
</tr>
</thead>
<tbody>
<tr>
<td>ONE BEDROOM OVER 60</td>
<td>126</td>
<td>69</td>
<td>3/22/2013</td>
</tr>
<tr>
<td>ONE BEDROOM UNDER 60 DISABLED</td>
<td>99</td>
<td>12</td>
<td>9/21/2010</td>
</tr>
<tr>
<td>TWO BEDROOM</td>
<td>368</td>
<td>15</td>
<td>8/6/2014</td>
</tr>
<tr>
<td>THREE BEDROOM</td>
<td>172</td>
<td>5</td>
<td>7/11/17</td>
</tr>
<tr>
<td>SECTION 8</td>
<td>180239</td>
<td>321</td>
<td>10/4/2013</td>
</tr>
</tbody>
</table>
The average wait for senior housing is almost 5 years.

Last two years only assisted 8 new senior households with over 120 on the list.

More than 50% of the senior units are on second or third floor with no elevators.

To serve waiting list at current turnover rate will take over thirty years.
The Town has provided Community Preservation funds directly to the Acton Housing Authority and through the Acton Community Housing Corporation.

The CPC funds have paid for capital preservation items such as new roofs, windows, siding and doors.

CPC funds have provided funding for the pre-development and development costs of new affordable units.

CPC funds have been used to purchase new affordable units.
### INCOME LIMITS

<table>
<thead>
<tr>
<th>1 person</th>
<th>2 person</th>
<th>3 person</th>
<th>4 person</th>
<th>5 person</th>
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<tr>
<td>$56,800</td>
<td>$64,900</td>
<td>$73,000</td>
<td>$81,100</td>
<td>$87,600</td>
</tr>
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</table>

### FAIR MARKET RENT

<table>
<thead>
<tr>
<th>BEDROOM SIZE</th>
<th>1 bedroom</th>
<th>2 bedroom</th>
<th>3 bedroom</th>
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</thead>
<tbody>
<tr>
<td>Fair Market Rent</td>
<td>$1,421</td>
<td>$1,740</td>
<td>$2,182</td>
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</table>
Acton Community Housing Corporation

NANCY TAVERNIER
Creating Community Housing

Acton Community Housing Corporation (ACHC)
Who We Are

- Selectmen-appointed Town Board
- Facilitate affordable housing
- Guide developers
- Recommend to town boards

- Nancy Tavernier
- Bob Van Meter
- Jennifer Patenaude
- Lara Plaskon
- Bernice Baran
- Corrina Kreuze
- Dan Buckley
Affordable Housing Goals

- Mass. General Laws Chapter 40B
- State Goal: 10% all units = affordable
- Acton total housing units: 8500
- Acton percentage: 6.7% (574 units)
TOWN OF ACTON
HOUSING PRODUCTION PLAN

Goals for Affordable Housing Production

- **Goal 1:** Preserve & Advance Affordable Housing
- **Goal 2:** Build Community Awareness
- **Goal 3:** Increase Town Capacity for Affordable Housing Production
- **Goal 4:** Target Affordable Housing to Appropriate Areas
- **Goal 5:** Adopt Zoning Changes to Allow for Housing Choices
- **Goal 6:** Address Unmet Housing Needs
What Is A Comprehensive Permit a.k.a. 40B?

- Streamlines development of affordable housing by overruling local zoning
- Allows multi-family housing, greater density
- Meets Wetlands Protection Act
- Meets local building codes
- Meets DEP Title V for wastewater disposal
- Granted variances to local bylaws
What Is Affordable Housing?

- Housing units with long-term deed restriction keeping it affordable
- Affordable price or rents for low or moderate income eligible households
- Unit counted toward 10% goal
- Affirmative fair marketing of units with lottery
Who Is Income Eligible?

- Working families with Household incomes $45,000-$78,000
- Household assets below $75,000
- First time homebuyer, with exceptions
- Housing costs cannot exceed 38% gross monthly income
- Must qualify for fixed 30 year mortgage
Who Can Occupy Acton’s Affordable Units?

- Local Preference given for 70% of affordable units
  - Town, school, water district employee
  - Employed privately in Acton
  - Current resident of Acton
What Is The Approval Process?

- Preliminary Plans developed by developer
- Consult with ACHC, Town staff, Town boards
- Public Information Session
- Presentation to Selectmen, ACHC for support letter
- MA DHCD or MassHousing approval
- File Final Plan with Town (ZBA) for approval of Comprehensive Permit
CURRENT HOUSING PROPOSALS
RESIDENCES AT KELLEY’S CORNER

- 31 1BR units for seniors age 62+ and eligible persons with disabilities
- Building fully accessible with elevator
- Easy access to Kelley’s Corner goods and services
- All 31 units will count towards Acton’s 10%
CURRENT HOUSING PROPOSALS
AVALON ACTON – NAGOG PARK

- 80-90 Upscale rental units, 2 & 3BR
- Located inside existing Avalon Acton rental project (296 units in Acton)
- Each unit has outside door and garage
- Hope to attract downsizing seniors
- High end finishes and amenities
CURRENT HOUSING PROPOSALS
PIPER LANE & SCHOOL STREET

- 40 attached Townhouses on 6 acres
- 2 and 3 BR units, 1400 sf
- Ownership units to first time homebuyers unless over 55
- 25% of units affordable and countable
- Walkable to commuter rail, SA center
CURRENT HOUSING PROPOSALS
APARTMENTS AT POWDER MILL

- 254 Rental Units On Acton-Maynard Line
- Mixture Of 1, 2, 3 Br Units, 25% Affordable
- 173 Units In Acton, 81 Units In Maynard
- Amenities: Club House, Pool, Fire Pit, Access To Trails, Dog Park, Dog Spa
- Friendly 40B, All Units count toward 10%
WHAT ELSE CAN WE DO?

- Expand accessory unit program to allow detached units
- Divide large homes in historic district into small apartments
- Support the housing authority’s efforts on Main St., River St.
- Encourage accessible units
Questions and Answers

- Please introduce yourself
- Use brevity and respect time of other attendees
Thank You!

FOR MORE INFORMATION, PLEASE CONTACT:
NANCY TAVERNIER, ACHC, ACHC@ACTON-MA.GOV